UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 76th CONGRESS
FIRST SESSION

VOLUME 84—PART 5

APRIL 24, 1939, TO MAY 18, 1939
(PAGES 4641 TO 5770)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1939

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SENATE

MONDAY, APRIL 24, 1939

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Lord of our life, star of our night, Thou hope of every nation: Make us to understand more clearly day by day that life has no more to give than the opportunity of loving service, that infinite pity is needed for the infinite pathos of the world, and that we cannot touch our neighbor's heart with anything less than our own.

Inspire us with the passion of a larger claim than we have ever known, that we may breathe the world thought, do the world deed, and, linking our hopes to humankind, we may become such channels of good will and understanding among the nations that, with evil thoughts assuaged, men may find peace on earth, and, after they have striven, may find peace in Thy heaven. We ask it in our Saviour's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, April 20, 1939, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE DURING ADJOURNMENT

Under authority of the order of the 20th instant,

On April 21, 1939, the following message was received by the Secretary of the Senate from the House of Representatives: That the House agreed to the amendments of the Senate to the bill (H. R. 4278) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; and that the House agreed to the concurrent resolution (S. Con. Res. 14) requesting the return from the President, and authorizing the reenrollment of, Senate bill 828 concerning auxiliary naval vessels.

ENROLLED BILLS SIGNED

The message also communicated the intelligence that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 518. An act to provide for the further development of cooperative agricultural extension work;

H. R. 899. An act to provide for the establishment of a Coast Guard station on the east coast of the Keweenaw Peninsula, Mich.;

H. R. 1661. An act granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Marshall Street, Youngstown, Ohio;

H. R. 1776. An act to provide for the assignment of medical officers of the Public Health Service for duty on vessels of the Coast and Geodetic Survey, and for other purposes;

H. R. 1962. An act granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Cedar Street, Youngstown, Ohio;

H. R. 2635. An act granting the consent of Congress to Westmoreland County in the State of Pennsylvania to construct, maintain, and operate a free highway intercounty bridge and approaches across the Allegheny River, connecting Valley Camp in Westmoreland County and East Deer Township in Allegheny County, to connect State Highway Routes Nos. 28 and 56;

H. R. 2661. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.;

H. R. 3225. An act authorizing the department of highways of the State of Ohio to construct, maintain, and operate a free highway bridge across the Ottawa River at or near the city of Toledo, State of Ohio;

H. R. 3234. An act to provide for the completion of the Navy and Marine Memorial;

H. R. 3418. An act granting the consent of Congress to the Highway Department of Davidson County, of the State of Tennessee, to construct a bridge across Cumberland River, at a point approximately 1¾ miles below Clees Ferry, connecting a belt-line highway in Davidson County, State of Tennessee, known as the Old Hickory Boulevard;

H. R. 3589. An act granting the consent of Congress to the State Highway Commission of North Carolina to construct, maintain, and operate a free highway bridge across Waccamaw River between Old Dock and Ash, N. C.;

H. R. 4243. An act granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River at or near Peru, Ind.;

H. R. 4278. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes;

H. R. 4432. An act granting the consent of Congress to the city of Warren, Ohio, to construct, maintain, and operate a free footbridge over Mahoning River, near Stiles Street NW., Warren, Ohio; and

H. R. 4527. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Rock Island, Ill., to a place at or near the city of Davenport, Iowa.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed a bill (H. R. 3325) to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. LEE. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Hughes	Pittman
Andrews	Davis	Johnson, Calif.	Radcliffe
Ashurst	Donahey	Johnson, Colo.	Reed
Austin	Downey	King	Russell
Bailey	Ellender	La Follette	Schwartz
Bankhead	Frazier	Lee	Schwellenbach
Barbour	George	Logan	Sheppard
Barkley	Gerry	Lucas	Shipstead
Bilbo	Gibson	Lundeen	Smathers
Bone	Gillette	McCarran	Taft
Borah	Glass	McKellar	Thomas, Okla.
Bridges	Green	McNary	Thomas, Utah
Bulow	Guffey	Maloney	Townsend
Burke	Gurney	Mead	Truman
Byrd	Hale	Miller	Tydings
Byrnes	Harrison	Minton	Vandenberg
Capper	Hatch	Murray	Wagner
Caraway	Hayden	Norris	Wheeler
Chavez	Herring	Nye	Wiley
Clark, Idaho	Hill	O'Mahoney	
Clark, Mo.	Holman	Overton	
Connally	Holt	Pepper	

Mr. LEE. I announce that the Senator from Indiana [Mr. VAN NUYS] is absent because of illness.

The Senator from West Virginia [Mr. NEELY], the Senator from Massachusetts [Mr. WALSH], and the junior Senator from Massachusetts [Mr. LODGE] are engaged in the performance of duty as members of the Board of Visitors to the United States Naval Academy and, therefore, are absent from the Senate today.

The Senator from Michigan [Mr. BROWN], the Senator from North Carolina [Mr. REYNOLDS], the Senator from South Carolina [Mr. SMITH], and the Senator from Tennessee [Mr. STEWART] are detained on important public business.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

SENATOR FROM ILLINOIS

Mr. LUCAS. Mr. President, I have the honor and the privilege to announce to the Senate that the Honorable JAMES M. SLATTERY, recently appointed by the Governor of Illinois to succeed the late James Hamilton Lewis as United States Senator from that State, is in the Senate Chamber and prepared to take the oath.

The VICE PRESIDENT. The credentials of the Senator-designate have heretofore been presented. If the Senator-designate will present himself at the desk, the oath will be administered to him.

Mr. SLATTERY, escorted by Mr. LUCAS, advanced to the Vice President's desk, and, the oath of office having been administered to him by the Vice President, he took his seat in the Senate.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

REENROLLMENT OF SENATE BILL 828—AUXILIARY NAVAL VESSELS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and ordered to lie on the table:

To the Senate:

In compliance with the resolution of the Senate of April 20, 1939 (the House of Representatives concurring), I return herewith the enrolled bill (S. 828) to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 24, 1939.*

PUBLIC BUILDINGS AND GROUNDS, PORTLAND, OREG., AND AKRON, OHIO

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting drafts of proposed legislation to authorize the disposal of the Portland, Oreg., old courthouse building and to repeal the minimum-price limitation on sale of the Akron, Ohio, old post-office building and site, which, with the accompanying papers, was referred to the Committee on Public Buildings and Grounds.

REGULATION OF VESSELS ON NAVIGABLE WATERS

The VICE PRESIDENT laid before the Senate a letter from the Assistant Secretary of Commerce, transmitting a draft of proposed legislation to amend laws for preventing collisions of vessels, to regulate equipment of certain motorboats on the navigable waters of the United States, and for other purposes, which, with the accompanying papers, was referred to the Committee on Commerce.

EMPLOYMENT OF ALIENS BY TENNESSEE VALLEY AUTHORITY

The VICE PRESIDENT laid before the Senate a letter from the general manager of the Tennessee Valley Authority, transmitting, in response to Senate Resolution 285, agreed to June 8, 1938, an additional report as to the number of aliens employed by the Authority, which was referred to the Committee on Education and Labor.

AMENDMENT OF DISTRICT OF COLUMBIA TRAFFIC ACT OF 1925

The VICE PRESIDENT laid before the Senate a letter from the Director of the Civilian Conservation Corps, transmitting a draft of proposed legislation to amend the District of Columbia Traffic Act of 1925, by providing that operators of Federal Government-owned vehicles stationed outside of the District of Columbia shall not be required to have operators' permits while operating such vehicles within the District, which, with the accompanying paper, was referred to the Committee on the District of Columbia.

TRIBUTE TO THE LATE SENATOR LEWIS

The VICE PRESIDENT laid before the Senate the following resolution of the House of Representatives of the State of Texas, which was ordered to lie on the table:

Whereas there has been called from the walks of life and the councils of men one of the Nation's most brilliant and outstanding men, Senator J. HAMILTON LEWIS, of Illinois, whose life typifies that of a real American in that he struggled as a young man as a longshoreman of the Seattle docks, and by his courage, his alert mind, and his statesman policies fought his way to one of the most powerful positions in the Government of the United States; and

Whereas he served in the Congress of the United States from the State of Washington and later he served in the Senate from the great State of Illinois during the Woodrow Wilson administration, and later he was returned to the Senate in 1930 and also reelected in 1936, and he was serving in that distinguished body at the time of his death; and

Whereas in his last speech in the Senate of the United States, delivered January 25, 1939, he summarized in his brilliant and characteristic manner the thought that now dwells in the minds of millions of the citizens of this Republic, when he said: "There is only one course for America, to obey the law. Far from removing the embargo, our course should be to tighten it. Let us not allow people interested in one side or the other to draw us into a war that would be another World War"; and

Whereas, while he served in the Senate of the United States as Democratic whip for that body and as one of the leaders of the Democratic Party, he provided wise counsel for said party and his country: Now, therefore, be it

Resolved by the House of Representatives of Texas, That we do regret the passing of this great and brilliant statesman, we know his place will be difficult to fill, that we express our heartfelt sympathy to his family and friends; and be it further

Resolved, That a copy of this resolution be sent to the members of his family and a copy to the President of the United States Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of Minnesota, which was referred to the Committee on Agriculture and Forestry:

Concurrent Resolution 22

Concurrent resolution memorializing the President and the Congress of the United States to enact legislation to rehabilitate the Great Lakes cut-over area

Whereas the problems of unemployment and relief in Minnesota are especially acute in the sparsely settled areas of the north central and northeastern portions of the State, where the forests were formerly the great natural resource; and

Whereas the economic situation of this region has steadily become less favorable since the lumber industry passed its peak early in the century, culminating with the depression years since 1929; and

Whereas the relief measures undertaken during this depression period, though timely and effective for relief, are not designed to achieve substantial and permanent rehabilitation of the region which will make it self-supporting to the same degree as other portions of the State; and

Whereas such rehabilitation is in the interest of the Nation as a whole as well as the State and the region itself; and

Whereas the President of the United States, through the National Resources Committee, has directed that an "economic survey for the Great Lakes cut-over area" be made, such area consisting of large areas in the northern portions of the States of Michigan, Wisconsin, as well as Minnesota; and

Whereas through such direction the Northern Great Lakes Regional Committee of Sixteen has been set up, consisting of four members from each State and four Federal representatives, and such committee has been working diligently for 8 months in making plans for the rehabilitation of the region in collaboration with more than a hundred associates selected for their special knowledge of conditions in the region, such associates being in part scientists connected with the universities of the three States, in part Federal, State, and local officials, and in part leading citizens from the three States; and

Whereas the report of the Northern Lakes States Regional Committee, outlining a plan for such rehabilitation, which is nearing completion and about to be published and issued by the National Resources Committee, recommends a program for rehabilitation based on the encouragement of agriculture in the region through aids and measures which will tend to stimulate individual self-help and initiative, the restoration of the original great forest resource both for its own sake and as a means of providing useful employment within the region during the period of rehabilitation, the more extensive development of the recreational possibilities, and the utilization of all industrial opportunities; and

Whereas it appears that such a program embodies the considered opinion of those who have been most intimately concerned with the problems of the region, with many years of experience, and is capable of making progress toward the complete rehabilitation which is necessary, and will be effective if persevered in; and

Whereas the report recommending such a program is the direct result of the expressed direction of the President of the United States: Now, therefore, be it

Resolved by the Senate of Minnesota (the house of representatives concurring), That this Legislature of Minnesota memorialize the President and Congress of the United States to take cognizance of the report of the Northern Lakes States Regional Committee and to enact such legislation, supported by adequate financial provisions, as may be necessary to aid the State and local governments and the people of the region in rehabilitating the Great Lakes cut-over area; be it further

Resolved, That attested copies of this resolution be sent to the President of the United States, to both Houses of Congress, to each Member in Congress from the States of Michigan, Wisconsin, and Minnesota, to the Governors of such States, and to each house of the Legislatures of Michigan and Wisconsin.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of Minnesota, which was referred to the Committee on Public Lands and Surveys:

Concurrent Resolution 21

Concurrent resolution memorializing the Congress of the United States to pass legislation providing for cooperation by Federal and State agencies as to the necessary surveys and investigations for the proposed Mississippi River Parkway

Whereas the Mississippi River for nearly 400 years from the days of Indian trails and discovery routes has been used as a natural travel route of increasing historic, scenic, and general importance; and

Whereas interstate north and south travel trade from the 10 States bordering on the Mississippi River, containing approximately 30,000,000 people, constituting one-fourth of the population of the Nation, with over 5,000,000 passenger automobiles, is continually increasing, due to greater industrial leisure and tourist attractions; and

Whereas the recent creation of splendid lakes by construction of 26 locks and dams on the upper Mississippi River, the modernization of the levees along the river, and the great variety of its climate, agricultural, mineral, and industrial developments provide greater Nation-wide travel inducements than ever before along the Mississippi River; and

Whereas the demands and needs for a national park and rural trunk parkway through the Mississippi Valley with connections for future branch tributary valley parkways and public areas for recreational purposes as a part of the Nation-wide parkway system justify the authorization of this particular parkway as timely; and

Whereas it is proposed to construct this parkway from the source of the Mississippi River in Lake Itasca in Itasca State Park, Minn., to the mouth of the Mississippi in the Gulf of Mexico, and the State of Minnesota is, therefore, one of the terminals of the proposed parkway: Now, therefore, be it

Resolved by the House of Representatives of the State of Minnesota (the senate concurring), That we respectfully urge and petition the Congress of the United States and President Franklin D. Roosevelt to pass legislation specifically known as H. R. 3759, providing for cooperation by Federal and State agencies as to the necessary surveys and investigations for such parkway; and be it further

Resolved, That the secretary of the State be instructed to send copies of this resolution to the Honorable Franklin D. Roosevelt, President of the United States, the Honorable JOHN GARNER, Vice President of the United States, the Honorable WILLIAM BANKHEAD, Speaker of the House of Representatives of the United States, and to each of the Senators and Representatives of the State of Minnesota in the Congress of the United States.

The VICE PRESIDENT also laid before the Senate the following joint resolutions of the Legislature of Wisconsin, which were referred to the Committee on Finance:

Assembly Joint Resolution 12

Joint resolution memorializing Congress to amend the Social Security Act so as to repeal the maximum contribution of $15 for each old-age pensioner to the States

Whereas the Congress of the United States has enacted the Social Security Act providing for aid to the aged and other needy persons, and therein further provided for payments to the States of $15 for each aged person, conditioned upon the State's passing legislation conforming to the requirements of such act, and matching in proportion the required funds of the United States; and

Whereas these provisions afford a maximum sum of $30 for each old-age pensioner unless the State is willing to assume and pay the entire amount above the contribution of $15 of the United States; and

Whereas it is believed that this sum is inadequate for eligible persons in not permitting bare sustenance, and that the Federal Government should encourage the States to grant proper and sufficient aids for aged persons in accordance with American ideals and American standards by matching the contributions of the State without limitation as to amount; and

Whereas the aged people should be enabled to live in decency and health and be relieved of their fears and miseries: Now, therefore, be it

Resolved by the assembly (the senate concurring), That the Legislature of the State of Wisconsin respectfully memorializes the Congress of the United States to amend the Social Security Act by removing the limitation of $15 for each such aged person as the maximum Federal contribution so as to enable the Federal Government to match any contribution of a State without restriction as to amount; be it further

Resolved, That properly attested copies of this resolution be transmitted to the President of the United States, to both Houses of the Congress of the United States, and to each Wisconsin Member thereof.

Assembly Joint Resolution 18

Joint resolution memorializing the Congress of the United States to enact legislation removing the reciprocal exemption from tax on income of municipal, State, and Federal employees

Whereas the reciprocal-tax exemption claimed by and granted to employees of the municipal, State, and Federal Governments was formerly an inequity of no great importance as their numbers and salaries were then relatively small; but with the astonishing increase in the vast army of such employees with an estimated income in excess of $3,000,000,000 such tax exemption has become an alarming defect in the fiscal system of our governmental units which have increasingly relied upon graduated income taxes for their revenues; and

Whereas the reciprocal exemption of salaries of governmental employees has created a vast reservoir of tax-exempt income in the possession of people who should equitably bear their just proportion of governmental expenses and relief costs; and

Whereas the removal of such exemptions should produce much added and needed income on the basis of present tax laws to both State and Federal Governments; and

Whereas the time has come in a democracy that those people who obtain their livelihood from the Government should receive the same treatment as those working for private employers, and should be terminated as a matter of principle and not of politics; and

Whereas the sixteenth amendment to the Constitution of the United States, approved in 1913, expressly authorized the Congress of the United States "to lay and collect taxes on incomes, from whatever source derived," should now authorize the taxation of all income derived from municipal, State, and Federal Governments: Now, therefore, be it

Resolved by the assembly (the senate concurring), That this legislature memorializes the Congress of the United States to enact legislation removing the reciprocal-tax exemption on Government salaries of all kinds, and conferring powers on the State with respect to Federal salaries and powers to the Federal Government with respect to State and local governmental salaries; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to both Houses of Congress, and to each Wisconsin Member thereof.

The VICE PRESIDENT also laid before the Senate the following communication and resolution of the House of Representatives of Puerto Rico, which was referred to the Committee on Agriculture and Forestry:

HOUSE OF REPRESENTATIVES OF PUERTO RICO,
San Juan, P. R., April 15, 1939.

Hon. JOHN N. GARNER,
President of the Senate, Congress of the United States,
Washington, D. C.

SIR: The House of Representatives of Puerto Rico approved today, by unanimous vote, the following resolution, introduced by the Speaker, Hon. Miguel A. García Méndez:

"Resolution requesting from the Congress of the United States of America the appropriation of sufficient funds to establish a tropical forest experiment station in the island of Puerto Rico

"Whereas the Congress and the President of the United States of America, through the passage and approval of the McSweeney-McNary Act of May 1928 (Public, No. 466, 70th Cong.), authorized the establishment of a tropical forest experiment station in the West Indies;

"Whereas such a forest experiment station would fill a distinct need and would prove to be a valuable supplement to the Federal and insular government agencies now engaged in working on agricultural and land-use problems in Puerto Rico;

"Whereas the original forests of Puerto Rico have long ago disappeared and the government of Puerto Rico is now engaged in reforestation on a large scale;

"Whereas a forest experiment station would materially assist in solving a critical and imminent problem now confronting the forest program of the island of Puerto Rico: Now, therefore, be it

"*Resolved by the House of Representatives of Puerto Rico,* That the government of Puerto Rico thoroughly endorses the contemplated establishment and requests that the Congress of the United States of America will appropriate sufficient money during the present session of Congress, to insure the early establishment of such forest experiment station in the island."

Respectfully,

ANTONIO ARROYO, *Secretary.*

The VICE PRESIDENT also laid before the Senate a memorial of the Legislature of the State of Florida, favoring an immediate increase in the sugar quota allotment for Florida, which was referred to the Committee on Agriculture and Forestry.

(See memorial printed in full when presented today by Mr. PEPPER.)

The VICE PRESIDENT also laid before the Senate a memorial of the Legislature of Florida, favoring the immediate enactment of House bill 2, a general-welfare bill providing old-age assistance, which was referred to the Committee on Finance.

(See memorial printed in full when presented today by Mr. PEPPER.)

The VICE PRESIDENT also laid before the Senate a concurrent resolution of the Legislature of Michigan, favoring continuation of the excise tax of 4 cents per pound on foreign-produced copper imported into the United States, which was referred to the Committee on Finance.

(See resolution printed in full when presented today by Mr. VANDENBERG.)

The VICE PRESIDENT also laid before the Senate a resolution adopted by the Council of the City of Los Angeles, Calif., favoring the enactment of legislation to make funds available for, and extend the life of, the Federal Administration of Public Works, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution of Columbia County (Oreg.) Grange Council, Patrons of Husbandry, favoring the prompt enactment of Senate bill 1108, prohibiting the exportation of peeler logs except by permission of the President, which was referred to the Committee on Commerce.

He also laid before the Senate a resolution of Francis Key Council, Junior Order United American Mechanics, No. 173, of Richmond, Ky., favoring the maintenance of the American school system—nonpartisan, nonsectarian, efficient, and democratic—and equal education and economic opportunities and advantages for all, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution of the Third District Petroleum Industries Committee of Alabama, favoring termination of the 4 cents per gallon Federal lubricating-oil tax on June 30, 1939, which was referred to the Committee on Finance.

He also laid before the Senate a resolution of the Bridgeport (Conn.) Council of Catholic Women, condemning war and its attendant propaganda, and urging that the Congress do not relinquish its constitutional rights pertaining to war and neutrality, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted by the thirty-ninth council of the Ohio Society, United States Daughters of 1812, favoring the deportation of all undesirable aliens illegally in the United States, which was referred to the Committee on Immigration.

He also laid before the Senate petitions of sundry citizens of the States of Alabama, Nebraska, and New York, favoring the enactment of the so-called Wagner-Van Nuys-Capper antilynching bill, which were referred to the Committee on the Judiciary.

He also laid before the Senate a resolution of the Maryland Chapter, International Federation of Catholic Alumnae, favoring the return and stationing of the frigate *Constellation* at the port of Baltimore, Md., which was referred to the Committee on Naval Affairs.

Mr. MEAD presented a memorial of sundry citizens of Buffalo, N. Y., remonstrating against the enactment of any neutrality legislation which might involve the United States in any foreign entanglement or war, which was referred to the Committee on Foreign Relations.

Mr. TYDINGS presented a petition of sundry citizens (being apple, peach, and cherry growers and their employees) of the State of Maryland, praying for the enactment of the so-called Barden bill (H. R. 5374) amending the wage-hour law, and remonstrating against the enactment of the so-called Norton bill (H. R. 5435) to amend the Fair Labor Standards Act of 1938 (wage-hour law), which was referred to the Committee on Education and Labor.

He also presented the petition of Mildred E. Becker and sundry other citizens of Baltimore, Md., praying for the enactment of neutrality legislation to keep America out of war, which was referred to the Committee on Foreign Relations.

Mr. VANDENBERG presented a memorial of sundry citizens of Niles, Mich., remonstrating against the enactment of neutrality legislation, except that which will guarantee the absolute and unqualified neutrality of the United States, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Detroit, Mich., praying that the United States do not enter into foreign entanglements of any nature, and that immigration to the United States be stopped completely until such time as the unemployment problem may be solved, which was referred to the Committee on Immigration.

He also presented the petition of members of the Leslin Civic Study Club, of Grand Rapids, Mich., praying that so long as the United States shall adhere to the general policy as enunciated in the act of August 31, 1935, to retain on our statute books the further and corollary principle enunciated in the act of May 1, 1937, extending the act to include civil as well as international conflicts, and favoring an immediate investigation of leftist groups sponsoring propaganda favoring lifting the embargo on arms to countries engaged in war, which was referred to the Committee on Foreign Relations.

Mr. VANDENBERG also presented the following concurrent resolution of the Legislature of Michigan, which was referred to the Committee on Finance:

House Concurrent Resolution 20

Concurrent resolution memorializing the Congress of the United States to extend the excise tax on copper

Whereas the Congress of the United States placed in the revenue bill of 1932 an excise tax of 4 cents per pound on foreign-produced copper; and

Whereas this act would have expired in June 1934 if it had not been extended for 1 year by Presidential proclamation; and

Whereas the same tax was included in the revenue bill of 1935, which expired in June 1937; and

Whereas the conditions prompting the enactment of the excise tax on copper in 1932 still exist today and will continue to exist, and the problem cannot be handled under the present policy of reciprocal tariffs; and

Whereas the copper industry is of great importance to the people of the Upper Peninsula, and of the people of the entire State of Michigan, in order to permit mines to maintain wage scales and standards of living necessary for our families; and

Whereas 7 years of operation of the excise tax on copper has proved the benefits of the measure: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the Michigan Legislature respectfully urges the Congress of the United States to continue an excise tax of 4 cents per pound on foreign-produced copper imported into the United States; and be it further

Resolved, That suitable copies of this resolution be transmitted to the Honorable Franklin D. Roosevelt, President of the United States, to the President of the Senate and Speaker of the House of Representatives of Congress, and to the Michigan Members in the Senate and House of Congress.

Mr. SHEPPARD presented the following concurrent resolution of the Legislature of Texas, which was referred to the Committee on Appropriations:

Senate Concurrent Resolution 28

Whereas by section 610, title IV, of the Revenue Act of 1932, Congress placed a tax on firearms, shells, and cartridges; and

Whereas the Pittman-Robertson Act (Public, 415, 75th Cong.) authorized Congress to appropriate an amount equal to the revenue accruing from said tax on firearms, shells, and cartridges for Federal aid to the States for the restoration of wildlife; and

Whereas for the present fiscal year Congress appropriated $1,000,000 of the revenues accruing from said tax and has and is using said appropriation to aid the States in wildlife restoration; and

Whereas it is of the utmost importance that the program of wildlife restoration which has been inaugurated in this and other States under the terms of the Pittman-Robertson Act be carried forward without interruption and that the gains already made in wildlife restoration be not lost: Now, therefore, be it

Resolved by the Senate of Texas (the house of representatives concurring), That the Congress be, and is hereby requested, to appropriate, as authorized by the Pittman-Robertson Act, the full amount of the tax imposed by section 610, title IV, of the Revenue Act of 1932, on firearms, shells, and cartridges, for carrying out the purpose of the act and enabling the States to restore their wildlife as contemplated under the provisions of this act; and be it further

Resolved, That it is the desire of the Texas Legislature that our United States Senators and our Representatives in the Congress support this item in the appropriation bill; and be it further

Resolved, That the Secretary of the Senate be, and he is hereby, directed to send a copy of this resolution to our United States Senators and Representatives in the Congress.

Mr. SHEPPARD also presented the following concurrent resolution of the Legislature of Texas, which was referred to the Committee on Interstate Commerce:

House Concurrent Resolution 74

Whereas there is now pending in the Congress of the United States a bill known as the truth in fabric, it being Senate bill No. 3502; and

Whereas, such bill is designed to protect producers, manufacturers, and consumers from the unrevealed presence of substitutes, and mixtures in spun, woven, knitted, or felted fabrics, and in garments or articles of apparel or other articles made therefrom; and

Whereas the enactment of such bill into law would be of great benefit to the public: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the Legislature of the State of Texas respectfully urge the passage of this bill and that copies of this resolution be forwarded to United States Senators MORRIS SHEPPARD and TOM CONNALLY, and each member of the Texas delegation in the House of Representatives in Washington.

Mr. SHEPPARD also presented the following concurrent resolution of the Legislature of Texas, which was referred to the Committee on the Judiciary:

House Concurrent Resolution 75

Whereas there is now pending in the House of Representatives of the Congress of the United States a bill known as the McCarran bill, being Senate bill No. 90 and House bill No. 951, which passed the Senate February 2, 1939; and

Whereas such bill makes it a crime to transport in interstate or foreign commerce any cattle, hogs, sheep, horses, or mules, their carcasses or hides, knowing them to have been stolen, or to receive or dispose of the same; and

Whereas the enactment of such bill into law would be of untold value to livestock raisers throughout these United States in curbing the theft of livestock: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the Legislature of the State of Texas respectfully urge the passage of this bill, and that a copy of this resolution be forwarded to each member of the Texas delegation in the Congress of the United States.

Mr. PEPPER presented the following memorial of the Legislature of Florida, which was referred to the Committee on Agriculture and Forestry:

House Memorial 2

To the Honorable Franklin D. Roosevelt, President of the United States, and the Honorable Senate and House of Representatives of the United States in Congress assembled:

We, your memorialists, the Senate and House of Representatives of the State of Florida, in legislative session assembled, do most respectfully memorialize and petition your honorable bodies as follows:

Whereas thousands of our citizens are dependent upon agriculture pursuits for a livelihood; and

Whereas Florida soil and climate is especially well adapted to the growing of sugarcane; and

Whereas under the present quota we consume more than twice as much sugar as we are allowed to produce; and

Whereas Cuba's quota is over 28 percent and Florida's is less than 1 percent; and

Whereas the rights of citizens of the United States who live in the sovereign State of Florida should not be curtailed in favor of any foreign nation; and

Whereas an increase in the amount of the sugar quota would be a great blessing to the people of Florida: Now, therefore, be it

Resolved, That your memorialists, the Senate and House of Representatives of the State of Florida, do respectfully memorialize and petition the Congress of the United States to immediately increase the sugar quota allotment for Florida; and be it further

Resolved, That copies of this memorial be immediately transmitted to the President of the United States and the Senate and House of Representatives of the United States and to each Senator and Representative in the United States Congress from the State of Florida.

Mr. PEPPER also presented the following concurrent resolution of the Legislature of Florida, which was referred to the Committee on Finance:

Senate Concurrent Resolution 8

Whereas the pine belt of the South has been developed into one of the main sources of wood pulp in North America; and

Whereas a great portion of the State of Florida is within the pine belt and there has been attracted to the region large investments for the purpose of processing southern pine into wood pulp; and

Whereas the wood-pulp industry in Florida and the United States has been adversely affected by the recent change in the relation between the British, Swedish, and Finnish moneys and the American dollar; and

Whereas the foreign wood-pulp producers have obtained thereby an advantage over American producers of wood pulp in the United States market; and

Whereas by reason of the advantage of foreign producers of wood pulp over American producers of wood pulp the demand for American-produced wood pulp has declined drastically for the past several months and workers in American wood pulp producing mills find their income either reduced or cut off entirely; and

Whereas the Federal Government could rectify this unfortunate condition by means at their disposal: Therefore be it

Resolved by the senate (the house concurring), That Congress be requested to invoke such monetary clauses in the British, Swedish, and Finnish trade agreements as may be necessary to protect the American wood-pulp industry as well as other industries in competition with goods imported from the said countries, and to take cognizance of the plight of American wood-pulp producers; be it further

Resolved, That a copy of this resolution be dispatched immediately upon its passage to each member of the Florida delegation in Congress for their earnest consideration.

Mr. PEPPER also presented the following joint memorial of the Legislature of Florida, which was referred to the Committee on Finance:

House Joint Memorial 1

To the Honorable Franklin D. Roosevelt, President of the United State, and the Honorable Senate and House of Representatives of the United States in Congress assembled:

We, your memorialists, the Senate and House of Representatives of the State of Florida, in legislative session assembled, do most respectfully memorialize and petition your honorable bodies as follows:

Whereas millions of our elderly citizens who have served their country in peace or war during the period of their natural working lives are now spending their last days in poverty and misery, dependent upon public or private charity or their relatives; and

Whereas social security has become the dominant question before the American people; and, therefore, justice and the public

welfare demand that ample provision be made for the health and support of these elderly citizens; and

Whereas security for the aged is a national rather than a State or local problem, which cannot be solved by a miscellany of conflicting State laws, imposing unequal burdens of taxation, and subject to continued changes, but can be adequately solved only by a uniform basic law, national in scope, which will insure to the aged citizens of each State equal protection with those in every other State; and

Whereas it is the consensus of opinion among leading economists that the depression through which we are passing is due to lack of purchasing power by the people and that balancing the ability of consumers to buy with the productive power of industry is essential to complete and permanent national recovery; and

Whereas the only feasible plan that has been proposed to solve the above-stated situation is the General Welfare Act of 1937, known as bill H. R. 2 and now pending before Congress, which provides a Federal Government tax levy of 2 percent upon the fair gross dollar value of each transaction done within the United States and Territories, the proceeds therefrom to be equitably distributed among our citizens of age 60 or more, on the condition that the same be expended within a period of 30 days; and

Whereas such a transaction tax imposed by the Federal Government will be equal and uniform in the several States and based upon the ability to pay; and

Whereas this proposed plan does not ask the Federal Government to issue any interest-bearing bonds, or to borrow any money or to assume any definite obligations in anyway to meet the provisions of this act, since the Government is to pay out only after it has received and to pay no more than it does receive from the 2-percent transaction tax; and

Whereas the enactment of said plan into law will—

(1) Provide employment for millions of persons now idle by increasing production and withdrawing large numbers of elderly people from the field of productive activity, thus creating new opportunities for the youth of our land and making unemployment benefits unnecessary;

(2) Greatly reduce crime, thus saving billions of dollars expended annually for the enforcement of law, maintenance of numerous prisons, reformatories, and protective agencies; also saving tremendous direct losses to our private citizens due to crime;

(3) Save billions of dollars now spent for the maintenance of public-welfare agencies, poorhouses, old people's homes, and other institutions and temporary organizations maintained for the care of the poor and aged; and minimize the necessity for yearly public and private charities; thus inspiring a greater spirit of loyalty to our governments and their institutions;

(4) Substitute an economy of abundance for an economy of scarcity and provide markets for the products of our farms and industries;

(5) Effect tremendous savings which will offset the cost of operating and maintaining the proposed plan; and

(6) Stabilize business and industry and guard against future depressions; and establish a stable and permanent social and economic system: Now, therefore, be it

Resolved, That your memorialists, the Senate and House of Representatives of the State of Florida, do respectfully memorialize and petition the Congress of the United States (in order to accomplish the foregoing purposes) to immediately enact the General Welfare Act of 1937, known as bill H. R. 2 and now pending in Congress, a law providing for a national old-age retirement system and create a fund for the maintenance thereof through a 2 percent Federal Government transaction-tax levy, the proceeds of which shall be distributed equitably to all citizens over 60 years of age, with the provision that it shall be expended within 30 days; and be it further

Resolved, That copies of this memorial be immediately transmitted to the President of the United States and the Senate and House of Representatives of the United States and to each Senator and Representative in Congress from the State of Florida.

Approved by the Governor April 11, 1939.

Filed in office secretary of state April 12, 1939.

Mr. ANDREWS. Mr. President, I desire to join in the presentation of the memorials of the Legislature of the State of Florida just presented by my colleague [Mr. PEPPER]. I have copies of them, and heartily join him in their presentation.

ALIENS AND IMMIGRATION—PETITIONS

Mr. VANDENBERG presented petitions of sundry citizens of the State of Michigan, relative to aliens and immigration, which were referred to the Committee on Immigration; and one of the petitions was ordered to be printed in the RECORD, without the names attached, as follows:

PETITION TO THE CONGRESS OF THE UNITED STATES

If Americans are to continue to enjoy the freedom and liberties guaranteed by the Constitution, particularly those known as the Bill of Rights, we as Americans, must combat all alienisms that advocate the change and destruction of our constitution and form of government.

Therefore, we Americans whose signatures appear below, do hereby respectfully request the Congress of the United States to enact into law the Reynolds-Starnes bill, containing the following provisions:

1. Register and fingerprint all aliens.
2. Deport all aliens here illegally, those having a criminal record or engaged in subversive activities.
3. Stop all immigration for 10 years, or until such time as all Americans willing and able to work have jobs.

Further, we request that Congress pursue a course in our international policies that will keep us out of war.

The Constitution will safeguard our liberties only as long as we protect the Constitution—no longer. In defending it we protect ourselves.

PETITION OF MEMBERS OF NATIONAL MILITARY HOME, DAYTON, OHIO

Mr. VANDENBERG presented the petition of sundry war veterans of the National Military Home, Dayton, Ohio, which was referred to the Committee on Pensions and ordered to be printed in the RECORD, as follows:

NATIONAL MILITARY HOME,
Dayton, Ohio, April 19, 1939.

Hon. ARTHUR H. VANDENBERG,
The Senate Chamber, Washington, D. C.

DEAR SENATOR: We, the undersigned war veterans, earnestly solicit your assistance in the matter of eliminating the misconduct bar which now prevents many deserving nonservice disabled veterans from receiving compensation or pension; that that obnoxious chain of misery be broken at this session of Congress.

Respectfully,

CARL H. DAVIS (and others).

REPORTS OF COMMITTEES

Mr. LUNDEEN, from the Committee on Military Affairs, to which was referred the joint resolution (S. J. Res. 34) for the relief of W. K. Richardson, reported it with amendments and submitted a report (No. 321) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (H. R. 2320) to provide domiciliary care, medical and hospital treatment, and burial benefits to certain veterans of the Spanish-American War, the Philippine Insurrection, and the Boxer Rebellion, reported it without amendment and submitted a report (No. 322) thereon.

Mr. AUSTIN, from the Committee on the Judiciary, to which was referred the bill (S. 190) to authorize the temporary appointment of a special judge for the District Court of the Virgin Islands, reported it with amendments and submitted a report (No. 323) thereon.

INVESTIGATION OF RAILROADS, HOLDING COMPANIES, AND AFFILIATED COMPANIES

Mr. WHEELER (for himself and Mr. TRUMAN), from the Committee on Interstate Commerce, submitted an additional report, pursuant to S. Res. 71 (74th Cong.), authorizing an investigation of interstate railroads and affiliates with respect to financing, reorganizations, mergers, and certain other matters, relative to the need for amendment of section 77 of the Bankruptcy Act, which was ordered to be printed as part 6 of report No. 25.

FEDERAL ASSISTANCE TO THE STATES FOR THE SUPPORT OF PUBLIC EDUCATION

Mr. TAFT, as a member of the Committee on Education and Labor, submitted individual views on the bill (S. 1305) to promote the general welfare through appropriation of funds to assist the States and Territories in providing more effective programs of public education, heretofore reported from the Committee on Education and Labor with amendments, which were ordered to be printed as part 2 of report No. 244.

REPORTS OF COMMITTEES DURING ADJOURNMENT

Under authority of the order of the 20th instant,

On April 21, 1939:

Mr. BANKHEAD (for himself and Mr. BROWN), from the Committee on Banking and Currency, to which was referred the bill (H. R. 5324) to amend the National Housing Act, and for other purposes, reported it with amendments and submitted a report (No. 318) thereon.

Mr. BROWN, from the Committee on Claims, to which was referred the bill (S. 527) for the relief of J. J. Green-

leaf, reported it with amendments and submitted a report (No. 319) thereon.

Mr. SMATHERS, from the Committee on Claims, to which was referred the bill (S. 920) for the relief of Mary Mihelich, reported it with amendments and submitted a report (No. 320) thereon.

Mr. NEELY, from the Committee on Rules, to which was referred the resolution (S. Res. 117) to amend paragraph 2 of rule XXXIV of the Standing Rules of the Senate, reported it with an amendment and submitted a report (No. 317) thereon.

EXECUTIVE REPORTS OF A COMMITTEE DURING ADJOURNMENT

Under authority of the order of the 20th instant,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BARBOUR:

S. 2211. A bill relating to the operation of the United States Naval Academy laundry, and for other purposes; to the Committee on Naval Affairs.

By Mr. BAILEY:

S. 2212. A bill to provide for the development of marketing and marketing services for farm commodities; to the Committee on Agriculture and Forestry.

S. 2213. A bill to amend section 6 of the Fair Labor Standards Act of 1938; to the Committee on Education and Labor.

By Mr. DAVIS:

S. 2214. A bill to amend title X of the Social Security Act with respect to financial assistance to certain blind persons; and

S. 2215. A bill to amend title X of the Social Security Act with respect to financial assistance to certain blind persons; to the Committee on Finance.

By Mr. WILEY:

S. 2216. A bill to pay retroactive death compensation benefits to Knud Jens Finstad; to the Committee on Finance.

S. 2217. A bill granting an increase of pension to Susan K. Fisher; to the Committee on Pensions.

By Mr. MEAD:

S. 2218. A bill relating to the importation of distilled spirits for consumption at the New York World's Fair, 1939, and the Golden Gate International Exposition of 1939, and to duties on certain articles to be exhibited at the New York World's Fair, 1939; to the Committee on Finance.

By Mr. PEPPER:

S. 2219. A bill for the relief of the Lewis State Bank; to the Committee on Claims.

S. 2220. A bill to amend the Fair Labor Standards Act of 1938 to modify the application of its provisions to certain handling and processing of agricultural commodities and to provide that as so modified its provisions shall apply to such occupations without regard to the area of production; to the Committee on Education and Labor.

By Mr. TAFT:

S. 2221. A bill to amend section 4 of the Foreign Trade Agreements Act of June 12, 1934; to the Committee on Finance.

By Mr. SHEPPARD:

S. 2222. A bill to provide for a Deputy Chief of Staff, and for other purposes;

S. 2223. A bill to authorize the acquisition of additional lands for military purposes:

S. 2224. A bill to provide increases in the pay of certain enlisted men of the Army, and for other purposes; and

S. 2225. A bill to create a new group within the Air Corps, Regular Army, with the designations of junior flight officer, flight officer, and senior flight officer; to the Committee on Military Affairs.

S. 2226. A bill to extend the benefits of the Public Health Service to the wives and dependent children of officers and employees of the Lighthouse Service; to the Committee on Commerce.

S. 2227. A bill for the relief of John B. Jones; to the Committee on Finance.

S. 2228. A bill granting a pension to Ernest B. Williams; to the Committee on Pensions.

By Mr. CLARK of Missouri:

S. 2229. A bill authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping; to the Committee on Interoceanic Canals.

By Mr. BRIDGES (for himself, Mr. LODGE, Mr. GURNEY, and Mr. WILEY):

S. 2230. A bill to protect more adequately American trade and industry in the negotiation of all treaties, agreements, and understandings with foreign countries, and for other purposes; to the Committee on Finance.

By Mr. BILBO:

S. 2231. A bill to provide for the liquidation and settlement of the war debts due to the United States; to create a Bureau of Colonization and provide for the migration and colonization of the United States citizens to newly acquired territories; to provide aid to United States citizens desirous to migrate to the Republic of Liberia; and for other purposes; to the Committee on Foreign Relations.

(See foregoing bill printed in full elsewhere in today's proceedings.)

By Mr. SHEPPARD:

S. 2232. A bill to provide hospitalization and domiciliary care to retired enlisted men of the Army, Navy, Marine Corps, and Coast Guard who are war veterans on parity with other war veterans; to the Committee on Military Affairs.

HOUSE BILL REFERRED

The bill (H. R. 3325) to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised was read twice by its title and referred to the Committee on Banking and Currency.

CHANGE OF REFERENCE

On motion by Mr. GEORGE, the Committee on Finance was discharged from the further consideration of the bill (S. 775) granting an increase of pension to Charles Adkins, and it was referred to the Committee on Pensions.

UNIFIED RELIEF AND ESTABLISHMENT OF PUBLIC WORKS AGENCY

Mr. VANDENBERG. Mr. President, I offer an amendment intended to be proposed ultimately to Senate bill 2202, to establish a Public Works Agency, which has been introduced by the Senator from South Carolina [Mr. BYRNES]. I should like to say that the amendment represents an effort to put together the proposals individually submitted by the Senator from New Jersey [Mr. BARBOUR], the Senator from Ohio [Mr. TAFT], and those heretofore submitted by myself in conjunction with the late Representative Bacon, of New York, for the purpose of unifying all relief under State decision and State responsibility supported by Federal grants-in-aid. While this draft may not be in its final form, and we reserve the right ultimately to change it, I think, for the information of the Senate and for the benefit of the debate which is shortly to ensue, it should be presented now. So, in behalf of the Senator from New Jersey, the Senator from Ohio, and myself, I offer the proposed amendment and ask that it be printed, printed in the RECORD, and lie upon the table.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table, and, without objection, printed in the RECORD.

The proposed amendment is as follows:

On page 9 at the end of line 9 add the following:

"SEC. 5. It is hereby declared to be the policy of the United States Government to discontinue on January 1, 1940, the administration of direct relief and work relief (which shall not be construed to include the activities of the Civilian Conservation Corps)

and to assist thereafter in financing the administration of such relief by the States and the local subdivisions thereof. The Administrator shall cooperate with the States and local subdivisions and assist them to set up the necessary records, personnel, and organization to handle work relief, and on January 1, 1940, he shall discontinue the direct administration of relief.

"(a) The term 'needy individual' means any person who lacks self-support and who lacks resources from which may be derived support adequate to provide a reasonable standard of subsistence compatible with decency and health for such individual and for persons legally dependent upon such individual living in the same household, and includes such persons legally dependent upon such individual living in the same household.

"(b) The term 'State' shall include the District of Columbia and the Territories of Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

"SEC. 6. For the purpose of enabling each State to provide direct relief and work relief to needy individuals not otherwise receiving assistance or benefits as referred to titles I, II, III, IV, and X of the Social Security Act, or for whom the assistance or benefits received or referred to in such titles is inadequate to provide a reasonable subsistence compatible with decency and health, there is hereby authorized to be appropriated for the 6-month period beginning January 1, 1940, and ending June 30, 1940, the sum of $600,000,000, and there is hereby authorized to be appropriated for each fiscal year thereafter a sum sufficient to carry out the purposes of sections 5 to 10 of this act. The sums made available under this section shall be used for making payments only to States which have submitted, and had approved by the Administrator of Public Works, State plans for such services.

"SEC. 7. A State plan for direct relief and work relief within the meaning of this act must—

"(1) provide that it shall be in effect in all political subdivisions of the State;

"(2) provide for financial participation by the State, or by political subdivisions thereof, or by both, in the cost of such relief;

"(3) either provide for the administration of the plan by a single permanent State agency, or provide for the administration of the plan by agencies of political subdivisions within the State, supervised by such single permanent State agency, and shall provide that such State agency be directed and controlled by a relief board of not less than five persons, no more than a bare majority of whom shall be members of any one political party;

"(4) provide that all officials (except Board members) and employees of such State agency, and of all agencies of political subdivisions administering the plan, shall be selected and protected in their tenure of office by civil-service laws;

"(5) provide that the State agency and the agencies of political subdivisions within the State will make such reports in such form and containing such information as the Board may from time to time require;

"(6) provide that there shall be no unreasonable discrimination between needy individuals within the jurisdiction of the State;

"(7) provide for the periodic reexamination and reconsideration of all individuals receiving financial assistance under the plan;

"(8) provide that the State agency may enter into reciprocal agreements with the appropriate agencies in other States for the care, treatment, and redomiciling of transient needy individuals; and

"(9) provide the exact manner in which the share of the State, or the subdivisions, or both, shall be paid into the relief fund.

"(b) The Board shall approve any plan which fulfills the conditions specified in subsection (a), except that it shall not approve any plan which imposes, as a condition of eligibility for work relief under the plan—

"(1) any residence requirement which excludes any resident of the State who has resided therein continuously for 1 year immediately preceding the application; or

"(2) any citizenship requirement which excludes any citizen of the United States; and

"(3) any procedural requirement which involves certification by any agency or individual other than the State agency administering or supervising the administration of the plan or the local administrative units under the supervision of the State agency.

"SEC. 8. (A) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan under this title for each quarter beginning with the quarter commencing January 1, 1940, an amount, which shall be used exclusively as financial assistance, equal to two-thirds of the total of the sums expended during such quarter as financial assistance by the State and the political subdivisions therein under the State plan, in which expenditures shall be counted—

"(1) payments of direct relief, both in cash and in kind, with respect to needy individuals who at the time such payments were made were not inmates of any public institution; and

"(2) the ascertained cost of all work relief projects on which only needy individuals (other than supervisors) are employed, and 80 percent of all expenditures are direct payments to such needy individuals;

"Provided, however, That the total amount paid to any State for any quarter shall not exceed such State's quota as calculated under paragraph (B) (1) of this section.

"(B) The method of computing and paying such amounts shall be as follows:

"(1) The Administrator shall, prior to the beginning of each quarter, fix the total amount which he will distribute during such quarter to all the States out of the amount or amounts appropriated by Congress for the entire fiscal year; he shall then calculate the quota of each State for such quarter by apportioning the amount he has fixed for all the States, among the several States in the following manner:

"(a) One-third in the ratio which the population of each State bears to the total population of all the States, as shown by the latest available Federal census;

"(b) One-third in the ratio which the number of unemployed individuals in each State bears to the total number of such individuals in all the States, as shown by the latest available Federal census of unemployment, including the unemployment census of 1937, or by the latest available statistics with respect to unemployment supplied by Federal or State agencies;

"(c) One-third in the ratio which the prevailing average of wage rates as determined by the Bureau of Labor Statistics of the Department of Labor in each State bears to the prevailing average of wage rates for all of the States, as similarly determined.

"(2) The Administrator shall, prior to the beginning of each quarter, estimate the amount to be paid to the State for such quarter, under subsection A of this section, but not exceeding the quota fixed under paragraph (B) (1) of this section, such estimate to be based on (a) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such subsection and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than one-third of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, (b) records showing the number of needy individuals in the State, and (c) such other investigation as the Administrator may find necessary.

"(3) The Administrator shall then certify to the Secretary of the Treasury the amount so estimated by him, reduced or increased, as the case may be, by any sum by which he finds that his estimate for any prior quarter was greater or less than the amount which should have been paid to the State under subsection (A) for such quarter, except to the extent that such sum has been applied to make the amount certified for any prior quarter greater or less than the amount estimated by the Administrator for such prior quarter.

"(4) The Secretary of the Treasury shall thereupon, through the Division of Disbursement of the Treasury Department and prior to audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Administrator, the amount so certified.

"SEC. 9. In the case of any State plan for financial assistance under this title which has been approved by the Administrator, if the Administrator, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan, finds—

"(1) that the plan has been so changed as to impose any residence, citizenship, or other requirement for work relief prohibited by section 7 of this act, or that in the administration of the plan any such prohibited requirement is imposed, with the knowledge of such State agency, in a substantial number of cases; or

"(2) that in the administration of the plan there is a failure to comply substantially with any provision required by section 7 of this act to be included in the plan; the Administrator shall notify such State agency that further payments will not be made to the State until the Administrator is satisfied that such prohibited requirement is no longer so imposed, and that there is no longer any such failure to comply. Until he is so satisfied he shall make no further certification to the Secretary of the Treasury with respect to such State.

"SEC. 10. Not more than 10 percent of any amount or amounts appropriated by Congress for relief to be administered under the provisions of sections 5 to 10 of this act may be paid by the Secretary of the Treasury, on the certificate of the Administrator, to any State or local subdivision thereof for the purposes stated in such sections, without regard to the limitations of amount or percentage prescribed by sections 8 and 9 of this act: *Provided,* That such payments may only be made if application therefor is made by such State or local subdivision and the Administrator, after a complete hearing, finds that by reason of disaster, or extraordinary conditions of unemployment, or extraordinary conditions of inability to finance relief, such State or local subdivision is unable to provide adequate relief within its boundaries, and the President approves such finding."

Mr. BYRNES. Mr. President, with regard to Senate bill 2202, referred to by the Senator from Michigan [Mr. VANDENBERG], I desire to advise the Senate that I do not intend to ask it to consider the bill today, for the reason that I am informed that the President tomorrow or, if not tomorrow, certainly on the following day will submit to the Congress a reorganization plan under the provisions of the Reorganization Act, which plan, among other things, will consolidate the various agencies proposed to be consolidated under my

bill, with the exception of one or possibly two agencies which I understand are not to be included in it. Until the President submits his order to the Congress within the next day or two and the matter has been definitely determined, I think it would be unwise to ask the Senate to devote its time to the consideration of the provisions of a bill affecting the same subject matter.

Regardless of the submission of such an order, however, it is my opinion that the proposed legislation included in the bill, other than the consolidation provisions, should be considered by the Senate. After the order of the President has been received by the Congress and we have had an opportunity to study it, the committee can determine what bill should be presented to supplement the reorganization plan of the President. I certainly shall advocate legislation providing that the Congress determine the formula for the distribution of funds, and that a restriction be placed upon the transfer to other executive departments of funds appropriated for work relief. The proposed legislation will also embody one or two other proposals.

AMENDMENTS TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. SCHWELLENBACH submitted amendments proposing to increase the appropriation relating to information on marketing farm products from $418,970 to $518,970; to increase the appropriation for collecting, compiling, etc., crop and livestock estimates from $642,799 to $792,799; to increase the appropriation for collecting, publishing, etc., market news service from $1,122,302 to $1,372,302; and to increase the appropriation under the Farm Credit Administration, salaries and expenses, from $3,600,000 to $3,700,000, intended to be proposed by him to House bill 5269, the Agricultural Department appropriation bill, 1940, which were referred to the Committee on Appropriations and ordered to be printed.

SAVANNAH RIVER AND CLARK HILL RESERVATION, GA., AND SUSQUEHANNA RIVER AT HAVRE DE GRACE, MD.

Mr. SHEPPARD. Mr. President, I present letters from the Secretary of War, with accompanying reports, which I ask may be published as Senate documents. The reports are in relation to river and harbor matters under the jurisdiction of the Commerce Committee.

The VICE PRESIDENT. Without objection, the letters together with the reports will be printed as Senate documents, with illustrations.

(The matters presented by Mr. SHEPPARD are as follows:)

Report of the Chief of Engineers of the Army on a reexamination of Savannah River, Ga., S. C., and N. C., and Clark Hill Reservation, Ga. (S. Doc. No. 66); and

Report of the Chief of Engineers of the Army on a reexamination of the Susquehanna River at Havre de Grace, Md. (S. Doc. No. 67).

PROPOSED AMENDMENT OF NATIONAL LABOR RELATIONS ACT—ARTICLES BY SENATOR WAGNER AND SENATOR BURKE

[Mr. MEAD asked and obtained leave to have printed in the RECORD an article by Senator WAGNER relative to suggested amendments of the National Labor Relations Act, published in the Washington Post of Sunday, April 23, 1939, and also an article by Senator BURKE on the same subject, published in the Washington Post of April 16, 1939, which appear in the Appendix.]

RADIO DISCUSSION OF NATIONAL LABOR RELATIONS ACT

[Mr. NORRIS asked and obtained leave to have printed in the RECORD a radio discussion on the subject of the National Labor Relations Act on Sunday, April 23, 1939, participated in by Senator BURKE, Senator MINTON, and others, which appears in the Appendix.]

THE RELIGION OF AMERICAN DEMOCRACY IS FRATERNITY—SPEECH BY SENATOR JOHNSON OF COLORADO

[Mr. LOGAN asked and obtained leave to have printed in the RECORD an address delivered by Senator JOHNSON of Colorado before a State-wide rally of Delaware and New Jersey Odd Fellows, celebrating the one hundred and twentieth anniversary of the founding of Odd Fellowship in Trenton, N. J., Saturday, April 22, 1939, which appears in the Appendix.]

AMERICA'S FOREIGN POLICY—ADDRESS BY SENATOR REED

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an address on the subject A Sound Foreign Policy, delivered by Senator REED at a dinner at the Willard Hotel, Washington, D. C., April 20, 1939, which appears in the Appendix.]

WISCONSIN CHEESE MAKING—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a radio address delivered by him on April 24, 1939, on the subject Seventy-five Years of Wisconsin Cheese Making, which appears in the Appendix.]

STATEMENT BY SENATOR WILEY—FOREST PRODUCTS LABORATORY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement by himself today before the Senate Committee on Appropriations on the subject of the Forest Products Laboratory, which appears in the Appendix.]

ADDRESS BY HON. JAMES A. FARLEY AT JUNIOR JACKSON DAY DINNER

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address delivered by Hon. James A. Farley at the junior Jackson Day dinner held at the Mayflower Hotel, Washington, D. C., on April 19, 1939, together with the remarks of the toastmaster in introducing Mr. Farley, which appear in the Appendix.]

JUNIOR JACKSON DAY DINNER ADDRESS BY PITT TYSON MANER

[Mr. BANKHEAD asked and obtained leave to have printed in the RECORD an address by Pitt Tyson Maner, president of the Young Democratic Clubs of America, at the junior Jackson Day dinner held by the Young Democrats of the District of Columbia on Wednesday, April 19, 1939, which appears in the Appendix.]

FISCAL AFFAIRS OF DISTRICT AND FEDERAL GOVERNMENTS

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD a round-table discussion relative to the fiscal affairs of the District of Columbia and Federal Governments, held on April 20, 1939, which appears in the Appendix.]

RELATION OF RECIPROCAL-TRADE AGREEMENTS TO AGRICULTURE—ADDRESS BY EDGAR W. SMITH

[Mr. MEAD asked and obtained leave to have printed in the RECORD a radio address by Edgar W. Smith, vice president of the General Motors Overseas Corporation, on the subject, Do Our Trade Agreements Benefit Agriculture?—Yes, which appears in the Appendix.]

SEVEN-YEAR REPORT RECONSTRUCTION FINANCE CORPORATION

[Mr. SHEPPARD asked and obtained leave to have printed in the RECORD the 7-year report of the Reconstruction Finance Corporation, which appears in the Appendix.]

SUBSIDIES FOR DICTATORS?—EDITORIAL FROM WASHINGTON POST

[Mr. DANAHER asked and obtained leave to have printed in the RECORD an editorial from the Washington Post of today entitled "Subsidies for Dictators?" which appears in the Appendix.]

DISTRICT OF COLUMBIA RECORDER OF DEEDS

[Mr. TRUMAN asked and obtained leave to have printed in the RECORD a letter written by Prof. Kelly Miller to the New York Sun of Thursday, March 16, 1939, relative to the effect the so-called Griffenhagen plan for the reorganization of the government of the District of Columbia would have on the office of the recorder of deeds of the District of Columbia, which appears in the Appendix.]

AMERICA'S FOREIGN POLICY

Mr. JOHNSON of Colorado. Mr. President, American mothers and many other American citizens have been and are still being badly frightened, disturbed, upset, and agitated by unfounded, sensational war propaganda. The time demands that a Member of the Senate speak out in plain language and let the administration, every country in Europe, and all citizens in America know exactly where he stands upon international issues, since the responsibility for declaring war and concurring in treaties rests upon the Congress by constitutional pronouncement.

It is my well-considered opinion that the outlook for American peace has never been brighter. Unless America goes to war without just cause, which is unthinkable, she will not engage in war for many, many years. I say to American mothers with all the earnestness I possess that there will not be an American war. No nation on the face of God's good earth wants one foot of American soil, and not one of them has the remotest thought or intention of attacking us or doing us violence. Every other misunderstanding that may occur between America and a foreign state can and will be settled around the conference table.

George Washington, upon his retirement from public life, admonished his countrymen wisely with this sound advice:

> Observe good faith and justice toward all nations. * * * A passionate attachment of one nation for another produces a variety of evils. * * * Antipathy in one nation against another disposes each more readily to offer insult and injury * * * when accidental or trifling occasions of dispute occur. * * * Inveterate antipathies against particular nations and passionate attachments for others should be excluded; and * * * in place of them just and amicable feelings toward all should be cultivated.

In that profound admonition I believe with all my heart. America must stop hating and stop "sicking" other nations into war. She must stop deceiving them or permitting them to assume the existence of an alliance with us which will never be consummated.

I shall wholeheartedly support moderate and sensible national defense, with special emphasis upon keeping fully abreast of the science of war through research and otherwise.

I shall vote for a policy of strict and absolute neutrality and shall oppose showing any favoritism toward any nation or pointing the finger of accusation toward any people with whom we are at peace.

I shall vote against having any connection, directly or indirectly, through sympathy, friendship, or alliance, with other people's wars. All should be warned now that if they go to war we shall have no part in it.

I shall vote against and actively work against the adoption of a policy of sanctions, encirclements, quarantines, world policing, or taking "steps short of war." In my thinking there are no steps short of war. There must be either war or honest neutrality.

If we should be invited by states involved in an international dispute to act as an intermediary—and, mind you, I say "invited"—we should accept the invitation graciously, and feel honored, and then serve to the best of our ability with clean hands and without prejudice, and only upon the absolute understanding that we will not underwrite by force or otherwise any settlements reached through our good offices.

I shall not be pushed one step toward "steps short of war," but so long as I occupy my high office will fight with all my energy to keep my country out of Europe's chronic and sordid quarrels.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4630) making appropriations for the Military Establishment for the fiscal year ending June 30, 1940, and for other purposes.

VOLUNTARY RESETTLEMENT OF AMERICAN NEGROES IN AFRICA

Mr. BILBO. Mr. President, with the patience and kind indulgence of my colleagues, I trust I may be permitted at this time to discuss for a little while what is, in my judgment, the greatest, most important, and far-reaching problem that has ever or will ever confront the American people for solution.

It is important in the highest degree because it involves the welfare and perpetuity of two races, the white race and the black race, which are now trying to live side by side in the same domain and under the same government.

The solution of this problem is equally as important to the black race as to the white race, because without a proper solution both races will be destroyed and will be succeeded by a mongrel race, and at the same time the white race will suffer the loss of all that is dear and precious, high and noble in our civilization.

As certainly as that the sun shines and there is a God in heaven, believe it or not, there are only two solutions to our ever-present race problem in the United States. One solution is the physical separation of the races, thereby preventing the commingling of the blood streams of both the black race and the white race. A physical separation by the voluntary colonization or resettlement of the black race in its fatherland, from which it was brought here by fraud and force, will thereby give the Negro race an opportunity to protect the integrity of its blood stream and have a free and full opportunity to reach the greatest heights of development of which the race is capable and build a nation of the Negro race that will take its stand among the nations of the earth; and by this separation the blood stream of the white race shall remain unchanged and all the culture, progress, and the blessings of the white man's civilization shall forever remain the priceless possession of the Anglo-Saxon in this proud Republic.

The other solution to this great problem is to let the two races continue to live side by side in the same country, which will result, as certain as fate, in the complete amalgamation of the two races in the years to come, and in the loss of the white man's civilization. For 300 years we have tried to live side by side, and in this period of time—a short span when compared with the lives of nations—there have come to be in our midst four or five million citizens of our country in whose veins commingle the blood of the white man and the black man, which should be enough to convince any man or woman with any symptom of intelligence that complete amalgamation will some day be a sad but accomplished fact.

The solution of this race question by the process of amalgamation will take place, whether we wish it or not, if we fail or refuse to solve the problem by physical separation. Therefore it is evident that all the citizens of this country—black or white—whether they desire to be so or not, are either separationists or amalgamationists.

I am constrained to believe that 99 percent of the white race are naturally and normally opposed to the amalgamation or interbreeding of the two races. I also believe that 75 percent of the black race have pride in their racial integrity and are at heart opposed to the mixing of their race with the white race.

I repeat, every citizen, black or white, is on one side or the other. There is no middle ground. This is one question which we cannot straddle. If one is opposed to and is not willing to assist in the physical separation of the races, which is the only thing that will prevent amalgamation, then he is an amalgamationist. Everyone classifies himself by his own stand.

If one is indifferent and is willing to let things go on as they are now going, his indifference and lack of positive action lines him up with the amalgamationists.

The most gratifying thing in my life is to be able today to present to the American Congress petitions signed by two and one-half million American Negroes pleading and begging for a physical separation of the races. By their act in signing these petitions to be resettled in their fatherland—Africa—they say to the world, "We are proud of our race; we believe in racial integrity; we are not willing to have our blood stream commingled with the white blood. We want to flee from this certain disaster that is going to overtake both races by complete amalgamation and the production of a mongrel race.

These petitioners know that in saving their race they are likewise saving ours. They have faith in their ability to work out their own destiny and establish a nation in a country all their own, where they can reach their highest destiny in a land of freedom—a land without oppression and a land without discrimination.

I call the attention of the Senate to the presence of these petitions. The signatures have been carefully counted, and the

petitions have been signed by two and a half million Negroes of the United States. I may add that the petitions come from every State in the Union, praying and asking for a physical separation of the races, or that an opportunity be afforded the Negroes to be resettled in their fatherland.

The VICE PRESIDENT. The petitions presented by the Senator from Mississippi will be received and referred to the Committee on Foreign Relations.

Mr. BILBO. Mr. President, there is ample evidence that the Negro nationalists, who support this bill, have chosen between the alternative solutions of race problems—between separation and amalgamation—for they have given a wide circulation to the privately published race studies of Earnest Sevier Cox, of Richmond, Va. The works of this author deal with the nature of race problems, rather than with the various phases of the problem, and there has been a close and long friendship between this author and the Negro leaders of the nationalistic movement.

At this point I wish to read into the RECORD, for the information of the Senate and of the country, the titles of these splendid publications by Colonel Cox. They are White America, Let My People Go, The South's Part in Mongrelizing the Nation, and Lincoln's Negro Policy.

In this connection, since the press of the country has given notice of the introduction of a bill on this subject by me, I wish to read some telegrams which I received this morning. First, I read a telegram from Cleveland, Ohio, as follows:

CLEVELAND, OHIO, *April 24, 1939.*

I am pleased that through your efforts the Senate will receive the resettlement program of the American Negro in his fatherland. We in Cleveland are 100 percent behind you. I feel that if the Negro will ever become a man he must be placed back in his fatherland.

STIENBART DYER.

I received the following telegram from Tampa, Fla.:

TAMPA, FLA., *April 24, 1939.*

We congratulate you in sponsoring the program for American Negroes returning to their fatherland.

DIVISION NO. 272, U. N. I. A.,
JOHN WIGGS, *Secretary.*

The following telegram came from Jacksonville:

JACKSONVILLE, FLA., *April 23, 1939.*

Senator THEO G. BILBO,
United States Senate, Washington, D. C.:

Your law abiding citizens, followers of the martyred African Princess Laura Adorkor Koffey, assassinated Miami, Fla., March 8, 1928, in hearty accord with your views as published under your name in Chicago Defender of April 22, 1939. Prayerful wishes for your continued interest and courageous efforts in this cause so thoroughly misrepresented by an element of our visionless misleaders.

MISSIONARY AFRICAN UNIVERSAL CHURCH, INC.

This telegram came from New York:

NEW YORK, N. Y., *April 24, 1939.*

Senator THEODORE BILBO,
Senate Chamber:

Ten thousand Negroes of the Universal Negro Improvement Association, assembled in mass meeting, endorse your proposed repatriation bill. Hoping for the full support of your fellow Senators.

GARVEY CLUB, INC.,
G. E. HARRIS, *President.*
C. A. WRIGHT, *Secretary.*

I received a letter from New York this morning which is very interesting. It reads:

NEW YORK, N. Y., *April 23, 1939.*

MR. BILBO:

DEAR SIR: I, Mack Royal, of 2760–8, Apartment 16, sir, on Saturday, April 22, 1939, I was reading the newspaper and I saw where you were to interduce a bill on sinding the back people to Libira. I am very much interrested in the plan. I would be very glad if you are able to pass the bill for I am one seartnley will go at the word—I and my whole famley. I am a famiiey of five, and each one are willing to go at the word. Sir, please inrole my name; please do this with fail. I thank you sir in advance. I trust that you will bee able to pass the bill.

Sinsear yours,

M. C. ROYAL.

Sir, please let me know if you received this letter.

I now read a letter from Indianapolis, Ind., received this morning:

2702 CAROLINE AVENUE,
Indianapolis, Ind., April 21, 1939.

THEODORE G. BILBO,
United States Senate, Washington, D. C.

DEAR SIR: I am writing this little note of acknowledgment to your telegram which I received on last evening. I wish to thank you kindly for being so considerate and thoughtful of our club here in Indianapolis, Ind.

The club glories in your spunk in producing a bill of this type to the Senate for judgment. I am very sorry to report that at the present time I am unable to attend the session, but the entire club as well as myself will be with you both spiritually and mentally if not physically.

We are deeply interested in the outcome of this repatriation movement and resettlement program, so if you do not contact division No. 117 directly, you will have the assurance we are with you in mind and spirit.

May God bless you in your untiring efforts, and we do wish you much success in your endeavors, present and future. I beg to remain,

Yours very truly,

THOMAS JOHNSON, *President.*
PEARL BARNES, *Secretary.*

The following letter from New Jersey was received this morning:

BETHEL A. M. E. CHURCH,
Woodbury, N. J., April 21, 1939.

The Honorable Mr. THEODORE BILBO,
United States Senator from Mississippi,
The United States Senate, Washington, D. C.

YOUR HONOR SENATOR BILBO: Accept my congratulations for the far-sightedness you have manifested in the preparation of the back-to-Africa bill.

My church and I are behind you. Whatever support you may need to help in the passage of this bill, wire me.

Yours sincerely,

WM. A. DORSEY.

This letter came from Virginia:

CAMPASTELLA,
Norfolk, Va., April 22, 1939.

Hon. THEODORE G. BILBO,
United States Senator of Mississippi,
Washington, D. C.:

Your telegram was received, but we are indeed sorry that we can't have a representative present.

But we, the officers and members of the Berkley Division, No. 339, of the V. N. E. A., representing the divisions in tidewater and throughout the State of Virginia, sincerely urge the passage of your repatriation bill.

We believe your plan is one of the greatest ever advanced to bring the great race problem in America to a speedy close.

There are thousands of Negroes in America who want to return to their fatherland and will be too glad to go when the way is provided.

Thanking you in advance and trusting that you will find many supporters among your fellow Senators and Congressmen, we remain,

Yours for success,

BERKLEY DIVISION, No. 339, OF V. N. E. A.,
SAMUEL ASHBY, *President.*

Mr. President, on May 24 of last year I presented to the Seventy-fifth Congress an amendment to the relief bill then under consideration by the Senate, providing for the repatriation of citizens of the United States of African descent to the Republic of Liberia, and/or such contiguous territory as may be acquired by the United States by purchase from France and Great Britain, such negotiations to be consummated on the basis that the purchase price of the acquired territory should be represented by a credit on the war debts owing to the United States by these countries.

After submitting the amendment I discussed it before the Senate in considerable detail, setting forth, first, in a brief summary, the political and economic support given the repatriation movement by the foremost citizens of this country from the foundation of the Republic to the present time; and, second, extensive biological sanctions of the movement gained from an exhaustive study of the views of the most eminent authorities in the sciences of anthropology, ethnology, and of the world's most renowned writers on the principles of inheritance. At the conclusion of this discussion I withdrew my amendment, having availed myself of the opportunity of submitting what I believed to be irrefutable reasons for its support, because, at the last moment, I considered it

the better part of wisdom to present the proposition as an independent measure in the next succeeding Congress. In conformity to a pledge to that effect made to the Senate, and to the 2,000,000 or more citizens of the United States of African descent interested in migrating to Liberia, I now offer a bill to provide for the liquidation and settlement of the war debts due the United States; to create a bureau of colonization and to provide for the migration and colonization of United States citizens to newly acquired territory; to provide aid to United States citizens desirous to migrate to the Republic of Liberia, and for other purposes. The bill declares the intent of Congress to be that the benefits and provisions thereof shall apply to citizens of the United States who may qualify as eligible for citizenship in the Republic of Liberia, and who, by their physical fitness and climatic adaptability, may qualify as migrants to be permanently settled in the territory to be acquired, and who shall have voluntarily expressed a desire to become migrants under the provisions of the bill.

I most respectfully ask unanimous consent of the Senate that the bill be printed in full in the CONGRESSIONAL RECORD following the remarks I am about to make.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred, and, as requested, will be printed in the RECORD at the conclusion of the remarks of the Senator from Mississippi.

The bill (S. 2231) to provide for the liquidation and settlement of the war debts due to the United States; to create a Bureau of Colonization and provide for the migration and colonization of the United States citizens to newly acquired territories; to provide aid to United States citizens desirous to migrate to the Republic of Liberia, and for other purposes, was read twice by its title and referred to the Committee on Foreign Relations.

(The bill (S. 2231) is printed in full at the conclusion of Mr. BILBO's remarks.)

Mr. BILBO. Mr. President, let me say in this connection that the impression seems to prevail in the minds of some people, especially some of our colored friends, and especially among the newspaper element of our colored friends, that the proposal to provide for the resettlement of the American Negro in his fatherland is all a plan of my own. An attempt would naturally be made on the part of some of these amalgamationists, miscegenationists to prejudice the proposal because I am a Senator representing the South. I wish to say that I am pursuing and prosecuting the campaign for this great program which means the salvation of both the white and the black races, with the support of millions of Negroes, in every State in the American Union, as evidenced by the petition which is on my desk, representing two and one-half million American Negroes.

As I have stated frequently, the Negro in America has no better friend than I am to him. The mere fact that I spent 4 days on the floor of the Senate fighting the so-called antilynching bill is evidence of the fact that I understand the proposition; that I am a real friend to the Negro because, knowing my section as I do, having served as Governor of my State for 8 years, I knew that that legislation would double the number of lynchings in the South. We in the South are solving the lynching question. Lynchings were reduced to about five last year, and it is the sentiment of all right-thinking people that they shall be stopped, but they cannot be stopped by the passage of a piece of unconstitutional and un-American legislation.

The truth about the campaign to bring about the passage of an antilynching bill is that there is a certain organization in this country which has been merely profiteering and racketeering on its own race and others by using the proposal to pass an antilynching bill as a means to arouse prejudice and create interest. In fact, that organization is not the friend of the Negro race. What I am now doing is trying to serve the Negro race in a proper way.

Mr. President, the first effort made to bring about the colonization of the American Negroes was by a committee in the General Assembly of Virginia in the year 1777. Thomas Jefferson was chairman of that committee. It reported favorably on a resolution for the emancipation and colonization of Virginia slaves. It contemplated the acquisition of territory—a gradual enforcement of the plan, and not only to establish them in a territory of their own, but to support them until they had acquired strength enough to sustain themselves. Only young men, having attained the age of 21, and young women, having reached the age of 18, were eligible.

That was under Jefferson's plan back in 1777. If Senators will read the bill which I have introduced, I believe they will come to the conclusion that no more gracious, more liberal, and finer spirit of helpfulness can be found in all history than the provisions this bill holds up to members of the Negro race who desire to go back to their fatherland and have a chance in a country of their own.

Mr. President, I wish to hear anyone make any observations or objections to my bill because of the suggested expenditure contained in it. The bill provides for the appropriation of a billion dollars to begin with to resettle these people in their native land. That is a very small consideration when we think what the Negro race has contributed to this Nation from the time the Negroes were in slavery even up to the present time, and it is a small consideration when we consider what the Congress is year after year appropriating to carry several million of our American citizens on the relief rolls.

I may say that almost 75 percent of those on the relief rolls in many States are Negroes. Take the District of Columbia, with 10,000 persons on the relief rolls. The record shows that approximately 8,000 of those persons are Negroes and 2,000 whites, notwithstanding the fact that the population of the District of Columbia is 400,000 whites and 200,000 blacks. In other words, 8,000 of the 200,000 blacks are on the relief rolls and only 2,000 of the 400,000 whites. Already it has been suggested that an appropriation of one billion and a half dollars be made for relief for next year. At the last session we appropriated over $2,000,000,000 for relief. One-half of that amount of money could be spent in providing for the resettlement of the Negro in his native fatherland, and the Government would save money on the transaction, because if we could succeed in removing 5,000,000, 6,000,000, or 8,000,000 Negroes who are now ready to go to Africa we would solve the unemployment problem and do away with the necessity for relief, for there would be a job for every white man and woman in America.

We have two classes of lawmakers. That is true in every legislative body. One class thinks only of today; the other class thinks of tomorrow as well as today. One type prefers to travel in the old ruts; the other prefers to blaze a new road. One type wants to hug the ground with the horse and buggy; the other prefers the air and the heavens above. One class thinks only of something that is ephemeral, that is, temporary, but which will help reelect it to office; the other thinks of the welfare of the country in the future as well as the present, regardless of the results of elections.

Immediately following the War for Independence several States of the Union liberated their slaves, and, as a consequence, outstanding white men began to seek and discuss ways and means to repatriate these freedmen.

It is to us of special significance that Thomas Jefferson was the first man of great prominence to be identified with a repatriation movement in this country. This man Jefferson, the father of the party to the principles of which a majority of the Senate subscribes, wrote more learnedly and truthfully about the Negro than any other man of his time. On divers occasions he implored his countrymen, with the vision of an inspired prophet, to seek to evade, by emancipation and repatriation, a national disgrace and ruin that it now appears will soon overtake us. Notwithstanding his frequent utterances warning the Nation against the evils that would follow where two dissimilar races, equally free, were compelled to live together, many Sophists of his day appealed to the author of the Declaration of Independence in support of the position that the Negro should be recognized in this country upon

terms of perfect equality with the white man. The New York Tribune, the most outstanding newspaper of that age, on April 14, 1866, said:

Mr. Jefferson is, and ought to be, held in sincere reverence by all radicals because of his agency in basing the Declaration of Independence on the broad, comprehensive, eternal principle of equal human rights. As to the fundamental base of our political system, Mr. Jefferson is, and ought to be, the highest authority.

As a matter of fact, when Mr. Jefferson penned the Declaration of Independence he never once thought of the Negro. When he spoke of men, he thought of white men of European origin. When he talked of the rights of life, liberty, and the pursuit of happiness, he was oblivious of any consideration of the Negro. If we fairly scrutinize and weigh intelligently what Mr. Jefferson really did say and write on the subject of the Negro during more than half a century subsequent to the day he penned the Declaration of Independence we will unmistakably find irrefutable proof of our contention that he had no thought of the Negro when he said "All men are created free and equal."

I consider it opportune at this time to quote extensively from the writings of Mr. Jefferson on the subject of segregating the Negro race, more especially the things written from July 4, 1776, the date of that ever memorable document, the Declaration of Independence, to the date of his death, on July 4, 1826.

In Jefferson's Works, volume 8, page 398, written in 1782, we find these words with respect to the general characteristics of the Negro:

Deep-rooted prejudices entertained by the whites, 10,000 recollections by the blacks of the injuries they have sustained, new provocations, the real distinctions which nature has made, and many other circumstances will divide us into parties and produce convulsions which will probably never end but in the extermination of the one or the other race.

In Jefferson's Works, volume 5, page 563, is found a letter written by Mr. Jefferson to John Lynch, under date of January 21, 1811, with respect to an inquiry from Mr. Lynch on the proposition of a Mrs. Mifflin to colonize people of color on the coast of Africa. It reads as follows:

You have asked my opinion on the proposition of Mrs. Mifflin, to take measures for procuring, on the coast of Africa, an establishment to which the people of color of these States might, from time to time, be colonized, under the auspices of different governments. Having long ago made my mind up on this subject, I have no hesitation in saying that I always thought it the most desirable measure which could be adopted for gradually drawing off this part of our population most advantageously for themselves as well as for us. Going from a country possessing all the useful arts, they might be the means of transplanting them among the inhabitants of Africa, and would thus carry back to the country of their origin the seeds of civilization, which might render their sojournment and sufferings here a blessing in the end to that country.

Again, in a letter addressed to Dr. Thomas Humphreys by Mr. Jefferson, under date of February 8, 1817, found in Jefferson's Works, volume 7, page 57, we find these words:

I concur entirely in your leading principles of gradual emancipation, of establishment on the coast of Africa, and the patronage of our Nation until the emigrants shall be able to protect themselves. The subordinate details might be easily arranged. * * * Personally I am ready and desirous to make any sacrifice which shall ensure their gradual but complete retirement from the State, and effectually, at the same time, establish them elsewhere in freedom and safety. But I have not perceived the growth of this disposition in the rising generation, of which I once had sanguine hopes. No symptoms inform me that it will take place in my day. I leave it, therefore, to time, and not at all without hope that the day will come, equally desirable and welcome to us as to them.

It seems that back in 1817 Thomas Jefferson appreciated the fact that it would be a Herculean task to bring about the desired result, because he said he did not hope to see it in his lifetime. However, I am convinced that the day will soon come when this great program can be made effective. It will be made effective because the Negro himself, as he suffers discrimination, as he suffers from the pressure of economic conditions, as he suffers more and more year after year from attempting to live with the white man, will demand a physical separation; and whenever the great majority of the Negroes demand it we shall have no trouble in obtaining enough votes in the Congress to pass the legislation.

On page 48, volume 1 of Jefferson's Works, an autobiography written in 1821, Mr. Jefferson said with respect to the Negro:

Nothing is more certainly written in the Book of Fate than that these people are to be free; nor is it less certain that the two races, equally free, cannot live in the same government. Nature, habit, opinion, have drawn indelible lines of distinction between them. It is still in our power to direct the process of emancipation and deportation peaceably and in such slow degree as that the evil will wear off insensibly, and their place be, pari passu, filled up by free white laborers.

The scheme underlying the repatriation bill is that the transfer of the American Negro to his fatherland shall be a gradual process, so as not to disturb economic conditions in this country, and so that it can be done peaceably. There is not one line or word of compulsion in the scheme. It is all voluntary. We are not trying to Hitlerize our Negro friends in this country. We are trying to help them.

Mr. Jefferson again advocates African colonization of the Negro race in a letter to Jared Sparks under date of February 4, 1824, the letter being found in Jefferson's Works, volume 7, page 332. It reads as follows:

The article on the African colonization of the people of color, to which you invite my attention, I have read with great consideration. It is, indeed, a fine one and will do much good. I learn from it more, too, than I had before known of the degree of success and promise of that colony. In the disposition of this unfortunate people, there are two rational objects to be distinctly kept in view. First, the establishment of a colony on the coast of Africa, which may introduce among the aborigines the arts of cultivated life and the blessings of civilization and science. By doing this we may make to them some retribution for the long course of injuries we have been committing on their population. * * * The second object, and the most interesting to us, as coming home to our physical and moral characters, to our happiness and safety, is to provide an asylum to which we can, by degrees, send the whole of that population from among us and establish them, under our patronage and protection, as a separate, free, and independent people in some country and climate friendly to human life and happiness. * * * I do not go into all the details of the burdens and benefits of this operation. And who could estimate its blessed effects? I leave this to those who will live to see their accomplishment, and to enjoy a beatitude forbidden to my age. But I leave it with this admonition—to rise and be doing.

It will be found from these few excerpts taken from Mr. Jefferson's writings that he weighed every possible alternative, and finally decided upon separation as the only solution of the race problem. He declared that while he desired the Negro to enjoy the full liberties of men, yet it must be in a country of their own, and in a climate suited to their phyiscal fitness and congenial to their mode of living. Is it not strange that the people of this Nation, who have for so long a time honored and revered the name and fame of the incomparable Jefferson, who have seen the renown of his great intellect and commanding abilities increase with the growth of time, still refuse to give heed to his warnings and admonitions with respect to a calamity which he so often pointed out would overtake us? Why do we accept without protest a part of his teachings, and reject another part equally essential to the preservation of the Union? Could he be right only in his advocacy of the principles of government which he enunciated more than a century and a half ago, and to which we enthusiastically and unreservedly subscribe as members of the party he founded, and on the other hand be absolutely wrong with respect to the one particular evil that would eventually destroy the Republic to the establishment of which he had contributed more generously and wisely than any other man.

Thomas Jefferson, the original Democrat; Thomas Jefferson, philosopher and politician; Thomas Jefferson, who has been described as artist, naturalist, scientist, sentimentalist, and utilitarian; as thinker, dreamer, and doer; as inventor and scholar; writer and statesman; who enthralled his followers, and fascinated, while infuriated, his foes, said:

The two races equally free cannot live in the same government.

Who is so bold as to dare deny the truth of these words of Jefferson, which have rolled down through the years in thunderous tones, only to fall unheeded upon ears that would not hear? Jefferson understood, as did no other man of his time or since his day, that the race problem admits of but one of two solutions; namely, separation or amalgamation. By "separation" he did not mean mere segregation. True, segregation would reduce race friction, but it would not solve the problem. It would merely prolong the process of amalgamation. It would move forward a few centuries the date when the future American would become a Negroid.

Scientific research has successfully established three propositions beyond all controversy:

First, the white race has founded, developed, and maintained every civilization known to the human race.

Second, the white race, having founded, developed and maintained a civilization, has never been known, in all history, to lose that civilization so long as the race was kept white.

Third, the white man has never kept unimpaired the civilization he has founded and developed after its blood stream has been adulterated by the blood stream of another race, more especially another race so widely diverse in all its inherent qualities as the black race.

No man in America since the foundation of the Republic has understood and appreciated better than did Thomas Jefferson the truth of these three propositions.

The next man in our Nation to propose colonization as a permanent settlement of the Negro problem was William Thornton, a philanthropist, who lived in Washington. He advocated the repatriation of all people of color from the United States back to the homes of their fathers in the African Continent. Nothing he did, however, took shape toward a definite movement. It was not until the formation in Washington of the American Colonization Society that the destinies of the colored people in the United States began to crystallize into a definite idea. Before the organization of the American Colonization Society one other man, an American Negro by the name of Paul Cuffe, became interested in Negro repatriation in 1811, and succeeded in obtaining the consent of Sierra Leone, a small country on the West Coast of Africa, to a program for receiving free American Negroes. Paul Cuffe was a native of Massachusetts, and at the age of 16 was a sailor on a whaling vessel. He organized a crew of Negro seamen and sailed to Sierra Leone and made arrangements with that Government for the reception of Negro emigrants. His plan, however, was not begun until 1815, when, at his own expense, he carried a shipload of free Negroes from Massachusetts to Sierra Leone. He died in 1817, the very year in which citizens of the United States organized the American Colonization Society in the city of Washington. The purpose of this organization was to carry out a program of Negro repatriation. This society, soon after its organization, appreciated the fact that land would have to be acquired upon which to settle the Negro emigrants and that ways and means for their settlement and temporary maintenance would have to be devised. The organization realized further that the task was far beyond their powers to cope with unless it should be aided by the Federal Government. It was their purpose to begin the work of repatriation and thereafter enlist the cooperation of the Federal Government in their praiseworthy undertaking. No organization in the history of our country has had enlisted in its support a more distinguished group of American citizens than the American Colonization Society. Bushrod Washington was the first president. Among the nationally known men who were members of this society, that had for its purpose the repatriation of the Negro, were such distinguished men as Francis Scott Key, John Randolph, Thomas Jefferson, James Madison, James Monroe, Charles Fenton Mercer, John Marshall, Andrew Jackson, Daniel Webster, Henry Clay, Abraham Lincoln, and a long line of other prominent Americans.

It might be of interest to those who live in Washington to know that the American Colonization Society is still in existence, and is headed now by Colonel West, who lives in this city.

Daniel Webster, a name just mentioned as one of the members of the society, said on one occasion, as reported in Webster's Works, volume 5, page 364:

> If any gentleman from the South shall propose a scheme to be carried on by this Government upon a large scale for the transportation of the colored people to any colony or any place in the world, I should be quite disposed to incur almost any degree of expense to accomplish that object.

Those were the sentiments of Daniel Webster during the early days.

Henry Clay, another member of the society, said in his speech in the House of Representatives in 1827:

> Of the utility of a total separation of the two incongruous portions of our population, none have ever doubted. The mode of accomplishing that desirable object has alone divided public opinion. Colonizations in Haiti, for a time, had its partisans. Without throwing any impediments in the way of executing that scheme the American Colonization Society has steadily adhered to its own. * * * Colonization beyond the Stony Mountains—

That is, the Rocky Mountains—

> has sometimes been proposed, but it would be attended with an expense and difficulties far surpassing the African project, whilst it would not unite the same animating motives.

Charles Fenton Mercer, also named as a member of the society, sponsored a Virginia memorial requesting the President to acquire land for a Negro colony. Mercer finally became a Member of Congress, and his first move toward the repatriation of the American Negro was to strike at the slave traffic. The antislave act of March 3, 1819, was initiated and engineered through Congress by Mercer. Out of this act developed an appropriation of funds to be used to return to Africa the slaves that were brought illegally to this country. When the time came to execute the provisions of this act Mercer went to President Monroe and insisted that if the unfortunate captives should be returned to the coast of Africa under the provisions of the act, which he had been successful in passing, and if they were there released, the probability was that they would be sold as slaves again and eventually brought back to the United States. President Monroe was favorably impressed with his reason, and thereupon determined to acquire lands on the west coast of Africa on which illegally imported slaves to the United States could be settled and cared for by the Federal Government. In cooperation with the American Colonization Society, he sent out agents to acquire this territory. Sam J. Mills and E. Burgess were directed by the Colonization Society to proceed to the West Coast of Africa and report upon the British settlements in that vicinity with respect to their suitability for a proposed colony of American freedmen and illegally imported slaves. The report of these men justified the society in proceeding further with its colonization movement, and 2 years later the first colony of 88 Negroes sailed for the African coast in the charge of three white Americans, named Bacon, Bankson, and Crozer, the last named being the society's agent, and the Reverend Sam Bacon being the agent of the United States Government. This was the first step taken in acquiring the land now called Liberia. The capital of this country is Monrovia, named for President Monroe.

Mercer did not stop with the Anti-Slave Trade Act of 1819. In 1820 he secured the passage of a measure through Congress, which declared that citizens of the United States engaged in the slave trade should be adjudged pirates and, upon conviction, should suffer death. In 1830 Congress published a volume of 293 pages dealing with Mercer's official efforts in the interest of Negro repatriation and the suppression of the slave trade. It has been said to the credit of Mercer:

> There is no portion of the African Continent now under political control of Negro people save that portion reserved for them principally through the labor of Mercer.

During the time of Mercer's efforts to bring about repatriation of free Negroes, there were upwards of 200,000 free colored people scattered through the Union. They enjoyed, in those days, just as the situation is here today, few of the

advantages of freedom. It was thought by the American Colonization Society that if a colony for the 200,000 freed Negroes of the United States could be established in the land of their race, they might, in time, with the proper care and attention given by the Federal Government, become a self-supporting community and thus prepare a way and a home for the eventual colonization of the remaining millions of slaves who, at some future time, would most certainly be given their freedom.

Following the first shipment of 88 Negroes to the African coast, the very next year the ship *Nautilus*, chartered by the United States Government, voyaged to Africa with two Government agents on board, named Winn and Bacon, who were accompanied by two officials of the Colonization Society and a further group of Negro emigrants.

In the autumn of 1821 Dr. Eli Ayres was appointed chief agent of the Colonization Society. He went to Cape Montserrado, the site of the present city of Monrovia, and succeeded in acquiring the whole of the Montserrado promontory, and, as a result, all emigrants were transferred to this new acquisition and there made good their final occupancy.

On Ayres' return to Washington the American Colonization Society selected Jehudi Ashmum, a Negro, for service with the Negro emigrants in Africa. It is said that the life of this man was one continuous sacrifice of self on the altar of duty. He proceeded to Africa in the brig *Strong*, in charge of another group of emigrants. He was instructed to take full control of the settlement. His departure from the United States was on June 20, 1822, and early in August he reached his destination, and assumed the direction and administration of the colony. No man ever gave a greater measure of devotion to any cause than Ashmum did to the progress and development of the colony of freedmen settled in Liberia. As a representative of the Colonization Society and an administrator and a leader of men, the name of Jehudi Ashmum will never be forgotten wherever and whenever the story of Liberia is told.

When Ashmum sailed for the United States he handed over the reins of the administration to Rev. Lott Cary, who remained at the head of affairs at Montserrado until the arrival of Dr. R. Randall, who was appointed by the society in Ashmum's place. By this time the number of the American emigrants had reached nearly 3,000, and the designation of the chief administrative authority was changed to that of governor. The first Governor of Liberia was a white American named Thomas Buchanan. At the close of his administration he was succeeded by Joseph J. Roberts, a Virginia mulatto, who was confirmed by the Colonization Society. During Roberts' administration Liberia continued to grow in importance and in size. Roberts, realizing the necessity for funds to carry on his administrative duties, imposed upon goods imported into Liberia a 6-percent ad valorem duty. The imposition of this tax brought about the independence of Liberia. Foreigners refused to pay this duty upon the ground that the colony, as the commercial experiment of a philanthropic society, was incompetent to exercise sovereign rights implied by the levy of duties on imports. Many disagreeable incidents occurred, such as the seizure and subsequent release of certain infringing vessels, followed by a presentation to the Liberian authorities of heavy claims for damages alleged to have been suffered. The Government of the United States, when asked for a declaration of its attitude, made it clear that nothing was further from its intention than to assume the responsibilities of a protectorate of the colony. Thus, it appeared clear that only one thing remained to be done and that was for the settlers to take into their own hands the management of their affairs and to ask for recognition by the powers as an independent Negro state upon the west coast of Africa.

At this juncture, the American Colonization Society, finding that the offspring of its care and benevolence was now able to go it alone unaided, severed the bonds which had held the colony to the society for so many years. Therefore, the Liberian authorities, with unfaltering courage and with faith in what the future might have in store for them, resolved to act without further delay, and a convention was called to sit on the 25th day of June 1847. On the 26th day of the following month the declaration of independence was adopted. This declaration of independence is a document so remarkable for its dignity, its pathos, and its admirable clearness of phrase, that I feel that I cannot do better than read it in full at this point.

This declaration by the Republic of Liberia is in a class by itself, and it does great credit to the Negro race throughout the world.

DECLARATION OF INDEPENDENCE IN CONVENTION

TOWN OF MONROVIA,
June and July 1847.

PREAMBLE

We, the representatives of the people of the Commonwealth of Liberia, in convention assembled, invested with authority for forming a new government, relying upon the aid and protection of the Great Arbiter of human events, do hereby in the name and on behalf of the people of this commonwealth, publish and declare the said commonwealth a free, sovereign, and independent state, by the name and style of the Republic of Liberia.

CAUSES LEADING TO COLONIZATION AND INDEPENDENCE

While announcing to the nations of the world the new position which the people of this republic have felt themselves called upon to assume, courtesy to their opinion seems to demand a brief accompanying statement of the causes which induced them, first to expatriate themselves from the land of their nativity and to form settlements on this barbarous coast, and now to organize their Government by the assumption of a sovereign and independent character. Therefore, we respectfully ask their attention to the following facts:

NATURAL RIGHTS AND GOVERNMENT TO PROTECT THEM

We recognize in all men certain natural and inalienable rights—

These are Negroes talking—

among these are life, liberty, and the right to acquire, possess, enjoy, and defend property. By the practice and consent of men in all ages, some system or form of government is proven to be necessary to exercise, enjoy, and secure these rights; and every people has a right to institute a government and to choose and adopt that system or form of it which, in their opinion, will more effectively accomplish these objects and secure their happiness, which does not interfere with the just rights of others. The right, therefore, to institute government and all the powers necessary to conduct it is an inalienable right and cannot be resisted without the grossest injustice.

DENIAL OF NATURAL RIGHTS IN THE UNITED STATES

We, the people of the Republic of Liberia, were originally the inhabitants of the United States of North America. In some parts of that country we were debarred by law from all the rights and privileges of men; in other parts, public sentiment, more powerful than law, frowned us down. We were compelled to contribute to the resources of a country which gave us no protection. We were excluded from all participation in the Government. We were taxed without our consent. We were made a separate and distinct class, and against us every avenue to improvement was effectually closed. Strangers from all lands of a color different from ours were preferred before us. We uttered our complaints, but they were unattended to or met only by alleging the peculiar institution of the country. All hope of a favorable change in our country was thus wholly extinguished in our bosom, and we looked with anxiety abroad for some asylum from the deep degradation.

Today every right-thinking Negro in America knows that in this land he is being discriminated against, and will be as long as he lives in this country. That is why so many millions of them are begging to go to Liberia.

WEST AFRICA AS A PLACE OF REFUGE

The western coast of Africa was the place selected by American benevolence and philanthropy for our future home. Removed beyond those influences which depressed us in our native land, it was hoped we would be enabled to enjoy these rights and privileges and exercise and improve those faculties which the God of Nature has given us in common with the rest of mankind. Under the auspices of the American Colonization Society we established ourselves here on land acquired by purchase from the lords of the soil.

SUPERVISION OF THE COLONIZATION SOCIETY NO LONGER NECESSARY

In an original compact with this society, we, for important reasons, delegated to it certain political powers, while this institution stipulated that whenever the people should become capable of conducting the government, or whenever the people should desire it, this institution would resign the delegated power, peaceably withdraw its supervision, and leave the people to the government of themselves. Under the auspices and guidance of this institution, which has nobly and in perfect faith redeemed its pledges to the people, we have grown and prospered.

In the bill I am introducing today we provide first for a military government of 1 year, to be followed by a territorial government for 4 years, and after that by a commonwealth. All the time these American Negroes will be under the protection of and aided and assisted by the American Government until they reach the state of organization of a government yonder, in the territory we propose to buy, when they will be able to launch their own government as a free and independent nation in the world.

INCREASE OF POPULATION, TERRITORY, AND COMMERCE

From time to time our number has been increased by immigration from America and by accessions from native tribes, and from time to time, as circumstances required it, we have extended our borders by acquisition of land by honorable purchase from the natives of the country. As our territory has extended and our population increased, our commerce has also increased. The flags of most of the civilized nations of the earth float in our harbors and their merchants are opening an honorable and profitable trade. Until recently these visits have been of a uniformly harmonious character, but as they have become more frequent, and to more numerous points of our extending coast, questions have arisen which it is supposed can be adjusted only by agreement between sovereign powers.

ASSUMPTION OF GOVERNMENT BY PEOPLE

For years past the American Colonization Society has virtually withdrawn from all direct and active part in the administration of the Government, except in the appointment of the Governor, who is also a colonist, for the apparent purpose of testing the ability of the people to conduct the affairs of government; and no complaint of crude legislation, nor of mismanagement, nor of maladministration has yet been heard. In view of these facts, this institution the American Colonization Society, with that good faith which has uniformly marked all its dealings with us, did, by a set of resolutions in January A. D. 1846, dissolve all political connection with the people of this Republic, return the power with which it was delegated and left the people to the government of themselves. The people of the Republic of Liberia, then, are of right and, in fact, a free sovereign and independent State, possessed of all the rights and powers and functions of government.

RELIANCE ON CONSIDERATION OF THE CIVILIZED WORLD

In assuming the momentous responsibilities of the position they have taken, the people of this Republic feel justified by the necessities of the case, and with this conviction they throw themselves with confidence upon the candid consideration of the civilized world.

NO GREED OF TERRITORY

Liberia is not the offspring of grasping ambition, nor the tool of avaricious speculation. No desire for territorial aggrandizement brought us to these shores, nor do we believe so sordid a motive entered into the high consideration of those who aided us in providing this asylum. Liberia is an asylum from the most grinding oppression.

HOPES ENTERTAINED ON COMING HERE

In coming to the shores of Africa, we indulged the pleasing hope that we should be permitted to exercise and improve those faculties, which impart to man his dignity; to nourish in our hearts the flame of honorable ambition; to cherish and indulge those aspirations, which a beneficent Creator hath implanted in every human heart, and to evince to all who despise, ridicule, and oppress our race, that we possess with them a common nature, are with them susceptible of equal refinement, and capable of equal advancement in all that adorns and dignifies man. We were animated with the hope, that here we should be at liberty to train up our children in the way they should go, to inspire them with the love of an honorable fame, to kindle within them the flame of a lofty philanthropy, and to form strong within them the principles of humanity, virtue, and religion. Among the strongest motives to leave our native land, to abandon forever the scene of our childhood, and to sever the most endeared connections, was the desire for a retreat where, free from the agitations of fear and molestation, we could in composure and security approach in worship the God of our fathers.

REALIZATION OF HOPES

Thus far our highest hopes have been realized. Liberia is already the happy home of thousands, who were once the doomed victims of oppression; and if left unmolested to go on with her natural and spontaneous growth; if her movements be left free from the paralyzing intrigues of jealous ambition and unscrupulous avarice, she will throw open a wider and a wider door for thousands, who are now looking with an anxious eye for some land of rest.

I desire to say in this connection that the gate of Liberia is open today for thousands, and I might say millions, of American Negroes. I hold in my hand the original letter from the President of the Republic of Liberia, addressed to President Gordon, of the Peace Movement of Ethiopia, in which President Barclay announces to the world that millions of acres of land in Liberia are now ready and waiting to be settled by American Negroes. He sets out certain terms upon which the Republic will be willing to accept these immigrants. I desire to say that the terms provided for in our bill introduced on this day are more generous and more liberal, and we propose to do more than has been even suggested by President Barclay of the Republic for the immigrants who see fit to go into Liberia.

COURTS, SCHOOLS, AND CHURCHES OPEN TO ALL

Our courts of justice are open equally to the stranger and the citizen for the redress of grievances, for the remedy of injuries, and for the punishment of crime. Our numerous and well-attended schools attest our efforts and our desire for the improvement of our children. Our churches for the worship of our Creator, everywhere to be seen, bear testimony to our piety and to our acknowledgment of His providence. The native African bowing down with us before the altar of the living God, declare that from us, feeble as we are, the light of Christianity has gone forth, while upon that course of curses, the slave trade, a deadly blight has fallen as far as our influence extends.

APPEAL TO NATIONS

Therefore, in the name of humanity, and virtue, and religion; in the name of the Great God, our common Creator and our common Judge, we appeal to the nations of Christendom, and earnestly and respectfully ask them that they will regard us with the sympathy and friendly consideration to which the peculiarities of our condition entitle us and to extend to us that comity which marks the friendly intercourse of civilized and independent communities.

Done in convention at Monrovia, in the county of Montserrado, by the unanimous consent of the people of the commonwealth of Liberia this 26th day of July in the year of our Lord 1847.

In witness whereof we have hereto set our names.

Montserrado County:

S. BENEDICT, *President.*
H. TEAGE.
ELIJAH JOHNSON.
J. N. LEWIS.
BEVERLY R. WILSON.
J. B. GRIPON.

Grand Bassa County:

JOHN DAY.
AMOS HERRING.
A. W. GARDINER.
EPHRIAM TITLER.

Sinoe County:

R. E. MURRAY,
JACOB W. PROUT,
Secretary to the Convention.

So ends the reading of the declaration of independence adopted by the representatives of the people of the commonwealth of Liberia in convention assembled. The sentiments expressed in this remarkable document may become, with every propriety, the sentiments and expressions of hope and aspiration of more than 2,000,000 American citizens of African descent who have petitioned this Government to aid them in a voluntary migratory movement to Liberia. Its preamble, its statement of the causes leading to their colonization and independence; its lamentation because of the natural rights denied them in the United States; its profound conviction that the west coast of Africa was the place of proper refuge for the disconsolate members of the black race, are in every way applicable to the situation which obtains today with respect to the race's longing and yearning for a freedom denied them under a government conceived and administered by the white man. This declaration of independence should be read and pondered in the home of every citizen of the United States through whose veins flows a single drop of African blood.

Negroes of this country know what it means to have jobs denied them. They know the causes which bring about discriminations in favor of the white man. They understand why they are not permitted to play in the parks; to sit in the theaters, restaurants, hotels, and to ride on the trains and busses and airplanes with the white man. They have read numerous signs saying, "Negro, don't let the sun set on you in this town." They understand that there is a real difference between the opportunities offered them and those bestowed upon the white man.

The Negro appreciates the impossibility of his fulfilling, in this country, the high purposes which education and enlightenment have inspired him to hope for and to long for. No matter which way he turns, he sees evidence of a disparity of opportunity for him and his children. His schools are the

poorest in the country; his housing accommodations are neglected. In Alabama he notes that less than one-eighth of the school funds are allotted to the education of his children, while one-third of the eligible school children are colored. In Georgia he observes that one-third of the children are blood of his blood, while only one-eighth of the school funds are allocated to their education. He has seen South Carolina, with one-half of the school children colored, spend $642,086 on school busses for white children for 1 year's transportation, and the sum of only $628 for colored children.

When it comes to jobs, the Negro is in no better condition today than he was immediately after receiving his freedom. The building-trades unions in both the North and the South used divers methods to exclude the Negro. The railroad brotherhoods deny them membership. The Supreme Court may rule that Negro defendants shall not be denied the right of trial by their peers, thus making it obligatory that the names of Negroes should appear upon the jury panel when their life or liberty is in jeopardy, but the Negro still continues to be barred from jury duty or to participate in any matter concerned with public justice. Just to make a feint toward compliance with this ruling of the Court, Negroes are sometimes called for jury service, but they are made to understand by the authorities that they must ask to be excused and accept the fee incidental to the summons. In the city of Washington—often called the Negroes' paradise—Marian Anderson, a Negro woman who has developed some reputation as a singer, was recently denied a request to sing in a Washington public-school auditorium and Constitution Hall, the latter a building owned, I am told, by the Daughters of the American Revolution.

These are only a few of the many thousands of discriminations against members of the Negro race as practiced consistently in this country. These discriminations are not any greater and are no less today than they were the year following the date of the Emancipation Proclamation, or through all the intervening years since their freedom was made a reality, nor will the discrimination be less through succeeding years, or at any time, be it near or far, so long as the white man and the black man occupy the same territory.

In this connection I wish to suggest one good reason why I gave my wholehearted support to the wage and hour law. Before the Civil War the white laboring man of the South had to compete with slave labor, and the poor white man of the South had little chance. After the Negro was freed he was more or less dependent; he was not used to his freedom; he was in desperate straits and was willing to work for any wage. Then the white laboring man of the South had to compete with the Negro freed labor of the South.

The racketeers and industrialists of that section took advantage of the situation, and held the wage scale to the very bottom throughout the years. So the white man of the South suffered just about as much as did the black man. But with the wage and hour law on the statute books, boosting the wage scale in certain industries, which will have a tendency to increase the wage scale in all industry, the white man will receive a wage which will enable him to accept the job which the poor Negro has been filling in the South, because the wage will now be sufficiently high so that the white man can maintain his standard of living in the South. So that the poor Negro who has been having the laboring job heretofore will be out of luck. We will find in the South a great army of millions of Negroes who are going to lose their jobs to white men because the wage scale has been increased.

There is another thing that is causing a grave condition in the South among the Negroes. I refer to the improvement in machinery used on the farm, and especially in the growing of cotton. We now have tractors with which to break the land, without the Negro and the mule. With a machine we lay the land off in rows, without the Negro and the mule. We distribute fertilizer and plant the seed with a machine, without the Negro and the mule. We even have cotton choppers, which do away with the labor of the Negro family. And now we have the mechanical cotton picker. So that the day of the Negro, even on the plantations of the South, is gone.

The white man will take the Negro's job in industry. There are about 8,000,000 Negroes in the South, and being of the South and one of the South, and being a friend of the Negro, I am advocating the passage of the bill I am proposing, so that something can be done to bring relief to the Negro race in the South.

Oh, we are taking care of the Negro in the South now on W. P. A., it is true. The Negroes have left the farms and are congregating in the little towns and cities of the South. They are living 10, 15, 20, sometimes 40 in one room in a house, and Uncle Sam is feeding them through the W. P. A. But that will have to end. I understand a bill is now pending here which provides that the States must contribute one-third of all the W. P. A. money. If that bill should become a law, it would mean there would be no money distributed for the Negro and the poor white man, because the States will not be able to contribute. Many of the Southern States could not make such contributions. Such a provision of law would have the same effect as the vicious, inequitable, unfair, unrighteous, almost criminal, social-security and old-age pension law which has been put on the statute books, which requires the States to contribute one-half of the old-age pension funds.

My State happens to be one of the poorer States. The result is that the old people of my State are receiving only $2.34 a month from the Federal Government, and a total pension of $4.79, whereas in the richer States, which are able to match the Federal money under the social-security and old-age pension law, the old people are receiving $15 a month from the Federal Government, and $30 altogether, with the State's $15 contribution.

I do not know who is responsible for that kind of legislation, but just a little more of that sort of laws for the South and for the poorer States and there will be a revolution. I go so far now as to state that if the Democratic Party shall be defeated in 1940, if someone will erect a tombstone, I will write the name of one man who will be largely responsible for the defeat of the party. His name is Altmeyer, and he is the head of the social-security outfit.

As repeatedly stated before, and as proclaimed by all the great students of and authorities on race relations, these two diverse peoples cannot live together upon terms of social and economic equality, and the only solution for the problem is either amalgamation or separation. The whole Nation, both black and white, revolts at the prospect of amalgamation, with the possible exception of a few thousand mulattoes. The Afro-American is just as insistent upon maintaining the purity of his blood, of perpetuating his racial integrity, as the Caucasian is unalterably committed to the proposition of keeping the white man white, and of resisting all customs, practices, and procedures, both in private and in public life, that have a tendency toward ultimate amalgamation.

I am glad to say that with two and a half million Negroes' names on these petitions they are saying, "We are not in favor of amalgamation. We do not want our blood commingled with white blood." I have respect for that class of Negro. But the element of the Negro race headed by Walter White—not all of them, of course, but a great many of them—are amalgamationists, they are miscegenationists. A large percentage of that element want white wives. They want to see white women nursing black babies—their babies. But these petitioners do not want to see any white woman nursing a black baby.

Immediately following the adoption of the declaration of independence by the people of Liberia, in convention assembled, they adopted, on July 26, 1847, a constitution for the Republic of Liberia. I see that the Senator from Michigan [Mr. VANDENBERG] has come into the Senate Chamber. I desire especially to ask the Senator from Michigan to read the declaration of independence of the Republic of Liberia. It is one of the great documents of the world. A Negro is its author.

The Constitution of Liberia was closely modeled upon that of the United States. In fact in the establishment of the Republic of Liberia the Negro attempted to adopt the American Constitution in toto. He improved upon the

American Constitution. The Negro in Liberia was just a little smarter than were the Americans who wrote our Constitution in 1787, because the Liberian Constitution says that no man in Liberia can vote unless he has Negro blood in his veins. The Constitution of Liberia says that no man can own land in Liberia unless he has Negro blood in his veins. So, while using our Constitution as a model, the Negro improved on it, and made a better job of it than we did.

Following a preamble declaring that in order to secure certain blessings for themselves and their posterity, and to establish justice, insure domestic peace and promote the general welfare, the people of the Commonwealth of Liberia constitute themselves a free, sovereign, and independent state by the name of the Republic of Liberia. Article I was inserted carrying 20 sections, which constituted the bill of rights. Our Bill of Rights is found in 10 amendments to the Constitution. Then followed article II, defining legislative powers, and article III, Executive powers; article IV, judicial department, and article V, miscellaneous provisions. Under the head of miscellaneous provisions, we find section 13, which reads as follows:

The great object of forming these colonies being to provide a home for the dispersed and oppressed children of Africa, and to regenerate and enlighten this benighted continent; none but Negroes or persons of Negro descent shall be eligible for citizenship in this Republic.

Those Negroes were smart.

As originally written and adopted, this section read:

None but persons of color shall be admitted as citizens of this Republic.

But in May 1907, this clause was amended to read:

None but Negroes or persons of Negro descent shall be eligible for citizenship in this Republic.

"Persons of Negro descent" was intended to qualify for citizenship any person who had Negro blood in his veins. The expression "people of color" was found to be too broad in its application as it could be interpreted to mean all peoples except members of the white race, when the purpose intended to be accomplished was to make eligible for citizenship, only those people who were of African descent, wheresoever on the globe they may be found.

Mr. President, I wish to say to the colored citizens who may hear me today, or who may read my speech, that if they are resettled in Liberia they will have one consolation in knowing that they will not be troubled by the white man. They will not be troubled by a certain race, such as we find in some of the large cities, which makes a specialty of racketeering and exploiting and contaminating the Negroes.

The most gratifying thing I have read in some time had to do with the picketing in Harlem, New York, of stores that are owned by Jews. The Negroes insisted that, since the Jews were going to do the business, some members of the Negro race should be employed in those stores, and the Negroes made it so hot for our Jewish friends that they were forced to give employment to Negro boys and girls in Harlem.

I have taken the time to read some of the revised statutes of the Republic of Liberia, and I was interested to note that they have a law exempting homesteads from taxation. Section 1095 of the law says:

Every family shall be entitled to a homestead which shall be exempt from execution. * * *

Liberia has done better than some of the States of the United States. My State just last year passed the homestead-exemption law.

The exemption herein provided for shall continue as long as any of the heirs of the family shall occupy such homestead.

That is a word of comfort to our colored friends who are planning to go to Liberia. When they acquire homes they will be free from execution or sale.

Section 1098 says:

Any clerk issuing any writ to seize and sell any homestead, and any sheriff who may seize and sell any homestead, or shall attempt to do so, shall be guilty of a

That legislation is in advance of the legislation on this subject of many of the States of the American Union. Only very few, up to this time, have passed homestead exemption laws.

I was interested further to note that the laws of Liberia provide for the purchase, by the Republic, of school books for the use of the children in the various counties of the Republic. Section 947 of chapter 25 says:

The legislature shall appropriate from time to time moneys for the purchase of primary and elementary school books for the use of the public schools. The Secretary of the Treasury shall draw special warrants to cover such appropriation, and shall make the same payable to the order of the superintendent, who shall purchase such books as may be provided for and distribute the same among the several counties according to law.

By way of recapitulation, it has been observed from this discussion that the American Colonization Society, organized, as before stated, in the United States in the city of Washington in 1817, undertook to colonize American free Negroes in Africa, and sent its first group of emigrants to that country in 1822, and established them as a settlement within the present limits of the Republic of Liberia; that the colonization society purchased practically all the territory that now forms the Republic of Liberia. It has also been shown that the American Government cooperated with the colonization society and from time to time landed its recaptured slaves from vessels engaged in the slave trade in the territory of Liberia, and provided for these recaptured slaves temporary care and sustenance. In addition to the freedmen from America and the recaptured slaves settled there by the American Government, a great many West Indian Negroes found their way also to this new country. The various settlements in Liberia, established under the auspices of the American Colonization Society and the auxiliary State colonization societies, were in the beginning entirely independent of each other—their affairs being managed by agents selected and sent out by the Home Colonization Society.

As time passed on, more and more power was granted to these various settlements by the society, and eventually they were all consolidated under the name of the Commonwealth of Liberia. Then, on July 26, 1847, the colony declared its independence and subsequently adopted a constitution, and became recognized the world over as the Republic of Liberia. The first President of the Republic of Liberia was Joseph Jenkins Roberts, who, at the time of the declaration of independence and the adoption of a constitution, was Governor of the Commonwealth of Liberia, having succeeded Thomas Buchanan, who was the Commonwealth's first Governor. Roberts was five times elected President of the Republic, and he did much toward inducing other countries to recognize Liberia as a free and independent Republic. The Republic flourished far beyond the expectations of its founders during his administration. It was recognized by other nations in the following order: France, Lubeck, Bremen, Hamburg, Belgium, Denmark, the United States, Italy, Sweden, Norway, Holland, Haiti, and Portugal. It has been said that recognition by the United States was delayed because it was pointed out that Washington would be compelled to receive a colored envoy.

About 1 year after the adoption of the constitution, and when the new government was well on its way toward the completion of its labors in setting up and placing in operation the various subdivisions of the Government, the directors of the society and the commissioners of the Republic, on behalf of the American Colonization Society and the Republic of Liberia, in the city of New York, on the 20th day of July 1848, entered into articles of agreement whereby the society ceded all of its public lands within the limits of Liberia to the Republic, subject to 10 provisions, one of which was that when the Government sells any of the public lands, every alternate lot, or farm, or section, or square mile, or miles shall be left unsold to be assigned to emigrants. It was further provided that the tracts reserved for emigrants may, with the assent of the society, be exchanged for others of equal value, or sold and the proceeds devoted to the pur-

poses of education. It was provided also that the society shall retain the right of locating emigrants in any of the present settlements, and that any settlements are to be formed by the concurrence and agreement of the Government of Liberia and the society.

If Senators have time to read my bill, which I hope they will, they will find that I provide that the American Colonization Society, which is still an organization domiciled in Washington, shall have a part in connection with allocation of the lands acquired for the resettlement of Americans in Liberia.

The agreement stipulated that the Government of Liberia should hold the land theretofore appropriated to the Kentucky society for the occupancy of emigrants from that State, the land assigned to the Mississippi society should be held for emigrants from that State, and the Blueberrie land should be assigned to emigrants from the State of Louisiana. These several State societies were auxiliaries of the American Colonization Society. By this agreement the active participation of the American Colonization Society in administering the affairs of the people of Liberia was practically terminated, and only such rights were reserved and such cooperation in the matter of establishing new settlements was permitted as were to be found stipulated in the articles of agreement of July 20, 1848.

In other words, we already have the land in Liberia. It is being held in trust by the Republic of Liberia for the resettlement of American Negroes. My bill provides a way for the American Negroes to take possession of the land and enjoy it.

A while ago I produced a letter from the President of Liberia. He is ready to receive American Negroes. He sets out certain terms, but my bill sets out more gracious and more liberal terms than are set out in the letter from President Barclay.

It may be of interest to know that since I have been working on this problem, through the activities of the Ethiopian League, headed by President Gordon, of Chicago, two commissioners were sent to Liberia to interview the President of Liberia and definitely ascertain whether or not the President of Liberia would be willing to accept the American Negroes if the Congress should pass legislation providing for their settlement in Liberia. I am glad to say that those two commissioners returned from Liberia in January and are in the gallery today. The President of Liberia is ready to receive American Negroes.

Notwithstanding this severance of the ties which had so long bound together the settlements of the Republic and the American Colonization Society, the parent organization continued to keep in touch with the progress and development of the Republic and to cooperate in an unofficial way in directing its destinies and contributing to its growth and development by encouraging those of African descent in the United States to return to their mother country.

Only this morning I was in conference with Colonel West, who is the head of the American Colonization Society in Washington. He has made frequent trips to Liberia and is still working at the job.

Negroes then began to volunteer in great numbers for colonization in Liberia. The American Colonization Society was unable to take care of all who desired to migrate to the new-found land. Not every Negro in whose breast had risen high hopes of migration to his homeland could be transplanted by the Colonization Society. The volunteers were in greater number than the society could accommodate.

In other words, unless we can persuade the Federal Government to carry out the program, it never can be successfully and satisfactorily done. When two and a half million American Negroes, as evidenced by the petitions on my desk, are begging the Congress to give them the opportunity to avail themselves of the land which is now waiting for them, being held in trust by the Republic of Liberia, is it not better sense, is it not better judgment, is it not better business for the Government to pay for their transportation and care until they are well on their way and have been established in their new home? Is it not cheaper and better to care for them in that way than to let them stay in the United States and keep them indefinitely on the relief rolls?

Mr. DAVIS. Mr. President——

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Mississippi yield to the Senator from Pennsylvania?

Mr. BILBO. I yield.

Mr. DAVIS. How much land has been set aside for this purpose by the Liberian Government?

Mr. BILBO. One and a half million acres were specified as a start; but I am informed that several million acres are waiting, ready, and available.

Mr. DAVIS. As I understand, there is nothing in the Senator's bill which makes it compulsory upon the part of anyone to go to Liberia.

Mr. BILBO. There is not one word, one suggestion, or one intimation anywhere in the bill that suggests force, or power to make any Negro go who does not want to go. In fact, under the provisions of my bill he cannot go unless he expresses a desire to go. He must himself make the application.

Mr. DAVIS. What inducements are offered in the bill for him to go?

Mr. BILBO. The bill offers every inducement in the world in the way of financial support.

Mr. DAVIS. What financial support?

Mr. BILBO. We provide his transportation expenses and his maintenance on the way, and then we set him up with a home. We "grubstake" him. We give him money for furniture. We give him money for supplies. We pay him a dollar a day for a whole year if he is over 12 years of age, and if he is under 12 he receives 50 cents a day until he is able to start operations in his new home in Liberia. I will say to the Senator that in all the history of the world no government has ever made a more magnanimous, more gracious, or more liberal tender to a people seeking another home.

Mr. DAVIS. What would be the per capita cost to the Government?

Mr. BILBO. That question would require a very extended answer; but I think I can satisfy the Senator by stating that the cost of settling Negroes in their fatherland in Africa would be just about one-half the cost of maintaining them on the relief rolls in America.

Mr. DAVIS. Can the Senator give us an estimate of what the cost would be?

Mr. BILBO. Has the Senator read the bill?

Mr. DAVIS. I have read it hastily.

Mr. BILBO. The new bill?

Mr. DAVIS. Yes.

Mr. BILBO. The bill provides that we shall buy 400,000 square miles from France and England, the purchase price of which will be credited upon their war debts. The bill further provides that building materials and supplies necessary for the proper resettlement of the emigrants may be furnished not only by France and England but by any country in Europe which owes us a war debt, and credit will be given for the supplies furnished.

I have always been opposed—as I am sure the Senator has been—to England, France, and other European debtor nations paying the United States in goods, wares, and merchandise, because such a program would be unfair to our own industries and would paralyze our own industries. So the bill provides that the debtors shall pay us in money. They say they do not have the money; but a way is provided by which they can pay. The debtor nations have the land and the supplies and materials to help us carry out the program of resettling the unfortunate race in our midst. The nations which furnish the supplies will receive credit on their war debts. I do not remember the exact details, but my recollection is that the bill provides $300 for furniture after the emigrant has arrived at the point of settlement, $300 for something else, so much for his education, so much for his health, and so forth. The total amount involved is about $700,000 or $800,000. In addition, those above the age of 12 are to receive compensation of

$1 per capita per day and those under 12 are to receive 50 cents a day for a period not to exceed 12 months, so as to give them time to become adjusted and organized and ready to go on with the problem of making a living in their new home.

The plan is very gracious; and a Negro who will accept the offer and go to Liberia will be worth more in Liberia, or in the territory we propose to buy, than 90 percent of them are worth in America today.

The situation I have outlined, and the contention by the slave-holding States that because of States' rights the Federal authorities could not aid in the movement, influenced the State of Ohio to propose a program of repatriation known as the Ohio plan. The Legislature of the State of Ohio, through the Governor of that State, sent out a request to the sister free States that the several Governors thereof submit to their respective legislatures a plan for the emancipation and colonization of slaves, the plan to be concurred in by the slave States. This history is necessary in order to place before the country the story of resettlement, and the importance of what we are now trying to do.

This plan got around the question of States' rights, which, it was thought, prohibited Federal support in the movement. Also, the plan originated by the Legislature of Ohio, stipulated that slavery might be carried on in the several States while repatriation was in progress, and that all slaves who did not volunteer to return to their native land should remain as slaves, on the ground that any such individual who did not join members of his own race in the establishment of a new government could not be considered as worthy or deserving of freedom.

I have much the same opinion of a Negro who would not accept the gracious offer of the opportunity which we are now trying to give him to establish a new home in Africa.

It so happened that the free States readily concurred in the Ohio plan, but the slave States refused to accept it. It is claimed by a distinguished author that in reality this was the first schism that occurred between the North and the South on the race question. This division of sentiment on the question of manumission and repatriation of Negro slaves placed the slave States in the most nearly indefensible position they had ever essayed to maintain. Up to this juncture the slave States apparently gave sympathetic consideration to the emancipation idea, but in the last analysis felt inclined to reject it because they feared to liberate in their midst a race whose numbers were equal to, and in most instances greater than, the number of whites. In my own State today there are more Negroes than whites. The people of the slave States were struck with horror at the contemplation of the great tragedy that would necessarily, according to their way of thinking, ensue if millions of untutored and uneducated human beings, just a few degrees advanced above a state of barbarism, should be turned loose in their midst and left free to roam at will, and at the same time be endowed with all the inalienable rights vouchsafed to the white man under the Constitution.

Then, too, there was the question of property rights. They had paid for these slaves in the coin of the realm; they felt, under any scheme of liberation, that they should be compensated for the losses that would follow general emancipation.

No doubt all Senators are aware that the majority of the Negroes of the South had been bought from our northern brethren who engaged largely in the slave trade. Abraham Lincoln never proposed a fairer suggestion in the history of the country than when he offered to compensate the South for the slaves.

Now the Ohio plan came forward and provided for the repatriation of slaves owned by the slave States, who would volunteer to migrate and that the institution of slavery should continue while the process of repatriation was being carried out. This proposition fully met the dangers apprehended from a wholesale liberation of slaves who were to remain in the territory of enslavement. It is true, the compensation idea was not considered in this plan, and it is possible the absence of any proposal in the Ohio plan to remunerate the slaveholders for the loss of their slaves contributed to their rejection of the plan. At any rate, the free States in the Ohio plan proposed a program which, if accepted, would have resulted in the establishment in these United States of a purely white nation composed of a white race—an ideal which yet must be attained if this Government is to endure and fulfill its destiny in the development and maintenance of the greatest civilization known to man.

Following the rejection of the Ohio plan a man by the name of William Lloyd Garrison arose and made a vicious attack on the American Colonization Society, claiming that it was merely an instrument of the slave power for removing only troublesome free Negroes from the United States and from the presence of their slaves. He claimed that the real purpose of the society was to make more secure the bondage over the Africans who were already enslaved. It will be recalled that the general plan of the American Colonization Society all along was to repatriate only those Negroes who were free, and those who had happened through some fortuitous circumstance to be made free. Even the slave States now accused the society of collaborating with the Garrisonian abolitionist. These attacks, both by Garrison and the slave power, would have destroyed the colonization movement of the society if the society had not been supported and defended by some of the most eminent men in the Nation. Garrison, in theory, was an advocate of the amalgamation of the two races. He was opposed to repatriation; he was in favor of emancipation, the bestowal of citizenship upon the Negro, and the hybridization of the two races. The Colonization Society, in spite of these attacks, continued to make progress until some 12,000 emigrants or more were established in Liberia. It took the Civil War to suspend its operations. The reconstruction era that followed the Civil War almost destroyed the society as an effective agency for repatriation. Reconstruction politicians were active among the Negroes with their newly acquired freedom, urging them to forget about the establishment of a nation of their own in Liberia and to make ready to appropriate to themselves the lands and properties of their former masters.

Let us now turn to that central figure around which all the incidents of the bloodiest war in history revolved—the immortal, the incomparable Abraham Lincoln. There is not a single doubt in the mind of any reputable historian that the institution of slavery was the direct cause of the Civil War. But for the deportation as slaves of these unfortunate people from the jungles of their native home in Africa to the Atlantic seaboard and finally to the cottonfields of the South, the disruption of the Union would never have been threatened and Robert E. Lee would never have had occasion to make surrender of his army to Ulysses S. Grant. No man of that memorable age was more fully advised as to the causes that were challenging the stability of the Union than was Abraham Lincoln. It is well at this point of our discussion to review the words of this great man in giving voice to his sentiments with respect to the emancipation and repatriation of the Negro race.

It will be noted in the study of his public utterances on this subject that he never spoke of emancipation without coupling with that thought the idea of repatriation. Like Jefferson, it was impossible for him to think of emancipation without uniting with that thought the idea of colonization and repatriation. As it has ever been, from time immemorial, impossible among civilized men to think of Jonathan without associating with that character the name of David, or to think of Damon without at the same time thinking of Pythias, so was it with Jefferson and Lincoln equally as impossible for either to think of emancipation without associating with that idea colonization or repatriation.

In the emancipation proclamation—that immortal document penned by Abraham Lincoln—he said:

I, Abraham Lincoln, President of the United States and Commander in Chief of the Army and the Navy thereof, do hereby proclaim and declare that * * * it is my purpose upon the meeting of Congress to again recommend * * * the immediate or gradual abolishment of slavery * * * and that the effort to colonize persons of African descent, with their consent, upon the

continent or elsewhere, with the previously obtained consent of the government existing there, will be continued.

The proposition I am advocating here today was just as important and just as much part of the emancipation proclamation as were the words that set the Negro free. Lincoln tied them together. He says:

And that the effort to colonize persons of African descent, with their consent——

My bill provides that a Negro cannot be transported to Africa unless he gives his consent by filing application indicating his desire to go. Two and a half million Negroes have filed already.

Lincoln says:

upon the continent or elsewhere, with the previously obtained consent of the government existing there, will be continued.

My bill also so provides.

That on the 1st day of January, in the year of our Lord 1863, all persons held as slaves within any State or any designated part of a State, the people thereof shall then be in rebellion against the United States, shall be then thenceforward and forever free.

In one single breath the President proclaimed freedom for the slaves and at the same time the effort to colonize them would be continued.

President Grant spent his whole administration in trying to carry out the colonization plan.

The reason some Senators and some other public men are afraid of this question is that they say it is fantastic; that it is a dream; it is a vision; it is too big a job; it cannot be done. Well, here, without any effort on the part of any man in public life to do anything about it, 20 percent of the 12,000,000 Negroes of the United States are now asking that it be done. I am safe in saying that 75 percent of the 12,000,000 Negroes in this country, if contacted and made to understand the gracious proposal we are offering to them in the effort to give them a chance at freedom and an opportunity in life for themselves and their children, would gladly accept the proposition; and the other 25 percent who might not want to go, and do not want to go now, assuming the 75 percent went, would be ready to go, because they would not then have the rank and file of the Negro race to prey upon and to exploit and to racketeer upon. What would the Negro dentist do if all the rank and file of the Negroes moved to Africa? What would the Negro doctor do? What would the Negro undertaker do? And the Negro preachers would be preaching to empty benches. They would go. As soon as the trek was started, the job would be finished.

After having read this document to his Cabinet, and while waiting for a Federal victory before publishing the proclamation to the world, the President assembled a group of free Negroes at the White House and informed them that he was about to enter upon a general program that would solve the race question through the peaceful and voluntary separation of the two races.

As a valuable contribution to this discussion and as a document that more clearly sets forth the views of the President with respect to the future status of the Negro, I quote almost in its entirety his memorable address, delivered in the the month of June 1862 to a deputation of free Negroes in the city of Washington. If any Members of the Senate have not had a chance to read this speech of Abraham Lincoln, I think they will find it very interesting. It is as follows:

Why should not the people of your race be colonized?

Lincoln is speaking to the Negroes assembled in the White House.

Why should they not leave this country? This is perhaps the first question for consideration. You and we are a different race. We have between us a broader difference than exists between almost any other two races. Whether it is right or wrong, I need not discuss; but this physical difference is a great disadvantage to us both, as I think your race suffers greatly, many of them by living with us, while ours suffer from your presence. In a word, we suffer on each side. If this is admitted, it shows a reason why we should be separated. You, here, are freemen, I suppose. Perhaps you have long been free for all your lives. Your race are suffering, in my opinion, the greatest wrong inflicted on any people. But even when you cease to be slaves you are yet far removed from being placed on an equality with the white race. You are still cut off from many of the advantages which are enjoyed by the other race. The aspiration of man is to enjoy equality with the best when free; but on this broad continent not a single man of your race is made the equal of ours.

Not then, not now.

Go where you are treated the best, and the ban is still upon you.

Whether it is in Michigan or in Mississippi.

I do not propose to discuss this, but to present it as a fact with which we have to deal. I cannot alter it if I would. It is a fact about which we all think and feel alike. We look to our conditions owing to the existence of the races on this continent. I need not recount to you the effects upon white men growing out of the institution of slavery. I believe in its general evil effects upon the white race. See our present condition. The country is engaged in war. Our white men are cutting each other's throats, none knowing how far their frenzy may extend; and then consider what we know to be the truth. But for your race among us, there could not be a war, although many men engaged on either side do not care for you one way or the other. Nevertheless, I repeat, without the institution of slavery, and the colored race as a basis, the war could not have had an existence. It is better for us both, therefore, to be separated. I know that there are freemen among you who, even if they could better their condition, are not as much inclined to go out of the country as those who, being slaves, could obtain their freedom on this condition. I suppose one of the principal difficulties in the way of colonization is that the free colored man cannot see that his comfort would be advanced by it.

Like some of the miscegenationists, they cannot now see that they would be better off, but they would be.

You may believe you can live in Washington, or elsewhere in the United States, the remainder of your lives, perhaps more comfortably than you could in any foreign country. Hence you may come to the conclusion that you have nothing to do with the idea of going to a foreign country.

This is Lincoln, still talking to the Negro.

This—I speak in no unkind sense—is an extremely selfish view of the case. But you ought to do something to help those who are not so fortunate as yourselves. * * * For the sake of your race you should sacrifice something of your present comfort, for the purpose of being as grand as the white people in that respect. It is a cheering thought throughout life that something can be done to ameliorate the condition of those who have been subject to the hard usages of the world. It is difficult to make a man miserable while he feels that he is worthy of himself and claims kindred with the great God who made him. In the American Revolutionary War sacrifices were made by men engaged in it, but they were cheered by the future. General Washington himself endured greater physical hardships than if he had remained a British subject; yet he was a happy man, because he was engaged in benefiting his race, and in doing something for the children of his neighbors, having none of his own.

That is Lincoln's speech to these Negroes at the White House. He closed his address with the following words:

The practical thing I want to ascertain is whether I can get a number of able-bodied men, with their wives and children, who are willing to go when I present evidence of encouragement and protection.

Every encouragement and protection on earth is to be thrown around the Negro as he is being resettled in Africa under the provisions of the bill I have introduced.

Could I get a hundred tolerably intelligent men, with their wives and children, and able to "cut their own fodder," so to speak? Can I have 50? If I could find 25 able-bodied men, with a mixture of women and children, good things in family relation, I think I could make a successful commencement. I want you to let me know whether this can be done or not. This is the practical part of my wish to see you. These are subjects of very great importance—worthy of a month's study, instead of a speech delivered in an hour. I ask you, then, to consider this seriously, not pertaining to yourselves merely, not for your race and ours at the present time, but as one of the things, if successfully managed, for the good of mankind—not confined to the present generation, but

"From age to age descends the lay
To millions yet to be,
Till far its echoes roll away
Into eternity."

The observations made by President Lincoln in this famous address, delivered at the White House to a deputation of free Negro citizens assembled from many sections of the country, did not spring from immature considerations. nor were they conceived under the pressure of passions generated by the exigencies of war; but they coolly and calmly reflected his judgment on the race problem as frequently enunciated

in the early years of his political life. The address embodied views long entertained by him and arrived at years before the war clouds began to gather—views garnered from a prolonged study of racial inheritances and the ethnological differences between the two most widely diverse races on the globe. Furthermore, because of having been born in the South, he was frequently thrown in immediate contact with the colored race, and through this familiarity and intimacy with this unfortunate people he acquired a knowledge of their traits, their habits, and customs that served him well in the formulation of his policy to colonize the free Negroes of this Republic on the coast of Liberia. No man since the beginning of this Republic was more firmly convinced that this Nation could not survive if the two races were required to live in the same territory and under the same government. That is as true as heaven. As far back as 1836, when Lincoln announced his candidacy for the legislature in the State of Illinois, and when he was only 27 years old, he said:

I stand for admitting all whites to the right of suffrage who pay taxes and bear arms, and by no means excluding females.

Lincoln was a woman suffragist when he was 27 years old. This was a direct declaration favoring the limitation of suffrage to white people only.

In 1837, while discussing a resolution to the General Assembly of Illinois, Lincoln denied that Congress had power to interfere with slavery, and in doing so employed these words:

The Congress of the United States has no power under the Constitution to interfere with the institution of slavery in the different States.

Lincoln was opposed to social or political equality of the two races and inveighed against the intermarriage of whites and blacks. On this subject he spoke at Charleston, Ill., September 18, 1858, and used these words:

I will say that I am not, nor ever have been, in favor of bringing about in any way the social and political equality of the white and black races—that I am not, nor ever have been, in favor of making voters or jurors of Negroes, nor of qualifying them to hold office, nor to intermarry with white people; and I will say in addition to this that there is a physical difference between the white and black races which I believe will forever forbid the two races living together on terms of social and political equality, and, inasmuch as they cannot so live, while they do remain together there must be the position of superior and inferior; and I, as much as any other man, am in favor of having the superior position assigned to the white race.

When Henry Clay, who for many years had been president of the American Colonization Society, died, Mr. Lincoln, in making a memorial address following the demise of the great compromiser, said:

If as the friends of colonization hope, the present and coming generations of our countrymen shall by any means succeed in freeing our land from the dangerous presence of slavery, and at the same time restoring a captive people to their long-lost fatherland with bright prospects for the future, and this, too, so gradually that neither races nor individuals shall have suffered by the change, it will, indeed, be a glorious consummation. And if to such a consummation the efforts of Mr. Clay shall have contributed, it will be what he most ardently wished and none of his labors will have been more valuable to his country and his kind.

In a debate with Senator Douglas on October 16, 1854, Lincoln voiced sentiments of regret that it was not possible at that time for a sudden freeing and colonization of the Negro. You will notice that he could not say "emancipation," he could not say anything about freeing the Negro, without saying something about colonizing the Negro. The two went together, as they ought to go together.

These were his words:

My first impulse would be to free all the slaves and send them to Liberia, to their own native land, but a moment's reflection would convince me that whatever of high hope (as I think there is) there may be in this, in the long run its sudden execution is impossible.

No one ever dreamed of sending all of our Negro citizens to Liberia or to other parts of Africa in a month, or in a year, or in 5 years. This is a work of possibly a quarter of a century, and it ought to be done in such a slow and gradual way as not to disturb the economic conditions of the country; and things will adjust themselves as these people are moved out.

Later on in a debate with Senator Douglas on June 26, 1857, Lincoln spoke more encouragingly as to the prospects of being able to bring about the colonization of the Negro. In this speech he employed these words:

Such separation, if effected at all, must be effected by colonization; and no political party, as such, is now doing anything directly for colonization. Party operations at present only favor or retard colonization incidentally. The enterprise is a difficult one—"but where there is a will there is a way," and what colonization needs most is a hearty will. Will springs from the two elements of moral sense and self-interest. Let us be brought to believe that it is morally right, and at the same time favorable to, or at least not against, our interests to transfer the African to his native clime, and we shall find a way to do it, however great the task may be.

I will tell you when this thing will be done. When a few more million Negroes in this country sign the petition asking Congress to give them a chance under the sun in their new home in Africa, there will not be any question about the bill passing.

In his first message to Congress, in December 1861, he proposed to colonize Negroes liberated from persons in arms against the Government—

At some place or places in a climate congenial to them. * * * If it be said that the only legitimate object of acquiring territory is to furnish homes for white men, this measure effects that object, for the emigration of colored men leaves additional room for white men remaining or coming here.

These words, uttered 78 years ago, are as applicable to the situation obtaining here today as they were to the age of Abraham Lincoln.

Mr. Lincoln did not believe that the Declaration of Independence meant that all men were created equal in every respect. In his speech delivered in Illinois in 1858 he made clear his understanding of the Declaration of Independence on this point by saying:

I have said that I do not understand the Declaration of Independence to mean that all men are created equal in all respects. Certainly the Negro is not our equal in color, perhaps not in any other respect. * * * I did not at any time say I was in favor of Negro suffrage. Twice, once substantially and once expressly, I declared against it. * * * I am not in favor of Negro citizenship.

Not any more than the Negroes in establishing their government in Liberia were in favor of white people having citizenship in their republic.

In President Lincoln's second annual message to Congress, submitted in December 1862, he emphasized the fact that colonization would settle forever the Negro problem.

There are two ways in which it might be settled—either separate them physically or let them remain here and amalgamate with them. Everyone is on one side of the fence or the other. Lincoln said:

Our strife pertains to ourselves and not to the passing generation of man, and it can, without convulsions, be hushed forever with the passing of one generation.

Following this observation, he then proposed an amendment to the Constitution of the United States, and because the right of Congress to appropriate money for colonization purposes had been challenged he submitted this observation:

Congress may appropriate money and otherwise provide for colonizing free colored persons with their own consent in any place or places without the United States.

Again, in the same second annual message, he said:

Reduce the supply of black labor by the colonization of the black laborer out of the country, and by precisely so much you increase the demand for, and the wages of, white labor.

I have heard many of the statesmen here repeatedly declare that we have problems which will stay with us; that we will always have unemployment; that because of this being a machine age and because of the exhaustion of new frontiers, our employment rolls will decrease. Then why not adopt Lincoln's theory of handling the question? It will cost less to handle it in that way, and the Negro is asking that we do it, and do it for him.

If Lincoln's advice had been heeded at the time it was given, and the supply of labor in the South had been reduced by the colonization of the black laborer, the South today would not be featured throughout the Republic as the Nation's economic problem No. 1. As Lincoln stated, the colonization of the black laborer in that section would have increased the demand for, and the wages of, white labor; just in the same proportion the supply of black labor would have been reduced.

From a careful study of these limited excerpts from the writings and public utterances of President Abraham Lincoln, it is adequately demonstrated that he did not suddenly jump at conclusions with respect to racial separation. His philosophy of the race problem was gradually developed and slowly reasoned out from the time he was 27 years old, and a candidate for the Legislature in the State of Illinois, to the day when he issued the Emancipation Proclamation. I wish again here to emphasize by repeating the fact that through all his efforts to colonize persons of African descent, he never proposed any plan for the liberation of the slaves that was not coupled with his scheme for colonization. Embodied in the emancipation proclamation itself was the solemn pledge that his efforts would be continued to colonize the slaves when liberated from their state of bondage. It has been shown that the President did continue his efforts by recommendations to Congress, providing for colonization; by attempting to obtain land upon which free Negroes might be settled; by at one time devising plans for compensated emancipation of the slaves; by obtaining an appropriation from Congress with which to begin colonization, and by an official request to the Congress for a constitutional amendment to sustain his colonization program. He considered the emancipation proclamation as a war measure, and that colonization was a post-war measure, the purposes of both being, the one the saving, and the other the perpetuation of the Union. He deemed the emancipation proclamation not only as an instrument designed for preserving the Union by destroying the slave power, but as also an act that would expedite his long-advocated concept of racial separation. He reasoned that when 4,000,000 slaves had been given their freedom in the Southland, and that when the war subsequently had been won by the armies of the Republic, the slaveholding power of the South, defeated in battle and confronted with the presence of 4,000,000 ignorant free men, unaccustomed to and incapable of exercising the duties and responsibilities of intelligent citizenship, would immediately join hands with the free States of the Union in a unified effort to bring about the complete riddance of a race that seriously threatened the political existence not only of the Southland, but of the Nation as a whole. So it happened that, when conscious that the war for the preservation of the Union had been won, he commissioned Gen. W. F. Butler, in the month of April 1865, to inquire into and give his views as to whether the Negroes could be exported.

At this juncture, Lincoln was assassinated, and until this day the hope, the dream, the aspiration of the great Emancipator has never been fulfilled.

Two of the greatest lights in the bright galaxy of all the stars that are set in the political firmament of this Republic, namely, Thomas Jefferson and Abraham Lincoln, have entertained the same concepts and ideals with respect to the solution of the Negro problem, and one of the saddest commentaries on the lives and achievements of these illustrious leaders is that the most priceless of the numberless ideals they have championed and defended has, through all succeeding years, remained an unaccomplished reality.

On the banks of the Tidal Basin here in Washington there is today being erected a memorial to Thomas Jefferson, commemorating—in time-defying granite—his contribution to the establishment, on everlasting foundations, of the greatest Republic known to civilized man. Already, on the banks of the mighty Potomac—in impressive grandeur—stands a monument done in imperishable stone commemorating the contribution of Abraham Lincoln to the preservation of the Union. Strange, is it not, that the people of this Nation should thus befittingly honor these heroic men for the incomparable services they have rendered—the one laying wisely and well the foundations of a new world democracy, and the other effecting, at a crucial moment of disintegration, the preservation of that democracy; and that they should at the same time reject, in these memorials, the cornerstone which represented the culminating ideals of both, namely, if this Nation is to endure under God, the separation of the two races and the colonization in Liberia of all citizens of African descent must be accomplished. One should be pardoned for indulging the hope that this rejected stone shall become the keystone of the arch in the construction of the Jefferson Memorial.

Jefferson and Lincoln, along with others who have devoted effective research and prolonged study to the Negro race problem, are in practical unanimity upon a three-way solution of this problem—social and political equality, resulting in amalgamation; complete segregation in this country, extending somewhat remotely the time of effectual amalgamation; and repatriation—the only remedy to be adopted that will preserve the civilization of the Caucasian race, and afford an opportunity for the Negro race to develop a civilization of its own.

I endeavored on a previous occasion, May 24, 1938, to stress the importance of reviewing and weighing, in every detail, the racial concepts of Jefferson and Lincoln, and took occasion to say that the time had arrived when this Government and those who make and execute its laws can no longer afford to ignore the accumulated wisdom of the past; to be oblivious of the teachings of history and of the warnings and admonitions of the most illustrious and renowned patriots of the past—the teachings and prophecies of those great and unselfish souls who have steered successfully thus far the destinies of this Republic.

What strange and inexplicable processes governing the mysterious workings and operations of the human mind have we fallen upon in this modern age that we cannot accept, without doubts and misgivings, the teachings and philosophies which have become our heritage as handed down to us by our great statesmen, our scientists, and recognized authorities on race culture and hereditary and social values.

It is inconceivable that any of the foremost leaders of our time should so willingly accept the fundamental principles of our Government, the basic foundations upon which rests the superstructure of our political system and the western civilization it has developed, and at the same time refuse to be guided and motivated by the men who framed and preserved for us that self-same Government, and who, while doing so, clearly and unanimously laid down the dictum that nothing is more certainly written in the book of fate than that "the two races, equally free, cannot live in the same government," and that "there is a physical difference between the white and the black races which will forever forbid the two races living together on terms of social and political equality."

Especially is this fact all the more incomprehensible when the sentiments they so wisely and so well expressed have been caught up and echoed and reechoed through all the succeeding years by others no less capable, who severally, in their turn, laid hand upon the helm of state and guided with prudence and wisdom its continuing and upward course. Nor were they alone, as if in the wilderness, in their cry for redemption and deliverance from the unspeakable horrors of impending blood pollution, amalgamation, and hybridization. The bravest and the best from all sections of our common country have helped to hold high the danger signal so that the car of human progress might proceed to its destined goal without Caucasian casualty, Ethiopian extermination, or slow and imperceptible or cataclysmic disintegration of our boasted civilization.

Unquestionably, the devotion of the people of this Nation to Abraham Lincoln is sincere, but, regardless of that sincerity, the endorsement of the full and complete plan of his high purposes and noblest aspirations is withheld. The

most generous reason that can be offered for failure of his devotees to follow him in his ideas no further than emancipation and the grave is that they have lost sight of his ultimate purpose—his definite goal. Every citizen who professes a devout respect for the great emancipator owes it to the memory of this sainted man, as well as to himself, to work for the consummation of his interrupted purpose. That which the assassin's bullet prevented Lincoln from accomplishing should be the mark at which those of us who have followed him should aim. Human justice, racial pride, and self-preservation cry out in a tearful plea that Lincoln's legacy be not dishonored; that the great project of colonization, following emancipation, which he had formulated, be not terminated in Ford's Theater.

Lincoln sacrificed his very life for his first step in emancipation, and whoever coopenates in taking the final step, whoever helps to complete his unfinished project by providing for the voluntary repatriation of the American Negro, will earn the everlasting gratitude of two self-respecting races and enable the spirit of Lincoln to rest content. No repatriation movement can be conducted without the name of Abraham Lincoln being associated with it. The part he played in setting the stage for the voluntary exodus of the downtrodden race should be repeated until it is known and understood by all men who seek a happy and permanent solution of the race problem. Like a theme song, it should be heard in the nature of a Negro spiritual running through the halls of Congress and wherever men are assembled to direct and determine the course of empires. It should be repeated in the ears of the listening world until every thought of Lincoln suggests his unfinished dream. It should be repeated here, within these walls, until, resonant with his long silenced voice, they may be made to intone unceasingly these words:

> Without the institution of slavery and the colored race as a basis, the war could not have had an existence. It is better for us both, therefore, to be separated. * * * I do not understand the Declaration of Independence to mean that all men are created equal in all respects. * * * I am not, and never have been, in favor of making voters or jurors of Negroes, nor of qualifying them to hold office, nor to intermarry with whites. * * * There is a physical difference between the black and white races which, I believe, will forever forbid the two races living together on terms of social and political equality.

Those immortal words of Lincoln should be written into the minds and hearts of every American citizen.

Abraham Lincoln fell a martyr to his ideals before they could be achieved. Abraham Lincoln—the noblest friend the colored man ever had—was deterred by the assassin's bullet from giving him a liberation far surpassing that afforded by emancipation—namely, a home in a congenial clime in the land of his fathers where he could, under the guidance and protection of this Government, work out for himself a civilization and a culture to the full limit of his racial endowments and the acquisitions in point of training and development gained from his sojourn in America. How easy it is to visualize his sympathetic spirit today standing on the sidelines in sad contemplation of his shattered ideals; of a work half completed, viewing, with profound commiseration, the black man to whom he had given freedom, still without freedom, stranded, as it were, on an unfriendly shore and at the mercy of misguided agitators, today, as in 1865, who seize every opportunity to exploit him for private gain. Who is there, among the Members of this most exclusive body in the world, who will hesitate to join with two and one-half million people of African descent in a united effort to bring about the ultimate completion of Abraham Lincoln's self-imposed task?

Following the death of President Lincoln, the reconstruction era began, and through the efforts of reconstruction politicians migrating from the North into every nook and corner of the South, the activities of the American Colonization Society were paralyzed and the movement it had inaugurated so long ago became more or less devitalized.

The carpetbagger of those days, like the Communist of this day, impregnated the Negro brain with the idea that he should abandon the effort of establishing a Negro nation in a foreign land and become reconciled to his manifest destiny, which was to take over the lands and properties of his former slave owners, and also to make ready to seize the reins of government. The same idea, in slightly modified form, is being advanced by the Communists who are active in organization work among the Negroes of the South, urging them to demand all the rights made secure to the white man under the Constitution, and assuring them of the assistance of the Communists in a united effort to take over the black belt of the South, politically and otherwise. They have been encouraged by these Communists to believe that they can take possession of the farms and the industries now owned by the white people, called the capitalistic class.

Earl Browder, in a report to the New York convention of the Communist Party, on June 24, 1936, said:

> Significant progress has been made in building a united front of struggle for Negro liberation. The Negro people have learned to expect and demand from Communists the greatest sensitivity to their problems; the greatest energy in their defense; the greatest solidarity in their struggles.

In the testimony of Walter S. Steele, before the Dies committee investigating un-American propaganda activities in the United States, we find on page 321 in a volume carrying his testimony exclusively, these words:

> The Communists promise Negroes self-determination in the black belts of the country. These belts are indicated by maps and, of course, include the districts heaviest populated by the Negroes. Communists promise them confiscation of land and industries from the white owners and the turning over of them to the Negroes.

On page 323 of his testimony, Mr. Steele further stated:

> In the South those who join the Communist movement realize that such a change in sentiment as the Communists plan, if it could be brought about, will give them actual domination in such States as South Carolina and Mississippi, where Negroes are numerically superior, and could use their votes to especially good advantage. To many southern Negroes, therefore, the cunningly devised picture of social and political equality is a vision of the promised land. They are told that the plantations now belonging to the members of the white race will be divided up and given to them. In Russia members of the Negro race do not have social equality. The friendship of the Communist leaders for members of the southern colored race is purely hypocritical.

In June of 1938, less than 1 year ago, the Communists held their first all-southern conference of the Communist Party, in Chattanooga, Tenn. One hundred and thirty-three delegates, it is claimed, assembled in this city from all parts of Dixie to hear Earl Browder, the national secretary of the Communist Party, and James W. Ford, head of the Negro section of the same party. According to the further testimony of Steele, on page 324 of the Dies committee hearings, it was the expressed determination of this meeting to carry forward the Red penetration of the South during the next 12 months with renewed vigor. He further stated:

> It is the announced purpose of the meeting to accelerate the work of the Communists in the South, looking toward votes for the Negroes and the organization of more powerful labor unions in the South. It is to be remembered—

He said—

> that when the "reds" mention unions they are not referring to labor organizations but to organizations which will agitate for the class struggle which will make America over as a Communist state.

Therefore the hypocrisy of the Communists of our time finds its prototype in the hypocrisy and deceit of the carpetbagger during the reconstruction period.

At the very height of the demoralizing situation that prevailed soon after the Civil War another outstanding Repatriationist arose in the person of Henry McNeil Turner, a Negro born at Abbeyville, S. C. He encouraged his race to achieve race progress through race nationality as other races had done. Turner entered the ministry and became a bishop in the African Methodist Episcopal Church. He had attracted the attention of President Lincoln, who appointed him Army chaplain for the first colored troops used in the Union Army. Following the close of the war he was sent with the reconstruction forces to Georgia, but resigned his commission and returned to the ministry. The reconstruction crowd was too hot for him. Bishop Turner was well aware of the fact that

the race problem would continue as long as white women bred white children and Negro women bred Negro children. In answer to the carpetbagger's promise to the freedman of the plantation formerly owned by his master, Bishop Turner claimed that the Negro would more likely secure 400 acres of land and a hippopotamus in Africa than he would get 40 acres and a mule in America.

When the argument was advanced that the Negro could profit in this country by the achievements of the whites, and that there was no need for racial and national independence, he proclaimed that "freedom for racial initiative is a prerequisite for racial progress and in this respect the Negro would be better off in hell than in the United States."

Some Negroes are finding that out, and conditions are going to become worse.

Bishop Turner was as firmly committed to the policy of repatriation as the only solution of the Negro problem as any of the leading statesmen, scientists, and ethnologists of his time. Very definitely in line with the racial concepts of both Jefferson and Lincoln, he insisted that by separation he did not mean that everyone should go, or must go, but that there should be given or granted an opportunity for the departure of such black men and women as are self-reliant, and as are willing to go. He said further:

> This Nation, or its aggregated people, will either have to open a highway to Africa for the discontented black man, or the Negro will flinder this Government.

I cannot close these remarks about Bishop Turner without including a letter that he wrote when an old man to W. P. Pickett, who was then preparing a publication entitled "The Negro Problem—Abraham Lincoln's Solution." This letter, under date of January 12, 1907, reads as follows:

> I pray God that you will continue in the great work in which you are engaged and move this country to help the Negro to emigrate to the land of his ancestors. I have visited that continent as often as I have fingers on my hand, and it is one of the richest continents under heaven in natural resources. Millions of colored people in this country want to go. Give us a line of steamers * * * and let us pay as much as the million or more white immigrants pay coming from Liverpool, London, and Hamburg to this country, and the Negroes will leave by thousands and by tens of thousands—yes, by millions.

The question of colonizing the Negro or of separating the two races has been almost continuously agitated throughout the past century. The various proposals to accomplish this end are not characterized by any essential differences. The question of location furnished the principal basis upon which opinions widely differed. One group of colonizationists recommended that unoccupied territory held by the United States should be set apart exclusively for the colonization of Negroes. Just recently there was a movement in Chicago to organize a forty-ninth State by taking parts of certain large Western States, such as Colorado and others, and forming a State where none except Negroes could go. Another group favored the removal of Negroes to some part of the Western Hemisphere not owned and not likely to be owned by the United States. However, the most serious considerations have been entertained by the group which proposed to repatriate citizens of the United States, of African descent, to Africa, more especially to the Republic of Liberia.

Following the death of Bishop Henry McNeil Turner, Marcus Garvey, a Negro born in Jamaica, took up the movement of repatriation; and during the course of his activities he developed into the most powerful and effective advocate of race integrity and race nationality that this country or any other country has ever known. We are told by authorities who have devoted effective study to the labors of Garvey on behalf of the Negro race that he was a man of good education, and that in his youth he brooded long over the disadvantages suffered by his race. He organized a Universal Negro Improvement Association. He stressed the importance of blood integrity and race nationality. He spoke in a language that stirred the deep desire of the race for these essentials. Garvey's organization became international. It developed into a vast empire of workers devoted to the achievement of economic progress through racial integrity and race nationality. It is said that the membership of the organization at one time exceeded 6,000,000. Its membership came from many foreign countries, as well as from the States of the Union.

Garvey was the first repatriationist who succeeded in gaining to any appreciable degree the attention of the American press. As stated by Mr. Earnest Sevier Cox, this organization, in a plan to aid Liberia, believed that it had acquired certain rights in that country, and sent out a shipment of goods of the value, it is said, of $50,000, when the Liberian end of the agreement was rescinded.

At about this time other American citizens were successful in acquiring holdings in Liberia; but these other Americans, not being of Negro descent, could not become citizens of Liberia or hold title to its land. The Firestone Tire & Rubber Co. has $90,000,000 invested in a rubber plantation in Liberia on leased land. This obstacle was overcome by leasing a million acres of Liberian land for a period of 99 years. Garvey opposed the white man's occupation of Africa through the seizure of Liberian lands on long leases. He advocated the doctrine of "Africa for the Africans," and decried the white man seizing Negro Africa and holding its people in subjection there, as the white man had done elsewhere.

Garvey's enemies were legion. More especially he was stubbornly fought by the Negroes in the United States who favored amalgamation—the blending of the blood of the two races. Notwithstanding this formidable opposition, more forcefully felt through the activities of the N. A. A. C. P., Garvey succeeded in gaining a powerful hold upon the group of the Negro race which may be designated as "Afro-Americans," practically full-blooded Negroes.

Garvey made an effort to finance the Black Star Line of steamships to be used to carry Negro emigrants to Africa and to develop trade among Negro people. This unfortunate enterprise resulted in temporarily arresting his repatriation movement. He was convicted of having fraudulently used the mails to sell stock in the Black Star Line. His conviction took place just before the economic collapse known as the depression. The presiding judge denominated him as an impractical dreamer, afflicted with a Messianic complex, and considered that the innocent Negroes of the country should be protected against the vagaries and impractical schemes of the repatriation idealist.

It may be true that Garvey sold stock in the Black Star Line. It may be true that the Black Star Line went to pieces as an investment. However, there was no more reason for penalizing Garvey for selling that kind of stock than there was for penalizing bankers who flooded the country with Peruvian bonds and other bonds which were sold through the mails and which were just as worthless as the stock in Garvey's Black Star Line.

In passing, it may be well to note that shortly after Garvey's conviction multiplied millions of dollars' worth of stock issued by so-called practical men—men free from the hallucinations of a Messianic complex—proved to be as worthless as the stock in the Black Star Line. President Coolidge commuted Garvey's sentence; but since he was an alien he was automatically exiled from the United States. His imprisonment deprived him of further active leadership in the great organization he had founded. His largest group of followers was located in the United States; and because of his alienation he was powerless to carry on the great movement of repatriation.

When we consider that Garvey's work was terminated by a court conviction and subsequent deportation, we find cause for discouragement among his followers. However, the chief value of his labors lay in the quickening of a race consciousness and in the birth among his followers of a new hope for racial integrity and Negro nationality. For this service he could not be adjudged in violation of law by any court in the world, while on the other hand he was denominated a benefactor of the human race at the bar of enlightened public opinion.

The most significant thing about the achievement of Garvey is that notwithstanding the collapse of his colonization program at the zenith of its popularity, notwithstanding

the loss of considerable sums of money invested by the members of his race, notwithstanding his conviction and imprisonment, followed by deportation from the country in which he had established his great organization—notwithstanding all these things and more, the movement he had originated did not die with the passing of its founder. The longing for economic freedom and progress, the yearning for the establishment of negro nationality, the burning desire to make secure racial integrity that Garvey had implanted in the souls of millions of Afro-Americans, survived. He definitely succeeded in establishing the fact that there is an overmastering impulse, a divine afflatus among the mass of Negroes of the United States for a country of their own and a government administered by themselves. Garvey was the greatest of the Negro publicists, and the most conspicuous organizer of his race.

In the wake of the Garvey movement there has appeared a new movement, unaided by the publicity of the press, which has for its purpose a single idea—to return people of African descent to their motherland, Africa. It was to be known as a "peace movement." President M. M. L. Gordon, of the Peace Movement, is a woman of marvelous courage and determination. She is successfully carrying on where Garvey left off. She has breathed new life into the cause of Negro repatriation. Through her efforts a giant memorial has been presented to the President of the United States calling for the return of people of African descent to their motherland, Africa.

I now submit the letter which President Gordon wrote to me, in which was enclosed a copy of the memorial prepared by the Peace Movement of Ethiopia. Before reading the letter I wish to say that the names of more than 2,000,000 of the petitioners which came to me were the result of the efforts of the organization led by President Gordon, of Chicago. Fifty-eight thousand more came to me through the efforts of the heads of organizations of the Universal Negro Improvement Association, which was originally founded by the Garvey organization. They are all working together for the one end, one purpose, one goal.

In 1938 I received this letter from President Gordon:

We thank you for your interest shown in our petition—

I think she meant "bill."

THE PEACE MOVEMENT OF ETHIOPIA—ONE GOD, ONE COUNTRY, ONE PEOPLE—TO RETURN PEOPLE OF AFRICAN DESCENT TO THEIR MOTHERLAND, AFRICA

CHICAGO, ILL., *February 2, 1938.*

DEAR SIR: We thank you for your interest shown in our petition. In your speech against the antilynch bill, three points are drawn as follows:

1. Draw the color line.
2. Set the race in some island in the sea.
3. Send them back to Africa.

Those are the proposals that I developed in the 4 days' speech against the antilynching bill, and she boils them down.

Your third solution is highly endorsed by the 1,000,000 members of the Peace Movement of Ethiopia. This will not alone settle the race problem in America, but will also solve the problems of unemployment,—problems which threaten the very foundations of the tranquility of this Nation.

There are millions of us who abhor alms, both private and public. We know that in our ancestral country we can carve a frugal but decent civilization of our own in that favorable climate and virgin soil.

These are the words of the leader of this great organization—a woman:

This organization is made up of the industrial masses, farmers, and men of skill, and in the land of our forefathers we will not only make a living for ourselves but will be free from race prejudice and discrimination.

We highly approve your opposition to the mixture of the two races, for we, likewise, detest the same thing. For a long period of time the mixing of the two races came from one side, the white man and the colored woman. But now it is coming from both sides.

Let me digress here to remark that statistics show that there are today over 20,000 Negro boys and Negro girls annually crossing the color line. I mean by "crossing the color line" that the Negro boy, say, is a mulatto and looks white, so that he gets by; he goes where he is not known, and marries a white girl, and the mulatto, or white-colored girl, goes where she is not known and marries a white man. There are 20,000 of them annually. By our indifference are we going to favor amalgamation in this country?

Since communism has established itself in this country, it is quite common to see a white woman rocking a black baby. We positively resent the mixture from either side and the only way to stop it is to separate the two races. We hope you will continue to push to the top this deportation measure, for this, and this alone, will save both your race and mine.

There are several million of us who will go back to Africa by our own consent.

As evidenced by this petition.

When the masses are once sent away, the oppositionists—

That is, the "high brows," the Negro intelligentsia—

which are the classes, will be forced to follow. They cannot exploit the white people as they do their own. We, the million members of the Peace Movement of Ethiopia, solicit your support on this plan. We are enclosing a copy of our memorial, sent to President Roosevelt on November 14, 1933. We will be glad to hear from you at your own convenience. Our signatures are growing rapidly.

Respectfully,

THE PEACE MOVEMENT OF ETHIOPIA,
MRS. M. M. L. GORDON, *President,*
EDMOND HOLLIDAY, *Secretary.*

Senator THEODORE G. BILBO,
United States Senator from Mississippi,
The Senate Chamber, Washington, D. C.

Those are the sentiments of the heads of this organization who make this appeal to be sent to Africa.

I now direct the attention of the Senate to the memorial, the one I have before me being a copy of the one sent to the President of the United States, and which today bears actually a little over two and a half million names.

A MEMORIAL

Whereas the Congress has empowered the President to exercise his judgment in the present crisis in a manner suited to the exalted office and provided him with the means to execute his plans for the amelioration of distress and the restoring of normalcy; and

Whereas the distress of the unemployed is most severely felt by such of the uneducated American Negroes who abhor alms, both public and private, in any guise; and

Whereas the removal of a half million of the poorest from a competitive labor market, at this time, would tend to relieve to that extent the condition and opportunities of the remainder;

Therefore we, the subjoined signatories, American citizens of African extraction, individually and collectively, join in respectfully petitioning the President to consider our proposal, confident that his conclusions will be for the best interests of our families and of the community at large.

WHO WE ARE

They undertake to tell the President who they are.

We desire to make it clear, first of all, that this is not a "racket" or scheme for the enrichment or self-glorification of any group or individual. The signatories pay no dues or other fees and the officers of the Peace Movement of Ethiopia serve entirely without pay, meeting their expenses wholly out of their own meager resources. Nor do our plans involve the taking over of any Government funds. We propose that the Federal Government itself meet directly such initial expenditures as launching of adopted plans involved.

We are of the so-called North, most of us having been driven from a cruel and avowedly intolerant South to the cities and towns of the Middle West, "the bread basket of America," without a just opportunity to earn a livelihood in our abject new state. We are the simple-minded, sincere, lowly, law-abiding workers who have maintained traditions of simple honesty, industry, and frugality as much from choice as from necessity. Few of us have any education, but we have learned not to heed the blandishments of self-seeking politicians, impostors, and the unworthy and undesirable products of a hectic civilization that is foreign to our nature.

We recognize the fact that there are exploiting elements in partisan politics, in industry and commerce, and even among our own people, who oppose the movement laid before the President hereinafter. But the wreckage of cupidity and intrigue strew the spectacular path of our race wherever a concerted movement for our betterment has fallen prey to crafty leadership in the past. We have avoided even our own self-seeking racial leaders.

We have a vivid realization of the hardships and toil that the fruition of our plans in a strange land entails. But we are inured to toil, and the ultimate goal of social and economic freedom gives us heart to welcome the hardships for our children's sake.

For these reasons we are not sponsored by self-styled leaders and come before the President unheralded but with alert minds and clean, calloused hands. Should the President require further information about our numbers, our need, our earnestness, and fitness for the proposed undertaking, we entreat him to seek such information among those who hold themselves in readiness to join in the execution of the plans hereinafter proposed.

WHAT WE ASK

We were torn from our original homes and kindred people against our will; but the pride of ancestry and homing instinct survive the whip and social ostracism; they are as strong in our bosom as they are in the hearts of other races. We fully understand that social and political equality of races is as repugnant to the dominant race in America as it is to the dominant races elsewhere in the world. Yet race consciousness and contempt for previous servitude bid fair always to oppose each other at the behest of those who trade on them. The ever-possible bloodshed is as abhorrent to our stricken people as it is to other law-abiding citizens.

Hungry, cold, and miserable, the pursuit of life, liberty, and happiness in America appears futile. Given an opportunity in our own ancestral Africa, the knowledge of farming and simple farm machinery and implements, which we have acquired here, would enable us to carve a frugal but decent livelihood out of the virgin soil and favorable climate of Liberia, or such other well-disposed country, where the Federal Government, in its wisdom, might acquire a footing for us.

We most respectfully ask that the Federal Government negotiate with the Liberian Government for such land as existing treaty rights entitle us to, sufficient to colonize the entire body of the signatories hereto and finance the movement to the extent desirable for ultimate success. The details of our projected plans have been worked out tentatively, subject to the revision of a benign government.

We respectfully ask that the President graciously have this matter investigated now, with a view to fulfilling the expressed desires of Abraham Lincoln in this respect. We are a liability now and any cost of this project, no matter how great, would still, we sincerely believe, be a sound investment for the American people. We might require a guidance of some of the Departments of the Federal Government, for a brief period, but even if that be denied us, we could acquit ourselves with credit to the land of our tutelage, provided only the material aid is supplied to meet the first financial and mechanical requirements. A selective army of pioneers can be recruited from our ranks for the preparatory work on the ground.

We have no utopian dreams of elevating the entire Negro race, no disconcerting requests in behalf of those Afro-Americans who prefer to remain here. We submit only what we consider a practical and practicable remedy for an acute ailment of American social and economic life. We, the subjoined and accompanying signatories, merely ask respectfully that we be eliminated from an overcrowded labor market and given a helping hand in establishing such social and economic independence as we are fitted for—establishing it where it will give no offense and where it may serve as an object-lesson to tempt those who remain.

The colonial activity of America has always been based on benevolent paternalism, and we respectfully ask that this administration interest itself in like manner in behalf of those Africans whose forbears were brought here forcibly and who are now stranded here amid uncongenial surroundings.

We await the call.

THE PEACE MOVEMENT OF ETHIOPIA,
Mrs. M. M. L. GORDON, *President.*
EDMOND HOLLIDAY, *Secretary.*

THE PRESIDENT,
The White House, Washington, D. C.

Dated at Chicago, Ill., November 15, 1933.

Let me say, in response to that memorial to the President, which is to the Congress as well, and to the Government as a whole, that I am impressed with the fact that this Government has been very liberal to persons who are not truly Americans. We have only to remind ourselves of what we have done for Cuba, what we are still doing for Cuba, what we have done for the Puerto Ricans, what we have done for the Hawaiians, and for the Filipinos. Today we are penalizing our own beet and cane-sugar makers for the benefit of the Cuban sugar grower and for the benefit of the Puerto Rican; yet these people, our own citizens, are asking that something be done for them.

The National Association for the Advancement of Colored People has stubbornly fought every movement having for its purpose either the segregation of the white and black races in the United States, or the repatriation of the Negro race to Africa. The fact is, this organization is definitely and unmistakably committed to the principle of amalgamation. Marcus Garvey has written, since his deportation, that despite the opposition of the United States Government—referring to the court sentence that resulted in his forced return to his native country—and the Society for the Advancement of Colored People, more than a million Negroes had signed up, and were ready, willing, and anxious, under his plan of repatriation, to take ships for Africa. It is said that when Garvey spoke to the Negroes of New York, at the time of the greatest popularity of his movement, not a hall in that great city was large enough to contain the crowds that desired to hear him.

Just a short while ago I received a telegram from a leader of the Negroes in New York saying that a mass meeting of 10,000 persons had endorsed the bill I am introducing.

The N. A. A. C. P., because of having as Garvey declared, put him in the penitentiary through the decision of a judge presiding at his trial who was a member of the Society for the Advancement of Colored People, capitalized the failure of the Garvey program by proclaiming to the world that amalgamation was the preferred solution because the repatriationist's theory had been stranded upon the rocks for lack of support of the white race, and that now, in no distant future, the two races will merge through slow gradations into a mulatto type, or a brown race.

This week I received from a Negro educator in Kentucky a letter in which he said that in 75 years we would not have any race problem. In other words, he has been led to believe that the process of amalgamation will be so rapid that the race problem will be settled in 75 years. I admit that the process is rather speedy.

With Garvey exiled, and Gordon for so long a time ignored, the amalgamationists felt confident that a permanent victory had been won, and that a mulatto race would develop without appreciable opposition by the whites or the full-blooded Negroes. Strange to say, there are not many white people who are aware of a divided opinion among the Negroes on the subject of amalgamation. As a rule it is assumed by the whites that all Negroes prefer to lose their race identity by a mixture of the blood of the two races. This is untrue, as is clearly shown by the resolution prepared by the peace movement under the direction of President Gordon, and delivered to the President, and to which memorial there are subscribed the names of more than a million Afro-Americans. As evidenced by this memorial and the letter accompanying it that President Gordon addressed to me in February, and as further evidenced by the teachings of a long list of eminent Negro leaders, the Negro is as capable of experiencing pride in his race, and of fostering an innate desire to stand alone and apart in a unified effort to attain race nationality, and thereby preserve racial inheritance, as other races have shown ability to accomplish similar purposes.

The memorial signed and sent to President Roosevelt by President Gordon, of the Peace Movement, served to threaten again the security felt by the amalgamationists. They are beginning to recognize this gigantic movement of repatriation, revitalized by the indomitable spirit and unflagging courage and determination of President Gordon, as another Banquo's ghost appearing upon the scene of action. President Gordon's plan does not contemplate an enforced exodus. It seeks to provide an opportunity, through Federal aid, for transportation and settlement in another land of only those American citizens of African descent who are willing to go. It is wholly voluntary. Certain reasons are cited showing the advisability and desirability of the American Negro seeking an opportunity to demonstrate to the world that he is capable, if given proper encouragement through Federal aid, of establishing a government of his own under which he will be privileged to enjoy all the rights—political, social, and economic—that are denied him when forced to live under a system of government controlled and administered by any other race.

President Gordon regards with horror the sight of white women rocking black babies in this country. You have seen it in Harlem, Mr. President. Since communism has been active in establishing itself in this Republic, she regards with grave apprehension the strong tendency in certain sections, among certain organizations, to bring about the amalgamation of the two races.

The question of unemployment in this country is not overlooked by this great leader of the Negro race when she says:

The peace movement to Ethiopia will not alone solve the race problem in America but will also solve the problem of unemployment, which today threatens the very foundations of the tranquillity of this Nation.

A parallel civilization between two diverse races is an impossible achievement. The two races cannot run along parallel and equal. One or the other will dominate or else the two will amalgamate. There is not a single ethnologist who does not predict that eventually the blacks, if given full rights with the whites, will be absorbed by the whites. Some scientists claim that this condition will come about very soon, while others contend that it will require hundreds of years; but all are agreed that miscegenation will result if the Negro is given every chance that the white man is given to develop in this country. Mixed schools, mixed hotels, such as provided by the laws of Pennsylvania, and intimate social relations between whites and blacks will hasten race blending, as shown by the great increase of mulattoes in the cities of the West and North, far exceeding any such increase in the South; and Washington is not far behind. White girls working in some of the departments in Washington are married to and living with Negro men, since they can marry here without violating the law.

There is no doubt that the presence of the Negro in the South is responsible for that section of our country being called "the No. 1 economic problem of the Nation." The whites have been migrating from that section by the millions within the last score of years. The best blood of the white race in the South, when trained and educated for the duties and responsibilities of outstanding citizenship, observe, after casting their eyes over a benighted land, cursed with a race problem, a lack of opportunities to discharge these duties with any degree of efficiency. Consequently they migrate to sections of the country where the free and full exercise of talent and qualifications will count most. Therefore the southern population becomes to an alarming extent depleted because of the migration of the best element of the white race to other sections of the United States.

Between 1900 and 1930 more than 3,400,000 of those born in the Southeastern States have moved to States outside that region. It is estimated that since 1900, 3,800,000 have left the Southeast entirely, and only 400,000 have come in from elsewhere, still leaving, as before stated, a loss of 3,400,000. Just what the estimated value of this human wealth lost to the South would be depends upon the per capita estimate of capital wealth. At an appraisal of one-half the maximum used by economists, the aggregate would approach the present stupendous debt of the Nation. To be more specific, the migration of whites, due primarily to the presence of the Negro, in 30 years has cost the South $60,000,000,000.

Still another loss is sustained because of this migratory movement, and that is that many of the most ambitious and venturesome citizens join in this gigantic trek, leaving behind many who are satisfied to take their ease. The result is that to a large extent the South is underpopulated in desirables and overpopulated in undesirables. This is a serious charge for a Senator of the United States to make against his people. There is no excuse, other than the Negro problem, for the South's lack of advancement, educationally and industrially, as compared with other sections of our country.

Take, for example, the 11 Southeastern States, which have an unexcelled climate and embrace 17 percent of the Nation's area; yet in material development they lag. Of the 100 great banking systems throughout the country this region has only 3, and its deposits are less than 1½ percent. There are 161 units in the 29 concentrated areas of iron and steel, and the South has only 5 of this number. This region has 28 out of the 195 units of food concentration. There are 30 great industrial areas in the United States, and not one is to be found in the 11 Southeastern States. The income and wages of this section are from 30 percent to 50 percent below normal. It is estimated that 20,000,000 tons of potash and nitrogens and phosphates are annually washed out of the soil. Forty-five percent of the eroded lands of the Nation are in this section. The profits of the farms are taken up in the purchase of livestock, farming implements, and especially fertilizer. Five and one-half million tons of fertilizer, costing $161,000,000, are purchased annually in the South, while the rest of the Nation buys only $500,000 worth of this commodity. The wealth per capita is about one-half the Nation's average. We might go on indefinitely through a category of lost and wasted opportunities in the South.

Notwithstanding these unfavorable and highly deplorable conditions, the South surpasses all other sections of the country in natural advantages. The 11 Southeastern States embrace 40 percent of desirable farm lands, 40 percent of the commercial forests, 98 percent of the yellow pine, 43 percent of the hardwood, 61 percent of the marble, 10 percent of the pig iron, and 100 percent of the soapstone. Think of these 11 States enjoying these favorable advantages over the entire remaining sections of the country.

Fuel and water power in these States are of such regional excellence as exists in no other part of the Nation. This section, inclusive of the Southwest, furnishes 65 percent of the Nation's petroleum, 50 percent of the natural gas, 98 percent of the natural phosphate, 99.9 percent of the sulphur, and 43 percent of the borate.

The water power of the southeast develops 16,000,000 horsepower, a total that equaled the Nation's output in 1930. Here we have a section of country that is far above the average in natural resources, yet it is far less developed. Why this lag? I am constrained to believe that the original cause was slavery, followed by the presence of the freedmen, then by Reconstruction, and finally the loss of a great part of the desirable population due to the handicap directly traceable to the presence of an enormous Negro population.

My attention has recently been directed to a letter written by Kelly Miller to ARTHUR W. MITCHELL, a Member of Congress from the Black Belt of Chicago, Ill., which letter, and his reply thereto, the Congressman had published in the Appendix of the RECORD, page 488. This letter undertakes to depict the deplorable condition of the Negro in this country, and to discourage the further migration of the Negro from the farms of the South to the cities of the North. While I do not know that Miller is a Negro, I assume from the tone and purport of his letter that he is. I quote from Miller's letter:

Even where he—the Negro—is engaged in recognized pursuits which demand shorter hours and higher wages, he constitutes in the main, a marginal worker demanding less skill and lower pay. Under the pressure of competition, even in agriculture and domestic service, the Negro is being pushed down to the bottom or pressed out at the side, and therefore is becoming less and less indispensable.

Again he says:

Race prejudice as severely restricts the Negro's industrial opportunities in the North as it does his political and civil rights in the South. * * * One shudders to predict the future of a Negro child brought up in a seven-story flat of a Harlem tenement house.

Again I quote:

The invasion of the boll weevil and the coming of the World War threatened to shift the Negro population from the farm to the cities, both in the North and the South, but the hegira was short lived after the boll weevil had ceased to threaten cotton production and the soldiers had returned from the World War to their places in the mechanized industries of the South, the Negro looked around and, like Othello, found his city occupation gone.

He goes on to say, further, that the Negro's plight in the industrial and economic world has been emphasized by the depression, and that a disproportionate number of the 10,000,000 unemployed in this country is represented by the Negro race; and then adds, to use his own words:

The cities * * * have now as many Negroes as they can hold in solution without a dangerous precipitation. He must have a greater faith in the future than I can command who can foresee any way out for the city contingent of the Negro race. It is unthinkable that they should continue for ever, or for long, to live on charity and relief.

Before closing these observations on the letter written by Kelly Miller, I wish to give one quotation from the reply to the letter sent by Representative MITCHELL:

It is my opinion and observation that nowhere in the United States of America has the Negro been given equality before the law and equality in the economic affairs of the Nation.

Are not these remarkable statements to be made by outstanding leaders of the Negro race after the Negro has lived in this country for 300 years? If, within a period of time covering a century and a half, the Negro has been willfully and designedly denied the rights and privileges secured to the white race under our Constitution, how can he, at this advanced stage of our growth and development, entertain the faintest hope of enjoying the blessings of society and the benefits of government such as have been provided by the white man for a white civilization?

I recall again in this connection the words employed by President Lincoln when addressing a deputation of free Negroes at the White House. He said:

I think your race suffers greatly: many of them by living with us while ours suffers from your presence. * * * We suffer on each side. If this is admitted, it shows a reason why we should be separated. You here are free men. * * * Perhaps you have long been free. * * * You are yet far removed from being placed on equality with the white race. You are still cut off from many of the advantages which are enjoyed by the other race. The aspiration of man is to enjoy equality with the best when free, but on this broad continent not a single man of your race is made the equal of ours. Go where you are treated the best and the ban is still upon you. I cannot alter it if I would.

I ask my colleagues to pardon me for requoting still another statement from the Great Emancipator:

I am not, nor ever have been, in favor of bringing about in any way the political and social equality of the white and black races. I am not, nor ever have been, in favor of making voters and jurors of Negroes, nor of qualifying them to hold office, nor to intermarry with white people; and I will say, in addition to this, that there is a physical difference between the white and black races which I believe will forever forbid the two races living together on terms of social and political equality.

I cannot refrain from associating these words of Abraham Lincoln with those memorable lines uttered by Thomas Jefferson:

Nothing is more certainly written in the Book of Fate than that * * * the two races, equally free, cannot live in the same government.

Jefferson and Lincoln, although separated in time of service by many years, occupy a position in history with respect to the repatriation of the American Negro very similar to the one occupied by Moses and Aaron with respect to the exodus of the children of Israel from an Egyptian bondage not entirely dissimilar in point of denied social and political rights and undesirable living conditions to the lot of the American Negro under the Government of the United States. Both Moses and Aaron repeatedly petitioned the Pharaoh of their time to "let my people go" in order that they might return to the land of Canaan. They prophesied frequently the visitation of numerous plagues upon the land of Egypt if the government of Pharaoh continued to insist that the Israelites, a minority group denied the rights and privileges of the high-born Egyptian, should be forced to live in a land populated with a people of wholly diverse racial values.

Jefferson and Lincoln likewise prophesied with respect to the calamities that would befall a nation of people composed of two races so entirely unlike in their racial inheritances. In Egypt, due to the presence of the Israelites, according to the prophecies of Moses and Aaron, the rivers ran with blood. Then came the plague of frogs, lice, flies, murrain, boils with blains from the scattered ashes flung into the air, hail, locusts, impenetrable darkness, and, last, the death of the first born in every home of the land, except where the blood of the lamb was sprinkled on the two side posts and on the upper door posts of the houses, in which event the Angel of Death would pass over and spare the first-born of that home.

Already, according to the warnings and admonitions of Thomas Jefferson and Abraham Lincoln, plagues have been visited upon those sections of our common country where the white race and the black race have been forced to live side by side. As a result of the Civil War, due to the presence of the Negro, our rivers have been made to run with the blood of the best and the bravest. Already has the most favored part of the Nation in point of climate and natural resources been visited by the boll weevil and divers other insects, which left a devastation in their paths greater by far than that which lay in the wake of the flies and the lice and the locusts which settled like an ominous cloud upon the land of Egypt. Neither has this fair clime, peopled with the purest blood of the Caucasian race, been spared the "boils with blains." It has suffered through the spread of a syphilitic infection far more deadly than the contagion of the putrid scourge that afflicted the kingdom of Pharaoh.

I call upon Congress now to renew the covenant of Abraham Lincoln to return the children of Ethiopia to their motherland, Africa, lest we may yet experience the consequences attendant upon the visitation of some angel of death that will strike down into cold and lifeless clay the first-born in every home of the land. I call upon Congress to open the channels of the sea for the passage of Ethiopians into the land of Liberia; and if this be accomplished, I warn any hostile band of Pharoah against any attempt to pursue them with horse and chariot lest the waters of the deep envelop them in universal ruin.

Mr. President, while craving the Senate's patience for indulging in Biblical allusions, I wish to present one other I have in mind which seems to me to have a special bearing upon the subject of repatriation. It will be recalled that Ishmael and Isaac, although circumcized as fellow heirs of the same covenant, could not dwell together as equals in the same house. Sarah, the lawful wife of Abraham, has ever been thought cruel in her methods. Hagar, her servant slave and companion, whom Sarah—at that time childless—had given to Abraham that children might be born to his tribe, was tearful and submissive and was obsessed with the conviction that Ishmael, her son, could not attain unto blessings promised unless they were sent forth as Sarah had demanded after the birth of Isaac, her first-born; and so it happens in this day, in this year of our Lord, that the seed of the bondwoman here is coming to the conclusion that it cannot work out its destiny and obtain its inheritance in the midst of the seed of the free woman. Notwithstanding all laws that are passed for the purpose of securing equal social, political, and economic rights among the citizens of this Government, these two races, the black and the white, cannot live together as equals. How can we hope for the achievement of a parity condition in point of personal rights and liberties when there is no case in all history upon which such a condition or achievement can be predicated. Antagonism between the races, an inborn prejudice on the part of the whites, coupled with the birth of a growing self-respect among the blacks, an awakened ambition for race nationality, and an innate loyalty to race inheritance are causing the Afro-Americans to lower their hands that have been held high for a century and a half in suppliant pleadings to an indifferent Government, established and administered by the white man, and are urging the Negro to turn his face to the land of his fathers where he can exercise the rights and enjoy the security for so long a time denied him. They are thinking in mass of the land of their fathers, of the continent that God himself gave to their race, where their destiny is yet to be fulfilled.

Many have not yet heard of the Christian Republic of Liberia, whose standing among the nations of the world is acknowledged and whose fascinating history, fertile lands, free institutions, and equal opportunities invite them; where personal development, race nationality, and race loyalty will find an easy and permanent solution. More than 2,000,000, however, have learned of this land of equal opportunities and unclouded future. They are sending petitions, growing in number of signatories, daily to our Government, praying

for the helping hand of this rich and powerful Nation to strengthen and support them in their consuming desire to return to the land that the Great Emancipator, Abraham Lincoln, had pledged himself to provide for them. As if coming through the invisible ether, I can hear their message radioed, as it were, to this body that will soon sit in judgment on their fate, saying:

We, the Negroes of the United States, are burdened with conditions which to us are no longer endurable. Our American citizenship is a sham; our presence is endangering the peace and integrity of your Nation; our natural increase will in time threaten to push you overboard and wreck your great ship of state. Our growing population should be more alarming and disconcerting to you than the almost $50,000,000,000 deficit in your Treasury. We outnumber you in some States. There is a black belt in Chicago, in New York, in Detroit, in Philadelphia, in St. Louis, and in the Mississippi Delta, and as we expand, you are rapidly and necessarily departing. With you, we have learned, we cannot form one homogeneous people, neither can our race dwell with you together on an equality. Send us back to Africa, that we may do our long-delayed divinely appointed work. We do not ask for all to go at once. Just send those who are now willing to go and whose training, education, experience, and character will add new luster to the star of the Liberian Republic, already founded by the beneficence of your Government. Start the emigration by Government aid. Acquire new territories adjacent or contiguous to Liberia so that in time all citizens in your country of African descent may find a home in the motherland and there be privileged to work out their own salvation and the redemption of benighted Africa.

With such a plea coming from the multitudinous voice of 2,000,000 Afro-Americans, how can we be more rebellious than Pharoah of Egypt?

I trust my bill, designed to furnish an opportunity for Negroes or persons of Negro descent in this country to migrate to the West Coast of Africa, will have favorable consideration by the committee to which it may be referred and if a favorable report is made on the measure and it is placed upon the calendar of the Senate and here comes up for further consideration, I shall avail myself of the opportunity to discuss, in some detail, every provision of the bill.

At this time, I shall touch upon only two features of the measure, namely, section 102 of title I and section 201 of title II.

Section 102 reads as follows:

SEC. 102. It is hereby declared to be the intent of Congress that the benefits and provisions of this act shall apply to citizens of the United States who may qualify as eligible for citizenship in the Republic of Liberia and who, by their physical fitness and climatic adaptability may qualify as migrants to be permanently settled in the territory hereinafter provided for and who shall have voluntarily expressed a desire to become emigrants under the provisions of the act.

There can be no doubt but that this section distinctly designates the Negro and persons of Negro descent as the beneficiaries of the act.

The word "Negro" is nowhere mentioned in the bill. It provides only for those who can qualify for citizenship in Liberia, and before one can qualify for citizenship in Liberia he must be of Negro descent. The expression, "physical fitness and climatic adaptability," taken with the statement that "only persons who are eligible for citizenship in the Republic of Liberia may qualify as an applicant," unmistakably points to the Negro, exclusive of any white person, as the individual entitled to any of the benefits of the act.

In article 5, section 13, of the Constitution of the Republic of Liberia, these words are to be found:

None but Negroes or persons of African descent shall be eligible for citizenship in this Republic

The purpose of the act, therefore, is to establish a government on the West Coast of Africa sufficiently large in territorial boundaries to take care of the Negroes of the United States—a government where Negroes only can enjoy the rights of citizenship and where Negroes only shall participate in the administration of its political affairs.

Title 2 of the act provides for the liquidation and settlement of the war debts due to the United States by the debtor nations. The act contemplates negotiations to be conducted by the United States with Great Britain and France, with a view to purchasing not to exceed 400,000 square miles of territory from those countries, such lands to be contiguous to the Republic of Liberia and so situated as to form an undivided area to be known as the Republic of Greater Liberia. The territory to be acquired will necessarily come from the Ivory Coast and French Guinea, owned by the French Government, and from the Gold Coast and Sierra Leone, owned by Great Britain. The act provides that the purchase price of this territory, not to exceed 400,000 square miles, shall be paid by crediting the agreed purchase price against the war debts owing to the United States by the countries from which such territory is purchased. The debts of foreign nations owing to the United States by virtue of loans made by the United States during the World War now loom so high as to make those obligations one of the most troublesome problems facing this country and its debtor nations.

It is universally admitted that the only way to discharge a war debt obligation is through payment in goods or services by the debtor to the creditor. Our debtor nations are unable to pay their obligations to us either in silver or gold. There is insufficient gold in the world to liquidate the debts due us by foreign nations. As a matter of fact, no international loan in the financial history of the world was ever paid by transfer of money. That is a fundamental economic fact. Regardless of this fact, the nonexistence among our debtor nations of a sufficiency of gold to pay their obligations to us takes a gold settlement completely out of the picture. The only alternative, then, is for this Nation to accept goods and services, but it would be detrimental and downright destructive to the welfare of our country to accept settlement in goods and services, because our country is a highly industrial one, and the consumption market here is already glutted from an overproduction of American-made goods. To accept the manufactured products of a foreign nation would therefore be disastrous to the economic life of the United States.

France and England, our greatest debtor nations, would gladly discharge their obligations to us if it could be done with goods and services, but as before stated, the United States cannot afford to accept settlement in this manner because it would be suicidal for American industries and to our economic stability. The disastrous economic effect that such settlements have upon a creditor country is today a matter of common knowledge. When the French settled their war indemnity to Germany in 1871, there followed such an economic depression in Germany that Bismarck remarked: "The next time I defeat France I will insist upon paying her an indemnity."

Following the World War, when Germany began to build merchant ships for England, the British shipyards were thrown out of work. When the Germans began to hand over ships and goods on account, their reparation, instead of a blessing, proved to be a disaster.

My bill provides for an American consumption market in Africa where no evil effects, as a consequence, would appertain to home-consumption markets. It so happens that the two largest debtor nations, Great Britain and France, are also the two largest landholders on the globe. Never before in the history of the United States and these debtor nations has there been a time when their interests have been more nearly identical, and when the destiny of all is bound up in the destiny of any one of them. The aggressive tendency of totalitarian states threatens the permanency of democratic institutions the world over. This troublesome question of war debts is the only problem that strikes a discordant note in the harmony which these three great democracies are endeavoring today to establish as a common defense against the encroachments of the totalitarian states.

If the syndicated articles of Drew Pearson and Robert S. Allen are to be credited as they pertain to some of the underlying purposes of Hitler and Mussolini, it would be well to weigh carefully what these gentlemen have to say about the "Conference on Raw Materials," as set down in their syndicated article of March 3; I quote:

No diplomatic overtures have been made officially but an extremely significant deal to carve up Africa will be sprung by Hitler and Mussolini soon. Keep your eyes open for a "conference on raw materials" or some other high-sounding name. This will

be suggested in the near future by the Rome-Berlin axis, and to the conference will be invited not merely Europe's four main powers but Poland and Spain. Colonies for Poland have been discussed recently by Von Ribbentrop, Nazi Foreign Minister, and the Polish Foreign Minister, Colonel Beck. Mussolini will also demand new colonies for his minion, General Franco. What Germany has in mind to satisfy its raw-material craving is a slice of Africa extending from French Senegal on the west coast of Africa to around Lake Chad, and then south to the Belgian Congo. This would include Liberia, an American Negro free colony, Nigeria, and large chunks of French territory. * * * The means of providing these raw materials may be tough for the French and British palate. Mussolini and Hitler would also demand some African territory for their new Fascist ally, Spain. What will be asked for Poland is not yet known. Germany will not be asking for the return of her old African colonies but considerably more than her pre-war holdings for herself and her allies.

If credence is to be given to this statement, it follows that the time is now ripe to extend to France and Great Britain an opportunity to settle their war debts by the transfer of the territories contemplated in the bill to the United States of America, and thereby deal Germany and her allies a blow not altogether dissimilar to the one that Napoleon dealt to Great Britain by selling to the United States, for a paltry sum, the Louisiana Territory.

Assume that the bill passes and at the present time negotiations with debtor nations result in our failure to acquire lands now owned by the debtor nations contiguous to Liberia. Still the fact really should not be overlooked that successful negotiations resulting in acquiring these properties may be undertaken and consummated at some future time, if not now. The bill will enable representatives of the democracies to give consideration to our war debt proposal wherever and whenever they may be gathered around the council table. Under the terms of the bill, regardless of the success of our negotiations to acquire additional territory, the repatriation movement to Africa can begin and continue when the proper negotiations are completed between the United States and the Republic of Liberia. The success of the repatriation movement is not entirely predicated upon our success in acquiring the additional territory.

I sincerely hope that every Member of this body will read and give careful consideration to the provisions of the bill. It is not the product of minds afflicted with a Messianic complex. It is a rational and realistic formula for the solution of the race problem in the United States. The bill has been prepared with the cooperation of the friends of the movement. It has been reviewed and approved by the best legal minds of the Nation, men who are in sympathy with the end to be achieved. May the Congress give to the measure the sympathetic consideration it deserves.

Mr. President, in further support of the contention that the best thing this Government could do would be to negotiate with France and England to take over this territory, I submit an article appearing in the magazine Liberty, of March 18, written by Walter Karig, under the head of "Does Hitler Want America Next? Here is the Evidence—and the Inside Story of What We Are Doing About It."

A reading of the analysis and report of the position of the Department of State, the Navy Department, the War Department, and the Department of Commerce makes it perfectly clear that if the dream of Hitler is to be realized—and we all know that he is dreaming—he is seeking to secure and will demand a foothold on the West Coast of Africa, which, with the Canary Islands, will provide a place where he can harbor his submarines, build his airfields, place his ammunition, his men, and his materials of war, and thus gain control of the lanes of trade of the United States with South America, to enable him to jump on and off at will. That is his dream; and that is why, if we mean what we say, we must stand by the Monroe Doctrine, because that step is essential in order to prevent the consummation of Hitler's dream, his machinations, and his plans. I think I do the cause of good government a service by asking unanimous consent that the article from Liberty be inserted in full at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. HILL in the chair). Is there objection? The Chair hears none, and it is so ordered.

(See exhibit A.)

Mr. BILBO. Mr. President, in conclusion, I wish to say that the fight to solve the race question by separation, and by the orderly, friendly, and voluntarily resettlement of the Negroes of this country in Africa, has just started. This is only the beginning. I have religiously followed the text of my prepared address because I propose to give it the widest possible circulation.

I am satisfied that 75 percent, or 8,000,000 of the 12,000,000 Negroes in America, are desirous of the opportunity to establish their home in their fatherland because they are now conscious as never before of the discriminations, the abuses, the oppression, and the lack of opportunity which have been their experience, not only in the South but in the North. Their condition in the North is worse than it is in the South. I understand that the city of Birmingham permitted Marian Anderson to sing in its auditorium. I know that the city of Jackson did; but when she came to the great cosmopolitan city of Washington, the seat of government, which is supposed to be the Negro's paradise, she was not even permitted to sing in a school building, or in the D. A. R. auditorium, or anywhere else. She sang in the open.

The condition I have described is only indicative of a spirit which is growing throughout the Nation. I am sorry to say that this country is not free from the race hatred and race prejudice which we have seen so bitterly demonstrated in Italy and in Germany. There is the same rising tide of opposition to various races which live in the United States. For 300 years the poor Negro race has known that the feeling has been against it. After 300 years of trial side by side with the white man it has discovered that conditions are not becoming any better, but are becoming worse. That is why we find two and a half million Negroes pleading for the opportunity to be placed in a country they can call their own.

I am just as confident that the problem will be solved as I am that the sun shines in the heavens today. There is now only one thing in the way of a solution, and that is the fact that politically the Negro holds the balance of power in about 7 or 8 or 10 States of the American Union. Therefore, everything is quiet at the other end of Pennsylvania Avenue. Therefore, my colleagues are rather slow to take hold of the problem or to express themselves upon it. For the same reasons the press of the country does not hesitate to state that it is afraid to handle the question. It is dynamite. However, when 8,000,000 or 9,000,000 Negroes become organized and convince us that they mean business, they will be dynamite, and the dynamite will produce results with an explosion. There will be no question about it. Religiously, economically, socially, politically, racially, and in every way the thing I propose ought to be done. It must be done, it can be done, and it will be done.

I am one of those who believe that, in accordance with His plan, God Almighty sent the children of Israel down into the land of Egypt in slavery in order that they there might absorb and take on the cultural trades and arts and training and literature of the Egyptians, who at that time had the greatest civilization in the world, and that later, through Moses and Aaron, they were led out into the promised land; and it is not far-fetched to say that, in the wisdom of God Almighty himself, the Negro was brought from the wilds of the jungles of Africa in his heathen condition and planted on the American shore as a slave in order that he might learn the arts and trades and culture and music and education and religion of the American people; and, having been thus prepared, it is a further plan of the Almighty that the Negroes may be transferred back to the land of their forefathers, a land where there still remain a few of their brethren who are without Christianity, without education and training, to teach them the American way of life and to reclaim and save their less fortunate kith and kin.

(The bill S. 2231, which was ordered to be printed at the conclusion of Mr. BILBO's remarks, is as follows:)

Be it enacted, etc.,

TITLE I

SECTION 101. This act may be cited as the "Greater Liberia Act."

SEC. 102. It is hereby declared to be the intent of Congress that the benefits and provisions of this act shall apply to citizens of

the United States who may qualify as eligible for citizenship in the Republic of Liberia and who by their physicial fitness and climatic adaptability may qualify as migrants to be permanently settled in the territory hereinafter provided for and who shall have voluntarily expressed a desire to become migrants under the provisions of this act.

TITLE II

SECTION 201. (a) The President of the United States is hereby authorized and directed to enter into negotiations, through the Department of State or otherwise as he may deem appropriate, with the Governments of the Republic of France and of His Majesty the King of Great Britain, respectively, for the purchase by the United States of not to exceed 400,000 square miles of territory of either or both such countries adjoining the Republic of Liberia or capable of annexation to the said Republic of Liberia.

(b) If the President shall ascertain that such territory may be purchased from either or both such countries at a price determined by him to be reasonable, he shall have and hereby is granted all the necessary authority to consummate negotiations for the purchase of such territory.

(c) If the Governments of the Republic of France and of Great Britain shall have effected public works of value and usefulness in such territories, respectively, or shall own and operate public utilities in said territories, the same shall become the property of the United States and their fair appraisal valuation shall become part of and be added to the purchase price of such territories.

(d) The purchase price of any such territory, including the value of all public works, public buildings, public utilities of government ownership, and other public property, shall be paid by crediting the agreed purchase price against the war debts owing to the United States by the country from which such territory is purchased: *Provided*, That in any instances in which the United States shall agree to assume the public debt of any such territory, or the payment of any outstanding bond issues of any public utilities, the same shall be deducted from the credits accruing to such country in accordance with the provisions of this subsection.

SEC. 202. Upon the consummation of the negotiations provided in the preceding section, the President of the United States is hereby authorized and directed to enter into further negotiations with the Governments of the Republic of France and of Great Britain, respectively, and also with other nations owing war debts to the United States for the purchase of goods and services, including textiles, tools, implements, machinery, building materials, and other goods, in such amounts, and of such type and specifications as may be judged by the President to be best adapted to the development and organization of the territories so acquired, and as will contribute to the comfort and subsistence of the migrants to such territories. Such services may include maritime transportation of personnel and matériel from points of departure to points of discharge. Such goods and services shall be paid for in the same manner as provided in subsection (d) of the preceding paragraph for the acquisition of the lands, and such payments shall be applied annually to the annual installments of principal and interest accruing to the United States from such debtor countries, respectively.

TITLE III

SECTION 301. (a) Upon completion of such negotiations by the President and the transfer to and acquisition by the United States of such territories, the President shall immediately provide for and proceed to the military occupation and policing of such territories, which territories shall become one jurisdiction to be known and designated as the United States Territory of Greater Liberia, under a military governor and government, pending the establishment of civil government by Congress. The President shall further agree with the Governments of the Republic of France and Great Britain, respectively, for the gradual withdrawal of their respective troops and public officials and replacement by United States troops and public officials in such manner as best will preserve public peace and order during the transition. Except as hereinafter provided, and until Congress shall otherwise dispose, it shall be the duty of the military government to maintain the status quo in the newly acquired territory, and to maintain peace and order and enforce the revenue laws of such territory. The President is hereby authorized to appoint one of the ranking major generals of the Army as military governor of such territory.

(b) For the purpose of carrying out such military occupation the President is hereby authorized to call into active service two war-strength divisions of the United States Army, or such parts thereof, or such other troops, as he may deem advisable, including such units of the Regular Army and the National Guard as may physically qualify according to title I of this act and are available for duty, and proceed to the occupation of such territory under the jurisdiction of the military governor thereof.

(c) The President is further authorized to recruit, organize, and train, from such citizens of the United States as may qualify according to title I of this act, and subject to all other conditions now required for enlistment in the United States Navy, a naval militia, not to exceed, including officers and other personnel, 10,000 seamen and 5,000 marines, for coast-patrol service on the coastal lands and territorial waters of such territory; and, to detail and utilize for such service, from the list of inactive ships of the Navy, units of such type and tonnage as he may deem most suitable for such service. The said naval militia shall be commanded by a rear admiral of the Navy with appropriate staff of Navy personnel, and except as otherwise disposed by Congress, said naval militia shall be subject to the jurisdiction of, and be used for carrying out the naval needs of, the military governor of such territory.

SEC. 302. The military governor, on his departure from the United States, shall be accompanied, in addition to his regulation staff, by a special staff of civil and sanitary engineers, health officers, and other experts, assisted by such personnel as the President may deem fit and necessary, and detailed from the Army or recruited from civil life. It shall be the duty of such staff, on its arrival at such territory and under the direction of the military governor, to proceed to make a survey of the land, and particularly the unimproved hinterland, with a view to the subsequent establishment of cities, towns, and settlements, the building of roads, construction of bridges, drainage of marshlands, adoption of sanitary measures, and the gathering of all such data and information as to the nature of the land and its adaptablity to civilized habitation, including the taking of photographs, drawing of topographic maps, and other documentary guidance as will aid in the subsequent settlement and development of such territory. The said staff of engineers and experts shall submit its data and information to the military governor, who in turn shall study the same and submit the same to the President with his recommendations. The said staff of engineers, health officers, and experts shall not be discharged upon completion of its survey, but shall be retained for subsequent service in connection with the organization of said lands for civilized habitation.

SEC. 303. Upon assuming command of his post, the military governor shall at once proceed to take possession of all customs and other revenues, taking measures for the prevention of smuggling, and shall take over the management and operation of all public utilities that by this act may have come into the ownership of the United States and impound their revenues until further disposition by the President. For such purposes the President may detail an adequate number of finance officers from the Army and the Navy to accompany the forces of occupation and to be subject to the jurisdiction of the military governor.

(b) The military governor, subject to the approval of the President, may make such changes in policies and governmental procedure and directing personnel in the various agencies and establishments of government in the newly acquired territory as shall be consistent with the exercise of sovereignty by and to the best interests of the Government of the United States.

TITLE IV

SECTION 401. (a) For the purpose of carrying out the provisions of this act, the President is authorized, upon the consummation of the negotiations provided for in title II of this act, to create a Bureau of Colonization, attached to the Department of the Interior or acting as an independent agency as the President may deem best for the efficient operation of this act, and all powers of said Bureau of Colonization shall be exercised and administered by an Administrator of Colonization, hereinafter referred to and designated as the "Administrator."

(b) The Administrator may, without regard to the civil-service laws or the Classification Act of 1923, as amended, appoint and fix the compensation of such experts and such other officers and employees as may be necessary to carry out the provisions of this act; and may make such expenditures, including expenditures for personal services, rent of quarters at the seat of government and elsewhere, for law books and books of reference, for stationery, printing and binding, and other facilities incidental to the adequate and efficient operation of said bureau, as may be necessary for carrying out the provisions of this act.

(c) The Administrator is hereby authorized to establish, man, and equip such regional branch offices of the Bureau of Colonization within the continental United States and in the newly acquired territory as he may deem necessary to carry out the provisions of this act. The said regional branch offices in the territory shall be in charge of a Deputy Administrator appointed by the Administrator, subject to the approval of the President.

SEC. 402. (a) The President, upon receipt of the informative data provided for in section 302 of title III of this act, shall submit the same to the Administrator and shall direct the said Administrator to formulate and devise a comprehensive plan of political and economic organization of said lands in accordance with the informative data supplied, including political subdivision for purposes of local government, establishment of towns, cities, settlements, farm districts, building of roads, deforestation of jungles, construction of bridges and of dams for hydroelectric power, drainage of marshlands and irrigation of arid lands, general sanitation, erection of buildings for public purposes, establishment of rail systems and of post and telegraphic routes, dredging of harbors and navigable rivers, construction of docking facilities, provisions for territorial defense, and all such other planning and provisions as will insure to the United States the successful development of said Territory and as will safeguard the health, life, and safety of migrants to said territory.

(b) Upon approval by the President of the plan of organization provided for in the preceding subsection, and in pursuance of the agreements provided for in section 202 of title II of this act, the President shall call upon the debtor nations to supply all such tools, implements, machinery, building materials, textiles, and supplies of whatsoever nature as may be necessary to carry out the plan of organization of said lands, either by shipments from the sources of supply of the said debtor nations, or by purchases within the United States to be charged to said debtor nations. The

Bureau of Colonization shall keep accounts of such supply of goods and services, submitting periodic balances to the President as he may direct, for the purpose of credit to the said debtor nations in accordance with section 202 of title II of this act.

(c) Upon approval by the President of the general plan of organization provided for in subsection (a) of this section, the President is hereby authorized to enlist, recruit, and organize three war-strength divisions of labor troops, or such number of labor troops as he may reasonably deem necessary, including skilled and unskilled labor from among such citizens of the United States between the ages of 21 years and 50 years, as may best qualify as settlers or migrants to said territory in accordance with title I of this act, for active service in their respective trades and professions in connection with the carrying out of the general plan of organization of the land, such active enlistment to be for a term of 3 years, and not more than 6 years under a re-enlistment, or until a civil government for such territory shall have assumed the responsibility of carrying out the unfinished portions of said plan of organization. In addition to their defensive equipment, the said troops shall be further equipped with the necessary tools, machinery, and implements of labor necessary to carry out such plan of organization. The rate of pay, rations, and subsistence of said labor troops shall be the same as the rate of pay in the United States Army for similar services: *Provided*, That the Administrator, with the approval of the President, may fix additional compensation under such terms as shall be just and reasonable to skilled labor, to compensate for losses for the same type of service in civil life.

(d) The President is hereby authorized to accept such shipping facilities as may be obtained from the debtor nations for the transportation of such troops and to credit the same to their respective installments on the war debts; or, in his discretion, he may use all or any of the transportation facilities of any department, agency, or dependency of the Government of the United States for such purpose, and may use all the methods, plans, and facilities of the United States Army for the transportation, maintenance, and discipline of said troops from the point of enlistment within the United States to the point of expected service in the newly acquired territory.

SEC. 403. (a) Upon the arrival of the labor divisions provided for in the preceding subsections, and subject to the orders and instructions of the Administrator, the Deputy Administrator resident in the newly acquired territory (hereinafter designated as the resident deputy administrator), aided by the staff of experts and engineers provided for in section 302 of title III of this act, shall proceed to execute and carry out the plan of organization of the lands, and he shall be responsible to the President and to the Administrator for its prompt and proper execution. The said Resident Deputy Administrator shall be provided with adequate facilities for the transportation of men and materials, and for communication within the said territory and with the pertinent agencies within the United States to better carry out his duties.

(b) Except for the performance of labor and other duties incidental to the execution of the plan of organization, the said labor troops shall be subject to the jurisdiction of the military governor, who, at the same time, shall render to the Resident Deputy Administrator all the cooperation and assistance necessary to aid in carrying out the plan of organization.

SEC. 404. When the military governor shall deem it advisable, and subject to his recommendations, the Administrator may provide for and proceed to the transportation to the said territory of the families and dependents of any member of the territorial forces of land or sea, or of the labor divisions, rendering services in the newly acquired territory, in the same manner as provided for subsequent migrants in the succeeding provisions of this act. Such individuals as shall have volunteered to serve in said armed forces or labor divisions, and their families, shall be allowed a 25-percent increase over and above the maximum allowed to any other migrant by way of grant-in-aid as hereinafter provided.

SEC. 405. Upon completion of the term of enlistment of any such member of the armed forces or the labor divisions, and his discharge from the service, it shall be the duty of the Resident Deputy Administrator or his successor in duties, to provide the said discharged individual with land, housing, household goods, tools, and other implements of labor, subsistence, transportation for himself and dependents to the point of settlement, and all other facilities for his reentry into civil life, including his increase in grant-in-aid, in the same manner as hereinafter provided for subsequent migrants to said territory. In addition thereto, any such individual shall enjoy preferential rating for any classified or unclassified civil-service position in the government of the said territory for which he may otherwise qualify.

SEC. 406. The President is hereby authorized, from any funds available in the United States Treasury and not allocated for any other purpose, to provide in accordance with Army standards, for pensioning or paying of compensation to any individual serving in the land or sea forces provided for in title III, or in the labor troops provided for in title IV, or his dependents, in case of death or disability while in such service; or, the President may, in his discretion, enter into contracts or covenants with life-insurance companies to provide such compensation in case of the death or disability of any officer or enlisted man engaged in such service, in the same or similar manner as provided for war-risk insurance, and the President is hereby authorized to utilize any available funds of the United States not allocated for any other purpose, for the purpose of payment of premiums for the same. Each individual shall be so insured, or pension and compensation so provided for, on his enlistment or assignment for duty in the newly acquired territory.

SEC. 407. (a) After the establishment of the Bureau of Colonization provided for in this title, any citizen of the United States, between the ages of 21 years and 50 years of age, in good physical condition, who can qualify in accordance with the provisions of title I, and who is capable by reason of his training, intelligence, and ambition of becoming self-sustaining as a settler in the United States Territory of Greater Liberia, and who desires to become a migrant and settler to said territory under the provisions of this act, and any acceptable alien who is a bona fide resident of the United States who can qualify according to the provisions of this section and under such other terms and conditions as the Administrator may prescribe with respect to such aliens, shall file an application on blanks prepared and supplied by the Bureau of Colonization, with the mayor or with the chief of police of the city, town, or village in which he resides, or with the county clerk or corresponding officer of the county in which he resides, giving such data and information as will aid the Bureau of Colonization in making the proper arrangements for his migration and placement in the said territory. If such blanks are not available in his city, town, village, or county, the applicant may request the same from the Bureau of Colonization, or from the nearest regional office of the said Bureau.

(b) If the applicant is a householder, he may make application for all the members of his household as a unit, and in such a case the limitations as to age and other conditions established in the preceding section shall not apply to the members of his household. The application of a person responsible for the support and maintenance of children under the age of 12 years shall not be favorably acted upon, unless such children are to accompany such applicant on his migration, or unless he has made adequate provisions for their support and maintenance pending their transfer to join the applicant in the new territory.

(c) The following persons shall not be eligible to apply for migration: Escaped convicts or fugitives from justice, unless the jurisdiction in which they are desired waives extradition or prosecution; persons under indictment and awaiting trial, unless the jurisdiction in which such trial is pending waives prosecution; persons applying for migration for the purpose of defrauding creditors, unless written release from such creditors is filed with the Bureau of Colonization; and such other persons as the Administrator may reasonably believe likely to become public charges or social liabilities in the territory. The rulings and opinions of the Administrator may be reviewed by certiorari to any United States district court of competent jurisdiction.

(d) The various mayors, chiefs of police, county clerks, or other persons in authority with whom such applications are filed, shall forward the same forthwith to the Bureau of Colonization, and the Administrator shall receive and pass upon the same, and shall classify and catalogue the same for action in accordance with the provisions of this act; but the Administrator shall not order the transfer of any applicant or his household, unless proper and adequate placement has been obtained in the territory for the said migrant. The Resident Deputy Administrator in the territory shall keep the Bureau of Colonization promptly and fully informed as to possible and available placements, such placements to be based on occupational opportunities for economic self-sustenance either independently or in private employment or as a public servant in the Federal or Territorial services.

SEC. 408. Subject to the authority of the President, the Administrator shall have power:

(a) To requisition the debtor countries for goods and services in accordance with the agreements entered into between the President and the debtor governments, respectively, under the provisions of title II of this act, and to receive and receipt for the same in the name of the President.

(b) To order goods and services in the name of the President from private individuals or concerns in the ordinary course of trade, and charge the same to such appropriations as Congress may from time to time make for the purpose of carrying out the provisions of this act.

(c) To requisition any department, board, or agency of the Government of the United States for any available goods, services, or facilities which may be used and useful in the carrying out of the provisions of this act, without affecting the proper operation of such department, board, or agency.

(d) To provide transportation by land and by sea to qualifying applicants migrating under the provisions of this act, and to their households, from the initial point of departure in the United States to the point of settlement in the Territory of Greater Liberia; and to contract with land and maritime transportation companies for such purposes to the extent that may be necessary by reason of the fact that such transportation facilities are not available from the debtor nations or from the Government of the United States.

(e) To provide adequate subsistence, medical care, and other necessities of life for the migrants during transit and until finally settled at the point of settlement; and, to pay in whole or in part for such transportation and necessities as are provided under this section, in accordance with the circumstances and economic needs of each migrant.

(f) To make loans to individuals, partnerships, or corporations composed of migrants, in meritorious cases, not to exceed the

sum of $1,000 in any case, on reasonably liberal terms and conditions, as initial capital for business and industrial enterprises in said territory.

(g) To extend such grants-in-aid, in cash or in supplies and equipment, to such migrants as he may deem advisable, to enable them to establish themselves on a self-sustaining basis at the chosen point of settlement, subject to the following limitations in any case: For clothing and household equipment, not to exceed $300; for machinery, tools, implements, and materials of labor, not to exceed $300; for food and physical subsistence, not to exceed $1 per day for each person 12 years of age or over, and 50 cents a day for each child under 12 years of age; for educational and recreational facilities, not to exceed $50 for each person in any one year. Such grants-in-aid shall not extend, under ordinary circumstances, for more than 1 year after the migrant and his household shall have settled in their new location, or, under extraordinary circumstances, for more than 2 years. At any time, when in the judgment of the Resident Deputy Administrator a migrant shall have become self-sustaining, such grants-in-aid, except unexpired State grants-in-aid, shall cease. The Administrator shall have authority to act as trustee for the administration of State grants-in-aid on behalf of the migrants, accounting periodically to the various States therefor. The Resident Deputy Administrator shall provide medical aid, medicines, and hospitalization for the migrants during the period of economic adjustment, free of charge, and shall take such other and further measures as may be reasonably necessary to safeguard and protect the health of the migrants. For the purpose of carrying out the provisions of this subsection, the Resident Deputy Administrator is hereby authorized to establish and operate general stores, commissaries, depots, pharmacies, hospitals, infirmaries, and other buildings and facilities in accordance with the needs of every locality or new settlement occupied by the migrants.

(h) In the event that the governments of the various States should extend grants-in-aid to their respective citizens who may become migrants under the provisions of this act, then the grants-in-aid provided for in the preceding subsection shall operate as supplementary grants up to the amounts established by said subsection: *Provided*, That when the State grants-in-aid shall exceed the limits established by such subsection the migrant shall have the full benefit of such excess: *Provided further*, That State grants-in-aid shall not be diminished or curtailed by reason of the cessation of the grants-in-aid under such subsection.

SEC. 409. The Resident Deputy Administrator shall be assisted in the administration of the territory and of this act by a board of commissioners appointed by the Administrator, with the approval of the President, whose duties respectively shall be as follows:

(a) A commissioner of interior, who shall be the custodian of all forests, flora, and fauna of the territory, and of all lands not parceled out for public or private use. He shall establish and maintain a land office, with branch offices in various localities, for the registration of all land titles or interests in property, and shall act as register of deeds for the military government; he shall have charge of the welfare of the uncivilized natives and shall administer the laws of the tribes, and shall supervise their education and progress so as to prepare and adjust them as quickly as possible to the new system of life.

(b) A commissioner of education, who shall establish and maintain a public-school system for the territory according to the American system and standards of education, coordinating any existent school systems in the territory with the new order, and shall also establish and maintain such schools as he may determine to be necessary for the training of military and naval officers. He shall act as commissioner of education for the military government, and as such he shall have supervision of all educational activities within the territory subject to the military government, making such changes as will obtain an integrated and uniform system of education for the Territory.

(c) A commissioner of public health and sanitation, who shall have full authority in all matters of public health and sanitation, including athletic activities and physical development and education in the public schools. The commissioner of public health and sanitation, together with the commissioner of interior, shall adopt measures for the improvement of the health and sanitation of the uncivilized tribes and their physical welfare. The commissioner of public health and sanitation shall have full authority over all hospitals of the territorial government and supervisory authority over all other hospitals, public or private. He shall act as commissioner of public health and sanitation for the military government, and as such shall enforce all orders and decrees of the military government relating to public health and sanitation.

(d) A commissioner of agriculture, commerce, and industry who shall have full charge of the economic organization and development of the territory. He shall be charged with the economic adjustment and education of the migrants in the preparation and cultivation of the land for commercial productivity; foster and develop industries from the products of the soil; and open, organize, and develop markets at home and abroad for the products of the territory. The commissioner of agriculture, commerce, and industry shall have authority to employ specialists and experts in the various branches of his activities. He shall act as commissioner of agriculture, commerce, and industry for the military government, and in this capacity he shall supervise on behalf of the military government all activities of the territory in his respective fields, including the enforcement of plant and animal quarantine, enforcement of the laws, orders, or decrees on weights and measures, and all commerce regulations and labor laws or regulations.

(e) A commissioner of public works who shall take over, maintain, and operate all public works completed by the staff of experts provided for in section 302 of this act, upon their completion, and who shall have charge of the construction of all public buildings, sewage and water-supply systems, and all enterprises of a public-works nature in the areas selected for city, town, or village sites, after such sites have been cleared and prepared by the staff of experts and labor divisions hereinbefore provided, and also shall construct all building facilities, such as schools and other public houses, and incidental side roads, in the organized rural areas or farm districts. He shall act as commissioner of public works for the military government, and as such he shall be the custodian of all public buildings, and shall be charged with the care and maintenance of such buildings and of water-supply and sewage systems in the organized portions of the territory; and shall carry out all orders of the military government within the scope of his office.

(f) A commissioner of banking and finance, who shall be in charge of the monetary needs of the migrants, and shall organize a banking and currency system for the territory, and shall be the custodian of all funds of the Bureau of Colonization to be expended within the territory or by the Resident Deputy Administrator. He shall act as treasurer for the military government, and subject to the authority of the military governor and with the aid of officers detailed by the latter for the purpose he shall have charge of the collection of all taxes and revenues for the military government, and shall be the custodian of the same. The commissioner of banking and finance shall maintain an accounting office, in charge of an auditor or certified accountant, to keep all accounts and records of the Resident Deputy Administrator, of the military government, and of the migrants with reference to their grants-in-aid The accounting office may maintain branches in the various organized settlements.

(g) A legal adviser, who shall act as such for the Resident Deputy Administrator, and in the capacity of attorney general for the military government. He shall further be charged with the gathering and coordination of all existing laws, recommending to the military governor the nullification of those that are inoperative or inconsistent with the policies of the Government of the United States or with the sovereignty of the United States, recommending changes, and codifying the law of the land.

(h) The Resident Deputy Administrator shall have authority to appoint an executive secretary, who shall have charge of all records and archives of the office of the Resident Deputy Administrator, and of his seal. He shall act as secretary of state for the military government with such power and authority under the military governor as is consistent with and pertinent to the nature of his office.

(i) The board of commissioners, of which the legal adviser and the executive secretary shall be members, shall, together with the Resident Deputy Administrator (who shall be chairman thereof), prepare the territory at the earliest possible time for civil government, by organizing their respective departments into working units and adopting jointly such measures as shall be deemed necessary to obtain that end. The salaries of the members of the board of commissioners shall be fixed by the Administrator, subject to the approval of the President.

TITLE V

SECTION 501. (a) All proprietary rights in any and all lands acquired under the provisions of this act, except (1) lands used or reserved for governmental or other public uses, (2) lands set aside as tribal reservations for uncivilized natives, or as forest or mining reserves, by the commissioner of interior, and (3) lands previously acquired by good and sufficient private title or subject to previously acquired proprietary rights shall be conveyed by the President by quitclaim deed to a corporation, to be known as the Greater Liberia Corporation, and to be organized by the Administrator under the direction of the President, for the economic organization and development of the new territory.

(b) The said corporation shall parcel out all available lands, except such lands as shall be reserved for public utilities and for its own administrative uses, into farms to be sold to the migrants who might settle in the rural areas, and into subdivisions and lots to be sold to migrants who might settle in the villages, towns, or cities: *Provided*, That migrants receiving grants-in-aid shall not be allowed more than 50 acres of farm land nor more than 50-foot frontage of land subdivided as urban lots.

(c) The said corporation, either directly or through a subsidiary land company or companies, shall proceed to construct farm homes, city dwellings, business buildings, and other structures for private use on said lands, and shall sell such farms and dwellings to the migrants at cost, including expenses of administration and interest on bonds issued or preferred stock, either for cash or with a partial or no down payment, and with not more than 30 years to make full payment. All homes sold to persons migrating under the provisions of this act, or the plans for such homes, shall be approved first by the commissioner of sanitation as to sanitary facilities, and by the resident deputy administrator before such sale is made.

(d) The Greater Liberia Corporation shall have the exclusive right to operate all of the public utilities for the benefit of the government and the people of the territory; and the President shall release and quitclaim to the said corporation all proprietary rights that may have accrued to the United States, by virtue of the nego-

tiations provided in title II of this act, in any railway line or lines (including all rolling stock and real estate involved), in any telephone, telegraph, or radio systems, in any hydroelectric establishment or electric light and power system, and in any other public utility or utilities. The Greater Liberia Corporation shall proceed, either directly or by means of separate subsidiaries, to organize and extend the said public utilities into comprehensive and integrated systems, to the end that the entire territory shall be adequately served thereby: *Provided,* That, subject to the approval of the President, and under such safeguards as will best protect the interests of the United States, the Greater Liberia Corporation may assign to any private corporation, foreign or domestic, for a reasonable period of time its rights to an exclusive franchise to operate any of such public utilities when such operation may prove advisable: *Provided further,* That the migrants under the provisions of this act shall have preference under all circumstances for employment for any position in such public utilities for which they may otherwise qualify.

(c) The President and the commissioner of interior shall quitclaim to the Greater Liberia Corporation all mines and mining rights, and the said corporation shall have the exclusive right to exploit the underground natural resources of the territory for the benefit of the people and the government of the said territory; and, the said corporation may proceed, either directly or through separate subsidiaries, to open and operate mines and utilize the mineral resources of the land to the profit of the people and Government of Greater Liberia: *Provided,* That the said corporation, under the same restrictions and conditions as are established in the preceding subsection for public utilities, may assign mining concessions to private corporations, foreign or domestic.

SEC. 502. (a) The Greater Liberia Corporation is authorized to issue two classes of stock, to wit, a common stock and a nonvoting preferred stock with guaranteed dividends. The common stock shall not have a par value of more than $10 a share; not more than 49 percent of the same shall ever be offered for sale to the public; and the sale of the said stock shall be limited to nonalien residents of the Territory of Greater Liberia. The provisions of this section shall apply to the stock of the Greater Liberia Corporation itself and to the stock of any of its subsidiaries.

(b) Subject to the approval of the President, the Greater Liberia Corporation is authorized to issue bonds, either in its own name or in the corporate name of any of its subsidiaries, for the purpose of carrying on its various branches of business or enlarging the same, and the President is hereby authorized to pledge the full faith and credit of the United States to guarantee the redemption of said bonds, and in pursuance thereof, is hereby directed to establish sinking funds to secure the adequate redemption of each class of bonds issued under the provisions of this subsection: *Provided,* That interest on the said bonds, annual allocations to the sinking fund, and guaranteed dividends on the nonvoting preferred stock shall constitute prior claims after payment of operating expenses.

SEC. 503. The Greater Liberia Corporation, either in its own name or through a subsidiary or subsidiaries, is hereby authorized, subject to the authority of the commissioner of banking and finance, to engage in the business of banking and foreign exchange, and to organize a banking system for the territory, and provide bank-credit facilities to the migrants for the purpose of economic development under such liberal terms and conditions as will best carry out the purposes of this act.

SEC. 504. The President is hereby authorized to allocate and assign to the government of the new territory the sum of $10,000,000, from any sums available and not allocated to other purposes, such sum to apply to the purchase of 51 percent of the common stock of the Greater Liberia Corporation, and to provide initial capital for the operation of the same, and to advance such additional sums as in his judgment and on the recommendation of the Administrator may be deemed necessary to put this title into effective operation: *Provided,* That such sum or sums shall constitute loans to the government of said territory, to be repaid in not less than 25 years, with interest at the rate of 2 percent per annum.

TITLE VI

SECTION 601. (a) The President is authorized to enter into negotiations with the Government of the Republic of Liberia and the American Colonization Society for the purpose of obtaining, on behalf of the United States and from the said Government of Liberia and Colonization Society, a land grant of not to exceed 5,000,000 acres of land capable of being used or converted for agricultural, industrial, and commercial purposes, and of being organized into communities, settlements, and residential and farm districts. Should the President determine that such negotiations may be consummated in a manner satisfactory to him, he shall have all the necessary authority to consummate such negotiations and to accept deeds or other evidence of title in said lands on behalf of the United States.

(b) Upon their acquisition by the United States, the said lands shall, for colonization purposes, be put under the authority of the Resident Deputy Administrator, who, either in person or through a resident agent appointed by him for that purpose, shall have full supervision over the same for such purposes, and the Resident Deputy Administrator or his resident agent in Liberia shall act as personal representative of the President of the United States in all further negotiations with the Government of the Republic of Liberia in reference to said lands, except as the President may otherwise dispose.

(c) The President shall convey by quitclaim deeds to the Greater Liberia Corporation, provided for in title V, all lands acquired under the provisions of this title, except such lands as shall be reserved by the Resident Deputy Administrator for public roads, public buildings, and other public purposes, said lands to be parceled out and disposed of in the same manner provided by section 501 for lands acquired by the said corporation in the Territory of Greater Liberia. The Greater Liberia Corporation is hereby authorized to enter into negotiations and contracts or agreements, subject to the approval of the President, with the Government of the Republic of Liberia and the American Colonization Society, for the extension into the said Republic of Liberia of its activities provided for in subsections (d) and (e) of section 501, and to exercise the right of eminent domain in the establishment of rights-of-way for trunk-line railways, and telephone and telegraph lines, to unify the Greater Liberia systems and to provide the settlements and communities established under this title with the benefits and services of such public utilities.

SEC. 602. (a) Upon the consummation of the negotiations for the acquisition of lands provided for in section 601, the President is authorized to enter into further negotiations with the Government of the Republic of Liberia for the purpose of obtaining the consent of such Government to the construction by the United States, in areas of such republic where persons receiving the benefits of this title may settle, of public roads, bridges, schools, sanitary facilities, river and harbor improvements, flood-control works, and other public buildings and works of similar character, such buildings and works to be constructed by the United States, and such part of the cost of such construction as may be agreed upon by the President and the Government of the Republic of Liberia to be covered by bonds of the Republic of Liberia issued to the United States and bearing such interest and containing such provisions with respect to redemption as the President may deem adequate: *Provided,* That the title to such public works and buildings shall remain in the Government of the United States until such time as the Government of the Republic of Liberia shall have amortized with interest the bonds provided for herein or such part thereof as shall be agreed to between the President and the Government of the Republic of Liberia, at which time the President shall convey to the Government of the Republic of Liberia the title to said public buildings and works, reserving a lien on the same to secure any unpaid balances remaining. If the President determines that such negotiations may be consummated in a manner satisfactory to him, and if he further determines that the Government of the Republic of Liberia will give adequate assurances with respect to the operation and maintenance of such public buildings and works as may be constructed in such republic by the United States, the President shall have all the necessary authority to consummate such negotiations.

(b) In the event the consent of the Government of the Republic of Liberia to the construction of such public buildings and works is obtained as provided in subsection (a) of this section, the Administrator is authorized, subject to the approval of the President, to construct any such public buildings and works in such areas of the Republic of Liberia where persons receiving the benefits of this title may have settled, as he deems advisable: *Provided,* That preference in employment for such construction of public works and buildings shall be given to citizens of the United States who can qualify as migrants under the provisions of this act: *Provided further,* That no such public buildings or works shall be constructed until the Government of the Republic of Liberia has agreed that upon completion of such public buildings or works, the Government of said Republic will deliver to the President of the United States, or any other person designated by him for the purpose, bonds of such Republic covering such part of the cost of such public buildings or works as is to be borne by such Republic.

SEC. 603. (a) Any citizen of the United States, or any alien who is a bona fide resident of the United States, who can qualify in accordance with the provisions of title I and subsection (a) of section 407 of this act, and who may also become eligible for citizenship in the Republic of Liberia, may apply for migration to the Republic of Liberia under the provisions of this title in the same manner and under the same terms and conditions as are prescribed for migrants to the Territory of Greater Liberia in accordance with the provisions of section 407 of this act.

(b) The Administrator shall proceed, in the case of migrants to the Republic of Liberia under the provisions of this title, in the same manner and under the same terms and conditions as are provided in sections 407 and 408 of this act for migrants to the Territory of Greater Liberia, and shall extend to said migrants under this title such of the facilities, grants-in-aid, and all other emoluments extended to migrants to the Territory of Greater Liberia under any of the provisions of this act as are not inapplicable to such migrations to the Republic of Liberia.

SEC. 604. The President shall further negotiate with the Government of the Republic of Liberia to secure reasonable guaranties of safety of life and limb and freedom of action for the migrants while under Liberian rule; to assure that the Government of the Republic of Liberia will earnestly prohibit and punish any act or acts of intolerance or persecution, either political, social, or economic, of the migrants because of their condition as migrants; to assure that the migrants while aliens in the Republic of Liberia shall enjoy all the privileges and immunities of any other aliens resident in the Republic of Liberia, and that, after naturalization,

they shall enjoy all the privileges and immunities of any other naturalized citizens of the Republic of Liberia; and to assure that the Government of the Republic of Liberia will extend the greatest amount of home rule consistent with the Constitution and laws of the Republic of Liberia to all settlements and communities made up of migrants under the provisions of this act; and that preference to all appointive offices in said settlements or communities shall be given to naturalized migrants who may otherwise qualify. The provisions of this section shall be a condition precedent to other negotiations under this title.

TITLE VII

SECTION 701. (a) Upon assumption of jurisdiction and exercise of sovereignty by the United States over the territory of greater Liberia, the President shall extend to such territory all the Federal services in their various activities and departments, except such as shall by circumstances and local conditions be inoperative; and all Federal laws and statutes not locally inapplicable shall extend to the said territory with the same force and effectiveness as in any other lands subject to the jurisdiction of the United States.

(b) For the purposes of this section the President shall appoint one special assistant to the Postmaster General, who shall have charge of the organization and operation of the postal services in the territory and of the enforcement of the postal laws, and who shall be responsible to the Postmaster General of the United States for the proper functioning of the postal system throughout the territory; one special assistant to the Attorney General, who shall be in charge of the enforcement of the Federal laws throughout the territory and of the proper functioning of the judicial department, performing such other and further duties in connection with his office as shall be assigned by the Attorney General of the United States; one special assistant to the Secretary of the Treasury, who shall have charge of the collection of all customs and internal revenues in the name of the United States, and who shall act as the personal representative of the Secretary of the Treasury in all matters coming within the jurisdiction of the Department of the Treasury; one special assistant to the Secretary of Commerce, who shall organize, supervise, and direct the lighthouse, coast and geodetic survey, steamboat inspection, and census services and all other services and functions pertaining to the Department of Commerce, and who shall act as the personal representative of the Secretary of Commerce in all matters pertaining to his Department; one special assistant to the Secretary of Labor, who shall supervise and direct the immigration and naturalization services and all other services within the scope and jurisdiction of the Department of Labor; and in the same manner the President shall appoint special assistants to the Secretaries of Agriculture and of the Interior if in his judgment he deems that the services and the needs of the territory so require. The military governor, in addition to his duties as such, shall act as personal representative of the Secretary of War, and shall be charged with the organization of the military defenses of the territory, and of the training and supervision of all military forces and activities throughout the territory; and in the same manner the rear admiral in command of the naval militia of the territory shall act as the personal representative of the Secretary of the Navy and shall be charged with the organization and supervision of the naval defenses of the Territory and of the training of all personnel in the science of naval warfare. The President shall further divide the territory into Federal judicial districts, and he is hereby authorized to establish and put into operation a United States district court in each judicial district, with the same powers and under the same terms and conditions as in the case of such courts established for other Territories of the United States.

(c) All appointments to office, whether Federal or Territorial office, shall preferably be made from such citizens of the United States who, by their physical fitness and climatic adaptability, may assure to the United States the proper operation of the governmental services, and are less likely to impair such services for failure of physical endurance, all other conditions being equal.

SEC. 702. At the earliest practicable time, but not more than 2 years from the military occupation of said lands, Congress shall establish a civil government in the said territory, and shall enact and put into operation and in force an organic act for the said territory, providing therein the maximum amount of self-government which is consistent with the territorial form of government. It is hereby declared to be the intent of Congress that the territorial form of government herein provided for shall be only transitory and preparatory to a higher form of self-government, and that Congress shall provide for a commonwealth form of government to follow the said territorial form of government at the end of 4 years from the initiation of the said territorial form of government, such commonwealth to be established under such terms and conditions as will provide complete autonomy to the said territory. It shall be the policy of the territorial government to prepare the said territory for government as such a commonwealth under the United States.

(b) Whenever, at any time after the establishment of the commonwealth government, in the opinion of Congress the said commonwealth shall have attained sufficient perfection in its internal life to warrant independence, and its national defenses shall have been so organized and perfected as reasonably to assure to the said commonwealth security against foreign aggression, the President at the request of Congress may enter into negotiations with the Government of the Republic of Liberia with a view to having such commonwealth incorporated into the Republic of Liberia to form together one independent Republic of Greater Liberia, with due recognition as such by the United States. If the President determines that such negotiations may not be consummated with the Government of the Republic of Liberia in a manner satisfactory to him and in accordance with the purposes and intent of this act, he shall formulate and submit to Congress for its approval a plan whereby independence may be granted to the Commonwealth of Greater Liberia without incorporation into the Republic of Liberia.

SEC. 703. Until Congress shall have been able to estimate and determine the annual cost of the operation of this act and the available income for the same, the President is hereby authorized to utilize the following funds and credits to put this act into immediate operation and to finance the initial expenditures in connection with this act:

(a) All customs, Federal internal revenues and other Federal taxes levied and collected within the territory of greater Liberia.

(b) All payments in gold or in cash paid by the debtor nations to the United States by virtue of World War debts, whether the same is a so-called token payment or any other form of cash payment.

(c) Not to exceed $1,000,000,000 of any funds of the United States available and not allocated for any other purposes: *Provided*, That if such funds be not available, the President is hereby authorized to pledge the credit of the United States in an amount not to exceed the said $1,000,000,000 in order to secure such funds.

SEC. 704. The President is authorized to remove any restrictions placed on the borrowing power or borrowing facilities of any nation owing debts to the United States, by any act of Congress limiting the borrowing powers or facilities of such debtor nations, in consequence of concessions obtained by the United States by virtue of the negotiations and agreements entered into pursuant to the provisions of title II of this act, the extent of the removal of such restrictions in any case to be determined on the basis of the concessions made in relation to the total debts due from said debtor nations, respectively. The President is further authorized to reimpose such restriction at any time upon failure to fully carry out any of the agreements entered into or concessions obtained by virtue of title II of this act.

SEC. 705. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provisons to other persons or circumstances, shall not be affected thereby.

EXHIBIT A

DOES HITLER WANT AMERICA NEXT? HERE IS THE EVIDENCE—AND THE INSIDE STORY OF WHAT WE ARE DOING ABOUT IT

(By Walter Karig)

Hitler wants American soil.

He almost got it—a chunk out of the northeastern edge of South America—when President Roosevelt was tipped off that the map makers of Munich were contemplating real-estate transactions on this side of the Atlantic.

That was when the world started to hear about "continental defense" from Washington, and inspired stories went forth to Europe that the United States was contemplating a New World League of Nations embracing Canada, Latin America, and even Australia and New Zealand.

Quickly the British sent back word that they had never, never intended giving Guiana to Germany. No, indeed! They had merely discussed Guiana with Hitler as a haven for the exiled German Jews. Immediately there broke out in the servile German press bitter denunciations of the United States as the oppressor of Latin America. Powerful short-wave radio stations in Germany and Italy swamped South American reception with propaganda that the Roosevelt preparedness program was designed to intimidate and conquer South America. Our southern neighbors were asked to remember the occupation of Nicaragua, the "theft" of Panama from Colombia by "that other Roosevelt."

So this message went forth by trans-Atlantic telephone to American Ambassadors Kennedy in England, Bullitt in France: "The United States Government is going to stop Hitler, regardless of Great Britain and France."

Uncle Sam is tired of being Uncle Samaritan. When we tried to stop the Japanese from starting to gobble up China, our sister democracies, England and France, gave us no support. The United States realizes now, after the "Peace of Munich," that Britain and France do not care whither nazi-facism goes, so long as it goes away from them.

The United States can play at that game, and has shaped a course as determined and as carefully planned as any venture we have made in international affairs.

First, we are uniting the North, Central, and South American commonwealths to resist European political invasion.

By virture of our ownership of half the world's gold, we are going to resist European commercial exploitation of our neighbor countries by extending credits. Not to South American buyers; we learned our lesson in the 1920's there. The credits go to American exporters, to develop Latin-American markets.

Simultaneously, by making a trade treaty with Turkey, the United States has stopped the Berlin-to-Bagdad parade of the Nazis, thrown a monkey wrench into Hitler's consolidation of

southeastern Europe, and robbed the Fuehrer's victory over Chamberlain and Daladier of at least a third of its potential value.

In answer to the Anglo-French plea that "we democracies must stick together," the United States has replied: "Stick with me if you know what's good for you, but I'm going ahead, regardless." France and Great Britain need the United States and the friendship of American neighbors. An all-American union to resist Hitlerism has been created to offset London's European league to buy off the dictators—with others' wealth.

That has been followed up by intimations to the British and the French, and to the Belgians, the Dutch, and the Portuguese, that any cession of colonies to Nazi Germany in the Pacific or on the West Coast of Africa would be considered an act unfriendly to the United States.

Why? Gracious goodness, with tiny Portugal and Belgium landpoor with African territory, why do we begrudge Germany some? Britain and France grabbed the best of Germany's former colonies in Africa; why shouldn't some of them, at least, be returned?

And all those islands in the Pacific Ocean. Good for nothing but coconuts. Who cares if the Germans get them back? Who has them now, anyhow?

Perfectly natural questions. Intelligent, too.

But—the Army says "No."

The Navy says "No."

The Commerce Department says "No."

The State Department says "No."

It isn't the new dealers saying "No." It is not only President Roosevelt and Secretary of State Hull who are determining this policy. It is the nonpolitical technical experts, the men who have made a life's career in the Government service without worrying if a Republican or a Democrat sits in the front office. They are the ones who are telling Roosevelt and his Cabinet, as they will tell the next President, why Germany's demand for colonies is directed against the United States.

Germany could deny that with perfect truth. She wants colonies restored to her in West Africa and the Southern Pacific as jumping-off places for South America.

Great Britain and France did not object when General Franco turned over deep-water harbors in the Canary Islands to Hitler for submarine bases. The Canary Islands are in the Atlantic Ocean, just off that part of Africa which bulges toward the Americas. The United States is putting up a vigorous protest, but because it has not recognized Franco's Fascist regime in Spain, there is no place to lodge the complaint.

The reason why the United States objects to German outposts in the Atlantic, either on the Canary Islands or points south on the African mainland, is that from such points all ocean traffic between the eastern ports of North and South America can be handled as easily as a crossroads policeman controls automobile traffic.

Submarines and bombing planes based on or off the West Coast of Africa could drive mercantile shipping from the South Atlantic. If the United States is cut off from South America, it means we are cut off from our sources of tin, rubber, chromium, manganese, and the vegetable product from which gas-mask filters are made. Without access to these South American products, the United States could not survive a 6-month war. So say the members of the Army-Navy Munitions Board.

If Germany obtains insular possessions in the South Pacific, then the west coast of the Americas will be likewise threatened.

Here is heard another question: Why do our military and naval and commercial experts think Germany is going to try to cut us off from South America?

They say they don't think so; they know it.

Let us informally interview the Navy first.

Our whole theory of naval defense has been based on the assumption of a war in the Pacific. The Navy's job is to defend the Hawaiian Islands, of course, and Alaska, but our weakest point is the Panama Canal. Naval strategists have worked out the defensive maneuver known as the Pacific triangle at huge cost of time and money. The physical structure of our Navy is based on that triangular field of operations against an enemy diplomatically left unnamed—but you can bet it is not Siam. Let us, between ourselves, unofficially, say it is Japan.

Germany is Japan's ally. Those two countries and Italy have a compact of military, naval, industrial, and economic assistance.

If we should have war with Japan, Germany would come to her ally's aid. If Germany has possessions in the South Atlantic or the South Pacific, or both, the entire conception of national defense must be altered. All our plans will have to be scrapped, our Navy's make-up changed, our officers sent to school all over again, and our naval schoolmasters will have to teach each other new tricks. Even if that war should never come, the necessary preparations or precautions will cost us hundreds of millions of dollars extra with Germany in the picture; and if the war did come, the problem of national defense would be endlessly complicated, of course, with German submarine and airplane bases on our flanks, harassing our shipping, threatening our coastal cities, cutting us off from vital sources of supply.

The Navy testimony adds up to this argument against German colonies: Immediate and great expense, and perpetual danger for the United States.

The Army echoes the Navy in all details. It has a few additions to make. There is already evidence that the German Nazis are making headway in Mexico. Hitler is buying up all the petroleum Mexico confiscated from American and British operators. A strong Nazi party in Mexico would mean more revolutions in that boisterous land, and once Central American revolutions are financed in Europe and are fought to advance European political theories on this side of the water, then will come the day when the United States will need a standing army of half a million men—and standing on its borders at that.

Incidentally, nobody in the governmental structure of the United States is kidding himself about any union of American "democracies." That is just the slogan for the Pan American campaign. In the 20 Republics in the Western Hemisphere there are not 6 democracies in fact. The Nazi-Fascist pattern of government was followed in the Americas before Hitler even learned the wallpapering business. It is the pattern today in Cuba, in Haiti, in the Dominican Republic, in two-thirds of the South American republics, and it does not enrage or annoy anybody in the United States. Our Government doesn't care what sort of home-made fascism the Spanish Americans adopt, so long as they do not import their politics from Germany, Italy, or Spain.

You have heard why the armed forces of the United States object to providing Hitlerism with stepping stones toward our half of the world. The Departments of State and Commerce have their own reasons.

The State Department's apprehension is frankly based on the facts just stated. South and Central Americans just naturally run to dictatorships. Once the European dictators start organizing that hemisphere, it is good night, United States and Canada. So the State Department acts. Britain and France are warned that they cannot buy their security at American expense, as they did with Czechoslovakia. If Germany wants African lands, let generous Britain turn over some East African real estate. You can bet Germany wouldn't accept it.

The trade treaty that Secretary Hull completed with Great Britain and Canada was in itself a thrust at Hitlerism, because it made us partners in the South American trade. Hull, however, believes in the theory of a good defense being a vigorous attack, so a reciprocal-tariff treaty is being rushed through with Turkey to give the Germans something to worry about as they contemplate Berlin-to-Baghdad expansion. A trade treaty with Turkey would mean that the Turks and all Asia Minor could buy American goods cheaper than German and would be paid cash for their increased exports to the United States, whereas Germany pays only in barter.

As the Army seconds the Navy, so does the Commerce Department confirm the State Department, with some supplementary testimony.

The Commerce Department thinks the day of air-borne freight is not far distant. It does not want to see Germany established on the South Atlantic with airports ostensibly for the South American mail and parcel express service, but affording pilots training in carrying over tons of liquid-air bombs. The Commerce Department also suspects that Germany would establish free ports in its South Atlantic bases, where goods would be transshipped without customs duties, and that much legitimate South American trade would go where the commerce with China went after the Japanese established their free ports on the Shantung Peninsula and smugglers displaced legitimate shippers.

Any way the experts look at it, German colonies are going to cost the United States millions—perhaps billions—and limitless worry, annoyance, and fear.

No other nation has such sound and reasonable objections to denying Germany the return of some of her old belongings. It is America's defenses, America's commerce, America's Government that Germany's expansion threatens. To be exact, it is the expansion in our direction of nazi-ism that arouses us, a nazi-ism in open cahoots with Japan's militarists.

Hitler's eye is on South America, the storehouse of all the world's riches. His voice is already heard there. A million Nazis in Brazil alone echo him. If only Hitler could have got British or French Guiana last fall, he would be well on his way by now toward establishing a real Nazi empire, with Brazilians heiling him as Abyssinians wisely shout for Il Duce nowadays.

But give the Nazis a toehold in West Africa or Polynesia, from which they can jump when ready, and they will plant the swastika in the Western Hemisphere yet. They say so. They announce it with all the calm acceptance of planned perfection. It is destiny, they say

Uncle Sam, believing that George Washington and Simon Bolivar beat Hitler to it in shaping the destiny of the Western World, is bound that it shan't happen. On that, Republicans, Democrats, and new dealers are agreed. It we can get the Canadians and Brazilians and Mexicans and Ecuadorians all in agreement, maybe the combination can keep the New World safe for what is left of democracy.

SEVEN-YEAR REPORT OF RECONSTRUCTION FINANCE CORPORATION

Mr. SHEPPARD. Mr. President, I wish to bring to the attention of the Senate the 7-year report of the Reconstruction Finance Corporation covering its operations from February 2, 1932, to February 2, 1939, revised and amplified by inclusion of the financial statements of the Corporation and the agencies affiliated with it.

This is one of the most enlightening reports of a governmental agency I have ever read. More than $10,000,000,000 in private credits have been made available to agriculture, commerce, and industry; $7,243,000,000 has been disbursed

and $5,372,000,000, or approximately 75 percent, repaid, leaving only $1,871,000,000 outstanding.

After paying all its operating expenses and $218,000,000 interest on the money it borrowed to lend, 90 percent of which went to the United States Treasury, the Corporation has accumulated earnings in excess of $200,000,000, which, in the opinion of R. F. C. directors, will be sufficient to cover all losses.

In summing up the activities of the Corporation, Hon. Jesse Jones, its Chairman, issued a statement which I ask may be printed at this point in the RECORD, and I also ask that the complete report itself be set out in the Appendix of the RECORD.

There being no objection, the 7-year report of the Reconstruction Finance Corporation was ordered to be printed in the Appendix, and the statement of Hon. Jesse Jones was ordered to be printed in the RECORD at this point, as follows:

STATEMENT BY HON. JESSE JONES

The beneficiaries of R. F. C. activities have been almost entirely people of relatively small means or business interests. It is estimated that loans to closed banks benefited 20,000,000 depositors in these institutions; putting capital in banks probably saved another 20,000,000 depositors from loss or inconvenience. More than 3,000,000 commodity loans have been made to 1,500,000 farmers averaging less than $400 per loan. Probably 150,000 stockmen received loans averaging $1,600. More than 130,000 farmers and landowners in 26 States have benefited by loans to drainage, levee, and irrigation districts. More than 10,000 borrowers have received disaster loans averaging approximately $1,300, and 102,000 householders have received loans averaging less than $150 for the purchase of electrical appliances.

Two thousand seven hundred and twenty of the 7,371 loans to business enterprises have been for $5,000 or less, and 1,150 between $5,000 and $10,000; 6,088 of all loans to business have been for $50,000 or less. These loans to business have maintained employment for more than 400,000 people and have provided additional jobs for 225,000. Employment has been increased and business stimulated through the purchase of more than 32,000 home mortgages averaging approximately $4,000. Loans for the construction of business buildings and large-size housing projects have likewise increased employment and stimulated business.

Mining loans have created 1,500,000 days' work. Self-liquidating loans, exclusive of security purchases from P. W. A., have produced 181,000,000 man-hours of work, not counting the additional employment made necessary in the fabrication of materials for the construction involved and the employment of all classes of workers serving the business concerns which furnished the materials.

Loans to railroads for maintenance and for the purchase of equipment have been translated immediately into work for hundreds of thousands of workers, both skilled and unskilled—probably 20,000,000 days' work. Loans for payment of interest on railroad obligations went largely to savings banks, insurance companies, and other trust funds.

With the exception of loans on commodities, which are made largely by direction of Congress, both as to amount and basis, and upon which there will be some loss, this vast contribution to the business and economic life of our country during the past 7 years has been without any loss or cost to the Government.

In addition to R. F. C. loans authorized, and credit actually used, we have assisted a great many borrowers in getting loans from private sources by bringing borrower and lender together when, in our opinion, the loan applicant could properly be taken care of by banks or other private lending institutions, and by indicating that if necessary, to protect the applicant from failure or unnecessary loss, we would make the loan.

NEUTRALITY, PEACE, AND WAR

Mr. WILEY. Mr. President, a few days ago, in discussing the subject of Wisconsin cheese, I interjected into the argument the statement:

> It does not create gas on the brain, and, without gas on the brain, this country will not go to war.

Since making that statement it has been quoted by many newspapers and I have received numerous letters. Particularly have I received letters from the Middle West, and I have also received some from Pennsylvania and New York as to my stand in relation to neutrality and war and peace. I will take a few moments, not to exceed 15 or 20 minutes, this afternoon to explain my stand on that subject.

Do we want war? The answer is unanimous. No, America does not want war. What do we want, then? We want peace and prosperity. And the old slogan applies: "Where there is a will, there is a way." I believe there is a practical way for America to obtain both these objectives. Briefly I shall discuss the problem of peace and war.

There are thousands of letters in my office, from my constituents in Wisconsin, and from others, indicating clearly, and I say this because I think it is important, that among the masses of the people there is almost a hysteria, an awful dread of war, and, thank God, there is also manifested a prayer for a practical way of escape from the danger of war.

Too often, however, in the letters that come to my office there is to be found an indication of hate of some other nation. To me that is a serious symptom. No matter where we stem from, in times of great national and international crises we should remember one thing, and that is that we are Americans. We owe no political allegiance to any other nation on earth. I am bringing these particular facts before the attention of the Senate because, in my opinion, as the Nation thinketh, so will the Nation's course for peace or war be determined. We cannot take time to hate Frenchmen, or Germans, or Englishmen, or Italians; but we can take time to love America and her institutions.

When you, Mr. President, and I, as so many politicians have done lately, take time to try to figure out what should be done about the European situation—we who have enough situations in America to think about and many ills to cure—we are not minding our own business. And when we permit ourselves to follow a war psychology, a war hysteria, or a fear that America's leadership, executive, legislative, and judicial is inadequate to save the situation, then we are traitors to the present.

A review of the events during recent years since the totalitarian powers have started upon their march to acquire more of the world's area a review of the events of recent years when the so-called democracies of Europe, fearing war and its consequences, as we fear it now in America, took no step to stop the onward march of the totalitarian states—in which period Manchukuo, Ethiopia, Czechoslovakia, and Austria were seized—will add nothing to the solution of our problem of maintaining peace and keeping away from entangling alliances.

In recent years the people have gotten into the mesmeric notion that the Government can do everything or anything, but they are now awakening to a realization of the implications and ill effect of many of the policies which have been pursued by the Government, such as continued spending in excess of receipts, the Government's two forms of tax—the capital gains tax and the undistributed profits tax—the A. A. A. and its effect on farming and industry, reducing the crop in one instance and thus reducing the number of persons employed, and at the same time reducing the purchasing power to buy the goods produced, such lessening of ability to buy leading to further reduction in the production of goods. Then we may consider the manner in which the W. P. A. is operated, giving a better standard of living to the W. P. A. employee than is received by persons dependent upon private employment and farm operations. Despite all the activities of the Government, 10,000,000 persons are still unemployed and a state of mind is evident in some quarters that Government control, Government ownership, is the remedy. We are awakening to the fact that Government actions and dependence on Government are unproductive of constructive result; that Government cannot do everything; and that the people must regain initiative, industry, and self-reliance.

So it is well for us to realize that only when the people want war will there be war. This will be true so long as we maintain our democracy. The important thing, then, is to keep our Republic intact and keep our minds poised, not stampeded; keep clear of the propaganda that comes from many quarters and keep ourselves free from entangling alliances.

I know of no Senator who wants war; and yet, from the tone of many letters, one might well think that representatives in Congress want to get America into war. The fact is that Congress, which alone has the power to declare war, is not stampeded. Almost every Senator I know is conscious of his responsibility. Of course, most of them are human,

and when they rise to make speeches they indicate very clearly in what direction their sympathies lie. Putting on the senatorial toga does not make a man over. It should, however, sober him and make him more judicial.

How do I feel about the situation in Europe? That question is often asked, and I am going to tell the Senate frankly just how I feel. I have hope that war will not come even to Europe for some time, at least. I also feel that we shall develop enough vision, and I say, frankly, by that I mean that we shall get enough guidance and direction from Him who shaped us all so that we shall keep out of war, if it should come to Europe. I also hope that the white race, to whom God entrusted leadership on this globe—He has not entrusted it to any particular segment of that race—will wake up before it is too late and before some other race takes over the leadership on this globe.

I say that war is not inevitable. It is always darkest before the dawn. I believe that the common people of all the European countries hate war as we do. I believe that if the blinders could be torn off of the leaders of Europe, and they could have vision, they would see the way that leads toward international peace. Some Senators, perhaps, are not old enough to remember what blinders are. They used to be put on horses. I have not given up faith that something may occur so that the leaders of the nations may have vision, for we are told that "Where there is no vision the people perish"; and the opposite is true, that with vision we shall succeed.

We must not forget, as Garfield said after Lincoln died, that—

God reigns, and the Government at Washington lives.

Much, Mr. President, as you and I may love the folks "over there," it is not our country's business to aid in keeping or remaking Europe's map. There is too much tragedy in war, too much loss and no gain. Personally, I do not think we are blundering into war. If the people keep even-minded, we shall not get into war. It is only if some other nation should blunder and we should permit ourselves to become stampeded that we could get into war. That is why I am constantly repeating the need of keeping our minds poised, our thinking clear, and our emotions in check. We have a great battle to fight, but it is a battle for peace.

The other day, at a Senate committee hearing, the distinguished senior Senator from Idaho [Mr. BORAH] asked this significant question:

Have not the people already made up their minds who is right and who is wrong?

And he himself answered the question by saying:

The thing that is uppermost in my mind is that there is no neutrality at this time because of conditions that exist in the world. * * * We have practically passed upon who is an aggressor.

In this statement this great American statesman probably stated a fact, and that is that a large percentage of the American people feel that if war should come, the aggressors would be the totalitarian states.

Be that as it may, we should also bear in mind the fact that in the recent great World War a good many small nations, even in Europe, had the brains and the vision and the foresight to keep out of war, in spite of the fact that they, too, sympathized with one side or the other. Likewise we, who live 3,000 miles away, must realize that no matter where our sympathy lies, we, too, can and must keep out of war.

I repeat that I do not think war is coming to this country, and I believe that common sense is coming to the leaders of the world. I believe that when Mr. Hitler speaks on the 28th of this month we shall see that even into his brain there will have come something that will show that he appreciates that nothing can be gained by war.

Because of the human nature all of us—and I repeat that statement—because of racial backgrounds, because of our religious affiliations, our emotions, our biases, and our prejudices, it is natural that we should become partisan in some degree, especially in relation to cultural backgrounds; but if a crisis comes there is no room for partisanship as far as political allegiance is concerned.

This country demands and has a right to have 100 percent political allegiance from all of us; and the way to keep our allegiance unsullied, and keep America alone in our thoughts, is to think American. Let us not think German, French, or English, but American!

It is also my honest belief that in spite of the people having made up their minds as to "who is right or wrong," if war should come in Europe at least 95 percent of the people do not want America to get into that war. To keep ourselves out of the melee if it occurs—and, I repeat, in my opinion it is not necessary for Europe to go into war—the great need here is for moral and spiritual rearmament. In this Congress we have spent billions of dollars to build up physical armament, ships, and equipment of every kind; but now I am talking of the need for mental poise, spiritual balance, moral rearmament, if you please.

No matter what kind of a neutrality law is passed, or if no law is passed and we rely on international law—which some nations have attempted to set at naught—we should turn our attention to the solution of our domestic problems, and keep busy at that task, and not do as we did in the recent Spanish crisis. In the Spanish case, the people of America were not neutral. A large percentage mentally and actively sided with the Loyalists, while another large percentage mentally and openly sided with the Revolutionists.

At this time of crisis each individual in this Nation has the responsibility of building national unity, and that is not built by meddling in foreign affairs. I still believe that if enough individuals in the great nations of the world were engaged in the great challenge of moral rearmament, which involves using the spirit of honesty, faith, and love, we could dissolve the specter of war. It has to be done at some time. I also think that if we should get rid of our fears and our jealousies and our hates and our greed, our other problems, economic and political, would melt before our attack. I believe a growing body of people are coming to a recognition of this fact. We have tried other measures, but we have neglected the great way.

Our own plight in our own political and economic sphere, and in an international way, indicates that it is time for us to take another way out, and approach the solution of our problems through a new channel. If we do that I think our present sleeping sickness will disappear, our apathy will be gone, and we shall possess a desire to build anew by getting rid of selfishness and greed, fear and hatred.

The way of moral rearmament leads to the heights. Failure now to accept that challenge may mean national decay.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HILL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations and a draft convention, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of sundry officers for promotion in the Regular Army.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will proceed to state the nominations on the executive calendar.

INTERSTATE COMMERCE COMMISSION

The legislative clerk read the nomination of William E. Lee to be an Interstate Commerce Commissioner.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of J. Haden Alldredge to be an Interstate Commerce Commissioner.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BARKLEY. Mr. President, the two vacancies just filled having existed for some time, I ask unanimous consent that the President be notified of the confirmation of these two nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I make the same request about nominations in the Marine Corps.

The PRESIDING OFFICER. Without objection, the nominations in the Marine Corps are confirmed en bloc.

That concludes the calendar.

ADJOURNMENT

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 21 minutes p. m.) the Senate adjourned until tomorrow, Tuesday, April 25, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 24, 1939

SECURITIES AND EXCHANGE COMMISSION

Leon Henderson, of New Jersey, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1939, vice William O. Douglas.

COLLECTOR OF INTERNAL REVENUE

Lipe Henslee, of Dickson, Tenn., to be collector of internal revenue for the district of Tennessee to fill an existing vacancy.

JUDGES OF THE CIRCUIT COURT OF APPEALS

Calvert Magruder, of Massachusetts, to be judge of the United States Circuit Court of Appeals for the First Circuit, vice George H. Bingham, retired.

Walter A. Huxman, of Kansas, to be judge of the United States Circuit Court of Appeals for the Tenth Circuit, vice Robert L. Williams, retired.

UNITED STATES DISTRICT JUDGE

Hon. Simon Hellenthal to be United States district judge, division No. 3, District of Alaska. Judge Hellenthal is now serving in this office under an appointment which expired February 16, 1939.

UNITED STATES ATTORNEYS

Charles J. Clasby, of Alaska, to be United States attorney, division No. 2, District of Alaska. Mr. Clasby is now serving in this position under a court appointment.

Eli H. Brown, III, of Kentucky, to be United States attorney for the western district of Kentucky, vice Bunk Gardner, resigned. Mr. Brown is now serving in this position under a court appointment.

George L. Grobe, of New York, to be United States attorney for the western district of New York. Mr. Grobe is now serving in this office under an appointment which expired February 12, 1939.

John J. Boyle, of Wisconsin, to be United States attorney for the western district of Wisconsin. Mr. Boyle is now serving in this office under an appointment which expired February 23, 1939.

UNITED STATES MARSHALS

John M. Moore, of Kentucky, to be United States marshal for the eastern district of Kentucky. Mr. Moore is now serving in this office under an appointment which expired March 23, 1939.

Loomis E. Cranor to be United States marshal for the western district of Kentucky. Mr. Cranor is now serving in this office under an appointment which expired March 16, 1939.

John G. Utterback, of Maine, to be United States marshal for the district of Maine. Mr. Utterback is now serving in this office under an appointment which expired February 23, 1939.

John J. Barc, of Michigan, to be United States marshal for the eastern district of Michigan. Mr. Barc is now serving in this office under an appointment which expired March 16, 1939.

John J. Farrell, of Minnesota, to be United States marshal for the district of Minnesota. Mr. Farrell is now serving in this office under an appointment which expired March 5, 1939.

Jesse Jacobs, of New York, to be United States marshal for the northern district of New York. Mr. Jacobs is now serving in this office under an appointment which expired February 12, 1939.

Stephen J. Doyle, of North Dakota, to be United States marshal for the district of North Dakota. Mr. Doyle is now serving in this office under an appointment which expired February 16, 1939.

PROMOTION TO THE REGULAR ARMY

MEDICAL CORPS

First Lt. James Edward Tate to be captain, Medical Corps, from May 15, 1939.

PROMOTIONS IN THE NAVY

Capt. John H. Towers to be Chief of the Bureau of Aeronautics in the Department of the Navy, with the rank of rear admiral, for a term of 4 years from the 1st day of June 1939.

Capt. Russell Willson to be a rear admiral in the Navy, to rank from the 1st day of January 1939.

Commander Percy K. Robottom to be a captain in the Navy, to rank from the 13th day of February 1939.

Lt. Comdr. Harold S. Klein to be a commander in the Navy, to rank from the 1st day of July 1938.

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of August 1938:

Edmund J. Kidder	Merwin W. Arps
Edward D. Walbridge	Marion C. Erwin

The following-named lieutenant commanders to be commanders in the Navy, to rank from the date stated opposite their names:

John P. Dix, September 1, 1938.
James B. Sykes, November 2, 1938.
Ernest H. von Heimburg, December 1, 1938.
John O. Huse, January 1, 1939.

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 13th day of February 1939:

Eliot H. Bryant	Joseph R. Lannom
Charles J. Rend	Carl K. Fink
Paul F. Lee	Stuart S. Murray

Lt. Comdr. John J. Patterson, 3d, to be a commander in the Navy, to rank from the 1st day of April 1939.

Lt. Dwight H. Day to be a lieutenant commander in the Navy, to rank from the 23d day of June 1938.

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the 1st day of February 1939:

Irving T. Duke	Edward L. Woodyard
Truman J. Hedding	Rufus E. Rose

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the 13th day of February 1939:

William P. Tammany	Dale Harris
Robert L. Swart	Kenneth Karl
Frank C. Layne	Allen P. Calvert
Eugene C. Burchett	LeRoi B. Blaylock
George A. Sinclair	Samuel E. Latimer

The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the date stated opposite their names:

Norman M. Miller, December 10, 1938.

Donald V. Daniels, April 1, 1939.

Lt. Comdr. John K. B. Ginder to be a lieutenant commander in the Navy, to rank from the 1st day of July 1938, to correct the date of rank as previously nominated and confirmed.

The following-named passed assistant surgeons to be surgeons in the Navy, with the rank of lieutenant commander, to rank from the 1st day of August 1938:

Charles F. Flower	Glenn S. Campbell
Harold V. Packard	Herman M. Maveety
Leon D. Carson	Charles R. Wilcox
Gerald W. Smith	French R. Moore
Thomas M. Arrasmith, Jr.	Joseph W. Kimbrough
Walter F. James	Raymond W. Hege
Arthur W. Loy	Theophilus F. Weinert
Albert T. Walker	

The following-named electricians to be chief electricians in the Navy, to rank with but after ensign, from the date stated opposite their names:

Maurice B. Ruegamer, March 6, 1939.

George B. Greer, April 2, 1939.

Radio Electrician Russell L. Hinchey to be a chief radio electrician in the Navy, to rank with but after ensign, from the 22d day of October 1938.

The following-named pay clerks to be chief pay clerks in the Navy, to rank with but after ensign, from the 2d day of March 1939:

Othello C. Bruun

Merwood R. Bishop

Walter C. Chapman

Lt. Comdr. Henry T. Stanley to be a commander in the Navy, to rank from the 1st day of August 1938.

The following-named lieutenants to be lieutenant commanders in the Navy to rank from the date stated opposite their names:

John D. Shaw, July 1, 1938.

Edward W. Rawlins, February 1, 1939.

Thomas A. Turner, Jr., February 13, 1939.

George W. Stott, February 13, 1939.

The following-named lieutenants (junior grade) to be assistant paymasters in the Navy, with the rank of lieutenant (junior grade), to rank from the 6th day of June 1938:

John R. Lewis	Henry L. Muller
Christian L. Ewald	Charles L. Harris, Jr.
Marcus R. Peppard, Jr.	Charles Fadem

Lieutenant (junior grade) Carl G. Drescher to be an assistant paymaster in the Navy, with the rank of lieutenant (junior grade), to rank from the 29th day of August 1938.

Ensign William J. Johnston to be an assistant paymaster in the Navy, with the rank of ensign, to rank from the 4th day of June 1936.

The following-named ensigns to be assistant paymasters in the Navy, with the rank of ensign, to rank from the 3d day of June 1937:

Robert H. Northwood	William M. Porter.
Ellsworth H. Van Patten, Jr.	Harold L. Usher, Jr.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 24, 1939

Interstate Commerce Commissioners

William E. Lee to be an Interstate Commerce Commissioner.

J. Haden Alldredge to be an Interstate Commerce Commissioner.

Promotions in the Navy

Marine Corps

To be colonel

Archie F. Howard

To be lieutenant colonels

Robert C. Anthony	Bert A. Bone
Robert L. Montague	Harold D. Campbell
Victor F. Bleasdale	William H. Harrison
William W. Rogers	John P. Adams
Curtis T. Beecher	Alton A. Gladden

To be majors

Augustus W. Cockrell	George J. O'Shea
William O. Brice	Charles C. Brown
Francis M. Wulbern	Eugene H. Price
Edwin A. Pollock	John C. Donehoo, Jr.
Randolph M. Pate	Lyman G. Miller
Lucian C. Whitaker	William M. Mitchell
Raymond P. Coffman	Howard R. Huff.
James M. McHugh	William W. Orr
Rupert R. Deese	Gregon A. Williams
James P. Riseley	Monroe S. Swanson
Harry E. Dunkelberger	William W. Paca
Clayton C. Jerome	

To be a chief pay clerk

Thea A. Smith

Postmasters

Colorado

Beth C. Byers, Eagle.

Connecticut

Ernest R. Knopf, Clinton.

Florida

Benjamin F. Reames, Jr., Dania.

Georgia

Kenneth S. Hughes, Homerville.

Kansas

Raleigh M. Caldwell, Robinson.

Michigan

Ward W. Baker, Union City.

Minnesota

William L. Hubel, Maynard.

HOUSE OF REPRESENTATIVES

Monday, April 24, 1939

The House met at 12 o'clock noon.

The Reverend Harry Lee Doll, rector of Christ Church, Alexandria, Va., offered the following prayer:

O Almighty God, the God of light and truth, before whom all that is hollow and unreal shrivels up and is consumed away, lighten the minds of these, Thy servants, to whom has been committed the leadership of this Nation, that they may not only see but perceive, may not only hear but understand. Increase in them Thy manifold gifts of grace, the spirit of wisdom and understanding, the spirit of counsel and ghostly strength, the spirit of knowledge and true godliness, and fill them, O Lord, with the spirit of Thy holy fear that they, knowing whose ministers they are, may serve Thee and this people to the advancement of Thy kingdom on earth, and

to the safety, honor, and welfare of this Nation. We ask it through Thyself made manifest, Jesus Christ, our Lord. Amen.

The Journal of the proceedings of Friday, April 21, 1939, was read and approved.

APPLE BLOSSOM FESTIVAL, WINCHESTER, VA.

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROBERTSON. Mr. Speaker, the following is a telegram which I received this morning from the director general of the Winchester Apple Blossom Festival:

WINCHESTER, VA., *April 24, 1939.*

Hon. A. WILLIS ROBERTSON, M. C.,
House Office Building, Washington, D. C.:

In behalf of the executive committee I wish to extend to you and the honorable Members of the House of Representatives a most cordial invitation to visit Winchester on the festive occasion of our sixteenth annual Shenandoah apple blossom festival Thursday and Friday, April 27 and 28. The crowning of Miss Genevieve Garner, the attractive granddaughter of our distinguished Vice President, JOHN NANCE GARNER, will be the initial event in a colorful and spectacular 2-day program. Looking forward to having many of our nearby Washington friends with us, I beg to remain,

Cordially yours,

TOM BALDRIDGE.

Mr. Speaker, it gives me pleasure to extend this invitation to my colleagues in the House and to assure them that this is not just a gesture but an expression of our genuine desire to have them as our guests on this occasion.

Frederick and Augusta Counties were the first two Virginia counties to be formed west of the Blue Ridge Mountains. They were named in 1743 after Prince Frederick and his wife Augusta, who were the parents of George III. The original boundary of Frederick County took in much of northern Virginia and a portion of the Shenandoah Valley, and Augusta County took in the remainder of the Shenandoah Valley and extended to the upper reaches of the Mississippi. We want all the Members of the House who can do so to attend the court to be held by the queen of the apple blossoms but are especially anxious to have with us those whose ancestors knew and loved the beauties of the Shenandoah Valley.

The pageant alone, which will be given on the 27th and again on the 28th, will well justify the 70-mile trip, because I do not think a more beautiful one is staged anywhere in the country. And we believe that the sight of thousands of apple trees in bloom will be an inspiration to those who have never seen it. The flaming sword that drove Adam and Eve from the Garden of Eden spared the trees, including Eve's apple tree. The thought has been portrayed in a beautiful canvas depicting Eve in old age being borne on a stretcher, and pointing to a clump of trees in the distance, she appears to be saying to her son Seth: "That is paradise." We hope a myriad of pink and white blossoms will be symbolic to you of paradise regained.

If those who can make this trip to Winchester will notify my office, I will be glad to make the necessary reservations for their entertainment. [Applause.]

ADDITIONAL MESSENGER, PRESS GALLERY

Mr. COCHRAN. Mr. Speaker, I present a privileged resolution unanimously reported by the Committee on Accounts for present consideration, which I send to the desk.

The Clerk read as follows:

House Resolution 172

Resolved, That there shall be paid out of the contingent fund of the House, until otherwise provided by law, compensation at the rate of $1,440 per annum for the services of an additional messenger to the press room of the House Press Gallery.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on two subjects, and to include in one of them a brief statement on our economic problem by an economist, and in the other one a brief statement concerning a book recently published by one of my constituents.

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address which I delivered commemorating the sesquicentennial of the Constitution, which was held in Lincoln Memorial Center, Washington, D. C., April 22, 1939, under the auspices of the Auxiliary of the United Spanish War Veterans of the District of Columbia.

The SPEAKER. Is there objection?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a short article by Miss Betty Barten on the Spanish embargo.

The SPEAKER. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including a radio address delivered by myself.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

THE REALITIES OF WAR

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, today Europe totters precariously on the brink of a precipice; its peoples are in the paralyzing clutch of fear that power-mad adventurers will plunge the world into a suicidal struggle. What each day will bring forth, no man knows. In America our legislative halls, our newspapers, our radios, our street corners all over the land resound with heated debates as to our foreign policy and the possibility of the United States becoming involved in war.

Twenty-two years ago this month we entered a war to make the world safe for democracy; the democratic ideal was never so threatened as it has been since the close of that conflict. It was to be a war to end all wars, and at the peace conference we laid the foundations for the next. We gave our money; the war debts were repudiated and we were called "Uncle Shylock." We gave food and clothing; they were soon forgotten. We gave the fresh young bodies of our boys; we broke the hearts and wounded the minds of millions who stayed at home, as well as of those who went into battle; we were told that we had entered the war too late to be of real assistance. We went to the so-called peace conference at Versailles, asking nothing. That is what we got. We went, hoping to pave the way for permanent peace; it turned out to be a revenge conference to sow the seeds of further destruction and hate. President Wilson was despised, denounced, deceived, and tricked.

Today we are once more asked to present a "united front of the democracies against totalitarian aggression." Again every possible appeal is being made to enlist us on the side of England and France—appeals to the sympathies of our hearts for the oppressed, to our consciences and sense of justice in the face of ruthless aggression, to our idealism in crusading for a better world, to our selfishness in the defense of our material interests. Is history repeating the dark days of 1914 to 1917?

Then, the people of Belgium had fallen in a desperate attempt to protect their borders against the invading hordes of the German war machine. Today, although territories have been seized, no war has been declared. Then, hundreds of American lives had been lost in savage submarine warfare upon neutral nations. That is not true today. Then, American ships and American property had been sunk and were constantly in danger. Today our only fear is the possible loss of some of our markets.

CANNOT DICTATE WORLD POLICIES

Then there was far more excuse for the incitement of a war spirit than there is now. Then a general European conflict was raging; American lives and property were at stake; American public opinion had been far more outraged than it is today. Then we had not learned that we cannot dictate the governments of other peoples. We had not learned that freedom and democracy cannot be forced upon them. We had not learned that war is not the cure for war. Today we have the tragic and bitter experience of the last World War as evidence of these truths, but we do not seem to be any the wiser.

Every true American must shudder at world conditions. Every true American hates aggression and the oppression of the weak by the strong. Yet we must remember that the democracies are responsible for the plight of the world today. On the hands of the Allies is the blood of Austria and Czechoslovakia, of Ethiopia and Albania, for it was they who made possible the rise of power-mad dictators. They made the Treaty of Versailles, and they have only themselves to thank for the results.

We must realize the truth of the statement of Senator BORAH when he declares that the present crisis is economic in its aspects, rather than a struggle between the democratic and totalitarian ideals. We must remember that Germany, who was slaughtered, and Italy, who was ignored as England and France grabbed the spoils at Versailles, are now doing precisely what England and France did for centuries. Many of you within the sound of my voice will remember their last imperialistic conquests. The British seized Nigeria in 1886, Somaliland in 1887, British East Africa in 1888, Rhodesia in 1889, British Central Africa in 1893, and Uganda in 1896. In 1889 they conducted a war against the white Boers, without even so much as the excuse offered by Mussolini that he was bringing civilization to Ethiopia.

As for the French, they took Tunis in 1878, Annan and Tonkin from China and Laos from Siam in 1887. They gained their foothold in Madagascar in 1885, and the conquest was complete by 1896. To these must be added the seizure of Djibouti, Dahomey, and later, of Morocco and Germany's colonies and Arab dominions in Asia and Africa. The British and French foreign offices are none too proud today of many pages in the history of their imperial expansion.

To recognize these facts is not to condone the conduct of the dictators. It is to explain the reason for their rise to power, and why they believe their expansions are as justified as were those of England and France during the last century. It is not to say that English and French hearts do not ache for the victims of German, Italian, and Japanese aggressions; it is to realize that they are at least equally concerned with the protection of their colonial empires and the routes to those possessions. It is not to deny that American sympathies must naturally be with the weak and oppressed; it is rather to warn against the fallacy of fighting to uphold English and French imperial interests in the name of humanity. It is to beware of a repetition of "the war to end all wars."

CIVILIZATION AT STAKE

Did I say repetition? The next war will not merely repeat the disasters and tragedies of the last. It will be inexpressibly more horrible. It will shake the very foundations of civilization itself. It will mean the stench and gore of the World War trenches 20 times magnified. But there will be no frontline trenches in the next war. They will be brought to the homes of hundreds of thousands of innocent women and children. The battleground will be every city, every village and hamlet within hundreds of miles of every air base. Instead of troops going "over the top" to meet opposing forces, bombers will fly over the tops of cities, as they did in Spain, raining destruction down upon the helpless young, weak, and aged. If London or Paris should be bombed, it is possible that broadcasting stations will announce to the world the progress of the attack, punctuated by the roar of enemy planes, the shrieks of fire engines, and the death screams of women and children. The Wellsian fantasy of attack from Mars will be a child's dream by comparison.

These grim facts, which must appall every imagination and cause every heart to quaver, are agreed to by every military expert in the world. They would have been impossible 20 years ago, but they will be the war of tomorrow. Such are the new instruments of terror that man has created for his destruction since he fought the war to end all wars.

Yet today we have in this country an administration that has prepared for war ever since it took office. The industrial-mobilization plan, although not yet law, is the vast structure of the War and Navy Departments in preparation for taking over not only all material resources but the control of all industry, trade, and commerce. Already the Nation has been divided into districts, with regional headquarters of the War Department to be located in each. Already the wartime value of over 20,000 American factories has been charted. Already more than 12,000 plants have been assigned to various Army supply branches and have signed an "accepted schedule of production."

AN ASTOUNDING DOCUMENT

The industrial-mobilization plan is undoubtedly the most astounding document ever to be published in a democracy. Its foreword states, with amazing frankness, that—

> It is conceivable that a war might be conducted with such great regard for individual justice * * * as to make impossible those evils whose existence in past wars is well known. It is also conceivable that the outcome of a war so conducted might be defeat.

The plan provides for a war resources administration, a war labor administration, a war trade administration, a war finance control commission, a price control commission, and an advisory defense council to establish a military dictatorship the minute war is declared. Capital and labor alike are to be conscripted, business and industry licensed or commandeered, food and all necessities of life rationed. Every means of communication and transmitting news is to be controlled. The only liberty left to the individual will be the freedom to think, and he will not dare to express his thoughts.

The industrial-mobilization plan recognizes only two classes of citizens—those with the armed forces and those at home who must provide for the maintenance of the armed forces. Thus the war labor administration will regiment all labor from the highest paid expert down to the humblest domestic servant. Under the title "Woman Wage Earner's Division" one finds the startling statement:

> In normal times there are approximately 10,000,000 women and children over 16 years of age employed in industry, commerce, and the professions. The specific mission of this division is to divert the greatest possible number of these * * * to munitions and essential civilian industries.

The work of the women's division will be divided among three sections. The first section will be of women labor employed in commercial and routine office occupations.

This section recommends—

According to the printed pamphlet—

methods to meet the needs of war and essential civilian industries for trained women. This includes the transfer of women factory workers from plants of lesser to those of greater essentiality.

In other words, in time of war, women may be herded about like cattle at the discretion of the war labor administrator.

There is also to be a children's division. As to this, the industrial-mobilization plan declares:

While the employment of children under the age of 16 years in industry or agriculture will be avoided wherever possible, it must be recognized from the beginning that the nature of the emergency may require such employment in its later stages.

Here we have a picture of what life in America will be like if we go to war; a picture of mothers being taken from their children and shipped to some far-away factory; a picture of schools being closed as children, too, become cogs in the vast war machine that has sprung up. It is a picture that must make every American shudder, yet few even know of its existence. Would the American people be willing to go to war on foreign soil if they knew the truth?

In addition to the power to commandeer lives as well as all resources and supplies, bills have been introduced in Congress during the last few years which propose to give the President not only absolute control of our entire national economy but unlimited access to the Federal Treasury, free of even the necessity of making an accounting of expenditures to Congress until after the war is over. The next war is to leave us destitute financially as well as economically, physically, and spiritually. These measures have not become law, but they demonstrate only too clearly the powers which the administration seeks and plans to sweep through Congress on the wave of manufactured emotionalism that will accompany a declaration of war.

MANUFACTURE EMOTIONALISM

Administration spokesmen have been persistently manufacturing this emotionalism to condition the mind of America for war. I make no charge that President Roosevelt or any of his spokesmen are deliberately trying to lead this country into war. That is a charge so serious that I would level it at no man or woman until I were in possession of absolute evidence that such was the case. But what I do say is that the administration spokesmen, from the President down, have been unwise and provocative in their fulminations against other countries and other governments. Regardless of whether or not these administration spokesmen were following what they may have believed was a line of endeavor calculated to cause the dictator nations to pause in their warlike actions, it still remains a fact that the intemperate and provocative utterances of these administration spokesmen have tended toward antagonizing and embittering those nations and their peoples against the United States and the democracies rather than otherwise.

Recall, for example, the President's speech in Chicago, in which he advocated the quarantine of the aggressor nations, and his speech in Canada that the United States would protect that Dominion in case of invasion, although such a possibility was and still is fantastic. Recall his implications at a conference with the Senate Military Affairs Committee, which afterward became the subject of acrimonious debate and a question of veracity. Recall his frequent remarks as he was about to depart on trips that he might have to cut short these vacations in case of war. Remember his statement upon leaving Warm Springs, Ga., "I'll be back in the fall if we don't have war," followed by a press conference in which he confirmed the fear that the term "we" included the United States. Remember his ringing speech before the Pan American Union, in which he proclaimed that "We have a stake in world affairs," and accompanied that statement by the threat of "matching force to force." Remember the sudden recalling of the Pacific Fleet to the west coast for no apparent reason.

SOWING SEEDS OF WAR

Remember the constant assaults made by administration spokesmen against the Italian, German, and Japanese Governments during this period. All of these have added up to a pattern. That pattern today is plain. All of these verbal assaults have served to keep the American people in a constant state of alarm and have tended to make them resigned to war as inevitable. In England and France these declarations, particularly those of the President, have been joyfully acclaimed because they have been interpreted as insuring the unqualified support of the United States, military as well as financial, in case of a war in Europe. These declarations have been received in Germany, Italy, and Japan as constituting deliberate war-provoking efforts and have led those people to regard the President of the United States as the leader of a world bloc against them.

Day and night American ears are dinned with demands that we join the democracies in a holy crusade against the dictatorships. Day and night they tell us that we cannot have peace unless we are willing to police the world. They would have us believe that we cannot be a prosperous people until we have righted all wrongs everywhere. In the name of humanity they chant a hymn of hate. As champions of man's highest ideals they appeal to his basest passions. They call for peace, but they sow the seeds of war.

The President and his followers speak always with an air of final authority. Have the people no voice in the shaping of their destiny? Have they not the right to choose between life and death? They will not fail to defend to the uttermost all that is sacred and dear to their hearts; but they rebel against being forced into war by propaganda and false idealism. They must not be misled by saber rattling and jingoism. They have the right to a voice in the shaping of foreign policy and in any decision for war. They must exercise this right through that branch of the Government which is most responsive to their will. They must make their will known to their representatives in Congress.

We must decide, we Americans, whether we will take it upon ourselves to settle every foreign conflict that arises or whether we will steadfastly pursue the path of peace and progress, whether we will be drawn into a suicidal struggle which no democracy will survive or whether we will preserve democracy by keeping it alive at home.

If we are to remain at peace in the event of a European war, we must first have the will for peace. We cannot stay out of war by being hopelessly resigned in advance to being inevitably drawn into the conflict. We must have the will for peace, and we must have more. We must have the courage and the vision to dedicate our hearts and minds to the task of working constructively for peace, in word and in need.

We cannot dictate the destinies of all mankind. But we can do all that lies within our power to preserve, in at least one great part of the earth, the light of ideals toward which man has struggled, the liberties he has cherished, and the civilization he has created through the centuries, for future ages.

WHAT WAR ACTUALLY MEANS

Mr. Speaker, from millions of lips in America the word "war" falls. In thousands of newspaper columns the word "war" appears. Over the air waves night and day the word "war" vibrates. Of what do we speak when we utter the word "war"?

Blaring bands; martial airs; gaudy uniforms; ringing cheers; the rhythm of marching feet; the glint of sunlight on shining bayonets and polished guns; the skies darkened by flocks of airplanes; the air drumming and vibrant with the drone of motors; panoply, parade; but back of that, what?

The unutterable ache, the unplumbed agony of human hearts and human souls as fathers, mothers, brothers, sisters, wives, sweethearts, children bid farewell to their loved ones

as they go marching away, perhaps never to return. Long months—aye, years—of the hopeless agony of waiting for some word as to whether those loved ones still live.

In the fields of Europe the mud and water and vermin and stench of the trenches.

Men, unkempt, unshaven, cold, literally drunk from loss of sleep, hopeless, horror ridden, waiting in the darkness before the dawn for the zero hour to go over the top.

Sleek, audacious rats—trench rats—fattened on the flesh of the fallen, scurrying along the trench ways, brushing the feet of men who will soon be victims.

The eerie greenish light of the rockets, the hellish thunder and roll of cannon, the rattle of machine guns. Across a sea of mud, churned into muck by the feet of fighting men, mixed with that muck the mangled bits of flesh of those who were the beloved of American fathers and mothers and brothers and sisters and wives and children—men whose bodies are blasted into minced meat to be churned up in the blood and mud on no man's land.

Out yonder as the gray dawn brings the hour for a new struggle, torn bodies hanging limp and grotesque, bloody and mangled, on the barbed-wire entaglements—the bodies of American sons.

Over all the awful mist of the early morning rising from that carnal earth, a stench, a miasma of death in the nostrils of the living.

That, my friends, is what we talk about when we pronounce the awful word "war."

EXTENSION OF REMARKS

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my remarks by including an editorial from the Iron Age on War, Overproduction, and Unemployment.

The SPEAKER. Is there objection?

There was no objection.

ECONOMIC PROBLEM NO. 1

Mr. TAYLOR of Tennessee. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. TAYLOR of Tennessee. Mr. Speaker, not long ago our distinguished Chief Executive saw fit to refer to the South as "Economic problem No. 1." Coming from that great section for whose hallowed heritages and noble traditions I entertain the greatest loyalty and affection, I resent this gratuitous aspersion of our President. And in refutation of this groundless imputation I ask unanimous consent to extend my remarks at this point and include a brief statement of Mr. Roger W. Babson, an outstanding American economist.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The matter referred to is as follows:

FASTEST GROWING STATES ARE IN SOUTH, BABSON SAYS—CALLS INDUSTRIAL DEVELOPMENT OF DIXIE SENSATIONAL, WITH 25 PERCENT OF UNITED STATES MANUFACTURING PLANTS

(By Roger W. Babson)

SAVANNAH, GA., April 16.—After a winter spent in the South it is hard to be pessimistic on this section, even though cotton is selling for only 8 cents a pound. Far from being economic problem No. 1, I think the South is possibly No. 1 of the United States. Eliminate freight-rate differentials, speed up the diversification of the farms, utilize the water-power developments, and Dixie can lift the United States into a period of business prosperity.

The South is making huge programs each year. The fastest-growing States in the Union are nearly all in the South. Texas, Florida, Louisiana, the Carolinas are boosting their populations about three times as fast as the North. Literally hundreds of communities that were unheard of 10 years ago are thriving towns today. Every one of the chief cities in the United States whose populations have doubled since 1920 is below the Mason and Dixon line!

The story of the South's industrial growth is even more sensational. More than half the new factory development of the entire country in recent years has been down there. Today Dixie has over 25 percent of the manufacturing establishments of the United States. And they keep mushrooming up everywhere. Northern concerns continue to flow toward the Gulf, while entirely new industries are springing up all across the South. Reasonable labor costs, savings in fuel, nearness to raw materials, cheap power, low taxes, and water transportation are among the big sales points in the South's spectacular growth.

Latest new industry is newsprint. The first mill is under construction in Texas. It may be the forerunner of a southward trek of northern and Canadian newsprint mills. Slash pine is the raw material. It grows three times as fast as northern spruce. Other branches of the paper industry—particularly kraft—are going strong in Dixie. The southern chemical business is growing by leaps and bounds. Textile mills continue to multiply. Seventy percent of our rayon output comes from the South. The center of the booming petroleum business is in the Southwest.

The end of the so-called "basing point" price system for steel should help all southern industry. Once it was just as cheap to buy a ton of Pittsburgh-made steel delivered at Birmingham as it was to buy a ton of Birmingham-made steel. Now the ton of southern steel is cheaper. Hence, foundries, forges, stamping mills, and other metal fabricators that have concentrated around northern steel towns will find it advantageous to have branch factories near the southern steel industry. All winter Birmingham steel mills were much busier than those in the North.

Present freight rates are unfair to the South. Smash up these rates and the products of southern factories and farms can be laid down at northern doors at a real saving to consumers. If we believe in a gradual lowering of world-trade barriers, we ought to eliminate such barriers within our own borders. Present freight-rate differentials amount to a tariff on southern products. The biggest boon to the South now would be the changing of these rates.

The problem which has plagued Dixie for years—dependence on one crop—is on its way to solution. Diversification of farms is speeding up. Low feed costs are stimulating livestock raising and dairy farming. Meanwhile, the chemists are finding industrial uses for new crops, such as soybeans, tung trees, and sweetpotatoes and for older crops, such as cotton, tobacco, and peanuts. Hence, while King Cotton is a mighty sick man, the southern agricultural outlook is very bright.

Among the South's greatest assets are her water-power resources. The T. V. A. development is a great thing. If it is administered wisely and fairly, the huge power surplus should be completely utilized. Air conditioning has played a big part in recent southern growth and, stimulated by cheap power, will continue to do so. We hear much about low wages in Dixie. People overlook the fact, however, that living costs in the South are very cheap. A house costing $5,000 to build in New England can be put up in the South for about $3,500, and can be heated for about $50 per year less. Food—particularly farm produce—sells for a song. After lower living costs are considered, southern wages are not too far out of line.

Certainly, if I were a young man I would come down here in the South to "seek my fortune." We need more trained men here. Why stay in New York, Philadelphia, or Boston and starve when you can come down here where you can live comfortably and where you are really needed? Today, for instance, 9 out of 18 States which are rated as excellent business territories on my sales map are in the South. Get in on the ground floor of this southern growth just as your forefathers got in on the ground floor of the industrial growth of the West. Decentralization of industry through the industrial use of farm products is on the way. What better spot in the world for it than here in the "sunny" South.

Now, just a word in closing to my southern neighbors: Ever since I have been visiting your section—16 winters now—I have been conscious of sectional, racial, and religious prejudices here. Such prejudices are foolish and destructive. They are holding back your development. You in the South have everything—good climate, reasonable labor, vast raw materials, and plenty of water power. Your one draw-back is a failure to cooperate enthusiastically. I beg of you not to shackle your tremendous advantages by outworn prejudices.

EXTENSION OF REMARKS

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my own remarks by including an address made by the Honorable Harold L. Ickes, Secretary of the Interior.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. JONES of Texas. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the disposition of the legislative calendar, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent that on Thursday next, after the regular order of business, I may address the House for 20 minutes.

The SPEAKER. Is there objection?

There was no objection.

TEMPORARY DETAIL OF UNITED STATES EMPLOYEES TO GOVERNMENTS OF AMERICAN REPUBLICS AND THE PHILIPPINES

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3134) to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That the act entitled 'An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American Republics and the Philippines, and for other purposes', approved May 25, 1938, be, and the same is hereby, amended to read as follows:

" 'That the President of the United States be, and hereby is, authorized, whenever he finds that the public interest renders such a course advisable, upon agreement with the government of any other American Republic or the Government of the Commonwealth of the Philippine Islands, or the Government of Liberia, if such government is desirous of obtaining the services of a person having special scientific or other technical or professional qualifications, other than those persons covered by the act of May 19, 1926 (44 Stat. 565), as amended by the act of May 14, 1935 (49 Stat. 218), from time to time to detail for temporary service of not exceeding 1 year at a time, under such government, any such person in the employ of the Government of the United States: *Provided*, That the President may, in extraordinary circumstances, extend the period of such detail for one or more additional periods of not to exceed 6 months each: *Provided further*, That while so detailed, such person shall be considered, for the purpose of preserving his rights and privileges as such, an officer or employee of the Government of the United States and of the department or agency from which detailed and shall continue to receive therefrom compensation, and he may receive additional compensation from the department or agency from which detailed not to exceed 50 percent of the compensation he was receiving as an officer or employee of the United States at the time of detail, and shall receive from the United States reimbursement for travel expenses to and from the place of detail and monthly allowances determined by the President to be adequate for quarters and subsistence during the period of such detail. The additional compensation, travel expenses, and other allowances authorized by this act to be paid to any such officer or employee shall be paid from any appropriations available for the payment of compensation and travel expenses of the officers and employees of the department or agency from which he is detailed: *Provided, however*, That if any government to which a detail is authorized by this act shall express the desire to reimburse this Government in whole or in part for the expenses of such detail, the President is authorized, when he deems it in the public interest, to accept such reimbursement and the amount so received may be credited to (a) appropriations current at the time the expenses of such detail are to be or have been paid, (b) appropriations current at the time such amounts are received, or (c) in part as provided under (a) and in part as provided under (b) hereof; and such amount shall be available for the purposes of the appropriations to which credited: *And provided further*, That if any such government shall express the desire to provide advances of funds to be used by this Government, in whole or in part for the expenses of such detail, the President is authorized, when he deems it in the public interest, to accept such advances of funds, and the amounts so received may be established as a trust fund, to be available for the purpose and under the provisions of this act until the termination of the detail; any unexpended balance of the trust fund to be returned to the foreign government making the advance.' "

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

Mr. MARTIN of Massachusetts. Mr. Speaker, this is a long bill, and I object to it until I have had an opportunity to study it further.

MILITARY ESTABLISHMENT APPROPRIATION BILL, 1940

Mr. SNYDER. Mr. Speaker, I call up the conference report on the bill (H. R. 4630) making appropriations for the Military Establishment for the fiscal year ending June 30, 1940, and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the conference report and statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4630) making appropriations for the Military Establishment for the fiscal year ending June 30, 1940, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 10, 16, 17, 19, 20, 23, 27, 32, and 35.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 5, 6, 7, 8, 14, 21, 22, 24, 25, 26, 28, and 29, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the number proposed insert "thirteen thousand one hundred and six"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum named in the matter inserted by said amendment insert "$36,017,416"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$7,185,834"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$6,750,087"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$170,371,405"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,927,020"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$15,525,061"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$10,896,937"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$500,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "and of the total of such amount $500,000 shall be available exclusively for defraying the cost of increasing the strength of the National Guard above approximately two hundred and five thousand officers and men,"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$4,964,544"; and the Senate agree to the same.

J. BUELL SNYDER,
D. D. TERRY,
JOE STARNES,
ROSS A. COLLINS,
JOHN H. KERR,
D. LANE POWERS,
CHESTER C. BOLTON,
Managers on the part of the House.

ELMER THOMAS,
CARL HAYDEN,
JOHN H. OVERTON,
MORRIS SHEPPARD,
JOHN G. TOWNSEND, JR.,
STYLES BRIDGES,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4360) making appropriations for the Military Establishment for the fiscal year ending June 30, 1940, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On amendment No. 1: Strikes out, as proposed by the Senate, the House provisions practically limiting administrative promotions of employees in the War Department proper to the incumbents of positions in the lower-pay grades.

On amendment Nos. 2 to 14, inclusive, relating to pay of the Army: Provides for 75 additional officers (50 medical and 25 dental), instead of 390 additional officers, as proposed by the Senate, entailing a total additional expense on account of officers of $141,066; provides for 36 medical officers to be in a flight-pay status, as proposed by the Senate, instead of 5, as proposed by the House, limiting, however, flight pay of such officers to a rate not in excess of $720 per annum, as proposed by the Senate; strikes out the increase of 346, proposed by the Senate in the enlisted strength of the Army, and corrects the approval date of a cited statute, as proposed by the Senate.

On amendment No. 15: Appropriates $2,927,020 for "Travel of the Army," instead of $2,919,520, as proposed by the House, and $2,961,980, as proposed by the Senate.

On amendment No. 16: Appropriates $29,510,250 for "Subsistence of the Army," as proposed by the House, instead of $29,661,798, as proposed by the Senate.

On amendment No. 17: Appropriates $12,463,900 for "Clothing and equipage," as proposed by the House, instead of $12,508,658, as proposed by the Senate.

On amendment No. 18: Appropriates $15,525,061 for "Army transportation" instead of $15,509,875 as proposed by the House and $15,556,561, as proposed by the Senate.

On amendments Nos. 19 and 20, relating to horses, draft, and pack animals: Provides $92,030 for horse-breeding activities, as proposed by the House, instead of $97,430, as proposed by the Senate.

On amendments Nos. 21 and 22, relating to military posts: Appropriates $2,014,400 for projects at Albrook Field, Canal Zone, as proposed by the Senate, instead of $514,400, as proposed by the House.

On amendments Nos. 23 to 26, inclusive, relating to the Air Corps: Appropriates $94,737,281, as proposed by the House, instead of $95,737,281, as proposed by the Senate, and divorces from the amount proposed by the House for the procurement of airplanes the amount to be applied to the procurement of spare parts on account of such airplanes, as proposed by the Senate.

On amendment No. 27: Appropriates $1,551,072 for "Medical and Hospital Department," as proposed by the House, instead of $1,553,840, as proposed by the Senate.

On amendment No. 28: Appropriates $53,173,100 for "Ordnance service and supplies, Army," as proposed by the Senate, instead of $46,840,620, as proposed by the House, $6,000,000 of this additional amount being supported by a supplemental estimate.

On amendment No. 29: Changes the title of the appropriation relating to instruction in cavalry activities, as proposed by the Senate.

On amendments Nos. 30 to 33, inclusive, relating to the National Guard: Makes available for construction at National Guard camps $1,000,000, instead of $2,000,000, as proposed by the Senate, and $625,000, as proposed by the House; makes available for construction at concurrent camps not to exceed $500,000, instead of $710,360, as proposed by the Senate, and $100,000, as proposed by the House, earmarking being omitted, and restores the House provision making $500,000 available for increasing the strength of the National Guard, amended by omitting restriction upon the extent of the increase other than as controlled by available funds.

On amendments Nos. 34 and 35, relating to the Reserve Officers' Training Corps: Appropriates $4,964,544, instead of $4,825,842, as proposed by the House, and $5,592,411, as proposed by the Senate, the increase of $138,702 being intended to provide for increasing the number of advanced-course students by approximately 1,435, or to 18,000, and restores the limitations stricken out by the Senate upon the establishment or reestablishment of certain types of units.

J. BUELL SNYDER,
D. D. TERRY,
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JOHN H. KERR,
D. LANE POWERS,
CHESTER C. BOLTON,
Managers on the part of the House.

Mr. SNYDER. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to include in the RECORD at this point a statement concerning the report just adopted.

The SPEAKER. Is there objection?

There was no objection.

Mr. SNYDER. Mr. Speaker, the War Department appropriation bill as it passed the House carried appropriations totaling $499,857,936. That amount was $941,944 below the Budget estimates.

The Senate added to the bill $13,330,946, or $12,389,002 without Budget support. Subsequently an estimate came in covering $6,000,000 of that amount.

Your conferees have agreed to increases totaling $3,931,833. Subtracting from that sum the $6,000,000 for which we have a supplemental estimate and the amount by which the House bill came under the Budget, namely, $941,944, the bill in its present stage exceeds Budget recommendations by $1,989,944. Facially, however, the bill is $17,516,044 below Budget recommendations, because the House substituted contractual authority of $19,505,988 in lieu of the immediate appropriation of a like amount.

The increases to which we have agreed are incident to the following propositions:

50 additional Medical and 25 additional Dental Corps officers	$141,066
Flight pay for 31 additional medical officers	44,640
Construction at Albrook Field, C. Z.	1,500,000
Modernizing 40 75-mm. guns	332,480
Replacement of machinery in manufacturing arsenals, for which there is a Budget estimate	6,000,000
Construction at National Guard camps	375,000
Construction at concurrent camps	400,000
Additional advanced course, R. O. T. C. students	138,702
Total	8,931,888

The Senate added to the bill a total of $2,041,828 for the establishment of 54 additional R. O. T. C. units and for increasing the officer instructors with existing units. That meant the addition of 315 officers over and above the 446 promotion list officers for which the House bill had made provision, and disregarded the further additional 311 Air Corps officers the Department expects to ask funds for later at this session. The War Department objected to the addition of so many officers at one time and also to taking away from the Army experienced officers for R. O. T. C. work and substituting for them inexperienced second lieutenants, wholly unsuited to the task confronting the Army at this time in the way of matériel development and expansion.

For the present, therefore, there is to be no R. O. T. C. expansion beyond the increase for which the bill makes provision in the number of advanced course students.

As to the National Guard, the House raised from $125,000 to $625,000 the Budget estimate for camp construction. The Senate proposed to increase this amount to $2,000,000. We have agreed upon an allowance of $1,000,000, or $375,000 more than the House had proposed.

As to concurrent camps, the House provided $100,000. The Senate raised this amount to $710,360, earmarking the increase for Fort Sill, Okla. Your conferees would not agree to any earmarking and agreed upon an allowance of not to exceed $500,000.

WAR DEBTS AND COASTAL ISLANDS

Mr. RICH. Mr. Speaker, I ask unanimous consent to insert in the RECORD a resolution by Garrett Cochran Post, No. 1, of the American Legion, Department of Pennsylvania, relative to payment of foreign debts to the United States, of the twelve billion and more now owing by Great Britain, France, Italy, and other countries.

Mr. Speaker, I believe this is a fine resolution and if we could purchase some very valuable property at a proper price and terms it would be a fine thing to do.

The SPEAKER. Is there objection?

There was no objection.

DISTRICT BUSINESS

The SPEAKER. This is District of Columbia day. The gentleman from West Virginia [Mr. RANDOLPH], chairman of the Committee on the District of Columbia, is recognized.

WIDENING OF WISCONSIN AVENUE

Mr. RANDOLPH. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 5488) to provide for the widening of Wisconsin Avenue in the District of Columbia, and for other purposes, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized to institute in the District Court of the United States for the District of Columbia under subchapter 1 of chapter XV of the Code of Laws for the District of Columbia, and amendments thereto, such proceedings in rem as may be necessary to condemn the land necessary for the widening of Wisconsin Avenue, in the District of Columbia, from R Street to approximately the southerly line of the Mount Alto Hospital property, the condemnation proceedings for the acquisition of the land necessary for said widening to be instituted on such lines and to be acquired to such width or widths as the said Commissioners of the District of Columbia shall deem expedient: *Provided*, That the width of said Wisconsin Avenue at any point south of the south line of Calvert Street shall not be increased by reason of the condemnation proceedings authorized herein to a greater width than 78 feet.

SEC. 2. All laws now in force and effect for the condemnation of streets as laid down on the plan of the permanent system of highways for the District of Columbia shall be applicable to the condemnation of land for the widening of Wisconsin Avenue as authorized in this act: *Provided*, That there is hereby authorized to be appropriated out of the special fund entitled "Highway fund, gasoline tax, and motor-vehicle fees, District of Columbia," such amount or amounts as may be necessary to pay the costs and expenses of the condemnation proceedings taken pursuant hereto and for the payment of the amounts awarded as damages, and the jury or juries under said condemnation proceedings shall award such damages as may be found to be due, and levy assessments upon such land as they may find benefited by reason of the acquisition of said land for the widening of Wisconsin Avenue as provided herein, all in accordance with subchapter 1 of chapter XV of the Code of Laws for the District of Columbia and amendments thereto, and the amounts collected as benefits shall be covered into the Treasury of the United States to the credit of the special fund entitled "Highway fund, gasoline tax, and motor-vehicle fees, District of Columbia."

Mr. RANDOLPH. Mr. Speaker, in explanation of the measure, this bill merely authorizes the Commissioners of the District of Columbia to carry on such negotiations as may be necessary to proceed with the widening of Wisconsin Avenue from R Street to Mount Alto Hospital.

I move the previous question on the passage of the bill.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

FEES OF UNITED STATES MARSHAL, DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 5679) to amend the Code of Law of the District of Columbia in respect to fees of the United States marshal, and I ask unanimous consent that the same may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first paragraph of section 1112 of the act of March 3, 1901, chapter 854, entitled "An act to establish a code of law for the District of Columbia," as amended (46 Stat. 486; D. C. Code, Supp. II, title 10, sec. 10), be, and it is hereby, amended to read as follows:

"SEC. 1112. Marshal's fees: For each return on any warrant, attachment, summons, capias, or other writ (except execution, venire, or a summons or subpena for a witness), whether or not service has been made, $1 for each person: *Provided, however*, That for the return on any citation, summons, notice, or rule issued by the probate court the fee shall be 50 cents for each person. For making or attempting to make service of any of the foregoing papers, the marshal shall charge and collect, in addition to the fee for the return thereof, 10 cents for each person served and 10 cents for each unsuccessful attempt to serve each person."

Mr. RANDOLPH. Mr. Speaker, the measure that is before us simply allows the marshal for the District of Columbia to charge and collect 10 cents for each successful or unsuccessful attempt to serve persons.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. PACE. Does this apply to the marshal of the District of Columbia or to marshals of the United States district courts?

Mr. RANDOLPH. The District of Columbia. The marshals in the United States district courts operate under such a law at the present time. They are authorized under existing law to charge 6 cents a mile. This bill, I might say, brings the District of Columbia in line with the practice throughout the various districts in the States.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

Mr. RANDOLPH. Mr. Speaker, as a matter of information to the Members, several of whom have asked me about the so-called fair trade practices bill, which was on the calendar for today, I may state that, at the request of the gentleman from Maryland [Mr. KENNEDY], this bill has been laid over. It will perhaps come before the House 2 weeks from today.

Mr. Speaker, this completes the business on the District Calendar for today.

STRATEGIC AND CRITICAL MATERIALS

Mr. LEWIS of Colorado, from the Committee on Rules, submitted the following resolution (Rept. No. 466), which was referred to the House Calendar and ordered to be printed.

House Resolution 173

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 5191, a bill to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for armed forces and the civilian population in time of national emergency, and to encourage the development of these resources within the United States, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 3 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Military Affairs, the bill shall be read for amendments under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

AVIATION CADETS

Mr. SABATH, from the Committee on Rules, submitted the following resolution (Rept. No. 467), which was referred to the House Calendar and ordered to be printed.

House Resolution 171

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 5765, a bill to authorize commissioning aviation cadets in the Naval and Marine Corps Reserves upon completion of training, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendments under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PROMOTION OF LINE OFFICERS OF THE NAVY

Mr. SABATH, from the Committee on Rules, submitted the following resolution (Rept. No. 468), which was referred to the House Calendar and ordered printed:

House Resolution 170

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for con-

sideration of H. R. 4929, a bill to amend the act of June 23, 1938 (52 Stat. 944). That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendments under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bills and amendments thereto to final passage without intervening motion except one motion to recommit.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. SANDAGER (at the request of Mr. RISK), for April 24 and 25, on account of important business at home.

To Mr. SECCOMBE, for the remainder of the week, on account of illness in his family.

To Mr. HEALEY, indefinitely, on account of illness in family.

To Mr. H. CARL ANDRESEN, indefinitely, on account of serious illness in family.

The SPEAKER pro tempore (Mr. PACE). Under the special order of the House heretofore made, the gentleman from Pennsylvania [Mr. GRAHAM] is recognized for 20 minutes.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM. I yield.

COMMITTEE ON LABOR

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent that the Committee on Labor may be permitted to sit during the sessions of the House today for the consideration of amendments to the wage-hour bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. REED of New York and Mr. MICHAEL J. KENNEDY asked and were given permission to extend their own remarks in the RECORD.

THE MACHINERY OF CONSTITUTIONAL GOVERNMENT SET IN MOTION

Mr. GRAHAM. Mr. Speaker, 150 years ago yesterday, April 23, 1789, at about 3 p. m., George Washington, first President-elect of the United States, landed from a barge at Murray's Wharf in New York City. This completed a journey begun on April 16, 1789, from his home at Mount Vernon. On this journey he had been accompanied by Charles Thomson, Secretary of the Continental Congress, and Col. David Humphreys. His journey had been a triumphal march.

He had been rowed across the bay from Elizabeth port in a barge specially built for this occasion. James Nicholson was the commander and Thomas Randall, coxswain. The barge was rowed by 13 masters of vessels then lying in the harbor; these men wore white uniforms and black caps ornamented with fringe. It was accompanied by 6 other barges. Aboard these barges were the members of the committee appointed to meet General Washington and the members of his party. The Senate committee was composed of John Langdon, Charles Carroll, and William Samuel Johnson. The House committee consisted of Elias Boudinot, Theodoric Bland, Thomas Tudor Tucker, Egbert Benson, and John Lawrence. Other members of this committee were Chancelor Livingston; John Jay, at the time Secretary of Foreign Affairs; Samuel Osgood, Arthur Lee, and Walter Livingston, Commissioners of the Treasury; General Knox, head of the War Department; Ebenezer Hazard, Postmaster General, Col. Nicholas Fish, the adjutant general of the forces of the State of New York; Richard Varick; and several others.

The following description of the trip up the bay was written by Elias Boudinot, one of the congressional committee who met General Washington:

When we drew near the mouth of the Kills, a number of boats with various flags came up with us and dropped in our wake. Soon after we entered the bay General Knox and several other officers in a large barge presented themselves with their splendid colors. Boat after boat, sloop after sloop, gayly dressed in all their naval ornaments, added to our train and made a most splendid appearance. Before we got to Bedloes Island a large sloop came with full sail on our starboard bow, when there stood up about 20 gentlemen and ladies, who with most excellent voices sung an elegant ode, prepared for the purpose, to the tune of God Save the King, welcoming their great chief to the seat of government. On its conclusion we saluted them with our hats, and then they with the surrounding boats gave us three cheers. Soon after another boat came under our stern and presented us with a number of copies of a second ode, and immediately about a dozen gentlemen began to sing it in parts as we passed along. Our worthy President was greatly affected with these tokens of profound respect. As we approached the harbor our train increased, and the huzzaing and shouts of joy seemed to add life to this brilliant scene. At this moment a number of porpoises came playing among us, as if they had risen up to know what was the cause of all this happiness.

We now discovered the shores to be crowded with thousands of people;—men, women, and children; nay, I may venture to say tens of thousands. From the fort to the place of landing, although nearly half a mile, you could see little else along the shore, in the streets, and on board every vessel but heads, standing as thick as ears of corn before the harvest. The vessels in the harbor made a most superb appearance, indeed, dressed in all their pomp of attire.

The Spanish ship of war, the *Galveston*, in a moment, on a signal given, discovered 27 or 28 different colors, of all nations, on every part of the rigging, and paid us the compliment of 13 guns, with her yards all manned, as did also another vessel in the harbor, the *North Carolina*, displaying colors in the same manner. We soon arrived at the ferry stairs where there were many thousands of the citizens waiting with all the eagerness of expectation to welcome our excellent patriot to that shore which he regained from a powerful enemy by his valor and good conduct. We found the stairs covered with carpeting and the rails hung with crimson. The President, being preceded by the committee, was received by the Governor and the citizens in the most brilliant manner.

Upon landing the President-elect was greeted by the firing of cannon and the ringing of bells.

A procession headed by Col. Morgan Lewis was waiting to receive him. It consisted of a band, a troop of horse, artillery officers off duty, a company of grenadiers who served as a guard of honor, the Governor and officers of the State of New York, James Duane, the corporation council of the city of New York, members of the clergy, the French and Spanish diplomatic representatives, and a large number of private citizens. The parade passed by Governor Clinton's house and finally arrived at the Franklin House, at the corner of Franklin and Cherry Streets, which had been especially fitted up as the Presidential residence. A tablet on the Brooklyn Bridge now marks the site of this first Executive Mansion. Here the President-elect was to wait until his inauguration as the first President of the United States on April 30, 1789.

A brief review of the events preceding this occasion will be both informative and interesting. At sunset on March 3, 1789, 13 guns were fired from the old fort on the Battery in New York. This announced the death of the old Confederation of States. Early on the morning of the 4th a salute of 11 guns in honor of the 11 States that had adopted the Constitution was fired. This salute accompanied by the ringing of bells announced the birth of the new Government created by the Constitution.

However, the machinery of the new government under the Constitution was not to be set in motion until almost a month later. This was due to the tardiness of the Members in making their appearance.

RESOLUTION OF THE CONGRESS OF THE CONFEDERATION

In the resolution of the Congress of the Confederation of September 13, 1788, fixing dates for election of a President and the organization of the Government under the Constitution in the city of New York, we find the following:

Congress assembled. Present: New Hampshire, Massachusetts, Connecticut, New York, New Jersey, Pennsylvania, Virginia, North Carolina, South Carolina, and Georgia; and from Rhode Island, Mr. Arnold, and from Delaware, Mr. Kearny.

Whereas the Convention assembled in Philadelphia pursuant to the resolution of Congress on the 21st of February 1787 did, on the 17th of September in the same year, report to the United States in Congress assembled a Constitution for the people of the United States, whereupon Congress on the 28th of the same September did resolve unanimously—

That the said report with the resolutions and letter accompanying the same be transmitted to the several legislatures in order to be submitted to a convention of delegates chosen in each State by the people thereof in conformity to the resolves of the Convention made and provided in that case; and

Whereas the Constitution so reported by the Convention and by Congress transmitted to the several legislatures has been ratified in the manner therein declared to be sufficient for the establishment of the same and such ratifications duly authenticated have been received by Congress and are filed in the office of the secretary: Therefore

Resolved, That the first Wednesday in January next be the day for appointing electors in the several States, which before the said day shall have ratified the said Constitution; that the first Wednesday in February next be the day for the electors to assemble in their respective States and vote for a President; and that the first Wednesday in March next be the time and the present seat of Congress the place for commencing proceedings under the said Constitution.

This is the short, concise, and legislative history of the creation of the new government which was to be constituted on "the first Wednesday in March next."

Due to delays caused by the late arrival of Representatives and Senators, a quorum was not completed in the House until April 1, 1789, and in the Senate on April 6. The proceedings of the Senate and the House of Representatives having reference to the counting of the electoral votes, the issuing of the certificate of election, the notification of the President and Vice President, the designation of the messengers who were to inform them of their respective elections, the naming of the committees of reception, the details of the taking of the oath and of inauguration, the respective addresses of the Vice President and the President, and the appropriate replies of the Senate and House of Representatives are set out below under the date headings of each happening.

The First Congress under the Constitution was meeting in Federal Hall. This was originally the old City Hall, in Wall Street, at the head of Broad Street, the present site of the Subtreasury of the United States. It had been practically rebuilt for the use of the First Congress. This building was first erected in 1700 at a cost of $20,000, and the sum of $32,500 was spent in remodeling it for the First Congress. The Stamp Act Congress of 1765 met in the building, and many of the sessions of the Continental Congress had also been held here. In its remodeled condition it was considered a very imposing structure.

The National Register, an old-time publication, describes it in part as follows:

The basement was Tuscan, pierced with seven openings, massive pillars in the center supporting four Doric columns and a pediment. The frieze was so divided as to admit 13 stars in metopes. These, with the American eagle and other insignia, the tablets over the windows filled with 13 arrows, and the olive branches united, were considered sufficient to mark it as a building designated for national purposes * * *. The Senate Chamber was 40 by 30 feet * * *. Three windows were placed in the front and back walls, those in front opening on an open gallery 12 feet deep, which overlooked Broad and Wall Streets.

It was upon this gallery that Washington stood when he took his oath of office as first President of the United States. The spot where he stood is now marked, as nearly as possible, by the colossal statute of the first President at the front of the subtreasury.

When Congress had completed its organization both Houses met in joint session to count the electoral votes cast in the several States a few weeks before for President and Vice President of the United States. It was found that George Washington had received 69 votes for President, the whole number cast, and that John Adams had received 34 votes for Vice President. Thirty-five votes were scattered among 10 others. When the counting of votes was finished the following certificate was issued:

Be it known that the Senate and House of Representatives of the United States of America, being convened in the city and State of New York the 6th day of April, in the year of our Lord 1789, the underwritten appointed President of the Senate for the sole purpose of receiving, opening, and counting the votes of electors, did, in the presence of the said Senate and House of Representatives, open all the certificates and count all the votes of the electors for a President and for a Vice President, by which it appears that George Washington, Esq., was unanimously elected, agreeably to the Constitution, to the office of President of the United States of America.

In testimony whereof I have hereunto set my hand and seal.

JOHN LANGDON.

A similar certificate was issued for the election of John Adams to the office of Vice President.

Charles Thomson, the greatly esteemed Secretary of the Continental Congress, was sent to carry the certificate of election to General Washington at Mount Vernon, and Sylvanus Bourne was sent on a like errand to Mr. Adams at Braintree, Mass. Both messengers set out on Tuesday, the 7th of April, and Mr. Bourne reached Braintree on the following Thursday evening. On the next Monday Mr. Adams started for New York, where he arrived in just a week. On the way he was received with "Federal honors" and escorted from town to town by military companies. He was inducted into office as Vice President of the United States on the 21st of April.

THE NOTIFICATION OF THE PRESIDENT-ELECT

Mr. Thomson, leaving New York on Tuesday morning April 7, reached Philadelphia Thursday evening, Baltimore Sunday evening, and arrived at Mount Vernon at half past 12 o'clock Tuesday afternoon. Thus he was more than 1 week making his journey.

Mr. Thomson formally presented to General Washington his certificate of election as President-elect in the following statment:

Sir, the President of the Senate, chosen for the special purpose, having opened and counted the votes of the electors in the presence of the Senate and House of Representatives, I was honored with the commands of the Senate to wait upon Your Excellency with the information of your being elected to the office of President of the United States of America. This commission was entrusted to me on account of my having been long in the confidence of the late Congress, and charged with the duties of one of the principal civil departments of the Government. I have now, sir, to inform you that the proofs you have given of your patriotism and your readiness to sacrifice domestic ease and private enjoyments to preserve the happiness of your country did not permit the two Houses to harbor a doubt of your undertaking this great and important office to which you are called, not only by the unanimous vote of the electors but by the voice of America.

I have it, therefore, in command to accompany you to New York, where the Senate and House of Representatives are convened for the dispatch of public business.

General Washington replied as follows:

I have been accustomed to pay so much respect to the opinion of my fellow citizens that the knowledge of their having given their unanimous suffrages in my favor scarcely leaves me the alternative for an option. I cannot, I believe, give a greater evidence of my sensibility of the honor which they have done me than by accepting the appointment.

I am so much affected by this fresh proof of my country's esteem and confidence that silence can best explain my gratitude. While I realize the arudous nature of the task which is imposed upon me, and feel my own inability to perform it, I wish, however, that there may not be reason for regretting the choice, for indeed all I can promise is only to accomplish that which can be done by an honest zeal.

Upon considering how long a time some of the gentlemen of both Houses of Congress have been at New York, how anxiously desirous they must be to proceed to business, and how deeply the public mind appears to be impressed with the necessity of doing it speedily, I cannot find myself at liberty to delay my journey. I shall therefore be in readiness to set out the day after tomorrow and shall be happy in the pleasure of your company, if you will permit me to say that it is a peculiar gratification to have received the communication from you.

Before he left home Washington made the following entry in his diary:

About 10 o'clock I bade adieu to Mount Vernon, to private life, and to domestic felicity; and with a mind oppressed with more anxious and painful sensations than I have words to express, set out for New York in company with Mr. Thomson and Colonel Humphreys with the best disposition to render service to my country in obedience to its calls, but with less hope of answering its expectations.

The route of the party led through Alexandria, Va., Georgetown, Baltimore, Havre de Grace, and Elkton, Md., Wilmington, Del., Chester, and Philadelphia, Pa., Trenton, Princeton, New Brunswick, and Elizabeth, N. J. The coach was drawn by four horses. Leaving Chester, all three, General Washington, Colonel Humphreys, and Charles Thomson were mounted on beautiful horses.

In Alexandria there was a dinner at Wise's tavern; at Georgetown at Grant's tavern; in Baltimore at the Fountain Inn; in Philadelphia at the old City Tavern on Second and Walnut Streets, at this banquet 250 guests were present; in

Princeton Washington spent the night with Dr. John Witherspoon, the retired president of the college, and near Elizabeth he took breakfast at the home of Elias Boudinot, another old friend.

What must have been his thoughts in Alexandria, in Chester, in Philadelphia, Trenton, and Princeton? Memories of early youth, of Brandywine, of Germantown, of Valley Forge, of the First Continental Congress, of the Constitutional Convention, of the crossing of the Delaware, of the battles of Trenton and Princeton, of the death of General Mercer. Memories of these and many others must have crowded into his mind. It was well that this was a journey filled with happiness and anticipation, to overcome the somber thoughts of battles, defeats, trials, and vicissitudes of other and earlier years.

Let us now turn to the proceedings and deliberations of the Senate and the House of Representatives as recorded in the Annals of Congress and see how the wheels of government were set in motion. This is the authoritative history of these proceedings, and therein we learn how wisely and well our legislative predecessors planned and executed this all-important event:

PROCEEDINGS OF THE SENATE OF THE UNITED STATES AT THE FIRST SESSION OF THE FIRST CONGRESS, BEGUN AT THE CITY OF NEW YORK, MARCH 4, 1789

Monday, April 6

Richard Henry Lee, from Virginia, then appearing, took his seat, and formed a quorum of the whole Senators of the United States.

The credentials of the Members present being read and ordered to be filed, the Senate proceeded by ballot to the choice of a President, for the sole purpose of opening and counting the votes for President of the United States.

John Langdon was elected.

Ordered, That Mr. Ellsworth inform the House of Representatives that a quorum of the Senate is formed; that a President is elected for the sole purpose of opening the certificates and counting the votes of the electors of the several States in the choice of a President and Vice President of the United States; and that the Senate is now ready, in the Senate Chamber, to proceed, in the presence of the House, to discharge that duty; and that the Senate have appointed one of their Members to sit at the Clerk's table to make a list of the votes as they shall be declared; submitting it to the wisdom of the House to appoint one or more of their Members for the like purpose.

Mr. Ellsworth reported that he had delivered the message; and Mr. Boudinot, from the House of Representatives, informed the Senate that the House is ready forthwith to meet them, to attend the opening and counting of the votes of the electors of the President and Vice President of the United States.

The Speaker and the Members of the House of Representatives attended in the Senate Chamber; and the President elected for the purpose of counting the votes declared that the Senate and House of Representatives had met, and that he, in their presence, had opened and counted the votes of the electors for President and Vice President of the United States, which were as follows:

The result of the vote

States	George Washington, Esq.	John Adams, Esq.	Samuel Huntington, Esq.	John Jay, Esq.	John Hancock, Esq.	Robert H. Harrison, Esq.	George Clinton, Esq.	John Rutledge, Esq.	John Milton, Esq.	James Armstrong, Esq.	Edward Telfair, Esq.	Benjamin Lincoln, Esq.
New Hampshire	5	5	....	....	....	....	....	....	....	....	....	....
Massachusetts	10	10	....	....	....	....	....	....	....	....	....	....
Connecticut	7	5	2	....	....	....	....	....	....	....	....	....
New Jersey	6	1	....	5	....	....	....	....	....	....	....	....
Pennsylvania	10	8	....	....	2	....	....	....	....	....	....	....
Delaware	3	....	....	3	....	....	....	....	....	....	....	....
Maryland	6	....	....	....	....	6	....	....	....	....	....	....
Virginia	10	5	....	1	1	....	3	....	....	....	....	....
South Carolina	7	....	....	....	1	....	....	6	....	....	....	....
Georgia	5	....	....	....	....	....	....	....	2	1	1	1
Total	69	34	2	9	4	6	3	6	2	1	1	1

Whereby it appeared that George Washington, Esq., was elected President, and John Adams, Esq., Vice President, of the United States of America.

Mr. Madison, from the House of Representatives, thus addressed the Senate:

"Mr. President, I am directed by the House of Representatives to inform the Senate that the House have agreed that the notifications of the election of the President and of the Vice President of the United States should be made by such persons and in such manner as the Senate shall be pleased to direct."

And he withdrew.

Whereupon the Senate appointed Charles Thomson, Esq., to notify George Washington, Esq., of his election to the office of President of the United States of America, and Mr. Sylvanus Bourne to notify John Adams, Esq., of his election to the office of Vice President of the said United States.

A letter was received from James Duane, Esq., enclosing resolutions of the mayor, aldermen, and commonalty of the city of New York tendering to Congress the use of the city hall.

James Mathews was elected Doorkeeper.

Monday, April 13

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The committee appointed to make arrangements for receiving the President were directed to settle the manner of receiving the Vice President also.

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Wednesday, April 15

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The committee to whom it was referred to consider of and report respecting the ceremonial of receiving the President, and the arrangements necessary for the reception of the Vice President, agreed to the following report, viz:

"That Mr. Osgood, the proprietor of the house lately occupied by the President of Congress, be requested to put the same and the furniture thereof in proper condition for the residence and use of the President of the United States, and otherwise, at the expense of the United States, to provide for his temporary accommodation.

"That it will be more eligible, in the first instance, that a committee of three Members from the Senate and five Members from the House of Representatives, to be appointed by the two Houses, respectively, attend to receive the President, at such place as he shall embark from New Jersey to this city, and conduct him, without form, to the house lately occupied by the President of Congress; and that, at such time thereafter as the President shall signify it will be most convenient for him, he be formally received by both Houses.

"That a committee of two Members from the Senate and three Members from the House of Representatives, to be appointed by the Houses, respectively, wait on the Vice President of the United States, as soon as he shall come to this city, and, in the name of the Congress of the United States, congratulate him on his arrival."

Which report was read and accepted.

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Thursday, April 16

The Senate proceeded by ballot to the choice of the committees, conformably to the report of the committee of both Houses, agreed to on the 15th instant. Mr. Langdon, Mr. Carroll, and Mr. Johnson were appointed to wait on the President, and Mr. Ellsworth and Mr. Dalton were appointed to wait on the Vice President.

Monday, April 20

Messrs. Strong and Izard were appointed a committee to wait on the Vice President and conduct him to the Senate Chamber.

THE VICE PRESIDENT'S ADDRESS

Tuesday, April 21

The committee appointed to conduct the Vice President to the Senate Chamber executed their commission, and Mr. Langdon, the Vice President pro tempore, meeting the Vice President on the floor of the Senate Chamber, addressed him as follows:

"Sir, I have it in charge from the Senate to introduce you to the Chair of this House, and also to congratulate you on your appointment to the office of Vice President of the United States of America."

After which Mr. Langdon conducted the Vice President to the chair, when the Vice President addressed the Senate as follows:

"Gentlemen of the Senate, invited to this respectable situation by the suffrages of our fellow citizens, according to the Constitution, I have thought it my duty cheerfully and readily to accept it. Unaccustomed to refuse any public service, however dangerous to my reputation or disproportioned to my talents, it would have been inconsistent to have adopted another maxim of conduct at this time, when the prosperity of the country and the liberties of the people require, perhaps, as much as ever the attention of those who possess any share of the public confidence.

"I should be destitute of sensibility if, upon my arrival in this city and presentation to this Legislature, and especially to this Senate, I could see, without emotion, so many of those characters, of whose virtuous exertions I have so often been a witness—from whose countenances and examples I have ever derived encouragement and animation; whose disinterested friendship has supported me in many intricate conjunctures of public affairs, at home and abroad; whose celebrated defenders of the liberties of this country, whom menaces could not intimidate, corruption seduce, or flattery allure; those intrepid assertors of the rights of mankind, whose philosophy and policy have enlightened the world, in 20

years, more than it was ever before enlightened in many centuries, by ancient schools, or modern universities.

"I must have been inattentive to the course of events if I were either ignorant of the fame or insensible to the merit of those other characters in the Senate to whom it has been my misfortune to have been hitherto personally unknown.

"It is with satisfaction that I congratulate the people of America on the formation of a National Constitution, and the fair prospect of a consistent administration of a government of laws; on the acquisition of a House of Representatives, chosen by themselves; of a Senate thus composed by their own State legislatures; and on the prospect of an Executive authority, in the hands of one whose portrait I shall not presume to draw. Were I blessed with powers to do justice to his character, it would be impossible to increase the confidence or affection of his country or make the smallest addition to his glory. This can only be effected by a discharge of the present exalted trust on the same principles, with the same abilities and virtues, which have uniformly appeared in all his former conduct, public or private. May I, nevertheless, be indulged to inquire, if we look over the catalog of the first magistrates of nations, whether they have been denominated presidents or consuls, kings or princes, where shall we find one, whose commanding talents and virtues, whose overruling good fortune have so completely united all hearts and voices in his favor, who enjoyed the esteem and admiration of foreign nations and fellow citizens with equal unanimity? Qualities so uncommon are no common blessings to the country that possesses them. By those great qualities, and their benign effects, has Providence marked out the head of this Nation, with a hand so distinctly visible as to have been seen by all men and mistaken by none.

"It is not for me to interrupt your deliberations by any general observations on the state of the Nation, or by recommending or proposing any particular measure. It would be superfluous, to gentlemen of your great experience, to urge the necessity of order. It is only necessary to make an apology for myself. Not wholly without experience in public assemblies, I have been more accustomed to take a share in their debates than to preside in their deliberations. It shall be my constant endeavor to behave toward every member of this most honorable body with all that consideration, delicacy, and decorum, which becomes the dignity of his station and character; but if, from inexperience or inadvertency, anything should ever escape me inconsistent with propriety, I must entreat you, by imputing it to its true cause, and not to any want of respect, to pardon and excuse it.

"A trust of the greatest magnitude is committed to this legislature; and the eyes of the world are upon you. Your country expects, from the results of your deliberations, in concurrence with the other branches of government, consideration abroad, and contentment at home—prosperity, order, justice, peace, and liberty. And may God Almighty's Providence assist you to answer their just expectations."

Thursday, April 23

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On motion,

Resolved, That a committee, consisting of three members, be appointed to consider and report what style or titles it will be proper to annex to the offices of President and Vice President of the United States, if any other than those given in the Constitution. Also to consider of the time, place, and manner in which, and the person by whom, the oath prescribed by the Constitution shall be administered to the President; and to confer thereon with such committee as the House of Representatives shall appoint for that purpose. (Mr. Lee, Mr. Izard, and Mr. Dalton were chosen.)

Friday, April 24

On motion, to reconsider the commission of the committee appointed the 23d instant to report what titles shall be annexed to the offices of President and Vice President. Passed in the affirmative.

On motion that the following words, "What titles it will be proper to annex to the offices of President and of Vice President of the United States, if any other than those given in the Constitution," be struck out. Passed in the negative.

On motion, that the words "style or" before the word "title" be added. Passed in the affirmative.

Saturday, April 25

The Right Reverend Samuel Provost was elected Chaplain.

A letter from Charles Thomson, Esq., dated the 24th of April 1789, directed to the President of the Senate, purporting his having delivered to General Washington the certificate of his being elected President of the United States, was read and ordered to be filed.

The committee appointed to consider of the time, place, and manner in which, and of the person by whom, the oath prescribed by the Constitution shall be administered to the President of the United States, and to confer with a committee of the House appointed for that purpose, report:

That the President hath been pleased to signify to them that any time or place which both Houses may think proper to appoint and any manner which shall appear most eligible to them will be convenient and acceptable to him; that requisite preparations cannot probably be made before Thursday next; that the President be on that day formally received by both Houses in the Senate Chamber; that the Representatives' Chamber being capable of receiving the greater number of persons, that, therefore, the President do take the oath in that place and in the presence of both Houses.

That, after the formal reception of the President in the Senate Chamber, he be attended by both Houses to the Representatives' Chamber and that the oath be administered by the chancelor of the State of New York.

The committee further report it as their opinion that it will be proper that a committee of both Houses be appointed to take order for conducting the business.

Read and accepted.

Whereupon Mr. Lee, Mr. Izard, and Mr. Dalton, on the part of the Senate, together with a committee that may be appointed on the part of the House of Representatives, were empowered to take order for conducting the business.

An order of the House of Representatives, concurring in the appointment of a committee on their part to confer with a committee appointed on the 24th instant, on the part of the Senate, to consider and report, "what style, etc., it will be proper to annex to the offices of President and Vice President," was read, by which it appears that Mr. Benson, Mr. Ames, Mr. Madison, Mr. Carroll, and Mr. Sherman were appointed on the part of the House.

Monday, April 27

The committee appointed to take order for conducting the ceremonial of the formal reception, etc., of the President, reported:

That it appears to them more eligible that the oath should be administered to the President in the outer gallery adjoining the Senate Chamber, than in the Representatives' Chamber, and, therefore, submit to the respective Houses the propriety of authorizing their committee to take order as to the place where the oath shall be administered to the President, the resolution of Saturday assigning the Representatives' Chamber as the place, notwithstanding. (Read and accepted.)

Resolved, That, after the oath shall have been administered to to the President, he, attended by the Vice President, and Members of the Senate and House of Representatives, proceed to St. Paul's Chapel, to hear divine service, to be performed by the Chaplain of Congress already appointed. (Sent to the House of Representatives for concurrence.)

Tuesday, April 28

Received, from the House of Representatives, the report of a joint committee on the ceremonial to be observed in administering the oath, etc., to the President; and a bill to regulate the time and manner of administering certain oaths. The report was read and ordered to lie on the table; and the bill received its first reading.

The committee appointed to report a mode of communication between the two Houses with respect to papers, bills, etc., and to whom the subject was recommitted, having again conferred with the committee of the House of Representatives, agreed upon a report, which was read, and ordered to lie for consideration.

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Thursday, April 30

The report of the committee on the mode of communication between the Senate and House of Representatives was taken up, and after debate postponed.

Mr. Lee, in behalf of the committee appointed to take order for conducting the ceremonial of the formal reception, etc., of the President of the United States, having informed the Senate that the same was adjusted, the House of Representatives were notified that the Senate were ready to receive them in the Senate Chamber, to attend the President of the United States while taking the oath required by the Constitution. Whereupon, the House of Representatives, preceded by their Speaker, came into the Senate Chamber and took the seats assigned them, and the joint committee, preceded by their chairman, agreeably to order, introduced the President of the United States to the Senate Chamber, where he was received by the Vice President, who conducted him to the chair, when the Vice President informed him that "the Senate and House of Representatives of the United States were ready to attend him to take the oath required by the Constitution, and that it would be administered by the chancelor of the State of New York"; to which the President replied he was ready to proceed; and being attended to the gallery in front of the Senate Chamber by the Vice President and Senators, the Speaker and Representatives, and the other public characters present, the oath was administered. After which the chancelor proclaimed, "Long live George Washington, President of the United States!"

The President, having returned to his seat, after a short pause, arose and addressed the Senate and House of Representatives as follows:

THE FIRST INAUGURAL ADDRESS

"Fellow citizens of the Senate and of the House of Representatives, among the vicissitudes incident to life, no event could have filled me with greater anxieties than that of which the notification was transmitted by your order and received on the 14th day of the present month. On the one hand I was summoned by my country, whose voice I can never hear but with veneration and love, from a retreat which I had chosen with the fondest predilection, and in my flattering hopes, with an immutable decision, as the asylum of my declining years; a retreat which was rendered every day more necessary, as well as more dear to me by the addition of habit to inclination, and of frequent interruptions in my health, to the gradual waste committed on it by time. On the other hand, the magnitude and difficulty of the trust to which the voice of my country called me, being sufficient to awaken in

the wisest and most experienced of her citizens a distrustful scrutiny into his qualifications, could not but overwhelm with despondence one who, inheriting inferior endowments from Nature, and unpractised in the duties of civil administration, ought to be peculiarly conscious of his own deficiencies. In this conflict of emotions, all I dare aver is that it has been my faithful study to collect my duty from a just appreciation of every circumstance by which it might be affected. All I dare hope is, that if in executing this task I have been too much swayed by a grateful remembrance of former instances, or by an affectionate sensibility to this transcendent proof of the confidence of my fellow citizens, and have thence too little consulted my incapacity as well as disinclination for the weighty and untried cares before me, my error will be palliated by the motives which misled me, and its consequences be judged by my country, with some share of the partiality in which they originated.

"Such being the impressions under which I have, in obedience to the public summons, repaired to the present station, it would be peculiarly improper to omit in this first official act my fervent supplications to that Almighty Being who rules over the universe—who presides in the councils of nations, and whose providential aids can supply every human defect, that his benediction may consecrate to the liberties and happiness of the people of the United States a government instituted by themselves for these essential purposes, and may enable every instrument employed in its administration to execute with success the functions allotted to his charge. In tendering this homage to the great Author of every public and private good, I assure myself that it expresses your sentiments not less than my own; nor those of my fellow citizens at large less than either. No people can be bound to acknowledge and adore the invisible hand which conducts the affairs of men more than the people of the United States. Every step by which they have advanced to the character of an independent nation seems to have been distinguished by some token of providential agency; and in the important revolution just accomplished in the system of their united government, the tranquil deliberations and voluntary consent of so many distinct communities from which the event has resulted, cannot be compared with the means by which most governments have been established without some return of pious gratitude, along with an humble anticipation of the future blessings which the past seems to presage. These reflections, arising out of the present crisis, have forced themselves too strongly on my mind to be suppressed. You will join with me, I trust, in thinking that there are none under the influence of which the proceedings of a new and free government can more auspiciously commence.

"By the article establishing the executive department it is made the duty of the President 'to recommend to your consideration such measures as he shall judge necessary and expedient.' The circumstances under which I now meet you will acquit me from entering into that subject, further than to refer to the great constitutional charter under which you are assembled, and which, in defining your powers, designates the objects to which your attention is to be given. It will be more consistent with those circumstances, and for more congenial with the feelings which actuate me, to substitute, in place of a recommendation of particular measures, the tribute that is due to the talents, the rectitude, and the patriotism which adorn the characters selected to devise and adopt them. In these honorable qualifications I behold the surest pledges that as, on the one side, no local prejudices or attachments, no separate views, nor party animosities, will misdirect the comprehensive and equal eye which ought to watch over this great assemblage of communities and interests; so, on another, that the foundations of our national policy will be laid in the pure and immutable principles of private morality, and the preeminence of free government be exemplified by all the attributes which can win the effections of its citizens and command the respect of the world. I dwell on this prospect with every satisfaction which an ardent love for my country can inspire; since there is no truth more thoroughly established than that there exists in the economy and course of nature an indissoluble union between virtue and happiness—between duty and advantage—between the genuine maxims of an honest and magnanimous policy and the solid rewards of public prosperity and felicity; since we ought to be no less persuaded that the propitious smiles of Heaven can never be expected on a nation that disregards the eternal rules of order and right which Heaven itself has ordained; and since the preservation of the sacred fire of liberty and the destiny of the republican model of government are justly considered as deeply, perhaps as finally, staked on the experiment entrusted to the hands of the American people.

"Besides the ordinary objects submitted to your care, it will remain with your judgment to decide how far an exercise of the occasional power delegated by the fifth article of the Constitution is rendered expedient at the present juncture, by the nature of objections which have been urged against the system, or by the degree of inquietude which has given birth to them. Instead of undertaking particular recommendations on this subject, in which I could be guided by no lights derived from official opportunities, I shall again give way to my entire confidence in your discernment and pursuit of the public good. For I assure myself that while you carefully avoid every alteration which might endanger the benefits of a united and effective government, or which ought to await the future lessons of experience, a reverence for the characteristic rights of freemen, and a regard for the public harmony, will sufficiently influence your deliberations on the question how far the former can be more impregnably fortified or the latter be safely and advantageously promoted.

"To the preceding observations I have one to add, which will be most properly addressed to the House of Representatives. It concerns myself, and will, therefore, be as brief as possible. When I was first honored with a call into the service of my country, then on the eve of an arduous struggle for its liberties, the light in which I contemplated by duty required that I should renounce every pecuniary compensation. From this resolution I have in no instance departed; and being still under the impressions which produced it, I must decline, as inapplicable to myself, any share in the personal emoluments which may be indispensably included in a permanent provision for the executive department; and must accordingly pray that the pecuniary estimates for the station in which I am placed may, during my continuance in it, be limited to such actual expenditures as the public good may be thought to require.

"Having thus imparted to you my sentiments, as they have been awakened by the occasion which brings us together, I shall take my present leave; but not without resorting once more to the benign Parent of the human race in humble supplication that, since He has been pleased to favor the American people with opportunities for deliberating in perfect tranquility, and dispositions for deciding, with unparalleled unanimity, on a form of government for the security of their Union and the advancement of their happiness, so His divine blessing may be equally conspicuous in the enlarged views, the temperate consultations, and the wise measures on which the success of this Government must depend.

"G. WASHINGTON."

April 30, 1789

THE PRESIDENT AND CONGRESS ATTEND DIVINE SERVICE

The President, the Vice President, the Senate, and House of Representatives, etc., then proceeded to St. Paul's Chapel, where divine service was performed by the Chaplain of Congress, after which the President was reconducted to his house by the committee appointed for that purpose.

The Vice President and Senate returned to the Senate Chamber; and,

Upon motion, unanimously agreed, that a committee of three should be appointed to prepare an answer to the President's speech. Mr. Johnson, Mr. Paterson, and Mr. Carroll were elected.

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Thursday, May 7

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THE REPLY OF THE SENATE

The committee appointed to prepare an answer to the President's speech, delivered to the Senate and House of Representatives reported as follows:

"SIR: We, the Senate of the United States, return you our sincere thanks for your excellent speech delivered to both Houses of Congress; congratulate you on the complete organization of the Federal Government; and felicitate ourselves and our fellow citizens on your elevation to the office of President, an office highly important by the powers constitutionally annexed to it and extremely honorable from the manner in which the appointment is made. The unanimous suffrage of the elective body in your favor is peculiarly expressive of the gratitude, confidence, and affection of the citizens of America, and is the highest testimonial at once of your merit and their esteem. We are sensible, sir, that nothing but the voice of your fellow citizens could have called you from a retreat chosen with the fondest predilection, endeared by habit, and consecrated to the repose of declining years. We rejoice, and with us all America, that, in obedience to the call of our common country, you have returned once more to public life. In you all parties confide; in you all interests unite; and we have no doubt that your past services, great as they have been, will be equaled by your future exertions; and that your prudence and sagacity as a statesman will tend to avert the dangers to which we are exposed, to give stability to the present Government, and dignity and splendor to that country which your skill and valor as a soldier so eminently contributed to raise to independence and empire.

"When we contemplate the coincidence of circumstances, and wonderful combination of causes, which gradually prepared the people of this country for independence; when we contemplate the rise, progress, and termination of the late war, which gave them a name among the nations of the earth; we are, with you, unavoidably led to acknowledge and adore the great Arbiter of the universe, by whom empires rise and fall. A review of the many signal instances of divine interposition in favor of this country, claims our most pious gratitude; and permits us, sir, to observe that, among the great events which have led to the formation and establishment of a Federal Government, we esteem your acceptance of the office of President as one of the most propitious and important.

"In the execution of the trust reposed in us, we shall endeavor to pursue that enlarged and liberal policy to which your speech so happily directs. We are conscious that the prosperity of each State is inseparably connected with the welfare of all, and that, in promoting the latter, we shall effectually advance the former. In full persuasion of this truth, it shall be our invariable aim

to divest ourselves of local prejudices and attachments, and to view the great assemblage of communities and interests committed to our charge with an equal eye. We feel, sir, the force and acknowledge the justice of the observation, that the foundation of our national policy should be laid in private morality. If individuals be not influenced by moral principles, it is in vain to look for public virtue; it is, therefore, the duty of legislators to enforce, both by precept and example, the utility, as well as the necessity, of a strict adherence to the rules of distributive justice. We beg you to be assured that the Senate will, at all times, cheerfully cooperate in every measure which may strengthen the Union, conduce to the happiness, or secure and perpetuate the liberties of this great confederated Republic.

"We commend you, sir, to the protection of Almighty God, earnestly beseeching Him long to preserve a life so valuable and dear to the people of the United States; and that your administration may be prosperous to the Nation, and glorious to yourself."

Read and accepted; and

Ordered, That the Vice President should affix his signature to the address, in behalf of the Senate.

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Thursday, May 14

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The committee, appointed the 9th instant, to determine "under what title it will be proper for the Senate to address the President," and to confer with a committee of the House of Representatives "upon the disagreeing votes of the Senate and House," informed the Senate that they had conferred with a committee of the House of Representatives but could not agree upon a report.

The committee, appointed the 9th instant, "to consider and report under what title it will be proper for the Senate to address the President of the United States of America," reported:

"That, in the opinion of the committee, it will be proper thus to address the President: His Highness, the President of the United States of America, and Protector of their Liberties."

Which report was postponed, and the following resolve was agreed to, to wit:

"From a decent respect for the opinion and practice of civilized nations, whether under monarchial or republican forms of government, whose custom is to annex titles of respectability to the office of their chief magistrate; and that, on intercourse with foreign nations, a due respect for the majesty of the people of the United States may not be hazarded by any appearance of singularity, the Senate have been induced to be of opinion that it would be proper to annex a respectible title to the office of the President of the United States; but the Senate, desirous of preserving harmony with the House of Representatives, where the practice lately observed in presenting an address to the President was without the addition of titles, think it proper for the present to act in conformity with the practice of that House: Therefore

"*Resolved*, That the present address be 'To the President of the United States,' without addition of title."

Monday, May 18

THE REPLY OF THE PRESIDENT

Agreeably to the order of the 15th instant, the Senate waited on the President of the United States at his own house, when the Vice President, in their name, delivered to the President the address agreed to on the 7th instant, to which the President of the United States was pleased to make the following reply:

"Gentlemen, I thank you for your address, in which the most affectionate sentiments are expressed in the most obliging terms. The coincidence of circumstances which led to this auspicious crisis, the confidence reposed in me by my fellow citizens, and the assistance I may expect from counsels which will be dictated by an enlarged and liberal policy, seem to presage a more prosperous issue to my administration than a diffidence of my abilities had taught me to anticipate. I now feel myself inexpressibly happy in a belief that Heaven, which has done so much for our infant Nation, will not withdraw its providential influence before our political felicity shall have been completed, and in a conviction that the Senate will at all times cooperate in every measure which may tend to promote the welfare of this confederated Republic. Thus supported by a firm trust in the great Arbiter of the universe, aided by the collective wisdom of the Union, and imploring the divine benediction on our joint exertions in the service of our country, I readily engage with you in the arduous but pleasing task of attempting to make a nation happy.

"G. WASHINGTON."

PROCEEDINGS OF THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES AT THE FIRST SESSION OF THE FIRST CONGRESS, BEGUN AT THE CITY OF NEW YORK, MARCH 4, 1789

Monday, April 6

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A message from the Senate, by Mr. Ellsworth:

"Mr. Speaker, I am charged by the Senate to inform this House that a quorum of the Senate is now formed; that a President is elected for the sole purpose of opening the certificates and counting the votes of the electors of the several States in a choice of a President and Vice President of the United States; and that the Senate is now ready in the Senate Chamber to proceed, in presence of this House, to discharge that duty. I have it also in further charge to inform this House that the Senate has appointed one of its Members to sit at the Clerk's table to make a list of the votes as they shall be declared, submitting it to the wisdom of this House to appoint one or more of its Members for the like purpose."

On motion,

Resolved, That Mr. Speaker, attended by the House, do now withdraw to the Senate Chamber for the purpose expressed in the message from the Senate; and that Mr. Parker and Mr. Heister be appointed, on the part of this House, to sit at the Clerk's table with the Member of the Senate and make a list of the votes as the same shall be declared.

Mr. Speaker accordingly left the chair, and, attended by the House, withdrew to the Senate Chamber, and after some time returned to the House.

Mr. Speaker resumed the chair.

Mr. Parker and Mr. Heister then delivered in at the Clerk's table a list of the votes of the electors of the several States in the choice of a President and Vice President of the United States, as the same were declared by the President of the Senate, in the presence of the Senate and of this House, which was ordered to be entered on the Journal.

On motion,

Ordered, That a message be sent to the Senate to inform them that it is the desire of this House that the notifications of the election of the President and Vice President of the United States should be made by such persons and in such manner as the Senate shall be pleased to direct, and that Mr. Madison do communicate the said message.

Monday, April 13

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On motion,

Ordered, That Mr. Benson, Mr. Peter Muhlenburg, and Mr. Griffin be a committee to consider of and report to the House respecting the ceremonial of receiving the President, and that they be authorized to confer with a committee of the Senate for the purpose.

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The Speaker laid before the House a letter from the Honorable John Langdon, a Member of the Senate, communicating an instruction to a committee of that House to report, if any, and what, arrangements are necessary for the reception of the Vice President, which was read.

Ordered, That the said letter be referred to the committee appointed to consider of, and report to the House, respecting the ceremonial of receiving the President; and that it be an instruction to the said committee to report upon the said letter also.

Wednesday, April 15

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Mr. Benson, from the committee to whom it was referred to consider of and report to the House respecting the ceremonial of receiving the President, and to whom was also referred a letter from the chairman of a committee of the Senate to the Speaker, communicating an instruction from that House to a committee thereof, to report, if any, and what, arrangements are necessary for the reception of the President, made the following report:

"That Mr. Osgood, the proprietor of the house lately occupied by the President of Congress, be requested to put the same, and the furniture therein, in proper condition for the residence and use of the President of the United States, to provide for his temporary accommodation.

"That it will be most eligible, in the first instance, that a committee of three Members from the Senate and five from the House of Representatives, to be appointed by the Houses respectively, to attend to receive the President at such place as he shall embark from New Jersey for this city, and conduct him without form to the house lately occupied by the President of Congress, and that at such time thereafter as the President shall signify it will be convenient for him, he be formally received by both Houses.

"That a committee of two Members from the Senate and three Members from the House of Representatives, to be appointed by the Houses respectively, wait on the President of the United States as soon as he shall come to this city, and, in the name of the Congress of the United States, congratulate him on his arrival."

And a committee of five was balloted for and chosen accordingly for the purpose of waiting on the President.

Another committee of three was appointed to wait on the Vice President.

Thursday, April 16

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The House proceeded, by ballot, to the appointment of a committee of five, to attend, with a committee from the Senate, to receive the President of the United States at such place as he shall embark at from New Jersey for this city.

The members elected were Messrs. Boudinot, Bland, Tucker, Benson, and Lawrence.

On motion,

Ordered, That Messrs. Gilman, Ames, and Gale, be a committee, in conjunction with a committee from the Senate, to wait upon the Vice President of the United States upon his arrival in this city, and to congratulate him thereupon in the name of the Congress of the United States.

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Friday, April 24

Mr. Boudinot reported, from the committee appointed to attend with a committee from the Senate, to receive the President of the United States, at the place of his embarkation from New Jersey,

that the committee did, according to order, together with a committee from the Senate, attend at Elizabethtown, in New Jersey, on the 23rd instant, at which place the two committees met the President, and thence embarked for this city, where they arrived about 3 o'clock in the afternoon of the same day, and conducted him to the house appointed for his residence.

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Saturday, April 25

The House, according to the order of the day, received the report from the Committee of the whole House, to the bill to regulate the taking the oath or affirmation prescribed by the sixth article of the Constitution; and the amendments to the said bill being read and amended at the Clerk's table, were agreed to by the House.

Ordered, That the said bill, with the amendments, be engrossed, and read the third time on Monday next.

Mr. Benson, from the committee appointed to consider of the time, place, and manner in which, and of the person by whom the oath prescribed by the Constitution shall be administered to the President of the United States, and to confer with a committee of the Senate for the purpose, reported as followeth:

"That the President hath been pleased to signify to them that any time or place which both Houses may think proper to appoint and any manner which shall appear most eligible to them will be acceptable to him; that requisite preparations cannot probably be made before Thursday next; that the President be on that day formally received by both Houses in the Senate Chamber; that the Representatives' Chamber being capable of receiving the greater number of persons, that therefore the President do take the oath in that place, and in the presence of both Houses; that after the formal reception of the President in the Senate Chamber he be attended by both Houses to the Representatives' Chamber, and that the oath be administered by the chancellor of this State.

"The committee further report it as their opinion, that it will be proper that a committee of both Houses be appointed to take order for further conducting the ceremonial."

The said report was twice read; and, on the question put thereon, agreed to by the House.

Ordered, That Messrs. Benson, Ames, and Carroll be a committee on the part of this House, pursuant to the said report.

Monday, April 27

* * * * * * *

The Speaker laid before the House a letter from the Vice President of the United States, enclosing certain proceedings of the Senate, touching the ceremonial of the formal reception of the President of the United States, by both Houses, which were read, and ordered to lie on the table.

Mr. Benson, from the committee of both Houses, appointed to take order for conducting the ceremonial of the formal reception of the President of the United States, reported as followeth:

"That it appears to the committee more eligible that the oath should be administered to the President in the outer gallery adjoining the Senate Chamber than in the Representatives' Chamber, and therefore submit to the respective Houses the propriety of authorizing their committees to take order as to the place where the oath shall be administered to the President, the resolutions of Saturday, assigning the Representatives' Chamber as the place, notwithstanding"

The said report being twice read,

Resolved, That this House doth concur in the said report, and authorize the committee to take order for the change of place thereby proposed.

The Speaker laid before the House a letter from the Vice President of the United States, enclosing two orders of the Senate, one of the 13th instant, appointing a committee to confer with any committee to be appointed on the part of this House, respecting the future disposition of the papers, etc., in the office of the late Secretary of the United States; the other of the 27th instant, for the attendance of both Houses, with the President of the United States, after the oath shall be administered to him, to hear divine service at St. Paul's Chapel, which was read and ordered to lie on the table.

Wednesday, April 29

* * * * * * *

The House proceeded to consider the following resolution of the Senate, to wit:

IN SENATE, *April 27.*

"*Resolved,* That after the oath shall have been administered to the President, he, attended by the Vice President and the Members of the Senate and House of Representatives, proceed to St. Paul's Chapel to hear divine service, to be performed by the Chaplains to Congress already appointed."

Whereupon,

Resolved, That this House doth concur with the Senate in the said resolution, amended to read as followeth, to wit:

"That after the oath shall have been administered to the President, the Vice President, and Members of the Senate, the Speaker and Members of the House of Representatives will accompany him to St. Paul's Chapel to hear divine service performed by the Chaplains of Congress."

Ordered, That the Clerk of this House do carry the said resolution to the Senate and desire their concurrence. (Adjourned.)

Thursday, April 30

* * * * * * *

This being the day on which the President of the United States was inaugurated, no other business, of course, was attended to. The President's address to both Houses appears in the proceedings of the Senate, page 27.

Friday, May 1

The Speaker laid before the House a copy of the speech of the President of the United States to both Houses of Congress, delivered yesterday in the Senate Chamber immediately after his inauguration, which, being read,

On motion,

Resolved, That the said speech be committed to a committee of the whole House.

The House accordingly resolved itself into a committee of the whole, Mr. Page in the chair. And, after adopting the following resolution, the committee rose and reported it to the House, which agreed to it.

Resolved, That it is the opinion of this committee, that an address to the President ought to be prepared, expressing the congratulations of the House of Representatives, on the distinguished proof given him of the affection and confidence of his fellow citizens, by the unanimous suffrage which has appointed him to the high station which he fills; the approbation felt by the House of the patriotic sentiments and enlightened policy recommended by his speech, and assuring him of their disposition to concur in giving effect to every measure which may tend to secure the liberties, promote the harmony, and advance the happiness and prosperity of their country.

Ordered, That a committee to consist of five members be appointed to prepare an address pursuant to the said resolution. The members elected are Messrs. Madison, Clymer, Sherman, Gale and Benson.

A motion was made that the House do come to the following resolution:

Resolved, That ——— per annum be the compensation to be allowed to the President of the United States during the term for which he is to be elected.

The said resolution being read, was committed to a Committee of the Whole House.

The House then proceeded by ballot to the appointment of a Chaplain to Congress on the part of this House. Upon examining the ballots it appeared that the Reverend William Linn was elected.

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Tuesday, May 5

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THE REPLY OF THE HOUSE OF REPRESENTATIVES

Mr. Madison, from the committee appointed to prepare an address on the part of this House to the President of the United States, in answer to his speech, to both Houses of Congress, reported as followeth:

The address of the House of Representatives to George Washington, President of the United States:

"Sir, the Representatives of the people of the United States present their congratulations on the event by which your fellow citizens have attested the preeminence of your merit. You have long held the first place in their esteem. You have often received tokens of their affection. You now possess the only proof that remained of their gratitude for your services, of their reverence for your wisdom, and of their confidence in your virtues. You enjoy the highest, because the truest honor, of being the first magistrate, by the unanimous choice of the freest people on the face of the earth.

"We well know the anxieties with which you must have obeyed a summons from the repose reserved for your declining years into public scenes, of which you had taken your leave forever. But the obedience was due to the occasion. It is already applauded by the universal joy which welcomes you to your station. And we cannot doubt that it will be rewarded with all the satisfaction with which an ardent love for your fellow citizens must review successful efforts to promote their happiness.

"This anticipation is not justified merely by the past experience of your signal services. It is particularly suggested by the pious impressions under which you mean to commence your administration and the enlightened maxims by which you mean to conduct it. We feel with you the strongest obligations to adore the invisible hand which has led the American people through so many difficulties to cherish a conscious responsibility for the destiny of republican liberty and to seek the only sure means of preserving and recommending the precious deposit in a system of legislation founded on the principles of an honest policy and directed by the spirit of a diffusive patriotism.

"The question arising out of the fifth article of the Constitution will receive all the attention demanded by its importance and will, we trust, be decided under the influence of all the considerations to which you allude.

"In forming the pecuniary provisions for the executive department we shall not lose sight of a wish resulting from motives which give it a peculiar claim to our regard. Your resolution, in a moment critical to the liberties of your country, to renounce all personal emolument, was among the many presages of your patriotic services, which have been amply fulfilled; and your scrupulous adherence now to the law then imposed on yourself cannot fail to demonstrate the purity, whilst it increases the luster of a character which has so many titles to admiration.

"Such are the sentiments which we have thought fit to address to you. They flow from our own hearts, and we verily believe that, among the millions we represent, there is not a virtuous citizen whose heart will disown them.

"All that remains is that we join in your fervent supplications for the blessings of Heaven on our country, and that we add our own for the choicest of these blessings on the most beloved of our citizens."

Said address was committed to a committee of the whole; and the House immediately resolved itself into a committee, Mr. Page in the chair. The Committee, proposing no amendment thereto, rose and reported the address; and the House agreed to it, and resolved that the Speaker, attended by the Members of this House, do present the said address to the President.

Ordered, That Messrs. Sinnickson, Coles, and Smith of South Carolina be a committee to wait on the President, to know when it will be convenient for him to receive the same.

* * * * * * *

Thursday, May 7

Mr. Smith of South Carolina from the committee appointed to wait on the President of the United States, to know when it will be convenient for him to receive the address of this House, reported:

That the committee had, according to order, waited on the President, and that he signified to them that it would be convenient to him to receive the said address at 12 o'clock on Friday, at such place as the House shall be pleased to appoint. Whereupon,

Resolved, That as the chamber designed for the President's receiving the respective Houses is not yet prepared, this House will wait on the President to present their address in the room adjacent to the Representatives' Chamber.

On motion,

Resolved, That a committee of three Members be appointed to confer with any committee to be appointed on the part of the Senate, in preparing and reporting joint rules to be established between the two Houses for the enrollment, attestation, publication, and preservation of the acts of Congress; as also on the mode of presenting addresses, bills, votes, or resolutions to the President of the United States.

The Members appointed were Mr. Bland, Mr. Trumbull, and Mr. Vining. * * *

Friday, May 8

THE REPLY OF THE PRESIDENT TO THE HOUSE OF REPRESENTATIVES

The Speaker, attended by the Members of the House, withdrew to the room adjoining the Representatives' Chamber, and there presented to the President of the United States the address agreed to on Tuesday last, to which he returned the following answer:

"GENTLEMEN: Your very affectionate address produces emotions which I know not how to express. I feel that my past endeavors in the service of my country are far overpaid by its goodness; and I fear much that my future ones may not fulfill your kind anticipation. All that I can promise is, that they will be invariably directed by an honest and ardent zeal. Of this resource my heart assures me. For all beyond I rely on the wisdom and patriotism of those with whom I am to cooperate and a continuance of the blessings of Heaven on our beloved country."

The Speaker and Members being returned into the House.

THE INAUGURATION CEREMONIES

Thursday, April 30

The inaugural ceremonies began at sunrise by the firing of a national salute from old Fort George, near Bowling Green. Beginning at 9 o'clock the bells of all the churches rang for half an hour. People gathered in the churches "to implore the blessing of Heaven on the new Government, its favor and protection to the President, and success and acceptance to his administration."

The parade formed and the procession was led by Col. Morgan Lewis as grand marshal; he was attended by Major Van Horne and Maj. Jacob Morton as aides-de-camp. A troup of mounted officers led the way, followed by the artillery, two companies of grenadiers, a company of light infantry led by Majors Bricker and Chrystie; next came a regiment of Scotch Highlanders in full uniform. The sheriff of New York, Robert Boyd, rode alone on horseback, and in line with him came the Senate committee, John Langdon, Charles Carroll, and William Samuel Johnson. Next came a number of "assistants," Gen. Samuel B. Webb; Col. William S. Smith; Lt. Col. Nicholas Fish; Lieutenant Colonel Franks; Maj. Leonard Bleecher; and Mr. John R. Livingston, brother of Chancelor Livingston.

The President-elect came next in a coach of state, drawn by four white horses, he was accompanied by Col. David Humphreys and Tobias Lear, his private secretary. Then came the committee from the House of Representatives, and Richard Henry Lee, Ralph Izard, and Tristram Dalton. The French Minister, Comte de Moustier, and the Spanish Minister, Don Diego Gardoqui, rode in their own carriages. The rear was brought up by a long line of distinguished citizens.

The parade reached Federal Hall about 1 p. m. It halted about 200 yards from the hall, and through a line drawn up on either side, General Washington, accompanied by those especially invited, passed into the Senate Chamber. The Federal Hall, the windows of all the houses in the neighborhood, and the roofs of the surrounding buildings had been crowded since early morning.

The Senate had met about 11 o'clock, and what therein transpired is told herein in the words of William Maclay, one of the Senators from Pennsylvania:

"Thursday, 30th April. This is a great, important day. Goddess of Etiquette, assist me while I describe it. The Senate stood adjourned to half after eleven o'clock. About 10, dressed in my best clothes. Went for Mr. Morris' lodgings, but met his son, who told me that his father would not be in town until Saturday. About 10, turned into the hall. The crowd already great. The Senate met. The President [Mr. Adams] rose in the most solemn manner:

" 'GENTLEMEN: I wish for the direction of the Senate. The President will, I suppose, address the Congress. How shall I behave? How shall we receive it? Shall it be standing or sitting?' "

* * * * * * *

"But all at once the Secretary, who had been out, whispered to the Chair that the Clerk from the Representatives was at the door with a communication. Gentlemen of the Senate, how shall he be received? A silly kind of resolution of the committee on that business had been laid on the table some days ago. The amount of it was, that each House should communicate to the other what and how they chose. It concluded, however, something in this way—that everything should be done with all the propriety that was proper. The question was, Shall this be adopted, that we may know how to receive the Clerk? It was objected; this will throw no light on the subject; it will leave you where you are.

" * * * Mr. Lee brought the House of Commons before us again. He reprobated the rule—declared that the Clerk should not come within the bar of the House; that the proper mode was for the Sergeant-at-Arms, with a mace on his shoulder, to meet the Clerk at the door and receive his communication. We are not, however, provided for this ceremonious way of doing business, having neither mace nor sergeant, nor masters in chancery, who carry down bills from the English Lords. * * * Repeated accounts came that the Speaker and Representatives were at the door. Confusion ensued; the Members left their seats. Mr Reed rose and called the attention of the Senate to the neglect that had been shown to Mr. Thomson, late Secretary. Mr. Lee rose to answer him; but I could not hear one word he said.

"The Speaker was introduced, followed by the Representatives. Here we sat an hour and ten minutes before the President arrived. This delay was owing to Lee, Izard, and Dalton, who had stayed with us until the Speaker came in, instead of going to attend the President.

"The President advanced between the Senators and Representatives, bowing to each. He was placed in the chair by the President of the Senate; the Senate, with their President, on the right; the Speaker and Representatives on his left. The President of the Senate rose and addressed a short sentence to him. The import of it was that he should now take the oath of office as President. He seemed to have forgot half of what he was to say, for he made a dead pause and stood for some time to appearance in a vacant mood. He finished with a formal bow, and the President was conducted out of the middle window into the gallery, and the oath administered by the chancelor. Notice that the business was done was communicated to the crowd, who gave three cheers, and repeated it on the President's bowing to them. As the company returned into the Chamber, the President took the chair and the Senate and Representatives their seats. He rose and all arose, and he addressed them. (See the address.)

"This great man was agitated and embarrassed more than ever he was by the leveled cannon or pointed musket. He trembled and several times could scarce make out to read, though it must be supposed he had often read it before. He made a flourish with his right hand which left rather an ungainly impression. I sincerely, for my part, wished all set ceremony in the hands of the dancing masters, and that this first of men had read off his address in the plainest manner, without ever taking his eyes from the paper; for I felt hurt that he was not first in everything. He was dressed in deep brown, with metal buttons with an eagle on them, white stockings, a bag, and sword.

"From the hall there was a grand procession to St. Paul's Church, where prayers were said by the bishop. The procession was well conducted and without accident as far as I have heard. The militia were under arms, lined the street near the church, made a good figure, and behaved well.

"* * * The Senate returned to their Chamber after service, formed, and took up the address. Our President called it his most gracious speech. I cannot approve of this. A committee was appointed on it—Johnson, Carroll, Patterson. Adjourned.

"In the evening there were grand fireworks. The Spanish Ambassador's house was adorned with transparent paintings; the French Minister's house was illuminated; the hall was grandly illuminated; and after all this the people went to bed."

Of course, it is now realized that Senator Maclay was quite cynical in his statements and that he had an exalted opinion of his self-righteousness.

THE TAKING OF THE OATH

Returning to the inaugural ceremonies. After General Washington entered the Senate Chamber he remained there but a few moments and was then formally conducted to the open gallery in front of the Senate Chamber looking out on Wall Street. At the last moment it was discovered that no Bible had been provided. Chancelor Robert R. Livingston, then grand master of Masons in New York, was to administer the oath. Maj. Jacob Morton, one of the aides, was at the time grand secretary of the grand lodge and a member of St. John's Lodge, No. 1, F. & A. M. Learning that there

was no Bible in the hall Chancelor Livingston hastily despatched Major Morton to the lodge room of St. John's Lodge, No. 1, F. & A. M., where he secured a Bible and hurried back in time to place it upon the table already prepared for it. This Bible is still preserved by the lodge, and on the flyleaf is recorded the story of the first President's oath to support the Constitution of the United States.

Washington's appearance was the signal for a marvelous demonstration on the part of the assembled populace. It took some time to quiet the people. Above the balcony there was a canopy and from this red curtains had been suspended. The table was covered with a crimson cloth and on this there was placed a red cushion upon which the Bible rested. George Washington advanced to the front of the balcony, laid his hand upon his heart and bowed several times, and returned immediately to a chair near the table. There was a moment of silence. Then Chancelor Robert R. Livingston read the oath of office prescribed by the Constitution: "You do solemnly swear that you will faithfully execute the office of President of the United States and will, to the best of your ability, preserve, protect, and defend the Constitution of the United States." With bowed head President Washington repeated these words and added, "So help me God." The chancelor raised the Bible to the President's lips, who stooped and kissed it. A signal was given and a flag was raised on Federal Hall, there was a discharge of artillery at the Battery, and the bells of the city were rung. The newly inaugurated President waved his hand and bowed again and retired. Reentering the Senate Chamber he took his seat. When he began his inaugural address all present rose. His hand rested on a table and he was visibly agitated and embarrassed.

He later attended church, accompanied by the Vice President, the Speaker, and the two Houses of Congress. He walked to St. Paul's Chapel, followed by a military escort of about 500 men. The services in the church were conducted by the Rt. Rev. Samuel Provost, of the Episcopal Church of New York. No sermon was preached; prayers were offered and the Te Deum sung; after these services the President was driven home in his state coach.

CONTEMPORANEOUS ACCOUNTS OF THE CEREMONIES

A newspaper of the days says: "At 9 o'clock in the morning all the churches in the city were opened, and the people in prodigous numbers thronged these sacred temples and with one voice put up their prayers to Almighty God for the safety of the President."

Another acccunt states:

"At noon Washington left his residence for the Federal Hall. He rode in what is described as 'a handsome state chariot drawn by four horses,' and was escorted by a troop of horse and several companies of infantry, the congressional committee of reception, and a number of dignitaries. All along the route the people greeted him with fervent exclamations of delight.

"He was received with great ceremony at the Federal Hall and conducted to the Senate Chamber, where Vice President Adams thus addressed him: 'Sir, the Senate and the House of Representatives of the United States are ready to attend you to take the oath required by the Constitution, which will be administered by the chancelor of the State of New York.' Washington replied, 'I am ready to proceed.' The Vice President then conducted him to the large balcony in front of the Senate Chamber, where the vast throng assembled in Wall and Broad Streets could witness the ceremony.

"A graphic and perhaps the most authentic account of Washington taking the oath is to be found in a letter written by Eliza Quincy, from which the following is quoted: 'I was on the roof of the first house in Broad Street, and so near Washington that I could almost hear him speak. The windows and the roofs of the houses were crowded, and in the streets the throng was so dense that it seemed as if one might literally walk on the heads of the people. The balcony of the hall was in full view of this assembled multitude. In the center of it was placed a table with a rich covering of red velvet, and upon this, on a crimson velvet cushion, lay a large and elegant Bible. This was all the paraphernalia for the august scene. All eyes were fixed upon the balcony, where, at the appointed hour, Washington entered, accompanied by the chancelor of the State of New York, who was to administer the oath; by John Adams, Vice President; Governor Clinton; and many other distinguished men. By the great body of the people he had probably never been seen except as a military hero. The first in war was now to be the first in peace. His entrance on the balcony was announced by universal shouts of joy and welcome. His appearance was most solemn and dignified. Advancing to the front of the balcony, he laid his hand on his heart, bowed several times, and then retired to an armchair near the table. The populace appeared to understand that the scene had overcome him and were at once hushed in profound silence.

"After a few moments Washington rose and came forward. Chancelor Livingston read the oath according to the form prescribed by the Constitution and Washington repeated it. Mr. Otis, the Secretary of the Senate, then took the Bible and raised it to the lips of Washington, who stooped and kissed the book. At this moment a signal was given by raising a flag upon the cupola of Federal Hall for a general discharge of artillery at the Battery. All the bells in the city rang out a peal of joy, and the assembled multitude sent forth a universal shout. The President again bowed to the people and then retired from a scene such as the proudest monarch never enjoyed."

[Applause.]

COMMITTEE ON FOREIGN AFFAIRS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may be permitted to sit during the sessions of the House for the balance of the week.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Under the special order of the House heretofore made the gentleman from Georgia [Mr. BROWN] is recognized for 30 minutes.

Mr. RANKIN. Mr. Speaker, will the gentleman from Georgia yield to permit me to submit a unanimous-consent request?

Mr. BROWN of Georgia. I yield.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. The Chair is not in position to recognize the gentleman for the purpose of submitting such request without the consent of the gentleman from Georgia. Does the gentleman from Georgia yield for this purpose?

Mr. BROWN of Georgia. I yield.

The SPEAKER pro tempore. The gentleman from Mississippi asks unanimous consent to address the House for 1 minute. Is there objection?

There was no objection.

THE SUICIDE OF THE REPUBLICAN PARTY

Mr. RANKIN. Mr. Speaker, it becomes my sad duty to announce to the House the suicide of the Republican Party, which killed itself here in Washington on yesterday, April 23, 1939. [Laughter and applause.]

Let me appeal to the Democrats in the House not to interrupt this solemn announcement with laughter or applause. As Shakespeare says, "Allay with some cold drops of modesty thy skipping spirits."

We have come to bury Caesar, not to applaud him. You understand that "Caesar" was the name given to the Republican elephant in 1932 for his generosity and his outstanding service to the country, in putting aside the "proffered crown" and turning the country over to the Democrats by renominating Herbert Hoover for President on a high-tariff platform—after the tariff had wrecked the country.

Mr. Hoover, with his keen insight, with which he discerned two chickens in every pot and two cars in every garage, seems to have forecast this event in a speech he delivered recently in Hoboken, N. J., entitled, "Devitalizing National Demons."

The deceased left a note, which was published in this morning's New York Times, giving good and sufficient reasons for the timely demise.

Funeral services have been arranged, and the names of the active pallbearers have been turned over to the Clerk. The list contains only Old Guard Republicans, and will be announced later.

Honorary pallbearers will be selected by the friends of the deceased, including Wall Street, the Power Trust, the Standard Oil Co., the Aluminum Co. of America, the tariff barons, and other favored interests.

Disorganized labor will be represented by Mr. John L. Lewis, one of the best assets, if not one of the best friends, the deceased ever had.

In this connection I think I should explain that the name of Mr. JENKINS of Ohio and that of Mr. TREADWAY, of Massachusetts, have been left off the list of active pallbearers for the reason that it is understood they both have funeral orations prepared. I understand Mr. JENKINS' address is already written and approved, and that Mr. TREADWAY will favor us with his feeble efforts just as soon as they can pass the censorship of the accredited representative of the New England tariff barons. Several Old Guard Republican Senators will probably be asked to say a few words. Other

sorrowing Members, of both Houses, will be permitted to extend their remarks in the RECORD.

The farmers of the West have hastened to send flowers—sunflowers, of course—which I understand are on their way and will arrive in due time.

The glee club of the League of Young Democrats has volunteered to do the singing. Owing to the Nation-wide demands for haste, they will be limited to one song, and have selected as their choice that old familiar hymn, Praise God, From Whom All Blessings Flow.

Mr. Speaker, if I might be permitted to paraphrase the words of a great orator of a generation past and gone, I would say that the deceased had passed on life's highway the stone that marked the highest point when in an unguarded moment he took a dose of his own medicine and using his record for a pillow "fell into that dreamless sleep which kisses down his eyelids still."

Perhaps it may be best for all concerned, and we are prone to believe that it is best—in fact, we know it is best for the country as a whole—that just in what was thought to be the happiest, sunniest hour of the return voyage, when eager winds were kissing every sail, to thus dash against the same old rocks that caused the wreck in 1932, "and in an instant hear the billows roar above a sunken ship." [Applause.]

PERMISSION TO ADDRESS THE HOUSE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that at the conclusion of the special orders for today I may address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimouse consent that on Thursday next at the conclusion of the business in order for the day, and after disposition of the special orders heretofore entered, I may address the House for 20 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. VOORHIS]?

There was no objection.

EXTENSION OF REMARKS

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to insert therein a resolution from the Legislature of the State of Minnesota memorialing the Congress to enact legislation to rehabilitate the Great Lakes cut-over area.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota [Mr. ALEXANDER]?

There was no objection.

The SPEAKER pro tempore. The gentleman from Georgia [Mr. BROWN] is recognized for 30 minutes.

Mr. BROWN of Georgia. Mr. Speaker, during the past few years the public has been showing an ever-increasing interest in the combined development of our rivers for navigation, hydroelectric power, and flood-control purposes. In view of the likelihood that the next Rivers and Harbors Act will authorize several multiple-purpose projects, I should like to describe one of the most meritorious projects of its kind in the United States. I refer to the proposed dam and reservoir at Clarks Hill on the Savannah River. This project will cost between $25,000,000 and $30,000,000, and it will produce annually about 500,000,000 kilowatt-hours of electric energy at a cost of about 2½ mills per kilowatt-hour for prime power, which is about 53 percent of the cost of steam-generated power in this territory. The proposed dam through regulatory works will also materially improve navigation on the Savannah River, as I shall later describe.

The Savannah River is the boundary line between the States of Georgia and South Carolina, and it has been an important artery of commerce since the days of the earliest settlements in these two States.

The characteristics of the river are especially favorable for a development of this type. The tides rise and fall for a distance of 50 miles inland from the sea, which phenomena have made possible the development of a splendid harbor at Savannah. Above Savannah the river has a moderate slope until it reaches Augusta, and this section of the river is navigable for barges.

The authorized navigation project, which will be completed this summer, will provide a depth of 6 feet during 85 percent of the year, but unfortunately the dry weather occurring every fall causes low river stages with a consequent reduction of loads being carried on barges. To state the case simply, the full benefits to navigation cannot be realized unless we have a larger flow of water during the dry-weather season, and this can best be accomplished through the construction of the Clarks Hill Reservoir.

Above Augusta the river has a rocky bottom; it flows between narrow valleys and its slopes increase rapidly to the headwaters which lie on the southern slopes of the Blue Ridge Mountains in North Carolina, over 5,000 feet above the sea. Although this section is especially favorable for the development of hydroelectric power and small amounts of water power have been produced during the last hundred years, the great power possibilities of the river remain unfulfilled.

It can be readily appreciated that ample rainfall is an essential requisite to the development of navigation and power on any river, and it is in this respect that the Savannah River watershed is one of the most favorable east of the Rocky Mountains. The average rainfall over its 10,579 square miles is 53 inches per year, which is far above the average when compared with other sections of the country. However, the most favorable aspect of the rainfall factor arises from the fact that its maximum rainfall, amounting to 83 inches, occurs in the upper portion of the watershed, where it can be caught in reservoirs and released uniformly throughout the year, thus producing a large output of prime power and at the same time materially increasing the low-water flows in the navigable section of the river between Augusta and Savannah.

It would be difficult to name a section of the country having greater need for a combined navigation, power, and flood-control improvement. It has been conservatively estimated that the benefits to be derived from Clarks Hill in the way of cheaper transportation, cheaper power, and more adequate flood protection would be realized over an area of more than 52,000 square miles, lying principally in the States of Georgia and South Carolina. More than 1,000,000 people living within this area require vast quantities of supplies which come from seaports, and they are consuming ever-increasing amounts of electricity in their homes and factories.

A recent survey to determine the potential commerce suitable for water transportation showed that an annual tonnage of over a million tons could be moved profitably on the Savannah River as soon as a dependable year-round channel is available. If transportation facilities for handling this great water traffic were available, the public would realize a savings of $586,000 every year. If we choose to be more conservative and assume that the future water commerce will consist only of such low-grade commodities as petroleum, brick, tile, pulpwood, and kaolin, the public would still realize a saving of two or three hundred thousand dollars annually. Naturally, my statements are qualified by the assumption that a dependable year-round channel will be provided.

The only practical way to secure a uniform channel for 100 percent of the time is to store water in reservoirs during rainy periods and to release the stored water at a uniform rate during dry periods. Not only will the Clarks Hill project, in which I have so much interest, accomplish this objective, but in so doing it will produce a large amount of power during the entire year and provide flood control to a group of counties in Georgia and South Carolina that lie along the Savannah River above and below the city of Augusta.

It has been definitely established that the power requirements of my territory will fully absorb the output of Clarks Hill. As is well known, there is no oil or coal in Georgia

or South Carolina. I have previously referred to the increased consumption of electricity in homes and to our rapidly growing industrial status. While these are matters of common knowledge, the results of a scientific investigation is much more convincing. In 1937 the Federal Power Commission made a survey of the power market within reach of the Clarks Hill site, and it reported that the maximum demand for power had increased from 1,180,000 kilowatts in 1933 to 1,425,000 kilowatts in 1936, an increase of 20 percent in 3 years. The Commission also estimated that the power demand would exceed 2,000,000 kilowatts by 1941, which figure is far in excess of present capacity, plus all increases from new plants being constructed. The estimated average annual increase is 82,000 kilowatts. If work on the Clarks Hill project is started this year, it cannot be completed before 1942, 3 years hence. Since its installed capacity will be about 130,000 kilowatts, or less than the estimated increase in demand during the next 2 years, it is evident that the Clarks Hill output can be fully absorbed by the time it is completed.

On several occasions Congress has recognized the necessity of improving the Savannah River for navigation, each act calling for such further improvements as the traffic warranted. Although the 6-foot project, which was begun in 1934, is not quite completed the channel improvements thus far made have stimulated traffic to such an extent that the commerce for 1937 amounted to 129,000 tons. The fact that this amount of traffic has thrived on a partially completed channel, and in spite of the low-water conditions encountered each dry season, provides us with the convincing evidence of the future possibilities of the Savannah River.

Several years ago Congress ordered the Army engineers to make a thorough investigation of the potentialities of all our large rivers, including the Savannah. The results of this study are published in House Document No. 64, Seventy-fourth Congress, first session. In this report the Army engineers stated that a combined navigation, power, and flood-control project located at Clarks Hill is economically justified. This report was never acted upon by Congress.

In 1936 a special board appointed by the President submitted a report stating that the project was one of the best of its kind on any of the streams entering the Atlantic Ocean from the South Atlantic States, and it named as benefits to be derived therefrom improved navigation, the generation of power at a cost considerably below the cost of steam generation, and flood control.

In November 1936 Prof. Blake R. Van Leer, dean of engineering of the University of Florida, made an independent study of the possibilities of the Savannah River Basin for the National Resources Committee, and he recommended that the Clarks Hill project be placed in group 1 for immediate construction.

On November 1, 1938, the Committee on Commerce of the United States Senate adopted a resolution requesting the Army engineers to review the House Document No. 64 report to determine the advisability of adoption of Clarks Hill as a Federal project. This report is now ready for consideration by the Congress. I am constantly impressed with the thoroughness with which the Army engineers and the Federal Power Commission carry on their work, and no one should have any doubts as to the soundness of this project, since the latest reports from these agencies are favorable and have been forwarded to Congress with the approval of the President.

Mr. Speaker, I have mentioned these several investigations to emphasize the fact that Clarks Hill is sound and practical and will be self-liquidating. The data available to the engineers have been collected over a long period of years, the investigations have been thorough, and the reports have been uniformly in the affirmative. I therefore reiterate that the project is worthy of early adoption, and there is every reason for its immediate construction.

Mr. PLUMLEY. Will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Vermont.

Mr. PLUMLEY. May I ask the gentleman what constitutes the principal cargoes that are transported up and down the Savannah River?

Mr. BROWN of Georgia. Due to the channel's not being dependable the year round, petroleum, brick, and building materials are among the chief products now transported.

Mr. PLUMLEY. Coal?

Mr. BROWN of Georgia. I do not think any coal is being transported now. As stated, without the development of Clarks Hill the channel would not be dependable the year round, and therefore coal and many other products would not be transported. With the development of Clarks Hill we will have a million tons annually that could be moved, probably consisting of coal, brick, all building materials, cotton, all agricultural products, fertilizer, tile, pulpwood, kaolin, and so forth. Augusta is the second largest inland cotton market in the world at the present time. At one time it was the largest.

Mr. COX. Will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Georgia [Mr. Cox].

Mr. COX. All of the Members of the House know that the gentleman now addressing us has been very earnest in his endeavor to bring about improvement of the Savannah River for purposes of navigation, flood control, and power. The gentleman has built up quite a sentiment in the House favorable to this treatment of that river; but what the gentleman has done with respect to the Savannah River is merely indicative of his attitude toward all official obligations. The gentleman in many respects holds a record that no other Member of the House can match. During his 6 years' service in the House he has not missed a single roll call. He has not missed a single meeting of his committee. He has not even been late in any engagement that he has had with reference to his work as a Congressman of the United States. [Applause.]

Mr. BROWN of Georgia. I thank the gentleman for his observation.

If there is no question as to desirability, the only question requiring further clarification relates to the advisability of its being undertaken by the Federal Government. In the first place, if the development is undertaken by private interests, it is conceded that the benefits to the public will not be as large as if the project is constructed by the Federal Government. Experiences of the past have shown that privately owned hydroelectric plants are so operated as to derive the maximum amount in power generation with little consideration for navigation or flood control. The reasons for this are obvious. In other words, they store and release the water as their loads fluctuate, thus producing daily and weekly fluctuations in river stages below the dams. Needless to say, this method of operation results in unsatisfactory channel depths, lasting in some instances 2 or 3 days in a week, with corresponding handicaps to navigation for as much as a week. On the other hand, if the project is constructed by the Federal Government, the main plant at Clarks Hill will be operated at maximum efficiency, which procedure will cause fluctuations on discharge of water through its tailraces, and the project will substantially increase the economic value of the privately owned Stevens Creek plant, located between Clarks Hill and Augusta, and it will also be beneficial to the existing municipal canal which is owned by the city of Augusta.

Mr. HARE. Will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from South Carolina.

Mr. HARE. I am wondering whether or not the gentleman, before he concludes his remarks, will give us data to show the kind of a flood hazard that now exists in Augusta, Ga., which has a population of 70,000 or 75,000 people? I understand that this city is now surrounded by levees which were required from time to time to be built higher and higher at a very great expense on the part of the people of the city of Augusta and the surrounding country. I further understand this city has been destroyed a time or two, perhaps

more, by floods of the Savannah River. I was wondering whether or not the gentleman would include in his remarks some data illustrating just what hazards will be overcome by the erection of this dam and the regulation of the flood waters in this river so that this city and its thousands of population will be protected hereafter by a dam. Will the gentleman include that in his remarks?

Mr. BROWN of Georgia. I thank the gentleman. Yes, the city of Augusta has suffered great property damage and some loss of life at different times during past years, and you can realize the fears of the citizens during the flood seasons. Of course, their levee has been strengthened to some extent, but with development of the Clarks Hill project no other money will have to be spent to strengthen the levee as has been done numerous times heretofore.

Another excellent feature about this project is that there are no highly valuable improvements or property that would be required for flowage purposes. The lands that would be inundated are to a great extent uninhabited, sparsely wooded tracts, and in many instances fields that are not cultivated.

This dam is supposed to be 110 feet high and more than a mile long. It will back water probably about 40 miles above the dam.

The project would materially relieve the unemployment situation in a large area, and the major portion of the cost would go into labor, either directly or indirectly.

I should also mention that both of the interested States—Georgia and South Carolina—have passed resolutions petitioning the Federal Government to construct this project.

I may say that the Senators and Congressmen from those States are vitally interested in the development of this project.

This action should eliminate those questions as to States' rights, which have blocked the construction of federally owned projects in several States.

According to estimates of the Department of Commerce, Bureau of the Census, as released to the press in 1936, the States of Georgia and South Carolina greatly increased their population between 1930 and 1935, and there is every reason to believe that the industrial possibilities of this section are just dawning.

In conclusion, let me repeat that the Clarks Hill project is sound; there are compelling reasons why it should be undertaken at once by the Federal Government. It has been approved by all Government agencies that have studied it. Its construction would add greatly to the welfare of the people whom I represent in Congress. [Applause.]

Mr. HARE. Will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from South Carolina.

Mr. HARE. May I say in that connection that I have been very much impressed with the very enlightening statement in reference to the history of this project. May I add that four or five counties in my district, which would probably be adjacent to this territory, would be greatly benefited both from the standpoint of power and navigation, as well as flood control. I am very grateful that the gentleman has taken this time to give us the information he has with regard to this project.

Mr. BROWN of Georgia. I thank the gentleman. May I add further that people a hundred miles away from this river, more than a million in number, will be greatly benefited by the development of this project. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech made before the D. A. R. by my colleague from Louisiana [Mr. MOUTON].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER pro tempore. Under a special order heretofore entered, the gentleman from Louisiana [Mr. BROOKS] is recognized for 15 minutes.

Mr. BROOKS. Mr. Speaker, in the time allotted to me today I have in mind narrating two incidents which occurred recently affecting the subject matter of my statement, and in addition I should like to discuss very briefly a bill I have introduced in the House of Representatives with which I wish to acquaint the Members of the House. In order that I may complete my statement despite the fact that my time may expire before I have finished my discussion of the bill, I ask unanimous consent, Mr. Speaker, to revise and extend my remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS. Mr. Speaker, we all recall without pride the recent activity of the German Bund throughout the United States and especially do we recall with shame the meeting of this organization held in the city of New York on George Washington's Birthday—February 22 of this year. This last meeting has received national publicity, and we all remember how on that day from all parts of the city of New York in Madison Square Garden assembled the thousands of alien sympathizers to extol the virtues of the dictator form of government and to belittle the democratic form of government. They chanted their songs of praise of the German Reich and chanted their paeans of hate of our Republic.

Mr. Speaker, this meeting received the just condemnation of 130,000,000 red-blooded, patriotic Americans. It received just condemnation from the millions of our people who feel that no alien group should desecrate one of our most sacred national holidays and no alien group should seek to gain color and prestige to their meetings by draping them with American flags and American symbols of patriotism.

The other day something happened in one of the committees of Congress which should receive equally our condemnation. I speak of the recent hearings before the Committee on Military Affairs. This committee was engaged in the hearing of testimony of witnesses on bills designed to correct abuses from alien groups. In the midst of this testimony there appeared a Mr. Robert Pasley, Jr., attorney for the Civil Liberties Union, an admitted Communist, to give us the benefit of his views on matters of patriotism. Unafraid, unabashed, and unashamed, with the hardihood and temerity of a saint, and with all the brazen effrontery of a member of that disreputable organization, he appeared before that committee, seeking by artifice and cunning to beguile the membership of the committee to legislation for the benefit of his alien and communistic organization.

I am glad to say, Mr. Speaker, that as soon as the chairman, my good friend from Kentucky [Mr. MAY], learned of these facts he adjourned the committee and disbanded the hearings. So far as the present is concerned the matter is closed; but it is not closed in the minds and hearts of the millions of men and women who love our country and want to see it preserved. They are concerned over this incident and other incidents, and naturally want to know just where this thing will stop, and whether or not Communists, bunds, and all other alien sympathizers will continue to seek on the one hand to overwhelm by force, and on the other hand to undermine by clandestine and slimy underground conspiracies our great republican form of government. They want to know that these arch enemies of democracy are not going to be allowed to enter the sanctuaries of the highest legislative authority in the world, and through its committees and its processes and by use of disloyal methods and tainted testimony to befoul the records of the House of Representatives.

Mr. Speaker, many bills have been introduced in this session of Congress for the purpose of curbing such meetings and for the purpose of breaking up such groups who seek to undermine our Government. Some of these bills will undoubtedly pass during the course of this session. As for myself, I have not heretofore regarded the rancor of the alien and the spleen of the "isms" as of such serious consequences in this land; but after the meetings such as the one on George Washington's Birthday and the incident such as the testimony of an admitted Communist who enters the very sanctuary of gov-

ernment itself without fear and with the hardihood born of a warped and distorted mind, and after the multiplying incidents of the last few years, I believe it is time to act and to act drastically. The people of the United States want to see such undesirable people deported and sent back to the wretched land for which they are willing to sell their own self-respect and decency, and I join with them in this fervent desire.

I have introduced recently in this Congress a bill having for its purpose the correcting of this evil, at least to some extent. This bill requires all aliens coming to the United States, within 30 days after entry, to take an oath of allegiance to the United States Government and to repudiate all allegiance to all foreign powers, potentates, and governments. Of course, this does not include those people coming here on visits and for educational and other temporary purposes but only those who have in mind making this country a more or less permanent home. Should an alien fail to take this oath of allegiance and fail to repudiate allegiance to foreign powers within this period of time, under the provisions of my bill he will be immediately deported back to the land from whence he came. But even then he is not freed from all of the provisions of H. R. 5481. Under the theory of this bill, the terms by which he is admitted to this country require absolute allegiance from him. Even after he has made the declaration of loyalty to this Government, should he at any time thereafter become engaged in subversive activities designed to break down and undermine our republican form of government he again will be subject to deportation and the Secretary of Labor is authorized to immediately take appropriate steps to return him to the land of his birth.

Under this bill no hardship is imposed upon anyone. Congress simply lays down as a rule of admission that the foreigner coming to our shores must be loyal. As long as he remains loyal and by declaration evinces a desire to remain loyal to our form of government he is not molested. Only when he violates the terms upon which he is allowed entrance into this country is the alien an offender against our laws and subject to being sent back.

While it may be that this bill will not completely do away with all of our alien troubles, I yet believe it will go a long way toward accomplishing this purpose. It will certainly break up meetings such as the ones I have condemned in this speech. It will likewise have a most deleterious effect upon all subversive activities, whether they come from the anarchists, the Communists, the bund or the Fascists. It will put everyone who comes to our shores on record that this Nation demands loyalty and allegiance to one government only, namely, the United States of America.

I say advisedly that this country would be in far better shape today if it would ask of these aliens as they enter our land a declaration that they intend to be good, law-abiding, American citizens, repudiating allegiance to all foreign powers as of the date of their entry into this country.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield to my good friend from Georgia.

Mr. COX. I wish to applaud the gentleman's very patriotic speech and to express the hope that the bill to which the gentleman has just made reference may come before the House for consideration and passage.

Mr. BROOKS. I thank the gentleman.

Mr. COX. I fear, however, that even if the gentleman should succeed in bringing about the adoption of the bill he is sponsoring he would experience difficulty in seeing it properly administered. The fact that a Communist appeared before the gentleman's committee is not disturbing to me, but I am disturbed when I find Communists in key positions in many of the departments of the Government. You will find the Department of Labor honeycombed with many persons of the type as the man the gentleman has just denounced, referring particularly to the witness that appeared before the gentleman's committee. You will find such men in the Labor Relations Board, and you will find them as assistants in the administration of the wage and hour law. You will find them in many other places.

Mr. BROOKS. I thank the able gentleman; but if he will permit, I should like to finish my explanation of my bill.

Mr. COX. I thank the gentleman for yielding to me. At some other time I shall embrace the opportunity, if such an opportunity does come to me, to name a large number of such persons. There is an influence that comes from somewhere that is playing upon that situation. It is one that ought to be exposed and the practice of providing berths in the Government for these "reds" brought to an end.

Mr. BROOKS. I appreciate the gentleman's support of my bill.

Some may say today what I have read in editorials in the press, that the mere requiring of a declaration of support of this Government may be without effect, but under the terms of my bill, I believe, that situation can be handled. If an alien upon reaching our shores within 30 days, as my bill would require, makes his declaration of intention to support this Government, that that becomes one of the terms of his entry into this land, and if he subsequently violates the terms of his entry he is subject to being deported. Therefore, if at any time after such a person comes into this land and makes this declaration he engages in subversive activities of any sort or any activities whose purpose is to weaken or undermine our form of government, then under the terms of this bill that person is subject to being immediately deported.

Some have said that we do not want American citizenship to be a penalty. However, this is not a case of requiring every alien to become a citizen of this country. On the contrary, I join with those who say that American citizenship should not be a penalty but should be considered a distinct honor and a benefit. An alien by being required to make a declaration of intention to support this Government does not become a citizen of this country. He must still comply with all the laws we presently have on the statute books in order to become a citizen. So my bill will serve a twofold purpose. It will make the alien declare upon his entry into this country that he intends to repudiate all allegiance to his former government and to support this Government, and, second, if after making this declaration he engages in subversive activities and fights this form of government and seeks to tear it down, either peaceably or forcibly, he is subject to immediate deportation.

This bill may not cure all of the evil, but I firmly believe that had such an enactment been on the statute books years ago many of our troubles with aliens would have been prevented. I firmly believe this bill will go far along the road toward eliminating subversive activities and building up a patriotic, law abiding, red-blooded American citizenry.

Mr. ZIMMERMAN. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. Does not the gentleman believe it would be highly advantageous to our Government at this particular time to recodify our immigration laws and simplify them so the people of the country could really understand what they are, and so the immigration laws could be more easily administered without there being as many loopholes as exist in the law today? Does not the gentleman believe this would be highly desirable?

Mr. BROOKS. Perhaps it might be desirable, but I call the attention of the gentleman to the fact that my bill does not touch the immigration question. My bill is very simple and is designed to correct one situation, the abuse arising from the presence in this country of aliens who do not intend to support our form of government and do not intend to be good, law-abiding citizens. We do not want this type of alien in our midst.

Mr. COX. Does not the gentleman believe enforcement of our immigration laws would be better than codification of them? The gentleman has no idea we are having any real honest effort at enforcement, has he?

Mr. BROOKS. I do not want to go into the question of enforcement at the present time; but I do want to urge the enactment of my bill dealing with aliens.

Mr. COX. But the gentleman does not believe there is really any honest effort being put forth to enforce our present immigration laws, does he?

Mr. BROOKS. I may say to my friend, the gentleman from Georgia, that there might be a more serious effort made to do away with subversive activities in the land, and this is what my bill strikes at, the elimination of subversive activities. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. BURGIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article written by Walter Lippmann appearing in the Washington Post.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a brief address by Bishop O'Hara, of the Catholic Church.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

WORK RELIEF IN PUBLIC BUILDINGS

Mr. HARE. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HARE. Mr. Speaker, a few weeks ago, when the House had under consideration the deficiency appropriation bill for work relief, I suggested an amendment providing that $200,000,000 of the amount provided in the bill be used for W. P. A. work in the construction of public buildings to accommodate second- and third-class post offices, as well as county agents and people employed in other governmental agencies. This amendment was rejected, and subsequent thereto I introduced a special bill providing for an appropriation of $150,000,000 to be used in the same manner, and my purpose in securing time to address the House now is to invite attention to this bill—H. R. 3799—a bill which has a twofold purpose—first, to provide employment for the unemployed; second, to provide suitable buildings to accommodate second- and third-class post offices and provide quarters for other Federal agencies, such as county agents, home-demonstration agents, soil-conservation employees, farm-security offices, and other agencies of the Government.

A great deal of criticism has been directed against the Federal W. P. A. activities on account of large sums of money being spent without receiving tangible, material, or worthwhile results from such expenditures. Not a great many people object in toto to the policy of our Government in providing relief by way of employment to those who are helplessly without work and are in actual need of food and clothing, but there are many who insist that it is a mistake to continue to spend large sums of money annually upon the pretense of giving work to the needy and the unemployed without having something to show at the end of the year where a large percentage of the money has gone. It is my opinion and strong conviction that 99 out of every 100 W. P. A. workers would like to think and be able to show at the end of the year they have contributed something to the wealth of the Nation in return for the food and clothing furnished them and their families by a gracious Government. They would much rather point a finger of pride to a public building that will endure for generations as a monument to their skill and labor than to think they have spent their time in doing odd and miscellaneous jobs of little or doubtful value.

In viewing the situation from another angle we find that by the erection of the proposed buildings the wealth of the Nation will be increased by the value of such buildings, and the income to our Treasury, in many instances, would be increased by the annual rentals paid for such accommodations. Of course some will take exception to this statement by saying it will cost the Government as much, or more, to maintain these buildings as it does to pay rental for such accommodations. We admit this may prove to be true in some few cases where a building is erected to accommodate only one of the agencies referred to, but on the whole the maintenance cost will be less than the total rentals at present.

On the other hand, by the passage of this bill or adopting this policy, the Government will be doing exactly what it has been urging private industry to do for the past 5 or 6 years. What I am saying cannot be construed as a mere criticism, for we have been insisting upon industry to enlarge its activities in order to afford an increased employment to the unemployed.

Another argument advanced by some against this proposal is that a good portion of the appropriation will be used in the purchase of material and would not go directly for work relief. However, we must not forget that many more people will be afforded regular and permanent employment in industry if the bill should be enacted and the building program adopted.

Another argument favoring this bill is that the type of buildings contemplated when erected in our small towns and villages will be an incentive to civic pride on the part of the patrons of the office and vicinity.

In adopting the proposed policy or building program, it would mean that the Government is undertaking to provide a definite and worth-while program in the way of work relief. That is, it will mean the elimination or abandonment of a hit-and-miss kind of policy to aid and assist those who are absolutely in need of work. To repeat, it is a policy with two definite and distinct ideas in mind—one to furnish employment to those who are in need, and at the same time it will be a type of employment from which the Government and the country will obtain a return from the money spent in the way of an added national wealth.

And, Mr. Speaker, before concluding my remarks on this particular phase for a constructive and definite program for work relief, I want to suggest that upon the completion of the building program provided for in the bill, if it is found that conditions have not improved to the extent that private enterprise and industry are able to furnish employment to the unemployed, I suggest the Government then proceed to continue such a policy by constructing and maintaining public highways now traversed by rural free delivery carriers. Such a program would also be fundamentally sound and worth while. The Constitution provides that Congress shall have the right and power "to establish post offices and post roads." Ordinarily, a power granted carries with it the duty and obligation to exercise as well as to execute such a power.

Heretofore, Congress has exercised its power to establish and maintain post offices throughout the States; and if the Government is to continue the policy of furnishing employment to the unemployed, I see no good reason why it should not discharge its obligation by establishing and maintaining post roads. This would be another means of furnishing worth-while employment to those in need and at the same time effect a saving of many millions of dollars in the way of transportation costs to the Government as well as to many millions of farmers in transporting crops from farms to market. At the same time, such a program would take a burden off the States by eliminating the necessity for increasing highway construction programs; and I pause here long enough to suggest that an enlarged and continued highway construction program by the States may sooner or later bring disaster and economic bankruptcy to a number of the poorer States. I think it was Poor Richard who said, "He who goes a-borrowing will go a-sorrowing." This philosophy will apply to the State and Federal Government as truthfully and as well as to individuals. It is a well-recognized fact that any individual who adopts a policy of continued borrowing without making provision for the day of account-

ing will sooner or later come to grief. The same is equally true of a State or Federal Government. Many of the poorer States adopted long and ambitious programs for constructing highways by issuing long-term bonds upon the theory they will be able to liquidate same by levying high and increasing taxes on the consumption of gasoline without taking into account the possibility that this source of revenue may be terminated by a reduction or exhaustion of the supply of gasoline. I do not know of any assurance that the supply is inexhaustible. If such a catastrophe should arise and any of the poorer States should find itself encumbered with an enormous bonded indebtedness, the property of the people therein may suddenly be faced with a tax that would mean absolute destruction.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. HARE. I yield.

Mr. KNUTSON. I am in full agreement with what the gentleman is saying and in this connection it is interesting to note that various witnesses that have appeared before the Ways and Means Committee in connection with the Social Security Act, more particularly employers of labor, have given it as their opinion that the excessively high taxes we are now imposing are probably the main factor contributing to the great unemployment we have, because there is no profit left in business. By the time they have paid their taxes and observed all the other requirements there is nothing left and there is no incentive to take chances.

Mr. HARE. Of course, in my remarks I was referring primarily to the States, and in that connection I would not want to be placed in a position of being an alarmist or one who is opposed to a reasonable highway-construction program by the individual States, but I do want to emphasize the necessity for exercising a high degree of prudence in formulating such programs and the wisdom of taking due account of the fact that pay day is certain to come.

If the Federal Government is to continue to appropriate money for what is known as work relief, I submit it would be well to adopt the policy of having our post roads constructed and maintained by the W. P. A. facilities under the direction or in cooperation with the highway departments of the several States. Such a policy, as we have already said, will not only afford employment for the unemployed, but it will result in getting something of real value in return for money spent and, in turn, relieve the States of a continued and increased tax burden for constructing and maintaining a good portion of an incompleted highway system.

Mr. KNUTSON. Mr. Speaker, will the gentleman permit another interruption?

Mr. HARE. Yes.

Mr. KNUTSON. The system of granting Federal aid really puts a premium on State spending in many instances.

Mr. HARE. Yes.

Mr. KNUTSON. For instance, the Government says, "We will give you so much money to spend for road construction or for some other improvement, provided you spend an equal amount"; and, of course, the more the State spends the more it will get from the Government.

Mr. HARE. Yes.

Mr. KNUTSON. They do not realize it all comes from the same source.

Mr. HARE. The point I am making, however, is that fundamentally the Federal Government has the right—and, in a way, is charged with the responsibility of constructing and maintaining post roads, because the Constitution in the beginning made that provision.

There is no reason in theory or practice why the Federal Government should not assume the burden and responsibility of constructing and maintaining all post roads. The right and authority was delegated to Congress by the States in the ratification of the Constitution. It is positively, definitely, and clearly set forth therein, and we cannot understand why the Government heretofore has insisted that the States assume this responsibility, particularly since the Federal Government is trying to assume powers never delegated to it upon the pretense that it is anxious to assist the States in carrying their burdens and solving their many problems. Right now there is a lot of propaganda and a great movement on foot for the Federal Government to aid the States in social education, when there is not a scintilla of authority provided by the Constitution for such action. As a matter of fact, the word "education" or anything that could be substituted for it is not mentioned in the Constitution. On the contrary, it seems to have been studiedly avoided as a matter to be left entirely with the States, but I do not care to discuss this phase of the subject further than to emphasize the necessity of the Federal Government giving attention to and looking after those matters delegated to it by the States and provided for by the Constitution instead of running away from its duty and looking for fields in which to operate where it has no business or authority. If the Federal Government will assume to discharge its responsibilities in the construction and maintenance of highways, the States will then have sufficient revenues to establish and operate their systems of education in accordance with their own ideals of life, their own ideals of liberty, their own ideals of industry, and their own ideals of government. [Applause.]

The SPEAKER. The time of the gentleman from South Carolina has expired.

EXTENSION OF REMARKS

Mr. LEWIS of Colorado. Mr. Speaker, at the request of the Speaker of the House, I ask unanimous consent to insert in the RECORD at this point a letter received by the Speaker from Mr. Grover Whalen, president of the New York World's Fair 1939.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The matter referred to follows:

NEW YORK WORLD'S FAIR 1939,
New York, April 21, 1939.

DEAR MR. BANKHEAD: In commemoration of the one hundred and fiftieth anniversary of the inauguration of Gen. George Washington as first President of the United States here in the city of New York, the New York World's Fair 1939 will be officially opened by the President of the United States on April 30.

An invitation has been sent to each Member of Congress and his wife to honor us with their presence at these ceremonies. The Fair Corporation is supplying a special train to bring the Members of the two Houses of Congress and their wives to New York on April 30 and it is very much hoped that you will give us the pleasure of joining the group on the special train.

The special train will leave the Union Station in Washington at 8 o'clock sharp on the morning of April 30. The train will go directly to the World's Fair site, arriving about 12 noon. Busses will be provided within the fair grounds to take the Members and their wives to the United States Building where they have been invited to a luncheon which the United States Commission to the New York World's Fair is giving to the President. Following the luncheon, guests will proceed to the official platform directly in front of the United States Building where seats will be reserved. Following the official ceremonies and the inauguration of the fair by the President of the United States, the Governor of New York will unveil the monumental statue of George Washington in Constitution Mall. This ceremony will follow with the unveiling by Mayor LaGuardia of the statues of the Four Freedoms, which are situated also in Constitution Mall.

Guests will be free to make their own plans for dinner, and there will be ample facilities in that many restaurants will be in operation on the grounds.

The initial illumination ceremonies will take place as soon as darkness falls. This will include the illumination of the grounds and the starting of its many fountains by the use of cosmic rays. Prof. Albert Einstein will conduct this ceremony.

The special train will leave the fair grounds for Washington at 9 p. m. daylight-saving time or 8 p. m. Washington time, which will enable the Members of Congress and their wives to arrive in Washington at a reasonable hour.

For the convenience of the Members and their wives the special train both going and coming will carry dining cars.

In order that tickets of admission to the fair grounds and to the official platform may be sent to each person it is respectfully requested that each Member, if he has not already done so, send to the chief of ceremonials, World's Fair, New York, his acceptance of the invitation dispatched on April 1 to the opening ceremonies.

It is requested that you be good enough to notify the Sergeant at Arms of your House of Congress before Wednesday, April 26, whether or not you will use the special train in coming to New York and returning to Washington.

A representative of the fair corporation, Mr. John A. Blum, will be in Washington beginning Monday, April 24, to give any additional information required and may be reached through the Sergeants at Arms of the Houses of Congress.

Anticipating the pleasure of greeting you personally on April 30, I am

Sincerely yours,

GROVER A. WHALEN.

The Honorable WILLIAM B. BANKHEAD,
House of Representatives, Washington, D. C.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 95. An act to amend the Civil Service Retirement Act of May 22, 1920, as amended, to extend retirement to certain employees of certain Indian schools; to the Committee on the Civil Service.

S. 326. An act for the payment of awards and appraisals heretofore made in favor of citizens of the United States on claims presented under the General Claims Convention of September 8, 1923, United States and Mexico; to the Committee on Foreign Affairs.

S. 504. An act to provide a right-of-way; to the Committee on Military Affairs.

S. 505. An act authorizing the President of the United States to summon Sam Alexander before an Army retiring board, and for other purposes; to the Committee on Military Affairs.

S. 542. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.; to the Committee on Interstate and Foreign Commerce.

S. 649. An act for the relief of Presly Holliday, quartermaster sergeant, Quartermaster Corps, on the retired list, and for other purposes; to the Committee on Military Affairs.

S. 835. An act to provide compensation for disability or death resulting from injury to employees of contractors on public buildings and public works; to the Committee on the Judiciary.

S. 840. An act to amend and clarify the provisions of the act of June 15, 1936 (49 Stat. 1507), and for other purposes; to the Committee on Military Affairs.

S. 841. An act to authorize the Secretary of War to prescribe the number of grades and ratings of enlisted men of the Army; to the Committee on Military Affairs.

S. 856. An act to authorize a modification of the project for improvement of the Ouachita and Black Rivers, Ark. and La.; to the Committee on Rivers and Harbors.

S. 857. An act to authorize the construction of flood-control works on the White River between Augusta and Clarendon, and at De Valls Bluff, in the State of Arkansas; to the Committee on Flood Control.

S. 965. An act to amend the act entitled "An act authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rice's Point, in Duluth, Minn., to Superior, in Wisconsin," approved June 30, 1938; to the Committee on Interstate and Foreign Commerce.

S. 1018. An act to authorize the procurement, without advertising, of certain aircraft parts and instruments or aeronautical accessories, and for other purposes; to the Committee on Military Affairs.

S. 1243. An act to authorize the use of War Department equipment for the Confederate Veterans' 1939 Reunion at Trinidad, Colo., August 22, 23, 24, and 25, 1939; to the Committee on Military Affairs.

S. 1369. An act to authorize necessary facilities for the Coast Guard in the interest of national defense and the performance of its maritime police functions; to the Committee on Merchant Marine and Fisheries.

S. 1379. An act granting the consent of Congress to the Mackinac Straits Bridge Authority to construct, maintain, and operate a toll bridge or series of bridges, causeways, and approaches thereto across the Straits of Mackinac at or near a point between St. Ignace, Mich., and the Lower Peninsula of Michigan; to the Committee on Interstate and Foreign Commerce.

S. 1540. An act to adjust the compensation of the members of the National Advisory Health Council not in the regular employment of the Government; to the Committee on Interstate and Foreign Commerce.

S. 1778. An act authorizing the Secretary of the Interior to issue to Martha Austin a patent to certain lands; to the Committee on the Public Lands.

S. 1876. An act to readjust the commissioned personnel of the Coast Guard, and for other purposes; to the Committee on Merchant Marine and Fisheries.

S. 1993. An act to amend section 8 of the National Defense Act, and for other purposes; to the Committee on Military Affairs.

S. 2167. An act to provide for the reimbursement of certain members or former members of the United States Coast Guard for the value of personal effects lost in the hurricane of September 21, 1938, at several Coast Guard stations on the coasts of New York, Connecticut, and Rhode Island; to the Committee on Claims.

S. J. Res. 86. Joint resolution for the relief of International Manufacturers' Sales Co. of America, Inc., A. S. Postnikoff, trustee; to the Committee on Claims.

S. J. Res. 118. Joint resolution to provide for the establishment and maintenance of the Franklin D. Roosevelt Library, and for other purposes; to the Committee on the Library.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 899. An act to provide for the establishment of a Coast Guard station on the east coast of the Keweenaw Peninsula, Mich.;

H. R. 1661. An act granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Marshall Street, Youngstown, Ohio;

H. R. 1776. An act to provide for the assignment of medical officers of the Public Health Service for duty on vessels of the Coast and Geodetic Survey, and for other purposes;

H. R. 1962. An act granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Cedar Street, Youngstown, Ohio;

H. R. 2635. An act granting the consent of Congress to Westmoreland County, in the State of Pennsylvania, to construct, maintain, and operate a free highway intercounty bridge and approaches across the Allegheny River connecting Valley Camp, in Westmoreland County, and East Deer Township, in Allegheny County, to connect State Highway Routes Nos. 28 and 56;

H. R. 2661. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.;

H. R. 3225. An act authorizing the Department of Highways of the State of Ohio to construct, maintain, and operate a free highway bridge across the Ottawa River at or near the city of Toledo, State of Ohio;

H. R. 3234. An act to provide for the completion of the Navy and Marine Memorial;

H. R. 3418. An act granting the consent of Congress to the Highway Department of Davidson County, of the State of Tennessee, to construct a bridge across Cumberland River, at a point approximately 1¾ miles below Clees Ferry, connecting a belt-line highway in Davidson County, State of Tennessee, known as the Old Hickory Boulevard;

H. R. 3589. An act granting the consent of Congress to the State Highway Commission of North Carolina to construct, maintain, and operate a free highway bridge across Waccamaw River between Old Dock and Ash, N. C.;

H. R. 4243. An act granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River at or near Peru, Ind.;

H. R. 4278. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes;

H. R. 4432. An act granting the consent of Congress to the city of Warren, Ohio, to construct, maintain, and operate a free footbridge over Mahoning River, near Stiles Street NW., Warren, Ohio;

H. R. 4527. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Rock Island, Ill., to a place at or near the city of Davenport, Iowa.

ADJOURNMENT

Mr. LEWIS of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 1 o'clock and 45 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 25, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet again Tuesday, April 25, 1939, in the committee room, Capitol, for the purpose of continuing open hearings on the following bills and resolutions on the subject of neutrality: House Resolution 100, to prohibit the transfer, loan, or sale of arms or munitions (by MRS. ROGERS of Massachusetts); House Joint Resolution 3, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States (by Mr. LUDLOW); House Joint Resolution 7, to implement the Kellogg-Briand Pact for World Peace (By Mr. GUYER of Kansas); House Joint Resolution 16, to prohibit the exportation of arms, ammunition, or implements or materials of war to any foreign country when the President finds a state of war to exist between or among two or more foreign states or between or among two or more opposing forces in the same foreign state (By Mr. KNUTSON); House Joint Resolution 42, providing for an embargo on scrap iron and pig iron under Public Resolution No. 27 of the Seventy-fifth Congress (by Mr. CRAWFORD); House Joint Resolution 44, to repeal the Neutrality Act (by Mr. FADDIS); House Joint Resolution 113, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States (by Mr. FISH); House Joint Resolution 226, to amend the Neutrality Act (by Mr. GEYER of California); House Joint Resolution 254, to keep the United States out of foreign wars, and to provide for the neutrality of the United States in the event of foreign wars (by Mr. FISH); House bill 79, to keep America out of war by repealing the so-called Neutrality Act of 1937 and by establishing and enforcing a policy of actual neutrality (by Mr. MAAS); House bill 163, to establish the neutrality of the United States (by Mr. LUDLOW); House bill 4232, to limit the traffic in war munitions, to promote peace, and for other purposes (by Mr. VOORHIS of California); House bill 5223, Peace Act of 1939 (by Mr. HENNINGS); House bill 5432, to prohibit the export of arms, ammunition, and implements and materials of war to Japan, to prohibit the transportation of arms, ammunition, implements, and materials of war by vessels of the United States for the use of Japan; to restrict travel by American citizens on Japanese ships, and otherwise to prevent private persons and corporations subject to the jurisdiction of the United States from rendering aid or support to the Japanese invasion of China (by Mr. COFFEE of Washington); House bill 5575, Peace Act of 1939 (by Mr. HENNINGS).

Open hearings will continue from Tuesday, April 25, to April 26, beginning at 10 a. m. each day.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads at 10 a. m. on Tuesday, April 25, 1939, for the consideration of H. R. 1827, to allow moving expenses to employees of the Railway Mail Service, and H. R. 4322, giving clerks in the Railway Mail Service the benefits of a holiday known as Armistice Day.

There will be a meeting of the Committee on the Post Office and Post Roads at 10 a. m. Wednesday, April 26, 1939, for the consideration of H. R. 2209 and H. R. 5278, bills to place postmasters of the fourth class on an annual salary basis.

COMMITTEE ON MILITARY AFFAIRS

There will be a meeting of the Committee on Military Affairs in room 1310, New House Office Building, at 10:30 a. m. April 25, 1939, for the consideration of the following: H. R. 116, "To require the registration of civilian organizations"; H. R. 3654, "To provide for probationary appointments of officers in the Regular Army"; and H. R. 5782, "To provide for the exclusion from the United States of persons who have been, or who may hereafter be, convicted of desertion from the military or naval forces of the United States while the United States is at war."

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 a. m. on Wednesday, April 26, 1939, for consideration of H. R. 5836 and S. 2050.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Petroleum Subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m. Wednesday, April 26, 1939. Business to be considered: Hearing on S. 1302, petroleum shipments.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Tuesday, April 25, 1939, at 10 a. m., the committee will hold public hearings on the following bills: H. R. 2883, H. R. 2543, H. R. 2558, to increase further the efficiency of the Coast Guard by authorizing the retirement, under certain conditions, of enlisted personnel thereof with 20 or more years of service.

On Wednesday, April 26, 1939, at 10 a. m., the following bills: H. R. 4592, allowing all registered vessels to engage in the whale fishery; H. R. 4593, relating to the whale fishery.

On Thursday, April 27, 1939, on H. R. 4983, to amend sections 712 and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisitioning of vessels.

On Thursday, May 4, 1939, at 10 a. m., on H. R. 4650, making electricians licensed officers.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

664. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of channel from the Intracoastal Waterway to a point at or near Vero Beach, Fla., authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 261); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

665. A letter from the Acting Secretary of the Treasury, transmitting the draft of a proposed bill to repeal the minimum-price limitation on sale of the Akron, Ohio, old post office and building site; to the Committee on Public Buildings and Grounds.

666. A letter from the Secretary of State, transmitting the draft of a proposed amendment to H. R. 5835, a bill

which is designed to authorize cooperation with the other American republics in accordance with certain international undertakings of this Government; to the Committee on Foreign Affairs.

667. A letter from the Director, Civilian Conservation Corps, transmitting the draft of a proposed bill to amend the District of Columbia Traffic Act; to the Committee on the District of Columbia.

668. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill to promote public safety on the highways of the District of Columbia, etc.; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. LEWIS of Colorado: Committee on Rules. House Resolution 173. A resolution providing for the consideration of H. R. 5191, a bill to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for armed forces and the civilian population in time of national emergency, and to encourage the development of these resources within the United States, and for other purposes; without amendment (Rept. No. 466). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 171. A resolution providing for the consideration of H. R. 5765, a bill to authorize commissioning aviation cadets in the Naval and Marine Corps Reserves upon completion of training, and for other purposes; without amendment (Rept. No. 467). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 170. A resolution providing for the consideration of H. R. 4929, a bill to amend the act of June 23, 1938 (52 Stat. 944); without amendment (Rept. No. 468). Referred to the House Calendar.

Mr. COSTELLO: Committee on Military Affairs. H. R. 1774. A bill to authorize the transfer to the State of Minnesota of the Fort Snelling Bridge at Fort Snelling, Minn.; without amendment (Rept. No. 469). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DEMPSEY:

H. R. 5958. A bill to amend the Taylor Grazing Act; to the Committee on the Public Lands.

By Mr. SPARKMAN:

H. R. 5959. A bill authorizing the building of a sewage-disposal plant for Florence, Ala.; to the Committee on Military Affairs.

By Mr. TAYLOR of Tennessee:

H. R. 5960. A bill to provide for the creation of the Franklin National Historical Park in the State of Tennessee, and for other purposes; to the Committee on the Public Lands.

By Mr. DEMPSEY:

H. R. 5961. A bill granting to the regents of the University of New Mexico the right to alienate certain lands conveyed to them under authority of the act of Congress, approved August 19, 1935 (Public, No. 284, 74th Cong.), in exchange for an equivalent amount of land more expediently situated; to the Committee on the Public Lands.

By Mr. EATON of California:

H. R. 5962. A bill authorizing the Secretary of the Navy to provide for the construction of a vessel to be furnished to the State of California for the benefit of the California Nautical School, and for other purposes; to the Committee on Naval Affairs.

By Mr. SCHAEFER of Illinois:

H. R. 5963. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.; to the Committee on Interstate and Foreign Commerce.

H. R. 5964. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.; to the Committee on Interstate and Foreign Commerce.

By Mr. BATES of Massachusetts:

H. R. 5965. A bill providing for the conveyance by the Secretary of the Navy of Lockwoods Basin, East Boston, Mass., to the Commonwealth of Massachusetts; to the Committee on Naval Affairs.

By Mr. BLAND:

H. R. 5966. A bill to establish a Coast Guard Reserve to be composed of owners of motorboats and yachts; to the Committee on Merchant Marine and Fisheries.

By Mr. FERGUSON:

H. R. 5967. A bill to amend the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," approved June 22, 1936; to the Committee on Flood Control.

By Mr. GREGORY:

H. R. 5968. A bill to authorize credits to taxpayers against the 1937 tax under title IX of the Social Security Act for contributions to State unemployment funds for the year 1937; to the Committee on Ways and Means.

H. R. 5969. A bill to authorize credit to taxpayers against the 1938 tax under title IX of the Social Security Act for contributions to State unemployment funds for the year 1938; to the Committee on Ways and Means.

By Mr. KILDAY:

H. R. 5970. A bill relating to the retired pay of certain retired Army officers; to the Committee on Military Affairs.

By Mr. MAY:

H. R. 5971 (by request). A bill to provide for a deputy chief of staff, and for other purposes; to the Committee on Military Affairs.

By Mr. JENKINS of Ohio:

H. J. Res. 272. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the settlement of the city of Gallipolis, Ohio; to the Committee on the Library.

By Mr. FERGUSON:

H. J. Res. 273. Joint resolution to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

H. J. Res. 274. Joint resolution to provide minimum national allotments for wheat; to the Committee on Agriculture.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to consider their House Memorial No. 2, with reference to the sugar quota allotment for Florida; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolution No. 8, with reference to the American wood-pulp industry; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to consider their House Concurrent Resolution No. 20, with reference to extend the excise tax on copper; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JENKINS of Ohio:

H. R. 5972. A bill for the relief of Bertha Ebersbach; to the Committee on Claims.

By Mr. LUCE:

H. R. 5973. A bill for the relief of Harold Cottuli; to the Committee on Naval Affairs.

By Mr. POLK:

H. R. 5974. A bill granting a pension to Nora Hilt; to the Committee on Pensions.

By Mr. SCHAFER of Wisconsin:

H. R. 5975. A bill for the relief of Nick Masonich; to the Committee on Claims.

By Mr. TAYLOR of Tennessee:

H. R. 5976. A bill for the relief of Homer S. Raper; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2684. By Mr. ASHBROOK: Petition of J. T. Hawkins and 398 others, of Mansfield, Ohio, protesting against any amendments to the Wagner Labor Relations Act; to the Committee on Labor.

2685. By Mr. HARTER of New York: Petition of the Izaak Walton League of America, Inc., National Headquarters, Chicago, Ill., recommending a treaty between the United States and Canada to establish an international board of inquiry to consider and recommend measures for the conservation of the Great Lakes fisheries; to the Committee on Merchant Marine and Fisheries.

2686. By Mr. LUTHER A. JOHNSON: Petition of Guy Huddleston and 83 other citizens of Hillsboro, Tex., opposing House bills 4862 and 2531, relating to the Motor Carrier Act, and opposing any changes in the present law; to the Committee on Interstate and Foreign Commerce.

2687. By Mr. KEOGH: Petition of the Jefferson National-Expansion Memorial Association, St. Louis, Mo., concerning the Clark amendment to the Interior Department appropriation bill; to the Committee on Appropriations.

2688. Also, petition of Ethel M. Dowd, school librarian, Friendship, N. Y., concerning Federal aid for libraries; to the Committee on Appropriations.

2689. By Mr. KRAMER: Petition of the United Packinghouse Workers of America, relative to amendments to the Wagner Act, etc.; to the Committee on Labor.

2690. Also, resolution of the city of Los Angeles, relative to legislation to extend the Public Works Administration; to the Committee on Appropriations.

2691. Also, resolution of the Knights of Columbus of Los Angeles, relative to keeping our country free of foreign entanglements; to the Committee on Foreign Affairs.

2692. Also, resolution of the Assembly and Senate of the State of California, relative to funds sufficient to utilize the shipyards on the Pacific coast at their full productive capacity, etc.; to the Committee on Appropriations.

2693. Also, resolution of the Assembly and Senate of the State of California, relative to providing for the coinage of fractional minor coins in denominations of less than 1 cent, etc.; to the Committee on Coinage, Weights, and Measures.

2694. Also, resolutions of the Women's International League for Peace and Freedom, relative to the repeal of the Neutrality Act; calling a world economic conference; endorsing a war referendum; supporting the Hull reciprocal trade agreements; solving unemployment; extending housing program; additional aid in caring for migrant agricultural workers; enlarging social security program; opposing changes in Wagner Act; and supporting a peace-time embargo on shipment of arms and munitions; to the Committee on Ways and Means.

2695. By Mr. LEAVY: Petition of the Waterville Valley Grange, No. 835, directing attention to the fact that our farmers have been obliged to raise wheat for less than the cost of production to their financial ruin, and urging the enactment of House bill 2719, which would guarantee to our producers the cost of production on farm commodities consumed domestically; to the Committee on Agriculture.

2696. By Mr. MOTT: Petition signed by E. J. James, of Milwaukie, Oreg., and 202 other citizens of the State of Oregon, urging the enactment of the Townsend national recovery plan as embodied in Senate bill 3 and House bill 2; to the Committee on Ways and Means.

2697. By Mr. PFEIFER: Petition of the Women's International League for Peace and Freedom, Los Angeles, Calif., favoring strict mandatory neutrality legislation; to the Committee on Foreign Affairs.

2698. Also, petition of the Women's International League for Peace and Freedom, Swarthmore, Pa., favoring strict mandatory neutrality; to the Committee on Foreign Affairs.

2699. Also, petition of the Mechlenburg Chapter of W. I. L., Charlotte, N. C., favoring strict mandatory neutrality; to the Committee on Foreign Affairs.

2700. Also, petition of the Women's International League for Peace and Freedom, Far Rockaway, N. Y., favoring the Nye-Clark-Bone bill or retention of the present Neutrality Act; to the Committee on Foreign Affairs.

2701. Also, petition of the League of Women Voters of Hamilton, N. Y., concerning neutrality legislation; to the Committee on Foreign Affairs.

2702. Also, petition of the New York State Millers Association, Buffalo, N. Y., opposing processing tax on essential foods, especially those made from wheat; to the Committee on Ways and Means.

2703. Also, petition of the Street Railways Advertising Co., New York City, urging postponement of the new label law to be effective January 1, 1940 (H. R. 5630); to the Committee on Interstate and Foreign Commerce.

2704. By Mr. POLK: Petition of Mrs. F. S. Wasson, of Lynchburg, Ohio, and signed by 21 residents of southern Ohio, opposing any change in the present Motor Carrier Act of 1935; to the Committee on Interstate and Foreign Commerce.

2705. By Mr. SHAFER of Michigan: House Concurrent Resolution No. 20, of the Michigan Legislature, memorializing Congress to extend excise tax on copper; to the Committee on Ways and Means.

2706. Also, resolution of Progress Camp, No. 235, Royal Neighbors of America, Three Rivers, Mich., recommending amendment of the Social Security Act to exempt fraternal organizations from its operation; to the Committee on Ways and Means.

2707. By Mr. THILL: Resolution of the board of supervisors of Milwaukee County, Wis., at a regular meeting of said board held on the 10th day of April 1939, memorializing Senators and Representatives in Congress to exert their every effort to preserve the strict neutrality of these United States in the event of a European war; to the Committee on Foreign Affairs.

2708. By the SPEAKER: Petition of the International Federation of Catholic Alumnae, Maryland Chapter, Baltimore, Md., petitioning consideration of their resolution with reference to the United States frigate *Constellation* should be returned to her home port, Baltimore, and assigned to a permanent berth at Fort McHenry; to the Committee on Naval Affairs.

2709. Also, petition of the National Society United States Daughters of 1812, Washington, D. C., petitioning consideration of their resolution with reference to the deportation of all undesirable aliens who are illegally here; to the Committee on Immigration and Naturalization.

2710. Also, petition of the United Federal Workers of America, Local No. 2, Washington, D. C., petitioning consideration of their resolution with reference to civil-service retirement; to the Committee on the Civil Service.

2711. Also, petition of the Council of the City of Los Angeles, Calif., petitioning consideration of their resolution with reference to House bill 4576, to extend financial aid to public works; to the Committee on Appropriations.

2712. Also, petition of the Police Jury Association of Louisiana, petitioning consideration of their Resolution No. 2, with reference to the National Youth Administration; to the Committee on Appropriations.

SENATE

TUESDAY, APRIL 25, 1939

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Eternal loving Father, we thank Thee for this world of beauty in the midst of which we walk, for the dawning of light out of darkness, for the gifts of love and of friendship, for sunny memories, and for every hope by which we are inspired.

Help us, then, to live worthily as Thy children; to be true and just in meeting every experience of this day; to rise above all worry, fretting, fear, and hatred, and to live in an atmosphere of spiritual serenity, knowing that Thy love is round us and that underneath are Thine everlasting arms.

Bless every home in our beloved land with the abiding spirit of the Master, that parental tenderness and understanding, together with filial devotion and obedience, may be restored, to the development of those highest and holiest relationships in life, and grant that from the altar of every fireside prayer may be set forth in Thy sight as the incense, and the lifting up of hands may be as an evening sacrifice. In Thy dear Son's name we ask it. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Monday, April 24, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5488. An act to provide for the widening of Wisconsin Avenue in the District of Columbia, and for other purposes; and

H. R. 5679. An act to amend the Code of Law of the District of Columbia in respect to fees of the United States marshal.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 828) to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Calif.	Pittman
Andrews	Donahey	Johnson, Colo.	Reed
Ashurst	Downey	King	Russell
Austin	Ellender	La Follette	Schwartz
Bailey	Frazier	Lee	Schwellenbach
Bankhead	George	Lodge	Sheppard
Barbour	Gerry	Logan	Shipstead
Barkley	Gibson	Lucas	Slattery
Bilbo	Gillette	Lundeen	Smathers
Bone	Glass	McCarran	Taft
Borah	Green	McKellar	Thomas, Okla.
Bridges	Guffey	McNary	Thomas, Utah.
Bulow	Gurney	Maloney	Tobey
Burke	Hale	Mead	Townsend
Byrnes	Harrison	Miller	Truman
Capper	Hatch	Minton	Vandenberg
Caraway	Hayden	Murray	Wagner
Chavez	Herring	Norris	Walsh
Clark, Idaho	Hill	Nye	Wheeler
Clark, Mo.	Holman	O'Mahoney	Wiley
Connally	Holt	Overton	
Danaher	Hughes	Pepper	

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is absent because of illness.

The Senator from West Virginia [Mr. NEELY] is engaged in the performance of duty as a member of the Board of Visitors to the United States Naval Academy, and, therefore, is absent from the Senate today.

The Senator from Michigan [Mr. BROWN], the Senator from Virginia [Mr. BYRD], the Senator from North Carolina [Mr. REYNOLDS], the Senator from South Carolina [Mr. SMITH], the Senator from Tennessee [Mr. STEWART], and the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS] are detained on important public business.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

REORGANIZATION PLAN NO. I—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 262)

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States, which will be read.

Mr. McNARY. Mr. President, is the clerk going to read the message?

The VICE PRESIDENT. The Chair has requested the clerk to read the message from the President of the United States, which, under the rules, is a privileged matter and may be laid before the Senate at any time.

The Chief Clerk read as follows:

To the Congress of the United States:

Pursuant to the provisions of the Reorganization Act of 1939 (Public, No. 19, 76th Cong., 1st sess.), approved April 3, 1939, I herewith transmit reorganization plan No. I, which, after investigation, I have prepared in accordance with the provisions of section 4 of the act; and I declare that with respect to each transfer, consolidation, or abolition made in reorganization plan No. I, I have found that such transfer, consolidation, or abolition is necessary to accomplish one or more of the purposes of section 1 (a) of the act.

In these days of ruthless attempts to destroy democratic government, it is baldly asserted that democracies must always be weak in order to be democratic at all; and that, therefore, it will be easy to crush all free states out of existence.

Confident in our Republic's 150 years of successful resistance to all subversive attempts upon it, whether from without or within, nevertheless, we must be constantly alert to the importance of keeping the tools of American democracy up to date. It is our responsibility to make sure that the people's government is in condition to carry out the people's will, promptly, effectively, without waste or lost motion.

In 1883, under President Arthur, we strengthened the machinery of democracy by the civil-service law; beginning in 1905 President Roosevelt initiated important inquiries into Federal administration; in 1911 President Taft named the Economy and Efficiency Commission, which made very important recommendations; in 1921, under Presidents Wilson and Harding, we tightened up our budgetary procedure. Presidents Theodore Roosevelt, Taft, Wilson, Harding, Coolidge, and Hoover in succession strongly recommended the rearrangement of Federal administrative activities. In 1937 I propcsed, on the basis of an inquiry authorized and appropriated for by the Congress, the strengthening of the administrative management of the executive establishment.

None of all this long series of suggestions, running over more than a quarter of a century, was in any sense personal or partisan in design.

These measures have all had only one supreme purpose—to make democracy work, to strengthen the arms of democracy in peace or war, and to insure the solid blessings of free government to our people in increasing measure.

We are not free if our administration is weak. But we are free if we know, and others know, that we are strong; that we can be tough as well as tender-hearted; and that what the American people decide to do can and will be done,

capably and effectively, with the best national equipment that modern organizing ability can supply in a country where management and organization is so well understood in private affairs.

My whole purpose in submitting this plan is to improve the administrative management of the Republic, and I feel confident that our Nation is united in this central purpose, regardless of differences upon details.

This plan is concerned with the practical necessity of reducing the number of agencies which report directly to the President, and also of giving the President assistance in dealing with the entire executive branch by modern means of administrative management.

Forty years ago, in 1899, President McKinley could deal with the whole machinery of the executive branch through his 8 Cabinet Secretaries and the heads of 2 commissions, and there was but 1 commission of the so-called quasi-judicial type in existence. He could keep in touch with all the work through 8 or 10 persons.

Now, 40 years later, not only do some 30 major agencies (to say nothing of the minor ones) report directly to the President, but there are several quasi-judicial bodies which have enough administrative work to require them also to see him on important executive matters.

It has become physically impossible for one man to see so many persons, to receive reports directly from them, and to attempt to advise them on their own problems which they submit. In addition the President today has the task of trying to keep their programs in step with each other or in line with the national policy laid down by the Congress. And he must seek to prevent unnecessary duplication of effort.

The administrative assistants provided for the President in the Reorganization Act cannot perform these functions of over-all management and direction. Their task will be to help me get information and condense and summarize it—they are not to become in any sense Assistant Presidents, nor are they to have any authority over anybody in any department or agency.

The only way in which the President can be relieved of the physically impossible task of directly dealing with 30 or 40 major agencies is by reorganization—by the regrouping of agencies according to their major purposes under responsible heads who will report to the President, just as is contemplated by the Reorganization Act of 1939.

This act says that the President shall investigate the organization of all agencies of the Government and determine what changes are necessary to accomplish any one or more of five definite purposes:

(1) To reduce expenditures.

(2) To increase efficiency.

(3) To consolidate agencies according to major purposes.

(4) To reduce the number of agencies by consolidating those having similar functions and by abolishing such as may not be necessary.

(5) To eliminate overlapping and duplication of effort.

It being obviously impracticable to complete this task at one time, but having due regard to the declaration of Congress that it should be accomplished immediately and speedily, I have decided to undertake it promptly in several steps.

The first step is to improve the over-all management; that is, to do those things which will accomplish the purposes set out in the law, and which at the same time will reduce the difficulties of the President in dealing with the multifarious agencies of the executive branch and assist him in distributing his responsibilities as the chief administrator of the Government by providing him with the necessary organization and machinery for better administrative management.

The second step is to improve the allocation of departmental activities, that is, to do those things which will accomplish the purposes set out in the law and at the same time help that part of the work of the executive branch which is carried on through executive departments and agencies. In all this the responsibility to the people is through the President.

The third step is to improve intradepartmental management; that is, to do those things which will enable the heads of departments and agencies the better to carry out their own duties and distribute their own work among their several assistants and subordinates.

Each of these three steps may require from time to time the submission of one or more plans involving one or more reorganizations, but it is my purpose to fulfill the duty imposed upon me by the Congress as expeditiously as practicable and to the fullest extent possible in view of the exceptions and exemptions set out in the act.

The plan I now transmit is divided into four parts or sections which I shall describe briefly as follows:

PART 1. EXECUTIVE OFFICE OF THE PRESIDENT

In my message to the Congress of January 12, 1937, in discussing the problem of how to improve the administrative management of the executive branch, I transmitted with my approval, certain recommendations for strengthening and developing the management arms of the President. Those three management arms deal with (1) Budget, and efficiency research, (2) planning, and (3) personnel. My accumulated experience during the 2 years since that time has deepened my conviction that it is necessary for the President to have direct access to these managerial agencies in order that he may have the machinery to enable him to carry out his constitutional responsibility, and in order that he may be able to control expenditures, to increase efficiency, to eliminate overlapping and duplication of effort, and to be able to get the information which will permit him the better to advise the Congress concerning the state of the Union and the program of the Government.

Therefore, I find it necessary and desirable in carrying out the purposes of the act to transfer the Bureau of the Budget to the Executive Office of the President from the Treasury Department. It is apparent from the legislative history of the Budget and Accounting Act that it was the purpose in 1921 to set up an executive budget for which the President would be primarily responsible to the Congress and to the people, and that the Director of the Budget was to act under the immediate direction and supervision of the President. While no serious difficulties have been encountered because of the fact that the Bureau of the Budget was placed in the Treasury Department so far as making budgetary estimates has been concerned, it is apparent that its coordinating activities and its research and investigational activities recently provided for by the Congress, will be facilitated if the Bureau is not a part of one of the 10 executive departments. Also, in order that the Bureau of the Budget may the better carry out its work of coordination and investigation, I find it desirable and necessary in order to accomplish the purposes of the act to transfer to the Bureau of the Budget the functions of the Central Statistical Board.

By these transfers to the Executive Office, the President will be given immediate access to that managerial agency which is concerned with the preparation and administration of the Budget, with the coordination of the work of the governmental agencies, and with research and investigation necessary to accomplish the five definite purposes of the Reorganization Act of 1939.

I also find it necessary and desirable to transfer to the Executive Office of the President the National Resources Committee, now an independent establishment, and to consolidate with it by transfer from the Department of Commerce the functions of the Federal Employment Stabilization Office, the consolidated unit to be known as the National Resources Planning Board. This Board would be made up as is the present Advisory Board of the National Resources Committee of citizens giving part-time services to the Government, who, aided by their technical staff, would be able to advise the President, the Congress, and the people with respect to plans and programs for the conservation of the national resources, physical and human. By these transfers to the Executive Office the President will be

given more direct access to and immediate direction over that agency which is concerned with planning for the utilization and conservation of the national resources, an indispensable part of the equipment of the Chief Executive.

On previous occasions I have recommended, and I hereby renew and emphasize my recommendation, that the work of this Board be placed upon a permanent statutory basis.

Because of an exemption in the act it is impossible to transfer to the Executive Office the administration of the third managerial function of the Government, that of personnel. However, I desire to inform the Congress that it is my purpose to name one of the administrative assistants to the President, authorized in the Reorganization Act of 1939, to serve as a liaison agent of the White House on personnel management.

In this manner the President will be given for the first time direct access to the three principal necessary management agencies of the Government. None of the three belongs in any existing department. With their assistance and with this reorganization, it will be possible for the President to continue the task of making investigations of the organization of the Government in order to control expenditures, increase efficiency, and eliminate overlapping.

PART 2. FEDERAL SECURITY AGENCY

Studies heretofore made by me and researches made at my direction, as well as recommendations submitted by me to the Congress, and especially those contained in my message of January 12, 1937, indicate clearly that to carry out the purposes of the Reorganization Act of 1939 to group, coordinate, and consolidate agencies of the Government according to major purposes and to reduce the number of agencies by consolidating those having similar functions under a single head would require the provision of 3 general agencies in addition to the 10 executive departments.

It is my objective, then, by transfer, consolidation, and abolition to set up a Federal Security Agency, a Federal Works Agency, and a Federal Loan Agency, and then to distribute among the 10 executive departments and these 3 new agencies the major independent establishments in the Government—excepting those exempt from the operations of the act—in order to minimize overlapping and duplication, to increase efficiency and to reduce expenditures to the fullest extent consistent with the efficient operation of the Government.

I find it necessary and desirable to group in a Federal security agency those agencies of the Government, the major purposes of which are to promote social and economic security, educational opportunity, and the health of the citizens of the Nation.

The agencies to be grouped are the Social Security Board, now an independent establishment; the United States Employment Service, now in the Department of Labor; the Office of Education, now in the Department of the Interior; the Public Health Service, now in the Treasury Department; the National Youth Administration, now in the Works Progress Administration; and the Civilian Conservation Corps, now an independent agency.

The Social Security Board is placed under the Federal Security Agency, and at the same time the United States Employment Service is transferred from the Department of Labor and consolidated with the unemployment compensation functions of the Social Security Board in order that their similar and related functions of social and economic security may be placed under a single head and their internal operations simplified and integrated.

The unemployment compensation functions of the Social Security Board and the employment service of the Department of Labor are concerned with the same problem, that of the employment, or the unemployment, of the individual worker.

Therefore they deal necessarily with the same individual. These particular services to the particular individual also are bound up with the public assistance activities of the Social Security Board. Not only will these similar functions be more efficiently and economically administered at the Federal level by such grouping and consolidation but this transfer and merger also will be to the advantage of the administration of State social security programs and result in considerable saving of money in the administrative costs of the governments of the 48 States as well as those of the United States. In addition to this saving of money there will be a considerable saving of time and energy not only on the part of administrative officials concerned with this program in both Federal and State Governments but also on the part of employers and workers, permitting through the simplification of procedures a reduction in the number of reports required and the elimination of unnecessary duplication in contacts with workers and with employers.

Because of the relationship of the educational opportunities of the country to the security of its individual citizens, the Office of Education, with all of its functions, including, of course, its administration of Federal-State programs of vocational education, is transferred from the Department of the Interior to the Federal Security Agency. This transfer does not increase or extend the activities of the Federal Government in respect to education, but does move the existing activities into a grouping where the work may be carried on more efficiently and expeditiously, and where coordination and the elimination of overlapping may be better accomplished. The Office of Education has no relationship to the other functions of the Department of the Interior.

The Public Health Service is transferred from the Treasury Department to the Federal Security Agency. It is obvious that the health activities of the Federal Government may be better carried out when so grouped than if they are left in the Treasury, which is primarily a fiscal agency, and where the necessary relationships with other social security, employment, and educational activities now must be carried on by an elaborate scheme of interdepartmental committee work.

The National Youth Administration is transferred from the Works Progress Administration to the Federal Security Agency since its major purpose is to extend the educational opportunities of the youth of the country and to bring them through the processes of training into the possession of skills which enable them to find employment. Other divisions of the Federal Security Agency will have the task of finding jobs, providing for unemployment compensation, and other phases of social security, while still other units of the new agency will be concerned with the problem of primary and secondary education, as well as vocational education and job training and retraining for employment. While much of the work of the National Youth Administration has been carried on through work projects, these have been merely the process through which its major purpose was accomplished, and, therefore, this agency under the terms of the act should be grouped with the other security agencies rather than with the work agencies.

For similar reasons the Civilian Conservation Corps, now an independent establishment, is placed under the Federal Security Agency, because of the fact that its major purpose is to promote the welfare and further the training of the individuals who make up the corps, important as may be the construction work which they have carried on so successfully. The Civilian Conservation Corps is a small coordinating agency which supervises work carried on with the cooperation of several regular departments and independent units of the Government. This transfer would not interfere with the plan of work heretofore carried on, but it would enable the Civilian Conservation Corps to coordinate its policies, as well as its operations, with those other agencies of the Government concerned with the educational and health activities and with human security.

PART 3. FEDERAL WORKS AGENCY

In order to carry out the purpose of the Reorganization Act of 1939, I find it necessary and desirable to group and consolidate under a Federal Works Agency those agencies of the Federal Government dealing with public works not

incidental to the normal work of other departments, and which administer Federal grants or loans to State and local governments or other agencies for the purposes of construction.

The agencies so to be grouped are the Bureau of Public Roads, now in the Department of Agriculture; the Public Buildings Branch of the Procurement Division, now in the Treasury Department, and the Branch of Building Management of the National Park Service, so far as it is concerned with public buildings which it operates for other departments or agencies, now in the Department of the Interior; the United States Housing Authority, now in the Department of the Interior; the Federal Emergency Administration of Public Works, familiarly known as P. W. A.; and the Works Progress Administration, familiarly known as W. P. A., except the functions of the National Youth Administration.

The transfer of both the Public Works Administration and the Works Progress Administration to the new Federal Works Agency would provide for both principal types of public works that have been carried on by the Federal Government directly or in cooperation with the State and local governments. I find that it will be possible to reduce administrative costs as well as to improve efficiency and to eliminate overlapping by bringing these different programs of public works under a common head. But, because of the differences that justified their separate operation in the past and differences that will continue in the future to distinguish certain phases of major public works from work relief, I find it necessary to maintain them, at least for the present, as separate subordinate units of the Federal Works Agency.

The present Federal Emergency Administration of Public Works is placed under the Federal Works Agency under the shorter name of Public Works Administration.

The name of the Works Progress Administration has been changed to Works Projects Administration in order to make its title more descriptive of its major purpose.

The Bureau of Public Roads is transferred from the Department of Agriculture to the Federal Works Agency and as a separate unit under the name of Public Roads Administration. This will bring the administration of the Federal roads program with its grants-in-aid to the States into coordination with other major public-works programs and other programs of grants and loans to the States.

The construction and operation of many public buildings is now carried on in two agencies which are consolidated under the new Federal Works Agency, namely, the Public Buildings Branch of the Procurement Division of the Treasury Department, which is concerned with the construction of Federal buildings and with the operation of many public buildings outside the District of Columbia, and the Branch of Building Management of the National Park Service of the Department of the Interior, which is concerned with the operation of public buildings in the District of Columbia. These two separate activities are consolidated in one unit, to be known as the Public Buildings Administration. Improved efficiency, coordination of effort, and savings will result from this transfer and consolidation.

Then, also, there is transferred from the Department of the Interior to the Federal Works Agency the United States Housing Authority. The major purpose of the United States Housing Authority is to administer grants-in-aid and loans to local public housing authorities in accordance with its established standards of construction in that part of the housing field which cannot be reached economically by private enterprise. For these reasons, it should be grouped with those other agencies which have to do with public works, with grants and loans to State and local governments, and with construction practices and standards.

PART 4. FEDERAL LOAN AGENCY AND TRANSFERS OF INDEPENDENT LENDING AGENCIES

In order to carry out the purposes of the Reorganization Act of 1939 I find it necessary and desirable to group under a Federal Loan Agency those independent lending agencies of the Government which have been established from time to time for the purpose of stimulating and stabilizing the financial, commercial, and industrial enterprises of the Nation.

The agencies to be so grouped in the Federal Loan Agency are: The Reconstruction Finance Corporation, the Electric Home and Farm Authority, the Federal Home Loan Bank Board, the Federal Housing Administration and their associated agencies and boards, as well as the Export-Import Bank of Washington.

Since 1916 the Congress has established from time to time agencies for providing loans, directly or indirectly, for the stimulation and stabilization of agriculture, and such agencies should in my opinion be grouped with the other agricultural activities of the Government. For that reason I find it necessary and desirable to accomplish the purposes of the act to transfer the Farm Credit Administration, the Federal Farm Mortgage Corporation, and the Commodity Credit Corporation and associated agencies to the Department of Agriculture.

ECONOMY AND EFFICIENCY

One of the five purposes of the Reorganization Act of 1939 is "to reduce expenditures to the fullest extent consistent with the efficient operation of the Government." This purpose is important in each phase of the plan here presented. The Reorganization Act prohibits abolishing functions—in other words basic services or activities performed. Therefore the reduction in expenditures to be effected must necessarily be brought about chiefly in the overhead administrative expenses of the agencies set up to perform certain functions. The chance for economy arises therefore not from stopping work, but from organizing the work and the overhead more efficiently in combination with other similar activities. Only the Congress can abolish or curtail functions now provided by law.

The overhead administrative costs of all the agencies affected in reorganization plan No. 1 is about $235,000,000. This does not include the loans they make, the benefits they pay, the wages of the unemployed who have been given jobs, it does not include the loans and grants to States or, in short, the functional expense. It does include the overhead expense of operating and administering all these agencies.

The reduction of administrative expenditures which it is probable will be brought about by the taking effect of the reorganizations specified in the plan is estimated as nearly as may be at between $15,000,000 and $20,000,000 annually, a substantial lowering of the existing overhead. Certain of these economies can be brought about almost immediately, others will require a painstaking and gradual readjustment in the machinery and business practices of the Government.

Any such estimate is incomplete, however, without reference to the corresponding savings which will follow in the States and cities through the recommended consolidation of the Federal services with which they cooperate, and the improved efficiency and convenience which will be felt by citizens all over the Nation, many of whom will be able to find in a single office many of the services now scattered in several places. These economies will undoubtedly exceed the direct savings in the Federal Budget.

It will not be necessary to ask the Congress for any additional appropriations for the administrative expenses of the three consolidated agencies set up in this plan, since their costs will be met from funds now available for the administrative expenses of their component units. Actually new expenses will be only a fractional part of the expected savings.

Neither on this reorganization plan No. I nor on future reorganization plans, covering interdepartmental changes and intradepartmental changes, will every person agree on each and every detail. It is true that out of the many groupings and regroupings proposed in this message a few of the individual agencies could conceivably be placed elsewhere.

Nevertheless, I have been seeking to consider the functional origin and purpose of each agency as required by the reorganization bill itself.

If in the future experience shows that one or two of them should be regrouped, it will be wholly possible for the President and the Congress to make the change.

The plan presented herewith represents 2 years of study. It is a simple and easily understood plan. It conforms to methods of executive administration used by large private enterprises which are engaged in many lines of production. Finally, it will save a sum of money large in comparison with the existing overhead of the agencies involved.

I trust, therefore, that the Congress will view the plan as a whole and make it possible to take the first step in improving the executive administration of the Government of the United States.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 25, 1939.*

Reorganization plan No. I, accompanying the President's message, was ordered to be printed in the RECORD, as follows:

REORGANIZATION PLAN NO. I

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled April 25, 1939, pursuant to the provisions of the Reorganization Act of 1939, approved April 3, 1939

PART 1. EXECUTIVE OFFICE OF THE PRESIDENT

SECTION 1. Bureau of the Budget: The Bureau of the Budget and all of its functions and personnel (including the Director and Assistant Director) are hereby transferred from the Treasury Department to the Executive Office of the President, and the functions of the Bureau of the Budget shall be administered by the Director thereof under the direction and supervision of the President.

SEC. 2. Central Statistical Board: The Central Statistical Board and all of its functions and personnel (including the Chairman and the members of the Board) are hereby transferred to the Bureau of the Budget in the Executive Office of the President. The Chairman of the Board shall perform such administrative duties as the Director of the Bureau of the Budget shall direct.

SEC. 3. Central Statistical Committee abolished and functions transferred: The Central Statistical Committee is hereby abolished and its functions are transferred to the Director of the Bureau of the Budget to be administered by him under the direction and supervision of the President. The Director of the Bureau of the Budget shall promptly wind up any outstanding affairs of the Central Statistical Committee.

SEC. 4. National Resources Planning Board: (a) The functions of the National Resources Committee, established by Executive Order No. 7065 of June 7, 1935, and its personnel (except the members of the committee) and all of the functions of the Federal employment stabilization office in the Department of Commerce and its personnel are hereby transferred to the Executive Office of the President. The functions transferred by this section are hereby consolidated, and they shall be administered under the direction and supervision of the President by the National Resources Planning Board (hereafter referred to as the Board), which shall be composed of five members to be appointed by the President. The President shall designate one of the members of the Board as chairman and another as vice chairman. The vice chairman shall act as chairman in the absence of the chairman or in the event of a vacancy in that office. The members of the Board shall be compensated at the rate of $50 per day for time spent in attending and traveling to and from meetings or in otherwise exercising the functions and duties of the Board, plus the actual cost of transportation: *Provided*, That in no case shall a member be entitled to receive compensation for more than 30 days' service in 2 consecutive months.

(b) The Board shall determine the rules of its own proceedings, and a majority of its members in office shall constitute a quorum for the transaction of business, but the Board may function notwithstanding vacancies.

(c) The Board may appoint necessary officers and employees and may delegate to such officers authority to perform such duties and make such expenditures as may be necessary.

SEC. 5. National Resources Committee abolished: The National Resources Committee is hereby abolished, and its outstanding affairs shall be wound up by the National Resources Planning Board.

SEC. 6. Federal Employment Stabilization Office abolished: The Federal Employment Stabilization Office is hereby abolished, and the Secretary of Commerce shall promptly wind up its affairs.

SEC. 7. Transfer of records and property: All records and property (including office equipment) of the several agencies transferred, or the functions of which are transferred, by this part are hereby transferred to the Executive Office of the President for use in the administration of the agencies and functions transferred by this part.

SEC. 8. Transfer of funds: So much of the unexpended balances of appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the use of any agency in the exercise of any functions transferred by this part, or for the use of the head of any department or agency in the exercise of any functions so transferred, as the Director of the Bureau of the Budget shall determine, shall be transferred to the Executive Office of the President for use in connection with the exercise of functions transferred by this part. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

SEC. 9. Personnel: Any personnel transferred by this part found to be in excess of the personnel necessary for the efficient administration of the functions transferred by this part shall be retransferred under existing law to other positions in the Government service, or separated from the service subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

PART 2. FEDERAL SECURITY AGENCY

SECTION 201. Federal Security Agency: (a) The United States Employment Service in the Department of Labor and its functions and personnel are transferred from the Department of Labor; the Office of Education in the Department of the Interior and its functions and personnel (including the Commissioner of Education) are transferred from the Department of the Interior; the Public Health Service in the Department of the Treasury and its functions and personnel (including the Surgeon General of the Public Health Service) are transferred from the Department of the Treasury; the National Youth Administration within the Works Progress Administration and its functions and personnel (including its Administrator) are transferred from the Works Progress Administration; and these agencies and their functions, together with the Social Security Board and its functions, and the Civilian Conservation Corps and its functions, are hereby consolidated under one agency to be known as the Federal Security Agency, with a Federal Security Administrator at the head thereof. The Federal Security Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive a salary at the rate of $12,000 per annum. He shall have general direction and supervision over the administration of the several agencies consolidated into the Federal Security Agency by this section and shall be responsible for the coordination of their functions and activities.

(b) The Federal Security Administrator shall appoint an Assistant Federal Security Administrator, who shall receive a salary at the rate of $9,000 per annum, and he may also appoint such other personnel and make such expenditures as may be necessary.

(c) The Assistant Administrator shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in that office and shall perform such other duties as the Administrator shall direct.

(d) The several agencies and functions consolidated by this section into the Federal Security Agency shall carry with them their personnel.

SEC. 202 Social Security Board: The Social Security Board and its functions shall be administered as a part of the Federal Security Agency under the direction and supervision of the Federal Security Administrator. The Chairman of the Social Security Board shall perform such administrative duties as the Federal Security Administrator shall direct.

SEC. 203. United States Employment Service: (a) The functions of the United States Employment Service shall be consolidated with the unemployment-compensation functions of the Social Security Board and shall be administered in the Social Security Board in connection with such unemployment compensation functions under the direction and supervision of the Federal Security Administrator.

(b) The office of the Director of the United States Employment Service is hereby abolished, and all of the functions of such office are transferred to, and shall be exercised by, the Social Security Board.

(c) All functions of the Secretary of Labor relating to the administration of the United States Employment Service are hereby transferred to, and shall be exercised by, the Federal Security Administrator.

SEC. 204. Office of Education: (a) The Office of Education and its functions shall be administered by the Commissioner of Education under the direction and supervision of the Federal Security Administrator.

(b) All functions of the Secretary of the Interior relating to the administration of the Office of Education are hereby transferred to, and shall be exercised by, the Federal Security Administrator.

SEC. 205. Public Health Service: (a) The Public Health Service and its functions shall be administered by the Surgeon General of the Public Health Service under the direction and supervision of the Federal Security Administrator.

(b) All the functions of the Secretary of the Treasury relating to the administration of the Public Health Service, except those functions relating to the acceptance and investment of gifts as authorized by sections 23 (b) and 137 (e), title 42, United States Code, are hereby transferred to, and shall be exercised by, the Federal Security Administrator.

SEC. 206. National Youth Administration: The National Youth Administration and its functions shall be administered by the National Youth Administrator under the direction and supervision of the Federal Security Administrator.

SEC. 207. Civilian Conservation Corps: The Civilian Conservation Corps and its functions shall be administered by the Director of the Civilian Conservation Corps, under the direction and supervision of the Federal Security Administrator.

SEC. 208. Transfer of records and property: All records and property (including office equipment) of the several agencies which, with their functions, are consolidated by section 201 into the Federal Security Agency are hereby transferred to the jurisdiction and control of the Federal Security Agency for use in the administration of the agencies and functions consolidated by that section.

SEC. 209. Transfer of funds: So much of the unexpended balances of appropriations, allocations, or other funds (including those available for the fiscal year ending June 30, 1940) available for the use of any agency in the exercise of any functions transferred by this part or for the use of the head of any department or agency in the exercise of any functions so transferred as the Director of the Bureau of the Budget shall determine shall be transferred for use in connection with the exercise of the functions transferred by this part. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

SEC. 210. Administrative funds: The Director of the Bureau of the Budget shall allocate to the Federal Security Agency, from appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the administrative expenses of the agencies and functions consolidated by this part such sums, and in such proportions, as he may find necessary for the administrative expenses of the Federal Security Agency.

SEC. 211. Personnel: Any personnel transferred by this part found to be in excess of the personnel necessary for the efficient administration of the functions transferred by this part shall be retransferred under existing law to other positions in the Government service or separated from the service, subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

PART 3. FEDERAL WORKS AGENCY

SECTION 301. Federal Works Agency: (a) The Bureau of Public Roads in the Department of Agriculture and its functions and personnel (including the Chief thereof) are transferred from the Department of Agriculture; the Public Buildings Branch of the Procurement Division in the Treasury Department and its functions and personnel are transferred from the Treasury Department; the Branch of Buildings Management of the National Park Service in the Department of the Interior and its functions and personnel (except those relating to monuments and memorials), and the functions of the National Park Service in the District of Columbia in connection with the general assignment of space, the selection of sites for public buildings, and the determination of the priority in which the construction or enlargement of public buildings shall be undertaken, and the personnel engaged exclusively in the administration of such functions, and the United States Housing Authority in the Department of the Interior and its functions and personnel (including the Administrator), are transferred from the Department of the Interior; and all of these agencies and functions, together with the Federal Emergency Administration of Public Works and its functions, and all of the Works Progress Administration and its functions (except the National Youth Administration and its functions), are hereby consolidated into one agency to be known as the Federal Works Agency, with a Federal Works Administrator at the head thereof. The Federal Works Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive a salary at the rate of $12,000 per annum. He shall have general direction and supervision over the administration of the several agencies consolidated into the Federal Works Agency by this section and shall be responsible for the coordination of their functions.

(b) The Federal Works Administrator shall appoint an Assistant Federal Works Administrator, who shall receive a salary at the rate of $9,000 per annum, and he may also appoint such other personnel and make such expenditures as may be necessary.

(c) The Assistant Administrator shall act as Administrator during the absence or disability of the Administrator, or in the event of a vacancy in that office, and shall perform such other duties as the Administrator shall direct.

(d) The several agencies and functions consolidated by this section in the Federal Works Agency shall carry with them their personnel.

SEC. 302. Public Roads Administration: (a) The Bureau of Public Roads and its functions shall be administered as the Public Roads Administration, at the head of which shall be the Chief of the Bureau of Public Roads, whose title shall be changed to Commissioner of Public Roads. Hereafter the Commissioner of Public Roads shall be appointed by the Federal Works Administrator.

(b) All functions of the Secretary of Agriculture relating to the administration of the Bureau of Public Roads are hereby transferred to, and shall be exercised by, the Federal Works Administrator.

SEC. 303. Public Buildings Administration: (a) The Public Buildings Branch of the Procurement Division and its functions, the Branch of Buildings Management of the National Park Service and its functions (except those relating to monuments and memorials), and the functions of the National Park Service in the District of Columbia in connection with the general assignment of space, the selection of sites for public buildings, and the determination of the priority in which the construction or enlargement of public buildings shall be undertaken, are hereby consolidated and shall be administered as the Public Buildings Administration, with a Commissioner of Public Buildings at the head thereof. The Commissioner of Public Buildings shall be appointed by the Federal Works Administrator and shall receive a salary at the rate of $9,000 per annum. The Commissioner of Public Buildings shall act under the direction and supervision of the Federal Works Administrator.

(b) All functions of the Secretary of the Treasury and the Director of Procurement relating to the administration of the Public Buildings Branch of the Procurement Division and to the selection of location and sites for public buildings, and all functions of the Secretary of the Interior and the Director of the National Park Service relating to the administration of the functions of the Branch of Buildings Management and the functions of the National Park Service in the District of Columbia in connection with the general assignment of space, the selection of sites for public buildings, and the determination of the priority in which the construction or enlargement of public buildings shall be undertaken, are hereby transferred to, and shall be exercised by, the Federal Works Administrator.

SEC. 304. United States Housing Authority: (a) The United States Housing Authority and its functions shall be administered by the United States Housing Administrator under the direction and supervision of the Federal Works Administrator.

(b) All functions of the Secretary of the Interior relating to the administration of the United States Housing Authority are hereby transferred to, and shall be exercised by, the Federal Works Administrator.

SEC. 305. Public Works Administration: The Federal Emergency Administration of Public Works and its functions shall be administered as the Public Works Administration with a Commissioner of Public Works as the head thereof. The Commissioner of Public Works shall be appointed by the Federal Works Administrator and shall receive a salary at the rate of $10,000 per annum. The Commissioner of Public Works shall act under the direction and supervision of the Federal Works Administrator.

SEC. 306. Work Projects Administration: The Works Progress Administration and its functions (except the National Youth Administration and its functions) shall be administered as the Work Projects Administration, with a Commissioner of Work Projects at the head thereof. The Commissioner shall be appointed by the Federal Works Administrator and shall receive a salary at the rate of $10,000 per annum. The Commissioner shall act under the direction and supervision of the Federal Works Administrator.

SEC. 307. Transfer of records and property: All records and property (including office equipment) of the several agencies which, with their functions, are consolidated by section 301 into the Federal Works Agency are hereby transferred to the jurisdiction and control of the Federal Works Agency for use in the administration of the agencies and functions consolidated by that section.

SEC. 308. Transfer of funds: (a) So much of the unexpended balances of appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the use of any agency (except the United States Housing Authority) in the exercise of any functions transferred by this part, or for the use of the head of any department or agency in the exercise of any functions so transferred, and so much of such balances available to the United States Housing Authority for administrative expenses, as the Director of the Bureau of the Budget shall determine, shall be transferred for use in connection with the exercise of the functions transferred by this part. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

(b) All unexpended balances of appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the use of the United States Housing Authority, other than those transferred by subsection (a) of this section, are hereby transferred with the United States Housing Authority and shall remain available to it for the exercise of its functions.

SEC. 309. Administrative funds: The Director of the Bureau of the Budget shall allocate to the Federal Works Agency, from appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the administrative expenses of the agencies and functions consolidated by section 301, such sums, and in such proportions, as he may find necessary for the administrative expenses of the Federal Works Agency.

SEC. 310. Personnel: Any of the personnel transferred by this part found to be in excess of the personnel necessary for the efficient administration of the functions transferred by this part shall be retransferred under existing law to other positions in the Government service or separated from the service subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

PART 4. LENDING AGENCIES

SECTION 401. (a) Transfers to the Department of Agriculture: The Farm Credit Administration, the Federal Farm Mortgage Corporation, and the Commodity Credit Corporation, and their functions and activities, together with their respective personnel, records, and property (including office equipment), are hereby transferred to the Department of Agriculture and shall be administered in such Department under the general direction and supervision of the Secretary of Agriculture, who shall be responsible for the coordination of their functions and activities.

(b) Transfer of administrative funds: So much of the unexpended balances of appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the administrative expenses of any agency transferred by this section, as the Director of the Bureau of the Budget shall determine, shall be transferred to the Secretary of Agriculture for such use; and the Director of the Bureau of the Budget shall allocate to the Secretary of Agriculture from such funds, such sums, and in such proportions as he may find necessary for the administrative expenses of the Secretary of Agriculture in connection with the agencies and functions transferred by this section. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer. The use of the unexpended balances of appropriations, allocations, or other funds transferred by this subsection shall be subject to the provision of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

(c) Transfer of other funds: All unexpended balances of appropriations, allocations, or other funds, other than those mentioned in subsection (b) of this section, available (including those available for the fiscal year ending June 30, 1940) for any agency transferred by subsection (a) of this section shall be transferred with such agency and shall remain available to it for the exercise of its functions.

(d) Personnel: Any of the personnel transferred by this section to the Department of Agriculture which the Secretary of Agriculture shall find to be in excess of the personnel necessary for the administration of the functions transferred by this section shall be retransferred under existing law to other positions in the Government or separated from the service subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

SEC. 402. (a) Federal Loan Agency: There shall be at the seat of the Government a Federal Loan Agency, with a Federal Loan Administrator at the head thereof. The Federal Loan Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive a salary at the rate of $12,000 per annum.

(b) Assistant Federal Loan Administrator: The Federal Loan Administrator shall appoint an Assistant Federal Loan Administrator, who shall receive a salary at the rate of $9,000 per annum. The Assistant Administrator shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in that office, and shall perform such other duties as the Administrator shall direct.

(c) Powers and duties of Administrator: The Administrator shall supervise the administration, and shall be responsible for the coordination of the functions and activities of the following agencies: Reconstruction Finance Corporation, Electric Home and Farm Authority, RFC Mortgage Co., Disaster Loan Corporation, Federal National Mortgage Association, Federal Home Loan Bank Board, Home Owners' Loan Corporation, Federal Savings and Loan Insurance Corporation, Federal Housing Administration, and Export-Import Bank of Washington. The Administrator may appoint such officers and employees and make such expenditures as may be necessary.

(d) Administrative funds: The Director of the Bureau of the Budget shall allocate to the Federal Loan Agency from appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the administrative expenses of the agencies named in this section, such sums, and in such proportion as he may find necessary for the administrative expenses of the Federal Loan Agency.

The VICE PRESIDENT. The message and the accompanying document will be referred to the Select Committee on Government Organization.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the President's reorganization message and the accompanying document be printed.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

COAST GUARD RESERVE

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to establish a Coast Guard Reserve to be composed of owners of motorboats and yachts, which, with the accompanying paper, was referred to the Committee on Commerce.

FEBRUARY 1939 REPORT OF THE RECONSTRUCTION FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report of the activities and expenditures of the Corporation for the month of February 1939, together with a statement of loan and other authorizations made during that month, showing the name, amount, and rate of interest or dividend in each case, which, with the accompanying report, was referred to the Committee on Banking and Currency.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the Women's International League for Peace and Freedom, Detroit Unit, Detroit, Mich., remonstrating against amendment of the National Labor Relations Act until experience under the operation of the act shall indicate the need for changes, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution of the Police Jury Association of Louisiana, Baton Rouge, La., protesting against any change in the present activities or set-up of the National Youth Administration, which was referred to the Committee on Education and Labor.

Mr. CAPPER presented a petition of sundry farmers of Sumner County, Kans., praying for the repeal of the Agricultural Adjustment Act of 1938, which was referred to the Committee on Agriculture and Forestry.

He also presented the petition of the Sixth District Townsend Organization, of Beloit, Kans., praying for the enactment of House bill 2, a general-welfare bill granting old-age assistance, which was referred to the Committee on Finance.

Mr. WALSH presented a petition of sundry citizens of the State of Massachusetts praying for the enactment of legislation to insure the neutrality of the United States, which was referred to the Committee on Foreign Relations.

He also presented the following resolution of the General Court of Massachusetts, which was referred to the Committee on Finance:

Resolutions memorializing Congress in favor of legislation increasing the amounts of old-age assistance payable by the Federal Government to States and their political subdivisions

Resolved, That the General Court of Massachusetts hereby urges the Congress of the United States to amend title I of the Social Security Act so as to provide that States and their political subdivisions, which grant old-age assistance over and above the amount entitling them to receive from the Federal Government the maximum partial reimbursement now provided by said title I, be reimbursed in full by the Federal Government for so much of such excess as does not exceed a certain limit to be fixed by said Congress; and be it further

Resolved, That the secretary of the Commonwealth forthwith forward copies of these resolutions to the Presiding Officers of both branches of Congress and to the Members thereof from this Commonwealth.

Mr. LODGE presented a petition of sundry citizens of the State of Massachusetts praying for the enactment of legislation to prohibit the advertising of alcoholic beverages by press and radio, which was referred to the Committee on Interstate Commerce.

He also presented a resolution of the General Court of Massachusetts favoring the enactment of legislation to increase the amounts of old-age assistance payable by the Government to States and their political subdivisions, which was referred to the Committee on Finance.

(See resolution printed in full when presented today by Mr. WALSH.)

RESOLUTION OF SENATE OF TENNESSEE—DEPORTATION OF ALIENS

Mr. McKELLAR. Mr. President, I present for appropriate reference a resolution adopted by the Senate of the Legislature of Tennessee, memorializing the Federal Congress to enact adequate legislation providing for the speedy deportation of all alien residents who do not signify their willingness, desire, and intention to become citizens of the United States within a reasonable time after entry into the United States of America.

The VICE PRESIDENT. The resolution presented by the Senator from Tennessee will be received, printed under the rule in the RECORD, and properly referred.

The resolution was referred to the Committee on Immigration, as follows:

Senate Resolution 15

Resolution memorializing the Federal Congress to enact adequate legislation providing for speedy deportation of all alien residents who do not signify their willingness, desire, and intention to become citizens of the United States within a reasonable time after entry into the United States of America

Whereas it is estimated that there are approximately 8,000,000 residents within the boundaries of the United States of America,

who have neither become naturalized nor filed any declaration of intention to become citizens of this Nation; and

Whereas this large group of alien residents provide a fertile field for agitators and organizations who are not in sympathy with the American form of government; and

Whereas it is the sense of the State Senate of the State of Tennessee, that this large group of alien residents should not be permitted to enjoy the freedom and privileges of this Nation without assuming the corresponding duties and obligations of citizenship: Now, therefore, be it

Resolved by the Senate of the State of Tennessee, That the Federal Congress be, and it is hereby requested to direct its attention to this condition and to enact adequate legislation which will provide for speedy deportation of all alien residents of this country, who do not within a reasonable time signify their willingness, desire, and intention, and qualify, to assume the obligations of citizenship and become citizens of this United States of America; be it further

Resolved, That the Secretary of the State be, and he is hereby directed to transmit properly authenticated copies of this resolution to each member of the Tennessee congressional delegation and to each of the United States Senators from Tennessee.

LOW-COST HOUSING

Mr. WAGNER presented a communication embodying a resolution of the Commissioners of the Housing Authority of the City of El Paso, Tex., which was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

HOUSING AUTHORITY OF THE CITY OF EL PASO, TEX.,
El Paso, Tex., April 17, 1939.

Hon. ROBERT F. WAGNER,
Senate of the United States, Washington, D. C.

DEAR SENATOR WAGNER: At a meeting of the commissioners of the Housing Authority of the City of El Paso, Tex., held on April 13, 1939, the following resolution was unanimously adopted:

"Whereas there has been introduced in the Senate of the United States by Senator ROBERT F. WAGNER a bill which, if enacted, will amend the United States Housing Act of 1937, which is bill S. 591; and

"Whereas this bill will provide funds to permit a normal continuity for the program of slum clearance and low-rent housing; and

"Whereas it is desirous that the local authority record its approval of the amendment to the Housing Act: Now, therefore, be it

"Resolved by the Housing Authority of the City of El Paso, Tex., That in the interest of the avowed purposes of the slum clearance and low-rent housing program of the United States, this authority urge the Congress to approve of Senator WAGNER's bill; and

"That the Senate Committee on Education and Labor and the House Committee on Banking and Currency be urged to favorably report the bill out of committee."

A copy of this resolution has been forwarded to Senators TOM CONNALLY, MORRIS SHEPPARD, DAVID I. WALSH, ALLEN J. ELLENDER, JOSH LEE, JAMES J. DAVIS, and ROBERT A. TAFT, and to Representatives WRIGHT PATMAN and R. E. THOMASON, all of whom have been urged to give the bill their favorable consideration.

Respectfully yours,

A. B. SWAIN,
Executive Director and Secretary.

CAPITAL STRUCTURE OF RAILROADS

Mr. WAGNER presented a communication embodying a resolution of the Chamber of Commerce of Port Henry, N. Y., which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE,
Port Henry, N. Y., April 20, 1939.

Hon. ROBERT F. WAGNER,
Washington, D. C.

DEAR MR. WAGNER: At a regular meeting of the Port Henry Chamber of Commerce, held April 14, 1939, the following resolution was unanimously adopted:

"Whereas it has come to the attention of the chamber that the so-called Chandler bill, H. R. 5407, contemplating the simplified method for a railroad to make readjustments in its capital structure provided it can secure the consent of 75 percent of the creditors, and which is commonly known as the voluntary adjustment bill; and

"Whereas we understand that this bill has been favorably reported by the House Committee on the Judiciary and is now on the calendar of the House: Therefore be it

"Resolved, That this chamber go on record as favoring the adoption of this bill; and be it further

"Resolved, That a copy of this resolution be sent to Members of Congress urging them to support this bill on the grounds that it is not a controversial matter and would, we believe, be very helpful to certain railroad companies."

Respectfully submitted this 20th day of April 1939.

PORT HENRY CHAMBER OF COMMERCE,
C. A. ANDERSON, *Treasurer.*

REPORTS OF COMMITTEES

Mr. HARRISON (for Mr. BYRD), from the Committee on Finance, to which was referred the bill (H. R. 5287) relating to the importation of distilled spirits for consumption at the New York World's Fair, 1939, and the Golden Gate International Exposition of 1939, and to duties on certain articles to be exhibited at the New York World's Fair, 1939, reported it with amendments and submitted a report (No. 324) thereon.

Mr. WHEELER, from the Committee on Interstate Commerce, to which was referred the bill (S. 2017) to amend the Railroad Unemployment Insurance Act, approved June 25, 1938, reported it with amendments and submitted a report (No. 325) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DAVIS:

S. 2233. A bill to amend the act entitled "An act to provide books for the adult blind," approved March 3, 1931; to the Committee on the Library.

By Mr. LODGE:

S. 2234. A bill for the relief of Walter R. Maguire; to the Committee on Claims.

By Mr. GURNEY:

S. 2235. A bill for the relief of Sacred Heart Hospital; to the Committee on Indian Affairs.

S. 2236. A bill for the relief of Benjamin F. Longenecker; to the Committee on Military Affairs.

By Mr. McCARRAN:

S. 2237. A bill to amend the Taylor Grazing Act; to the Committee on Public Lands and Surveys.

By Mr. THOMAS of Oklahoma:

S. 2238. A bill authorizing the Secretary of the Interior to make an investigation with respect to the claims against the United States of certain Indians of the Chiricahua Apache Tribe; and

S. 2239 (by request). A bill for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge; to the Committee on Indian Affairs.

By Mr. WAGNER:

S. 2240. A bill to provide for a national census of housing (with an accompanying paper); to the Committee on Banking and Currency.

(See the foregoing bill printed in full elsewhere in the proceedings.)

By Mr. HOLMAN:

S. 2241. A bill granting an increase of pension to Margaret D. Cole (with accompanying papers); to the Committee on Pensions.

(Mr. McKELLAR introduced Senate bill 2242, which was referred to the Committee on Commerce, and appears under a separate heading.)

By Mr. CONNALLY:

S. 2243. A bill for the relief of Virgil Kuehl, a minor; to the Committee on Claims.

S. 2244. A bill to authorize the Secretary of the Treasury to accept real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and for other purposes; to the Committee on Public Buildings and Grounds.

CENSUS OF HOUSING

Mr. WAGNER. Mr. President, I introduce for appropriate reference a bill to provide for a national census of housing, which I ask may be printed in the RECORD, together with an accompanying letter.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill and letter presented by the Senator from New York will be printed in the RECORD.

The bill (S. 2240) to provide for a national census of housing was read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That to provide information concerning the number, character, and geographical distribution of dwelling

structures and dwelling units in the United States and concerning the social and economic characteristics of their ownership and use, necessary to aid in the formulation of a national housing program and in the administration of housing legislation, the Director of the Census shall take a census of housing in each State, the District of Columbia, Hawaii, Puerto Rico, and Alaska in the year 1940 and every 5 years thereafter, and shall be authorized to make such supplementary studies (either in advance of or after the taking of such censuses) as are necessary to the completion thereof. The census of housing to be taken in the year 1940 shall be taken in conjunction with the population inquiry of the Sixteenth Decennial Census. Each census of housing shall relate as closely as possible to the day and month provided by law for the population census.

SEC. 2. All of the provisions, including penalties, of the act providing for the fifteenth and subsequent decennial censuses, approved June 18, 1929 (46 Stat. 21; U. S. C., Supp. VII, title 13, ch. 4), shall apply to the taking of the census provided for in section 1 of this act.

SEC. 3. For the purpose of carrying out the provisions of this act during the Sixteenth Decennial Census period there is authorized to be appropriated, out of money in the Treasury not otherwise appropriated, a sum sufficient to cover the estimated cost of such census.

The accompanying letter presented by Mr. WAGNER is as follows:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., March 8, 1939.

Hon. ROBERT F. WAGNER,
Senate Office Building, Washington, D. C.

DEAR SENATOR WAGNER: In connection with the various housing programs in which the Federal Government participates, there has developed a pressing need for reliable information on all phases of housing conditions in the United States. To insure the most economical, efficient, and intelligent development of our housing and home-building programs, it is essential that a complete housing census be undertaken at the earliest possible date. If such a housing census were to yield information most valuable from the standpoint of economic and social planning, it should be taken simultaneously and in conjunction with the census of population in 1940.

It is my hope that you will agree with this view of the American Federation of Labor and will deem it possible and desirable to introduce legislation authorizing a complete housing census and providing the necessary appropriation therefor.

Sincerely yours,

WM. GREEN,
President, American Federation of Labor.

MISSISSIPPI RIVER BRIDGE, MEMPHIS, TENN.

Mr. McKELLAR. Mr. President, I ask consent to introduce for appropriate reference a bridge bill creating the Memphis and Little Rock Bridge Commission, defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Memphis, Tenn., and for other purposes.

This bridge is badly needed across the great Mississippi at Memphis, and I express a hope that the Congress may speedily pass it.

The VICE PRESIDENT. The bill of the Senator from Tennessee will be received and properly referred.

The bill (S. 2242) creating the Memphis and Little Rock Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Memphis, Tenn.; and for other purposes, was read twice by its title and referred to the Committee on Commerce.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 5488. An act to provide for the widening of Wisconsin Avenue in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

H. R. 5679. An act to amend the Code of Law of the District of Columbia in respect to fees of the United States marshal; to the Committee on the Judiciary.

CHANGE OF REFERENCE

On motion by Mr. GEORGE, the Committee on Finance was discharged from the further consideration of the bill (S. 1077) for the relief of Victor S. Banks, and it was referred to the Committee on Pensions.

AMENDMENT TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. BANKHEAD submitted an amendment intended to be proposed by him to House bill 5269, the Agricultural Department appropriation bill, 1940, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place insert the following:

"To enable the Secretary of Agriculture to further carry out the provisions of section 32, as amended, of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935, and subject to all provisions of law relating to the expenditure of funds appropriated by such section, $150,000,000. Such sum shall be immediately available and shall be in addition to, and not in substitution for, other appropriations made by such section or for the purpose of such section: *Provided*, That not in excess of 25 percent of the funds herein made available may be devoted to any one agricultural commodity. So much of such funds as may be devoted to encouraging the exportation of cotton or cotton articles, and any other funds which may be available or may hereafter be made available for the purpose of encouraging the exportation of cotton or cotton articles, shall be expended in accordance with the provisions of the following new section which is hereby added to the Agricultural Adjustment Act of 1933, as amended:

"'SEC. 23. (a) The Secretary of Agriculture is authorized to make payments in kind or in money to any person who exports any raw cotton or articles manufactured in whole or in part from cotton, at such rates and under such terms and conditions as the Secretary of Agriculture determines are necessary in order that the cotton, or the cotton content in cotton articles, so exported shall be fully competitive in the world markets: *Provided*, That such payments shall be discontinued during any marketing year when exports of cotton from the United States during such marketing year equal the average of the exports from the United States during the 10-year period ending July 31, 1932. Such payments on raw cotton are authorized to be made only upon cotton bought in the open market, except that payments may be made upon cotton released from loans made or made available by the Commodity Credit Corporation when cotton of suitable classes and quantities to fill cotton export requirements is not available in the markets of the United States. The Secretary is authorized to decide when such free cotton is not so available; but no such payments shall be made, and no obligation to make such payments shall be incurred, prior to January 1, 1940, with respect to any cotton on which a loan has been made or made available by the Commodity Credit Corporation, nor shall such payments be made or obligations incurred during the period from August 1 to December 31, both inclusive, in any marketing year with respect to any cotton on which any such loan has been made.

"'(b) Notwithstanding any other provision of law, the Commodity Credit Corporation is authorized and directed, under regulations prescribed by the Secretary of Agriculture, upon application by the owner, or his assignee, of cotton held under loans made or made available by the Commodity Credit Corporation to provide for the release to such owner, or his assignee, of any or all of the cotton of such owner, or assignee, during any marketing year, except during the period from August 1 to December 31, both inclusive, if the Secretary of Agriculture finds that the release of cotton held under such loans (1) is needed to supply suitable classes and quantities of cotton to meet the operating requirements of mills in the United States and is not available in the markets of the United States, or (2) is needed to supply suitable classes and quantities of cotton to meet export requirements and is not available in the markets of the United States. Such cotton shall be released at a cost to the owner, or his assignee, equal to the current loan rate, plus (1) interest, insurance, and storage, for the period beginning at the average time when cotton was put into the current loan and ending at the end of the month when the cotton is released from the loan, and (2) one-fourth cent per pound for miscellaneous charges.

"'(c) The Commodity Credit Corporation is authorized and directed under regulations prescribed by the Secretary of Agriculture to acquire and to make available to him such cotton as may be necessary to make payments in kind autherized by this section. The funds now and hereafter made available to the Commodity Credit Corporation are hereby made available to such Corporation to acquire and make available to the Secretary of Agriculture such cotton as may be necessary to make the payments in kind authorized under this section, and to provide for the release of cotton under this section. The funds now or hereafter made available to the Secretary of Agriculture for the purpose of encouraging the exportation of cotton or cotton articles, including, but not limited to, the funds now or hereafter made available by, or for carrying out the purposes of, this title, section 32, as amended, of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935, as amended, and sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, are hereby made available to the Secretary of Agriculture for payments authorized in this section, and for administrative expenses in accordance with the applicable provisions of this title. The determinations of the Secretary of Agriculture made pursuant to the provisions of this section and

the facts constituting the basis for any payment when officially determined in conformity with the regulations prescribed by the Secretary of Agriculture shall be final and conclusive.' "

APPROPRIATIONS FOR MILITARY ESTABLISHMENT—CONFERENCE REPORT

Mr. THOMAS of Oklahoma submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4630) making appropriations for the Military Establishment for the fiscal year ending June 30, 1940, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 10, 16, 17, 19, 20, 23, 27, 32, and 35.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 5, 6, 7, 8, 14, 21, 22, 24, 25, 26, 28, and 29, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the number proposed insert "thirteen thousand one hundred and six"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum named in the matter inserted by said amendment insert "$36,017,416"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$7,185,834"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$6,750,087"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$170,371,405"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,927,020"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$15,525,061"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$10,896,937"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$500,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "and of the total of such amount $500,000 shall be available exclusively for defraying the cost of increasing the strength of the National Guard above approximately two hundred and five thousand officers and men,"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$4,964,544"; and the Senate agree to the same.

ELMER THOMAS,
CARL HAYDEN,
JOHN H. OVERTON,
MORRIS SHEPPARD,
JOHN G. TOWNSEND, Jr.,
STYLES BRIDGES,
Managers on the part of the Senate.

J BUELL SNYDER,
D. D. TERRY,
JOE STARNES,
ROSS A. COLLINS,
JOHN H. KERR,
D. LANE POWERS,
CHESTER C. BOLTON,
Managers on the part of the House.

The report was agreed to.

ADDRESS BY THE PRESIDENT AT NATIONAL PAROLE CONFERENCE

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD the address delivered by the President of the United States to the National Parole Conference at the White House on April 17, 1939, which appears in the Appendix.]

FEAR AND FORCE, OR FACTS?—ARTICLE BY SENATOR O'MAHONEY

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an article by Senator O'MAHONEY, published in Dun's Review for April 1939, entitled "Fear and Force, or Facts?" which appears in the Appendix.]

COLUMNISTS AND CALUMNISTS—ADDRESS BY SECRETARY ICKES

[Mr. MINTON asked and obtained leave to have printed in the RECORD an address delivered by Secretary of the Interior Harold L. Ickes before the Newspaper Guild of New York City on Tuesday, April 11, 1939, which appears in the Appendix.]

A NONPARTISAN TARIFF PROGRAM—ADDRESS BY LYNN R. EDMINSTER

[Mr. HILL asked and obtained leave to have printed in the RECORD an address by Lynn R. Edminster, special assistant to the Secretary of State, before the League of Women Voters of Minneapolis on April 20, 1939, which appears in the Appendix.]

OUR DUAL SYSTEM OF GOVERNMENT—ADDRESS BY FRED BRENCKMAN

[Mr. BURKE asked and obtained leave to have printed in the RECORD a radio address entitled "Our Dual System of Government," delivered by Fred Brenckman, Washington representative of the National Grange, which appears in the Appendix.]

REPEAL OF SILVER PURCHASE ACT OF 1934

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD several editorials dealing with the subject of the repeal of the Silver Purchase Act of 1934, which appear in the Appendix.]

"WASHINGTON JITTERS"—EDITORIAL FROM NEW YORK POST

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an editorial from the New York Post of Thursday, April 20, 1939, entitled "Washington Jitters," which appears in the Appendix.]

CONDITIONS IN EUROPE—ADDRESS BY SENATOR REYNOLDS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an address delivered by him on April 21, 1939, at Princeton University, on conditions in continental and eastern Europe, which appears in the Appendix.]

ADMISSION OF GERMAN REFUGEE CHILDREN TO THE UNITED STATES

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an article by Dorothy Thompson entitled "The Wagner-Rogers Bill," published in the Washington Post of April 24, 1939, an editorial from the New York Sun of April 20, 1939, entitled "Proposal to Lift Quota on 10,000 German Children Yearly Is Analyzed," an editorial from the St. Louis Post-Dispatch of Wednesday, April 19, 1939, entitled "Should 20,000 Children Be Admitted," an editorial from the Philadelphia Evening Ledger of April 22, 1939, entitled "A Plea for Children," an editorial from the Philadelphia Record of April 25, entitled "20,000 Homeless Children at the Door," and an editorial from the Times-Picayune of New Orleans, La., headed "Asylum for Child Refugees," which appear in the Appendix.]

EUROPE AND AMERICA

Mr. BORAH. Mr. President, in my opinion there could be nothing more helpful to the people of the United States than a careful study of American history from 1914 to 1919. We undertook at that time to pursue a course which we thought was a course of peace, and we found it was the path of war. It is my opinion that we should carefully reconsider the entire story from 1914 to 1919, for therein we find much advice which we ought to follow at this time.

An editorial entitled "Again" is published in the Saturday Evening Post of April 22. I ask unanimous consent that it may be printed in the RECORD as part of my remarks, but before that is done I desire to read a paragraph which gives the illustration I had in mind in my opening remarks:

Again the fires of revenge are lighted. Again the tracings of scar tissue on the map of Europe are tumescent and red. The aggressor is loose and heavily armed—more heavily than ever before, thanks to not having paid his American debts. The non-aggressors also are heavily armed—more heavily than ever before, thanks to not having paid their American debts—and yet, as they think, not heavily enough. Again France and England are calling to America for help. To help them? No, no. To help them save for mankind the priceless legacy that is Europe.

I ask that the editorial from the Saturday Evening Post may be inserted in the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Saturday Evening Post of April 22, 1939]

AGAIN

It was the righteous-warrior dream. We would go to war to end war. Where? On another continent—where, since the beginning of historic time, there had been only interludes of peace.

We would make the world safe for democracy. Where? In Europe—where the only relation of the individual to the state that has ever been understood, or perhaps ever will be, is that of subject.

We would establish the divine right of political self-determination for minorities. Where? In that Old World—where the symbol of a minority is a broken sword, where every racial fragment burns on its altar the incense of revenge, where there is no boundary between nations but it is a trace of scar tissue.

The romantic theme of the dream was to say that we had no quarrel with any people, certainly none with the German people. Indeed, if they would only hear us they would know that we were not at war with them.

It was for their own good that we were going to destroy the war lords that had made them to go forth against their will to kill other gentle and peace-loving people.

So we took part with England and France and all who were fighting Germany. They did not understand what we were saying any more than the Germans did; but whatever it was, it was all right for the moment because it meant an American army in France and unlimited access to the United States Treasury, where they could cash their I O U's for billions; each government as it signed another one, being required only to promise that when the war was over it would take it up with an interest-bearing bond.

The war ended in what, for Europe, was another truce.

Incredulous European ears heard us say that we would take nothing for ourselves, only a just and durable peace. Cynical European eyes watched the American Jehovah of Peace and his band of angels as they sat down in Paris to redraw the map of Europe in the zigzag lines of simple humanity and justice. Every line they drew would be another trace of scar tissue. They did not know that because they did not know Europe.

Between the dreaming peace bringers and the hard-eyed truce-makers lay 2,500 years of bloodstained history. The peace bringers were for wiping all of that out in the drawing. The truce makers knew better. They knew also how impermanent the drawing was. Having laid down for themselves the principal lines of the next war and then the lines stipulated for in their secret treaties, they were willing that the Americans should play with the fringe.

The fact was that the hard-eyed Europeans were deeply concerned about something else, a thing the Americans would not understand. For once and for the first time, they faced the fact that the ancient and honorable business of war was bankrupt on its own premises. It had gone too far. The stakes had got too high. There was no profit in victory. Revenge, yes, advantage and territory; but no cash on the drumhead. They could charge it all to Germany in the customary manner, as Germany before had charged it to them, but this time that meant nothing at all, because it was more than Germany could pay.

The idea of making the Americans pay is supposed to have occurred first to the practical British mind. That does not matter. They had all discovered what a dream mine the United States Treasury was, and it may very easily have occurred to all of them at once in a spontaneous manner. When you are meditating desperately on money, you think, naturally, of where it is and who has it.

Anyhow, it became at once the controlling idea of Europe, uniting friend and foe. And, naturally, it was England's part, since she had the advantage of language, to lead the propaganda, which she did.

The propaganda was a symphony in two movements. The first movement was that the richest, most unselfish, most romantic people in the world—so rich they could afford to take the decisive part in a world war and want nothing material out of it—now owed it to themselves, to mankind, to civilization, to lend their wealth in a prodigal manner to rehabilitate this fallen Europe—a theme which the richest and most romantic people in the world received with swelling pride. The second movement was that after having lent their wealth for that purpose, they would be a hateful, money-loving, Shylock people ever to want any of it back.

It was England that named the United States "Shylock."

It was England that struck hands with Germany and proposed to forego her share in German reparations and forgive her own war debtors, who would then forgive one another and Germany all around, if only the great rich Shylock Nation across the sea would forgive England her war debt to the United States Treasury.

It was the British Government, commanding the serpent's-tooth rhetoric of Lord Balfour and the insulting tongue of a Chancelor of the Exchequer, that called upon the world to witness that America, the Shylock, valuing gold more than blood, sacrifice, or friendship, was bleeding Europe white by exacting her pound of flesh in the name of war debts—at a time when the only money Europe was paying us on account of either the interest or principal of the war debts was money begrudgingly shaved from the proceeds of new American loans. Out of each new loan, so long as she could borrow, she paid a little on account of old loans, and that is the only kind of money we ever got back—a little of our own.

After we entered the war, in addition to the cost of our own exertions, represented by an Army of 2,000,000 men in Europe, the United States Treasury lent the several Allied Governments $7,000,000,000 on their I O U's. For nearly 2 years after the armistice the United States Treasury continued to lend not to the same Allied Governments only but also to new Governments like Czechoslovakia, Latvia, Lithuania, Poland, and Jugoslavia, until the competitive clamor for more, more became indecently brazen. When at last the United States Treasury slammed its doors in disgust, the amount owing to it by the governments of Europe on their promissory notes was more than eleven billions.

Germany meanwhile, running her colossal mark swindle, had discovered in Wall Street the world's first bottomless well of money-lending gullibility. Overnight Europe transferred her operations from the Americans' Public Treasury to their private purse.

The cost of money in Wall Street was but the cost of the engravers' art. The borrowers were no higglers. Upon bonds still wet from the printing press they were willing to write any rate of interest—6, 7, 8 percent. What difference did it make? The money would never be paid back.

Rehabilitation became a word of fantasy. We were lending Europe the money to rehabilitate her agriculture, her industry, her life. We had done better to throw it away, for not only did we lose it but the effect of it was to subsidize European industry in competition with our own, as we may see now in South America, besides subsidizing the start of her rearmament for the next war.

After Germany had purposely gone bankrupt to defraud her creditors, after the amazing mark swindle of which Americans were the principal alien victims, we lent her the money to set up a new Reichsbank on a gold basis. We lent her the money to make over her factories for mass production in the American example, to restore her railroads, to build schools, city halls, stadiums, highways, and playgrounds, and to clear her city slums. More than that—incredibly more—we lent her the money to pay her war reparations to the victors. All the German reparations that were ever paid were paid with American money. France got most of it because she was the principal beneficiary of reparations; she used it partly to reconstruct her devastated areas and partly to pay something on her war debts to England.

An American traveler in Europe at this time might have pointed with pride to almost anything that glittered in the sun and said, "See, an American loan!" If he was from Peoria or Ottumwa, his bank in Peoria or Ottumwa had some of the bonds that did it, and the world was a wonderful place.

Meanwhile, those I O U's for eleven billions in the United States Treasury were all unacknowledged and fading. But by this time the infatuation was such that many Americans were themselves supporting the European thesis that we could well afford to forget the war debts and go on with the great work of rehabilitation. Was it not that work that was keeping our factories busy? It was. There was no limit to the amount of goods Europe would buy, so long as we lent her the money to buy them with. In the end they would cost her nothing.

The United States Treasury thought differently. It thought the European governments ought at least to acknowledge their war debts and agree to pay what they could afford to pay. This they both pleasantly and unpleasantly declined to do.

The time came when Great Britain was eager to put the pound sterling back on a gold basis, and this she dared not try to do with the United States Treasury holding her overdue note of hand for five billions. In this dilemma, and with very bad grace, never for one moment suspending her propaganda for cancelation, she came one day to the United States Treasury and gave a bond for her I O U's, as she had promised to do—not a bond in full, but for 80 cents on the dollar—and on her way home she stopped in Wall Street and borrowed $300,000,000 gold for the Bank of England. When she got home she began calling us "Shylock" again.

No other war debtor remembered its I O U's at the United States Treasury until the American Government announced the policy that any of them on their way to Wall Street to borrow more money from the American purse would have to stop first in Washington and in some way acknowledge their war debts. Then France came and gave a bond for her I O U's at about 50 cents on the dollar, Italy a bond for hers at about 25 cents on the dollar, and so on; and all

of them, on their way home, stopped in Wall Street and got their hands deeper into the private American purse.

So it was that, besides lending Europe money for every other conceivable purpose, we lent her the money to pay all that she ever did pay on account of her war debts to the United States Treasury. When at last she had borrowed the American purse empty, and every big and little American banks' investment portfolio was stuffed with her bonds, she stopped paying anything. That was of all Europe, save only for one little honorable state named Finland.

Between cause and effect there was no decent delay. As soon as the stream of American loans stopped Germany purposely went bankrupt again, the payment of war reparations stopped, our European war debtors treated their bonds in the United States Treasury with satire, and in American banks from Maine to California foreign securities were tied up in bundles like old newspapers and kicked into the cellar.

To save less than $200,000,000 a year Great Britain dishonored her bond at the United States Treasury. How many times that sum does she spend on new armament?

For $125,000,000 a year France dishonored her bond at the United States Treasury. Yet now she can find the cash to buy a fleet of bombing planes in the United States.

The value of Italy's word is known. It is worth less than $20,000,000 a year.

Germany's word was not worth writing.

British word, French word, Nazi or Fascist—which will you take on a bond? If you will not take it on a bond, what will you take it for? On a treaty, perhaps.

The idea that united them worked. Victor and vanquished together, they made the Americans pay.

Item, the cost of our own military exertions in the World War; item, the war and postarmistice loans made to the governments of Europe by the United States Treasury; item, the loss on European loans made from the private American purse; item, accrued interest—add it all up and it comes to this: That our passion to save Europe has already cost us more than $50,000,000,000.

What have we learned? The righteous warrior dream now is 22 years old and we are still asleep.

Again the fires of revenge are lighted. Again the tracings of scar tissue on the map of Europe are tumescent and red. The aggressor is loose and heavily armed—more heavily than ever before, thanks to not having paid his American debts. The nonaggressors also are heavily armed—more heavily than ever before, thanks to not having paid their American debts—and yet, as they think, not heavily enough. Again France and England are calling to America for help. To help them? No, no. To help them save for mankind the priceless legacy that is Europe.

Well, what more shall be again?

ONE HUNDREDTH BIRTHDAY ANNIVERSARY OF ROSWELL K. COLCORD

Mr. McCARRAN. Mr. President, on this the 25th day of April, there is in the State of Nevada celebrating his one hundredth birthday, a citizen who was born in the glorious State of Maine, but who in his early years went forward to follow the setting sun into the Golden West. He has rounded out a great career in the silver State of Nevada, where his lifetime has been spent, and where he has given some of the most valuable advice and leadership that any man of the West has ever given. He was Governor of the State of Nevada and gave to that great State and to its people one of the finest administrations that America has ever known from a Governor's chair.

Today is the one hundredth anniversary of his birth. Today, as he celebrates the one hundredth anniversary of his birth, the people of the State of Nevada are joining with him, that they may extend to him their heartfelt gratitude and congratulations. As he walks the streets of the capital city of Nevada every human being there respects, admires, and revcres him. Over 110,000 square miles of the great State which gave the West so much of history, the name of Roswell K. Colcord is revered as a native of the State of Maine who went to the West to make the West what it is, the savior of the Nation—the greatest territory in all the world, and the place where in the days to come humanity and civilization will find its greatest center.

Mr. President, on the anniversary of the birth of that great man, Roswell K. Colcord, former Governor of Nevada, I ask that the Senate receive and immediately consider a resolution which I submit on behalf of the Senator from Maine [Mr. WHITE] and myself.

The PRESIDING OFFICER (Mr. CLARK of Missouri in the chair). Without objection, the resolution will be received. Is there objection to its present consideration?

There being no objection, the resolution (S. Res. 128) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Whereas Roswell K. Colcord, born in North Searsport, Maine, emigrated to the West in the year 1857 and there engaged in silver mining, became Governor of the State of Nevada in 1890, and later director of the United States Mint in Carson City, Nev.; and

Whereas the said Roswell K. Colcord becomes 100 years of age on this the 25th day of April 1939: Now, therefore, be it

Resolved, That the Senate of the United States, noting with gratification the high standard of character maintained throughout his long life and the high quality of public service rendered by him, extends to him heartiest congratulations and the cordial good wishes of all its Members.

THE CALENDAR

The PRESIDING OFFICER. Routine morning business having been concluded, the calendar, under rule VIII, is in order.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the calling of the calendar begin with calendar No. 325, House bill 2098, inasmuch as all previous bills on the calendar were called last Thursday.

Mr. AUSTIN. Mr. President——

Mr. BARKLEY. I yield.

Mr. AUSTIN. I ask the majority leader if he would be willing to amend his request so as to revert to Calendar No. 208, Senate Joint Resolution 11, and let the joint resolution come up for the purpose of making a moton to proceed to consider it?

Mr. BARKLEY. I had in mind that immediately following the call of the calendar the Senator could move to take up the joint resolution. I think that would be a better course than to try to pass the joint resolution on the call of the calendar. I have conferred with the Senator from Nebraska [Mr. BURKE], as has the Senator from Vermont, and that course is entirely agreeable.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none; and the Senate will now proceed to the consideration of bills on the calendar under rule VIII, beginning with calendar No. 325, House bill 2098.

BLOCK BOOKING AND BLIND SELLING—MOTION TO DISCHARGE COMMITTEE PLACED ON TABLE CALENDAR

Mr. BARKLEY. Mr. President, Senate bill 280, to prohibit and to prevent the trade practices known as compulsory block booking and blind selling in the leasing of motion-picture films in interstate and foreign commerce, was introduced by the Senator from West Virginia [Mr. NEELY]. The subcommittee of the Committee on Interstate Commerce, before which the bill has been pending, has held hearings and is considering the proposed legislation. In order that the motion to discharge the Committee on Interstate Commerce from the further consideration of the bill may not be called every time we have a morning hour, I ask unanimous consent that the the motion go to the table calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will proceed with the call of the calendar.

KATHERINE PATTERSON

The bill (H. R. 2098) for the relief of Katherine Patterson was considered, ordered to a third reading, read the third time, and passed.

JOSEPH N. THIELE

The Senate proceeded to consider the bill (H. R. 4133) for the relief of Joseph N. Thiele, which had been reported from the Committee on Claims with an amendment, on page 1, line 11, after the word "section", to strike out "40" and insert "49", so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of Joseph N. Thiele, postmaster at Whitewater, Wis., with the sum of $11,736.84, representing the amount of public funds and property lost in the burglary of the post office at Whitewater, Wis., on February 1, 1937, such loss having resulted from no fault or negligence on the part of said postmaster, as

determined by the Postmaster General under a provision in title 39, United States Code, section 49.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

ROLAND HANSON

The Senate proceeded to consider the bill (S. 1160) for the relief of Roland Hanson, a minor, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the words "the sum of", to strike out "$5,687.75" and insert "$500"; and in line 11, after the numerals "1937", to insert "and to Dr. E. A. Julien, of Turlock, Calif., the sum of $200, in full satisfaction of his claim for professional services rendered said Roland Hanson", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Roland Hanson, a minor, of Turlock, Calif., the sum of $500, in full satisfaction of his claim against the United States for damages for injuries sustained by him as a result of being struck by a United States Army truck on Highway No. 99 in Turlock, Calif., on May 23, 1937, and to Dr. E. A. Julien, of Turlock, Calif., the sum of $200, in full satisfaction of his claim for professional services rendered said Roland Hanson: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Roland Hanson, a minor; and Dr. E. A. Julien."

HUGH M'GUIRE

The bill (S. 765) for the relief of Hugh McGuire was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $600 to Hugh McGuire, of Turner, Mont., in full satisfaction of his claim against the United States for the loss of his truck, such truck having been destroyed on December 5, 1936, by a fire which burned a garage at Turner, Mont., in which it was stored for the purpose of safeguarding its load, consisting of property used in connection with Resettlement Administration projects: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ERNEST O. ROBINETTE ET AL.

The bill (H. R. 2061) for the relief of Ernest O. Robinette and others was considered, ordered to a third reading, read the third time, and passed.

JUNIUS ALEXANDER

The bill (H. R. 2074) for the relief of Junius Alexander was considered, ordered to a third reading, read the third time, and passed.

CLAIM OF E. DEVLIN, INC.

The Senate proceeded to consider the bill (S. 2126) authorizing the Comptroller General of the United States to adjust and settle the claim of E. Devlin, Inc.

Mr. KING. Mr. President, I should like an explanation of the bill.

Mr. LOGAN. I will say to the Senator from Utah that the case is rather unusual, and he is fully justified in asking for an explanation.

The bill was recommended by the Acting Comptroller General. The firm of E. Devlin, Inc., had charge of the burial service and furnished the necessary attention and supplies for one who at the time was thought to be a soldier. He had been down on the Mexican border. I believe he had entered the Federal service. Upon examination he was found unfit, and received an honorable discharge. The Devlin Co. sent a telegram to the proper authorities in Washington asking whether or not he was qualified to receive burial as a veteran. There was an error in transmitting the telegram to the Devlin Co. The Veterans' Administration said he was not qualified, but the telegram was delivered saying that he was qualified. The Devlin Co. went ahead and did the work, for which there was a charge of only $100. The Comptroller General sent the bill to the Congress and recommended that it be passed.

Mr. KING. I have no objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claim of E. Devlin, Inc., for its services and expenses incurred in connection with the preparation of the body and the interment of the late Wallace C. Marietta, and to allow in full and final settlement of such claim an amount not to exceed the sum of $100. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100, or so much thereof as may be necessary, for payment of the claim: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ANNA H. ROSA

The Senate proceeded to consider the bill (S. 1448) for the relief of Anna H. Rosa, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after "$30", to insert "in full settlement of all claims against the United States", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anna H. Rosa, of East Providence, R. I., the sum of $30, in full settlement of all claims against the United States for damages to her automobile caused by snow falling from the roof of the customhouse at Providence, R. I.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

A. E. BOSTROM

The Senate proceeded to consider the bill (S. 1812) for the relief of A. E. Bostrom, which had been reported from the Committee on Claims with an amendment at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to A. E. Bostrom, of De Smet, S. Dak., the sum of $309, in full satisfaction of his claim against the United States on account of the loss of certain personal property which was destroyed by fire on January 23, 1935, at Onigum, Minn., while said claimant was temporarily employed by the Indian Service as a physician: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SUNCREST ORCHARDS, INC.

The bill (S. 927) to confer jurisdiction on the Court of Claims, to hear, determine, and render judgment upon the claim of Suncrest Orchards, Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claim of Suncrest Orchards, Inc., against the United States for damages for the alleged wrongful seizure of certain fruit shipped in interstate commerce during the year 1926.

SEC. 2. Such claim may be instituted at any time within 2 years after the passage of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings in any suit before the Court of Claims under this act, and appeals therefrom, and payment of any judgment thereon, shall be had as in the case of claims over which such court has jurisdiction under section 145 of the Judicial Code as amended.

BORG-WARNER CORPORATION

The bill (S. 755) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Borg-Warner Corporation was announced as next in order.

Mr. KING. Mr. President, I should like an explanation of the bill.

Mr. LUCAS. Mr. President, the bill with respect to which the Senator from Utah has asked for an explanation does nothing more nor less than is indicated in the title on the calendar. The purpose of the bill is merely to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Borg-Warner Corporation.

As I understand, the Borg-Warner Corporation has its principal place of business in the city of Chicago. The claim has been pending for some time. I will say to the distinguished Senator from Utah that all the bill provides is the right to appear before the Court of Claims and present evidence as to whether or not the claim should be allowed.

Mr. KING. How much is the claim, and when did it arise?

Mr. LUCAS. Without referring to my files, I cannot tell the Senator from Utah the exact amount of the claim. I am unable to say when the claim arose without going to my office and obtaining the information from my files. If the Senator desires that information and wishes to have the bill go over, I have no objection. I shall be glad to furnish the information requested.

Mr. KING. I may say to the Senator that in many cases claims which are stale, many years of age, are resurrected, and it is said, "Well, let it go to the Court of Claims and let the Court of Claims pass upon it." Many of those claims are invalid.

Mr. LUCAS. I shall be glad next week to furnish the information the Senator desires.

The PRESIDING OFFICER. The bill will be passed over.

SIGVARD C. FORO

The Senate proceeded to consider the bill (S. 1092) for the relief of Sigvard C. Foro, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the words "sum of", to strike out "$4,722" and insert "$3,621.75", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money appropriated or allocated for the maintenance and operation of the Civilian Conservation Corps, to Sigvard C. Foro, of Duluth, Minn., the sum of $3,621.75, in full satisfaction of his claim against the United States for personal injuries and property damages sustained by him when his car was struck by a Civilian Conservation Corps truck on Highway No. 61 at Palmer, Minn., on August 5, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1449) for the relief of Robert Stockman was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill?

The PRESIDING OFFICER. The Senator from Tennessee requests an explanation of the bill.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

W. B. TUCKER ET AL.

The Senate proceeded to consider the bill (S. 1372) for the relief of W. B. Tucker, Helen W. Tucker, Lonie Meadows, and Susie Meadows, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "$11,511.05" and insert "$3,511.05", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. B. Tucker the sum of $3,511.05, to Helen W. Tucker the sum of $1,475.70, to Lonie Meadows the sum of $546.29, and to Susie Meadows the sum of $1,192.68, all residents of Louisburg, N. C., in full settlement of any and all claims for personal injuries, medical expenses, and property damage suffered by them as a result of an automobile accident which occurred on North Carolina State Highway 56 on June 9, 1936, when the automobile in which they were riding was struck by a truck owned by the United States Soil Conservation Service and operated by one John W. Prather, an employee of the Soil Conservation Service: *Provided*, That no part of amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 4087) to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920, so as to confer on the commanding general, General Headquarters Air Force, the same retirement privileges now enjoyed by chiefs of branches, was announced as next in order.

Mr. KING. Let us have an explanation of the bill.

The PRESIDING OFFICER. The Senator from Utah requests an explanation.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

THE SENATE PRESS GALLERY

The Senate proceeded to consider the resolution (S. Res. 117) to amend paragraph 2 of rule XXXIV of the Standing Rules of the Senate, which had been reported from the Committee on Rules with an amendment, on page 1, line 11, after the word "radio", to insert "wire", so as to make the resolution read:

Resolved, That paragraph 2 of rule XXXIV of the Standing Rules of the Senate be amended by striking out the last sentence of said paragraph 2 and substituting in lieu thereof the following: "They shall make such regulations respecting the reporters' galleries of the Senate, together with the adjoining rooms and facilities, as will confine their occupancy and use to bona fide reporters for daily newspapers, to bona fide reporters of news or press associations requiring telegraph service to their membership, and to bona fide reporters for daily news dissemination through radio, wire, wireless, and similar media of transmission. These regulations shall so provide for the use of such space and facilities as fairly to distribute their use to all such media of news dissemination."

Mr. ASHURST. Mr. President, I wish the Senator who sponsored or originally offered the resolution would explain it.

Mr. GILLETTE. Mr. President, this resolution was offered at the request of a number of agencies that were desirous of having the regulations of the Senate changed so as to admit certain news disseminating agencies to the press gallery. The present standing rule of the Senate places the authority for the adoption of the regulations concerning the press gallery in the Rules Committee, but with a very definite limitation that the use of the gallery must be confined to bona fide reporters gathering news for daily newspapers. There is no authority to open the galleries to press associations, such as the Associated Press, the United Press, and the representatives of other press associations nor to the representatives of radio agencies which gather news for daily dissemination. In order to enable the Rules Committee to consider a change in the regulations it was necessary, in the opinion of the Rules Comittee, to amend the standing rule so as to provide, as will be done if the resolution shall be adopted, that the Rules Committee may make regulations concerning the press gallery, with the limitation that it must be confined to reporters gathering news for daily dissemination to newspapers, to reporters gathering news for press associations, and to reporters gathering daily news not for comment but for dissemination through radio, wireless, and other facilities.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Kentucky?

Mr. GILLETTE. I yield.

Mr. BARKLEY. Do I understand correctly the Senator to say that under the present rule the Associated Press and other press associations cannot have representatives in the press gallery?

Mr. GILLETTE. They do have.

Mr. BARKLEY. Yes; they do have.

Mr. GILLETTE. I will say to the majority leader they have their representatives in the press gallery, but it is by sufferance.

Mr. BARKLEY. Who suffers—the Members of the Senate?

Mr. GILLETTE. I do not know who suffers from it, but the definite limitation of the rule at the present time is that the Rules Committee may make regulations for the use of the gallery, strictly limiting it to reporters representing daily newspapers not more than one seat to each newspaper.

Mr. BARKLEY. I agree with the Senator that if the news-gathering associations are not permitted really under the rule to be represented in the press gallery, the rule ought to be amended.

Mr. GILLETTE. That is the opinion of the committee.

Mr. BARKLEY. It had never been called to my attention that they were in the gallery by sufferance. Certainly they are entitled to the same consideration as are individual reporters for daily newspapers. As a matter of fact, many of them supply the bulk of the news from Washington to newspapers represented also by individual reporters.

Mr. GILLETTE. I will say to the Senator that I am sure there is no disposition on the part of anybody to take advantage of the press associations. That question arose with the application of the representatives of certain news-gathering and radio news-disseminating agencies. When the matter was considered by a subcommittee, it was found that it was advisable to amend the standing rule, and it was suggested at the same time that when the limitation was enlarged to include possibly radio representatives, we correct definitely the present defect in the rule.

Mr. BARKLEY. As I understand, the radio news commentators or reporters at certain hours during the day and night disseminate news that under the present situation they have to gather largely from newspapers which they read prior to their news reports——

Mr. GILLETTE. That is true.

Mr. BARKLEY. Whereas under the proposed amendment to the rule the Rules Committee can consider whether it will permit representatives of various radio news-gathering services to occupy seats in the galleries as well as the newspaper reporters.

Mr. GILLETTE. That is a correct statement.

Mr. BARKLEY. The amendment suggested does not itself automatically dispose of the question at all?

Mr. GILLETTE. Not at all. It simply gives the Rules Committee the authority to take action if they think it is wise and desirable.

Mr. BARKLEY. It seems to me, in view of the change in the news-gathering situation in the country and in the world, there is nothing improper not only in correcting the technical mistake which it seems to me must have been not intentional in barring the news-gathering associations such as the Associated Press, the United Press, and the International News, and others, but at the same time giving the committee power to consider the matter of radio news reporters as well.

Mr. McCARRAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Nevada?

Mr. GILLETTE. I yield.

Mr. McCARRAN. Can the Senator advise us whether or not the rule now permits reporters such as columnists who report and disseminate news entirely for their own gain and not for any particular paper, to use the facilities of the press gallery?

Mr. GILLETTE. The language of the present standing rule is that regulations may be made subject to the limitation that the use of gallery must be confined to reporters disseminating news for daily newspapers. It has been enlarged, as I have said, largely by sufferance and sometimes by action of the Rules Committee, regardless of that limitation. For instance, the Associated Press, I believe, at the present time has 75 members of the gallery. The standing rule limits the privilege to one reporter for each daily newspaper.

Mr. McCARRAN. Does it permit columnists who are selling or syndicating their columns to have the privileges of the press gallery?

Mr. GILLETTE. The present rule does not.

Mr. McCARRAN. Then by what authority have columnists been in the press gallery?

Mr. GILLETTE. I will say to the Senator that the committee has studied this matter for a number of weeks. It was almost impossible to find out how the situation had developed from 1834. One gentleman, a member of a press association, has painstakingly investigated it. We have consulted with the Parliamentarian. We could go back to the proceedings of the Rules Committee and find perhaps where they had taken some action about 1884. But the standing rule very definitely limits the privilege of the press gallery. There is a standing committee of correspondents that is set up and selected by the members of the press gallery, who have done a very wonderful work in connection with it. I might suggest to Senators that in the report of the committee is embodied a synopsis of the development of this whole situation, on which the Senator from New Jersey [Mr. BARBOUR] and I collaborated, feeling that it was very important.

Mr. McCARRAN. I should like to ask the Senator one more question. Does the Rules Committee now contemplate, or has the question been discussed by the committee, that those who write syndicated articles and who are known generally as columnists may come under such amendment as may be proposed by the pending resolution?

Mr. GILLETTE. I cannot answer that question directly. So far as I know that matter was not discussed. The inception of the present rule was discussed in the committee as was the enlargement of the rule for the purpose of including radio representatives. Then the whole question developed and we thought it was necessary to amend the standing rule.

Mr. McCARRAN. I propound a last question. Having in mind that there are today columnists who are writing the

news and giving it out through syndicated articles, who are disseminating the news perhaps more widely and more intelligently than might be expected from the ordinary, everyday reporter, it seems to me that some consideration should be given them. While we are giving consideration to those who represent the radio and who speak through the radio, we should also give consideration to those who are in reality disseminating the news through syndicated columns in the various newspapers of the country.

Mr. GILLETTE. I thank the Senator for the suggestion. I am sure the Rules Committee will consider it very carefully.

Mr. HATCH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from New Mexico?

Mr. GILLETTE. I yield.

Mr. HATCH. Mr. President, my interest was aroused during the explanation of the resolution by a statement which I thought the Senator made concerning the proposed amendment, namely, that it would permit the representatives of various radio agencies to use the facilities of the press gallery, or at least permit the Rules Committee to pass on whether they should be represented in the press gallery, but I thought the Senator said something about a further restriction or limitation as to their gathering news without comment.

Mr. GILLETTE. No; I am sure the Senator misunderstood me. There was no intention on my part to suggest a restriction of comment. The proposed amendment simply places on the other agencies the limitation that the present rule places on the reporters for the daily newspapers.

Mr. HATCH. The same limitation would apply to all?

Mr. GILLETTE. The same limitation would apply to all.

Mr. HATCH. That is the point I desired to bring out.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The resolution, as amended, was agreed to.

BILL PASSED OVER

The bill (H. R. 5324) to amend the National Housing Act, and for other purposes, was announced as next in order.

Mr. KING. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

J. J. GREENLEAF

The Senate proceeded to consider the bill (S. 527) for the relief of J. J. Greenleaf, which had been reported from the Committee on Claims with amendments, on page 1, at the beginning of line 6, to strike out "of all claims against" and insert "of the balance due from"; on line 7, after the name "Greenleaf", to insert "of Richmond, Ky."; on line 8, after the words "sum of", to strike out "$50,000" and insert "14,875"; on page 2, line 3, after the word "which", to strike out "employed" and insert "employment"; and at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement of the balance due from the Government of the United States, to J. J. Greenleaf, of Richmond, Ky., the sum of $14,875 for services rendered to the Government of the United States by J. J. Greenleaf pursuant to his employment to represent the Government of the United States in certain litigation, which employment is evidenced by a letter addressed to him by the Honorable Homer S. Cummings, the Attorney General of the United States, on August 9, 1935, which employment was enlarged by letter of August 23, 1935, addressed to him by George C. Sweeney, Assistant Attorney General: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. McKELLAR. Mr. President, I notice that the Attorney General recommends the passage of the bill with a reduced amount. That is a matter to which I should like to have the Senator from Kentucky address himself.

Mr. LOGAN. Mr. President, I am very glad to explain the bill. It was referred to the Senator from Michigan [Mr. BROWN] as a subcommittee. He went into it most extensively, held hearings, and reached the conclusion that the amount as carried in the bill was not sufficient to pay for the actual services which Mr. Greenleaf rendered.

I may say to the Senator from Tennessee that Mr. Greenleaf came to Washington because Mr. Woodson, of Kentucky, had been appointed Alien Property Custodian. Mr. Greenleaf did not care about coming, but Mr. Woodsan wanted a friend to advise him. When that activity was transferred to the Department of Justice Mr. Greenleaf went with it for a while. He stayed on for a few months, when he resigned and went home, after he had made some effort to prepare the cases which he was afterward employed as a special Assistant Attorney General to look after. He received a letter from the Attorney General asking if he would conduct certain cases, known as the Cattle Tick cases, and he agreed to do so.

Mr. McKELLAR. Mr. President, as I understand the Sentor, that was after Mr. Greenleaf had received regular employment by the year.

Mr. LOGAN. Oh, yes. He resigned and went home. A judgment for $600,000 was secured against the Government, and for 29 months Mr. Greenleaf gave practically all his time to the trial of these cases. There were 22 parties and 3 separate cases.

I thought, and the Senator from Michigan thought, that the amount Mr. Greenleaf should receive should be more than we are allowing him, because the Attorney General wrote to Mr. Greenleaf and said that after the services were over he would pay him a reasonable fee. Mr. Greenleaf filed an affidavit from the most outstanding lawyers in Kentucky, and perhaps from some other places, pointing out that a reasonable fee for the services rendered would be $50,000 or $60,000, but under a law enacted by Congress the Department cannot pay a special assistant more than at the rate of $10,000 a year. Because of that law the Senator from Michigan reported to our committee that all Mr. Greenleaf could receive was about $21,000, of which some $7,000 had been paid; and the Senator from Michigan recommended to the committee, and we accepted the recommendation, that $14,000 be appropriated, which is all we thought we could appropriate under the law.

I believe that substantially states the facts.

The PRESIDING OFFICER (Mr. HATCH *in* the chair). The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ESTATE OF JOSEPH MIHELICH

The Senate proceeded to consider the bill (S. 920) for the relief of Mary Mihelich, which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert:

That jurisdiction is hereby conferred upon the United States District Court for the District of Montana to hear, determine, and render judgment, as if the United States were suable in tort, upon the claim of the estate of Joseph Mihelich, for damages sustained as a result of the death of Joseph Mihelich, who was killed at Butte, Mont., on July 2, 1938, by the caving in of a sewer ditch which had been dug by employees of the Works Progress Administration: *Provided*, That the judgment, if any, shall not exceed $5,000.

SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claims, appeals therefrom, and payment of any judgment thereon shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph 20 of section 24 of the Judicial Code, as amended.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill conferring jurisdiction upon the United States District Court for the

District of Montana to hear, determine, and render judgment upon the claim of the estate of Joseph Mihelich."

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 34) for the relief of W. K. Richardson was announced as next in order.

Mr. KING. Let us have an explanation of the joint resolution. Let it go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

DOMICILIARY CARE, ETC., FOR CERTAIN VETERANS

The bill (H. R. 2320) to provide domiciliary care, medical and hospital treatment, and burial benefits to certain veterans of the Spanish-American War, the Philippine Insurrection, and the Boxer Rebellion, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in addition to persons entitled to domiciliary care, medical and hospital treatment, and burial benefits under the provisions of sections 6 and 17, Public Law No. 2, Seventy-third Congress, as amended (U. S. C., title 38, secs. 706 and 717), and regulations issued pursuant thereto, as amended, those persons recognized as veterans of the Spanish-American War, including the Boxer Rebellion and Philippine Insurrection, under public laws in effect on March 19, 1933, are hereby included within the provisions of the aforesaid section 6, as amended, and the second proviso of the aforesaid section 17, and regulations issued pursuant thereto, as amended, in the same manner and to the same extent as the provisions are now or may hereafter be applied to veterans of any war as specified therein.

BILL PASSED OVER

The bill (S. 190) to authorize the temporary appointment of a special judge for the District Court of the Virgin Islands was announced as next in order.

Mr. McNARY. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over. That completes the calendar.

ORDER FOR ADJOURNMENT TO THURSDAY, AND AUTHORITY FOR TRANSACTION OF CERTAIN BUSINESS

Mr. BARKLEY. Mr. President, I ask unanimous consent that when the Senate shall conclude its business today it stand in adjournment until noon on Thursday next, and that during the interim the Vice President shall be authorized to sign bills and resolutions, that committees may report bills, resolutions, and nominations, and that the Secretary of the Senate may receive communications from the House.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

STATE OF VERMONT

Mr. AUSTIN. Mr. President, I move that the Senate proceed to the consideration of Senate Joint Resolution No. 11, Calendar No. 208, directing the Comptroller General to readjust the account between the United States and the State of Vermont.

The PRESIDING OFFICER. The question is on the motion of the Senator from Vermont.

The motion was agreed to; and the Senate proceeded to consider the joint resolution, which was read, as follows:

Resolved, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to audit the claim of the State of Vermont with respect to advances and expenditures made by such State for military purposes during the War of 1812–15, with Great Britain, and after applying the rules of evidence and settlement to this class of claims, provided for in resolution of May 14, 1836 (5 Stat. L. 132), and in section 12 of the act approved March 3, 1857 (11 Stat. L. 229), to submit to the Senate a report containing the results of an audit of such claim, in conformity with said rules, and to certify to Congress for an appropriation the balance found due the State of Vermont.

Mr. AUSTIN. Mr. President, I shall not occupy the time of the Senate longer than to state, just prima facie, the purpose of the bill.

The bill provides for the adjustment of a claim by the State of Vermont against the United States, based upon expenditures, and the interest on those expenditures, made for the United States in its national defense in the War of 1812–15.

The legal foundation for the claim is statutes passed by the Federal Government from 1814 to 1818 promising definitely and specifically to pay this type of claim. A part of the claim is noninterest bearing. That is to say, $35,057.78, as ascertained by the Comptroller General under a resolution formerly passed by the Senate, is noninterest bearing. The interest all arises over the amount of $4,130 of a loan obtained by the State of Vermont, to carry which it paid interest, and which it reloaned or expended for the benefit of the United States Government.

As ascertained to the date of February 19, 1935, the sum of these items of principal and the interest thereon is $92,868.90. It makes me blush to think that I have had to ask the Senate time after time to consider this just and legal claim. It is so insignificant in amount as compared with the other claims that pass the Senate without any difficulty whatever that I really marvel at the idea that I am forced to put on pressure to have this claim allowed.

The bill itself does not allow the claim. It does not appropriate money for the payment of the claim. It makes an arrangement for the Comptroller General to bring the calculation up to date, and to have the authority to do so from the entire Congress, so that the Budget Bureau may consider the matter and the item may be put into an appropriation bill at some time in the future. We hope some day to have this just claim paid to the State of Vermont, and I now leave the matter for my kind friend from Nebraska [Mr. BURKE] to state his objection, which heretofore has been repeatedly urged here.

I may say that similar bills have twice been referred to the Judiciary Committee and approved, and passed by the Senate, but they were held up in the House for lack of expedition in the consideration of bills on the calendar. A third time a bill for this purpose was referred to the Judiciary Committee of the Senate, and favorably reported, and then referred to the Committee on Claims. The Senator from Nebraska was chairman of the subcommittee which considered the bill from that point of view, and reported unfavorably upon it. Now, for the fourth time, the measure has been favorably reported by the Judiciary Committee of the Senate. I hope the Senator from Nebraska will entirely satisfy himself today regarding the bill and that the Senate itself will pass it.

Mr. ADAMS. Mr. President, I desire to make an inquiry of the Senator from Vermont. Does the direction to the Comptroller General to make an audit direct him to include advances which have been made to the State of Vermont by the Federal Government subsequent to that time? I mean, is there any direction to include what might be considered offsetting items?

Mr. AUSTIN. The direction is certainly ample to enable the Comptroller General to offset what legally ought to be offset against any claim. As a matter of fact, in the former calculation the Comptroller General offset certain sums of money that has been properly paid, and that ought to be offset. If there are any more such sums, let them be presented now. If the Senator from Colorado has anything to suggest that should be offset against this claim, let us hear from him now.

Mr. ADAMS. Mr. President, I had no suggestion to make. I was making an inquiry. I am merely conscious of the fact that in the case of Vermont and other States loans and advances have been made to the States for relief purposes within the last 6 or 8 years, and I was merely inquiring whether or not the joint resolution would provide for a general audit of the accounts of the States.

Mr. AUSTIN. Mr. President, if the State of Vermont borrows any money from the United States, the United States will not have to offset it in order to get it. The State of Vermont has always paid its bills "on the nail," and the

State of Vermont expects the United States to pay it what the United States owes the State of Vermont. That is all it asks.

Mr. BURKE. Mr. President, there is a great deal more to the point raised by the Senator from Colorado than is disclosed by the laudatory remarks of the Senator from Vermont for his native State. The basis of the pending claim is that at a time 122 years ago the State of Vermont incurred some expenditures in performing what is considered a Federal function; that is, providing for national defense. This action occurred in the War of 1812. The State was defending itself, but under our theory the National Government bears the expense of such activities. Now, after the lapse of 122 years, the Senator from Vermont says that the money Vermont spent in defending itself, with interest on all items subject to interest, should be repaid; and considerably more than half of the total amount of the claim represents interest.

As I understand, the point raised by the Senator from Colorado is that particularly in the last few years—and we need not go back beyond that period—the Federal Government has been doing in Vermont and for Vermont citizens things which ought to be done by the State for itself, has been incurring expenditures in providing for relief, in making contributions toward the erection of public works in the State of a strictly local nature, and, I venture to say, without having checked the figures, that within the last 5 years the Federal Government has incurred expenditures for Vermont which ought to have been paid by Vermont itself, running as high as a hundred times the amount of the claim now presented. That, in a way, forms the basis of my objection to this type of legislation.

Beyond that, however, is the question of the age of the claim. According to the Comptroller General's report, in 1817 the State of Vermont loaned $4,130, and in 1818, $6,000. Those dates, however, the Comptroller points out, are merely supplied. The loans were in connection with the War of 1812, and the records do not show the exact dates, so he puts in those approximate dates.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BURKE. I yield.

Mr. CONNALLY. I understood the Senator from Nebraska to say that, in addition to the loans, some expenditures were made directly by the State for military purposes.

Mr. BURKE. There were actual military expenditures amounting to $35,000.

Mr. CONNALLY. Were those expenditures made for defensive measures? Was the State invaded? Or were the expenditures made for offensive measures, to aid general prosecution of the war? Is the Senator prepared to answer that question?

Mr. BURKE. The State of Vermont feared invasion from the North. The State incurred military expenditures as a part of the general program, but also to aid in protecting itself from invasion.

My main objection to the pending measure is that it reaches back into the musty past and brings forth a claim which might with some reason have been presented immediately following the War of 1812; but to bring it up at this time, in a new century, 122 years later, seems to me straining altogether too far the matter of burdens which should be put upon the Federal Government.

Mr. CONNALLY. Mr. President, will the Senator yield further?

Mr. BURKE. I yield.

Mr. CONNALLY. I inquire of the Senator from Nebraska whether it is not true that Vermont really deserves considerable credit for these actions, which evidenced its loyalty to the Union during the War of 1812, at a time when very responsible and high influences in a large section of New England were holding the Hartford convention, and threatening to secede and join Canada in a new government. I think the test of Vermont's loyalty was the expenditure of some of its money, which is pretty good proof that she was loyal, and it seems to me that she deserves special credit for standing by the Union in 1812 and 1814, when there were disloyal elements in many sections of New England.

Mr. AUSTIN. Mr. President, if the Senator from Nebraska will permit——

Mr. BURKE. I yield.

Mr. AUSTIN. I should like to thank the Senator from the Lone Star State for his recognition of a characteristic of his own great State. Vermont did not excel other States in patriotism and in loyalty; but Vermont was loyal, though she takes no special credit for that.

I want the Senator from Nebraska to have full opportunity to tell the Senate, if he knows it is so, that Vermont's delay in presenting this claim to the United States is not due to any laches on Vermont's part; it is due, in part, to the fact that not until 1921 did the Federal Government set up any agency or provide any means by which to get such a claim as this allowed by the Federal Government. Thereupon Vermont commenced the effort to have her claim allowed. I will not take the time of the Senator from Nebraska further, but I want the Senator from Texas to know that I appreciate his great courtesy to the State of Vermont.

Mr. BURKE. Mr. President, I concede at this point that if the Senator from Vermont is to carry out the program of welcoming congratulatory messages from Texas and other States on the loyalty of Vermont 122 years ago, eventually there may be very few votes against the pending measure. [Laughter.] For myself, I think Vermont is entitled to credit for its loyalty, but not credit which can be measured in dollars and cents. I put the credit I give to Vermont upon a much higher plane than that. I also think that Vermont has been repaid manifold by being permitted to be a member of a union of free States during the century and a quarter that has elapsed since that unfortunate affair.

In answer to another point raised by the Senator from Vermont, that it was not until 1921 that the Federal Government set up an agency which would make it possible to examine into claims of this kind, I am sure the Senator from Vermont would not want the implication to be conveyed by his remarks that no claims of this general nature were submitted and paid prior to 1921. Such claims have been paid through all the years. It is true an agency was set up in 1921 which made it possible to determine such claims in a more orderly and scientific manner; but there was no reason whatever why in 1819, 1820, and every year down through the century and a quarter since the claim accrued, Vermont could not have presented this claim to Congress and asked for its allowance.

I call the attention of the Senate to the fact that the pending claim does not stand alone. Allow this claim, and every Senator in this body will be obliged to consider whether his duty and obligation to his own State or city may not be such as to require him to bring forward claims running back even beyond the War of 1812. In fact, a measure is now pending before the Committee on Claims calling for the payment of about $3,000,000 to claimants whose claims, if they have any, arose during the period 1793 to 1799. There is also pending, and on a number of occasions it has been passed by the Senate, but fortunately not by the House of Representatives, a bill for the settlement of a claim of the city of Baltimore for about $200,000 because during the Civil War, when it was thought that a different outcome than that which occurred might take place at Gettysburg, and General Lee might be sweeping down on Washington, it was deemed advisable to throw up breastworks around the city of Baltimore. Baltimore did that, and paid the laborers who did the work, and Baltimore has had a claim pending at each session of the Congress for repayment of the amount expended, with interest.

I may say that the State of Connecticut has on some occasions, not, however, through the senior Senator from Connecticut [Mr. MALONEY], presented a claim also growing out of the War of 1812.

The city of New York has a very large claim, approximating a million dollars, I believe, for expenditures which it claims it incurred on behalf of the Federal Government during the Civil War.

I have no doubt that almost every community in the United States can unearth some kind of a claim which it could, with just as much reason, present. It seems to me the Senate ought now to establish as a hard and fast rule that it will not go back 120 years, or 50 years, or 25 years, but will impose a reasonable limitation under which any State or city or community which has a valid claim must present it within 5, or 6, or 10 years, at the most.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BURKE. I yield to the Senator from Connecticut.

Mr. DANAHER. I ask the Senator from Nebraska if he stated that the State of Connecticut ever received an allowance on account of the War of 1812?

Mr. BURKE. Not to my knowledge; but a claim was presented at the last session of Congress, and reported adversely by the Committee on Claims, proposing to pay the State of Connecticut several hundred thousand dollars.

Mr. DANAHER. Was the claim presented in the Senate?

Mr. BURKE. The claim was presented in the Senate, and referred first to the Committee on the Judiciary, along with the claim of the State of Vermont and that of the city of Baltimore and that of the city of New York, and then the claims were, upon motion, taken away from the Committee on the Judiciary and referred to the Committee on Claims, and a subcommittee was appointed to study them all very carefully. The junior Senator from Washington [Mr. SCHWELLENBACH], myself, and one other Senator were on that subcommittee. We studied the claim of the State of Connecticut and the other three claims and reported them adversely to the full Committee on Claims. The full committee sustained our report, and the claims were reported adversely to the Senate and stood upon the Senate calendar all during the remainder of the last session with the adverse report of the Committee on Claims.

Mr. DANAHER. Since the Senator has acquitted the senior Senator from Connecticut of having presented that claim, I take it the same statement will apply to the present junior Senator from Connecticut.

Mr. BURKE. The claim was presented by former Senator Lonergan in all good faith, just as I accord to the Senator from Vermont [Mr. AUSTIN] the utmost of good faith in now presenting Vermont's claim. There is much to be said in favor of the position he takes. Congress has through all the years allowed a great many of these claims to different States, but the fact that what seems to be a wrong policy has been pursued in the past hardly affords justification now for continuing it indefinitely; indeed, I believe it was the Senator from Vermont who called my attention to the fact that my own State of Nebraska presented a claim to Congress for expenses incurred in the Indian wars, and I investigated that matter and found it was true. So far as the point I am making is concerned, however, it does not offer any obstacle to my course, because the claim was presented within 4 or 5 years, or 10 years at the utmost, from the time the expenditures were incurred, and was allowed and paid within that time.

So I say, Mr. President, that it would be a greatly mistaken policy now to go back into ancient history and give to these claimants, cities, States, and communities, the right to take these sums out of the already heavily overburdened Treasury of the United States. The Senator may say that the bill does not make any appropriation, but every Member of the Senate knows that it is the first step leading toward an appropriation that will surely follow. I have been unwilling that any of these matters should pass by unanimous consent. I think there should be a record vote. If the Senate in its wisdom shall decide that it is willing to put the stamp of approval on such claims as this, I certainly have no objection; but I myself should want to go to the full length and suggest the absence of a quorum, and at least ask for a record vote before the matter is submitted, and I do now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Calif.	Pittman
Andrews	Donahey	Johnson, Colo.	Reed
Ashurst	Downey	King	Russell
Austin	Ellender	La Follette	Schwartz
Bailey	Frazier	Lee	Schwellenbach
Bankhead	George	Lodge	Sheppard
Barbour	Gerry	Logan	Shipstead
Barkley	Gibson	Lucas	Slattery
Bilbo	Gillette	Lundeen	Smathers
Bone	Glass	McCarran	Taft
Borah	Green	McKellar	Thomas, Okla
Bridges	Guffey	McNary	Thomas, Utah
Bulow	Gurney	Maloney	Tobey
Burke	Hale	Mead	Townsend
Byrnes	Harrison	Miller	Truman
Capper	Hatch	Minton	Vandenberg
Caraway	Hayden	Murray	Wagner
Chavez	Herring	Norris	Walsh
Clark, Idaho	Hill	Nye	Wheeler
Clark, Mo.	Holman	O'Mahoney	Wiley
Connally	Holt	Overton	
Danaher	Hughes	Pepper	

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

The question is on the engrossment and third reading of the joint resolution.

Mr. AUSTIN. Mr. President, there is only one subject about which I care to say anything further, and that is the subject of the claim of laches on the part of the State of Vermont.

Laches is something entirely different from limitations. I think no Member of this body would interpose the statute of limitations upon a debt as between two sovereign nations. Is any Senator willing to assert that the plea of limitation of time is good on the part of Germany or Great Britain as against our debt? Oh, no.

It must be admitted that the debt in question is a straight, honest debt owed by the United States to the State of Vermont, as to which there is no question about the consideration. It was money paid "on the nail" in time of trouble, partly in consideration of patriotism, to be sure, but also paid under Federal statutes promising repayment and interest thereon.

There might be something to the claim of laches on the part of the State if the State of Vermont had by its act misled the United States in any way, to the detriment of the United States, beween the time of contracting the debt and the present time. What do the facts appear to be in this relationship? Following the rendering of the service and the payment of the money by the State of Vermont there was a long period when no special provision was made for establishing this claim or any other similar claim; and many such claims which were presented failed for lack of a suitable medium for the establishment of the claims or for lack of proper evidence to prove the claims.

It was not until 1836 that the Federal statute was passed enabling some of the creditors to present their claims. In 1836 a joint resolution was passed "to authorize the Secretary of War to receive additional evidence in support of the claims of Massachusetts and other States of the United States for disbursements, services, and so forth, during the late war," meaning the same war with which we are dealing—the War of 1812. In that resolution there was this concluding sentence——

Mr. BURKE. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. BURKE. There was a little confusion, and I did not hear the year when the joint resolution was passed. I was not certain whether it was 1836 or 1936.

Mr. AUSTIN. Eighteen hundred and thirty-six. The concluding sentence of the joint resolution is as follows:

And that in the settlement of claims of other States upon the United States for services, disbursements, and expenditures during the late war with Great Britain, the same kind of evidence, vouchers, and proof shall be received as is herein provided for in relation to the claim of Massachusetts, the validity of which shall be, in like manner, determined and acted upon by the Secretary of War.

At that time the State authorities had in contemplation the presentation of the claim by the State, and they began to collect vouchers and enter them in a book in order to preserve them of record. I understand that such a book was completed by the 7th of November 1856. That date is ascertained from a certificate in the book itself. The certificate is as follows:

STATE OF VERMONT,
OFFICE OF THE SECRETARY OF STATE,
Montpelier, November 7, 1856.

I certify that the foregoing 137 pages of this book contain true copies, in dates and amounts of the original vouchers in this office, for payments made by this State for services in the War of A. D. 1812 with Great Britain; and that the aggregate as appears by this book has been compared with the preceding vouchers and is correct.

In testimony whereof I hereunto set my hand and the seal of this State, this 7th day of November A. D. 1856.

[SEAL] CHARLES W. WILLARD,
Secretary of State.

In 1857 a fire occurred, and it was believed that all evidence of the claim by the State of Vermont against the United States was destroyed. I understand this book was found a long time afterward in the adjutant general's office. The book was discovered, or duplicate originals of the entries were found, many years afterward.

In 1921 Congress approved the so-called Budget Act, by which the General Accounting Office was set up, and provision was made for the presentation of these claims. Thereupon Vermont's claim began to be presented, and old records in the House, which I have seen, show that efforts were made forthwith, and from that time to this, with but little interruption, not caused by the State itself, to establish its claim. The State has tried to establish its claim, have it allowed, appropriated for, and paid.

Mr. President, I claim that even in a court of justice, where a litigant is held down to a legal basis for his right of recovery, Vermont could never, never be convicted of laches in respect to the presentation of its claim. The rules in a court of justice are more stringent than they ought to be in this court. This court ought to be a court of conscience, doing right as between two sovereigns, even though there might be some technical disability in the presentation of the claim or in the time of its presentation.

Let us see just what the courts hold to be laches. I read from page 7 of the report a citation which purports to be copied from a case involving a claim for interest by a State against the Federal Government:

Laches is not, like limitation, a mere matter of time but principally a question of the inequity of presenting the claim to be enforced, an inequity founded upon some change in the condition or relation of the property of the parties (*Galliher* v. *Cadwell*, 145 U. S. R. 368). The doctrine is based upon grounds of public policy, which requires for the peace of society the discouragement of stale demands. It is most applicable where the difficulty of doing entire justice arises through the death of the principal participants in the transaction complained of, or of the witnesses, or by reason of the original transaction having become so obscured by time as to render the ascertainment of the exact facts impossible (*Hammond* v. *Hopkins*, 143 U. S. R. 224).

Mr. President, the joint resolution calls for the ascertainment of the exact facts. It provides for the submission of the claim of the State of Vermont to the Comptroller General for auditing, for the purpose of having the amount ascertained by the General Accounting Office, put into the Budget of another year, appropriated for, and paid.

Mr. President, that is all I have to say at the present time. I understand that the Senator from Nebraska has called for a yea-and-nay vote, and I join in that request.

Mr. SHEPPARD. Mr. President, it seems to me beyond question that in this matter Vermont was acting on behalf of the Union, on behalf of its territorial integrity, and against a possible invasion. In reality, she was participating in the national defense. She feared invasion from Canada, not only an invasion of Vermont but an invasion also of the United States; and the Union, therefore, is in honor bound to reimburse her for what she expended in military activities on behalf of the United States.

Furthermore, Mr. President, a just debt remains a just debt, no matter how old, and it is well known that the statutes of limitations do not apply to sovereignty.

Mr. ADAMS. Mr. President, I first wish to express entire concurrence with one of the points made by the Senator from Vermont; namely, that the question should be determined as it would be determined in a court of conscience. It should not be treated upon the basis of strict legal rules. I would not, as a Member of the Senate, think that we should act upon the basis of the statute of limitations. There are certain elements of conscience, however, that lead me to an opposite conclusion.

I am somewhat amazed to find the claim presented on the ground of conscience, and especially when we take into consideration things which have happened during the past 6 or 8 years. Here is a claim based upon loans and upon services rendered during the War of 1812. There is no contention as to their validity; I do not assume that there is any question as to the amount; but, from the standpoint of conscience, 7 or 8 years ago when distress prevailed throughout this land, including the State of Vermont, one of the first things that was done was the passage of an act, sponsored by the senior Senator from Wisconsin [Mr. LA FOLLETTE] and the then Senator from Colorado, Mr. Costigan, appropriating $300,000,000, which was loaned to the States. It was not given but was loaned to the States, allocated and apportioned to the States, to enable them to provide for their necessities, to enable them to defend themselves against the depression. Since then endless millions of dollars have been appropriated by the Federal Government to aid in carrying the relief burdens of all the States, including the great State of Vermont. So, if we are going to talk about conscience, there is an element of conscience in the consideration whether or not a State is justified, in its conscience, after receiving this help of recent years in vastly greater amounts than the total of its claim, to come to Congress and ask to have paid an old claim.

The Federal Government has built in Vermont, in Colorado, and elsewhere schoolhouses; it has built hospitals; it has built courthouses; it has built roads out of Federal moneys in order to assist in carrying the burdens which were primarily those of the State governments. I stood on the floor not many weeks ago and urged an appropriation of several million dollars to aid the New England States relieve themselves from the effects of a destructive hurricane. I think some $5,000,000 was appropriated for their aid. That was done just as a matter of good conscience, the Federal Government making no claim because of the great aid and help it has rendered and the burdens it has carried. So I ask, Is this claim to be sustained upon the ground of good conscience?

Mr. McNARY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Oregon?

Mr. ADAMS. I yield.

Mr. McNARY. I am always delighted with the philosophy and good sense of the able Senator from Colorado, but does he think that the amount of benefit payments by the Federal Government to the State should be considered an offset to claims of the kind now under consideration?

Mr. ADAMS. I am merely recalling one particular appropriation which was a loan. There was one appropriation of $300,000,000 which was sent to the States as a loan. My recollection is that a subsequent appropriation of $500,000,000 went partly as a loan and partly as a grant. Expenditures

since then have not been in the shape of loans. However, I was merely discussing the one question of good conscience as between two sovereignties and whether or not one should exact the letter of the bond.

The PRESIDING OFFICER. The question is, Shall the joint resolution be engrossed and read a third time?

The joint resolution was ordered to be engrossed for a third reading and read the third time.

The PRESIDING OFFICER. The question is, Shall the joint resolution pass?

Mr. BURKE. I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is, Shall the joint resolution pass? [Putting the question.] By the sound, the ayes seem to have it.

Mr. BURKE. I ask for a division.

On a division, the joint resolution was passed.

THE NEUTRALITY ENTANGLEMENT

Mr. NYE obtained the floor.

Mr. KING. Will the Senator yield to me for a few observations?

Mr. NYE. I yield.

Mr. KING. Mr. President, the Committee on Foreign Relations of the Senate has before it a number of bills dealing with the broad subject of neutrality. A number of witnesses have appeared before the committee and expressed their views upon these measures. There has been no unanimity of opinion upon the part of those who have testified—indeed, as I understand the testimony, there have been rather violent disagreements. That is to be expected, because when there are international conflicts in various parts of the world, sound legislation dealing in a narrow or comprehensive way with neutrality—with the rights of neutrals and the rights of belligerents—is fraught with great difficulty—indeed, is almost impossible.

In my opinion this is not a propitious moment to enact measures which deal in a narrow or comprehensive way with the problem of neutrality. There are well-recognized principles of international law which obtain during days of peace as well as during periods of war. If international law is to be supplemented by municipal laws and regulations adopted by one or more nations, then such enactments, rules, and regulations should, so far as possible, originate during periods of comparative peace. It is difficult to deal with neutrality when there are serious conflicts, particularly among important and powerful nations. This is especially true in this period of the world's history, when nations are drawn more closely together through trade and commerce and through improved methods of communication and transportation. As we know, many nations depend largely for their prosperity upon international trade. The seas are covered with vessels carrying commodities from all lands, and whenever any conflict arises among nations international trade is seriously affected. Interference with trade and commerce upon land and sea inevitably results when nations are at war. So, as I have indicated, it is a most difficult task—indeed, it taxes the genius and ability of the greatest statesmen for the purpose of formulating neutrality measures. The rights of neutrals and the rights of belligerents are involved in any legislation which falls within the category of neutrality.

It was believed by some that the so-called Neutrality Act of May 1, 1937, which was defended with great zeal in this body, would prove beneficial in the solution of neutrality problems. I was one of the few Senators who opposed the bill, and in an address which I delivered in the Senate on Wednesday, April 21, 1937, I pointed out some of the reasons which impelled me to vote against its enactment. I indicated that the measure emphasized belligerent rights, but did not sufficiently indicate neutral rights and responsibilities in determining questions which might arise between neutrals and belligerents. I indicated that the measure seems to be lacking in realism, and that when international difficulties arose policies framed by nations for the purpose of determining national conduct with respect to those international questions would be disregarded.

It seemed to me then, as it does now, that in the event of international conflicts regulations which one nation may promulgate, hoping to prevent its being drawn into the conflict, would probably be ignored by belligerents if advantages might be derived by such course. If neutral rights are surrendered, it is not to be expected that belligerents will be more constrained to regard conceded neutral rights. Attempts to enumerate rights to be surrendered seems to require an enumeration of rights which are not surrendered. Belligerents are not concerned in the details of local legislation. They are at war and admit no restraints except grudgingly, and even then infringements are made upon international agreements.

It is doubtful that whether by yielding rights isolation could be obtained, or, if so, whether the situation would be satisfactory.

As I have indicated upon several occasions, our country has stood for neutral rights, freedom of the seas, and the right to carry on trade in wartimes as well as in peacetimes. It is true that some of these rights were either surrendered or their loss acquiesced in during the World War.

Perhaps no hard and fast rule can be laid down to govern national action when the circumstances in which that action is taken are unpredictable. If we bar our citizens from travel or its ships from sailing the seas or merchants from trading abroad, there would still be danger of involvement both through the probable action of the contestants or by reason of the probable opposition at home which might force a change of neutrality rules which we had adopted.

As I have indicated, the act of 1937 was so unsatisfactory I felt constrained to oppose it. I believe that in its operations it would help the strong nations, particularly those possessing large shipping interests, and would injure the weak nations, particularly those whose shipping interests were unimportant.

I was so much opposed to the measure that on January 5, 1938, I offered a bill for its repeal. The measure was referred to the Committee on Foreign Relations, but no action was taken by the committee. I still persisted in my opposition to the measure, and on January 4 of this year I offered a similar measure calling for the repeal of the act of May 1, 1937. The latter bill is now before the Committee on Foreign Relations, and I hope that it will be given due consideration, and I shall be gratified if it meets the approval of the committee.

I shall not attempt to trespass any further upon the time of the Senator from North Dakota [Mr. NYE], but before closing I desire to offer for the RECORD an article appearing in the New York Herald Tribune of this date, written by Mr. Walter Lippmann. The article is entitled "The Neutrality Entanglement." Mr. Lippmann, as all Senators know, is a writer of great ability. His views upon political, economic, and social questions are entitled to most serious consideration. I ask that Mr. Lippmann's article be inserted in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of April 25, 1939]

TODAY AND TOMORROW—THE NEUTRALITY ENTANGLEMENT

(By Walter Lippmann)

In trying to decide what to do about the Neutrality Act the members of the Senate committee have an extraordinarily difficult problem. Senator BORAH pointed out the difficulty last week when he asked whether it was not impossible for the committee to come "to any agreement which would be accepted as a neutral position." When he asked that question Mr. BORAH came closer to the heart of the real question than has anyone else who has taken part in the debate.

Mr. BORAH gave as his reason for the difficulty that "we," meaning American public opinion, "have practically passed upon who is an aggressor." Undoubtedly that is a great cause why it would now be difficult to have almost anything the Congress enacts "accepted as a neutral position." But the fundamental difficulty would exist if American public opinion were completely detached and morally indifferent on the issues in Europe and Asia. The essential difficulty confronting the committee is that it is com-

pelled to legislate on neutrality at a time when a war is already being fought in Asia and at a time when all of Europe is in a state of warlike mobilization.

This means that Congress is compelled to change the rules of the game while the game is being played. Whatever it does or fails to do, the result will not be universally accepted as neutral. Senator NYE's law has placed Congress in a quandary where Congress is compelled to take a position, and almost any position it takes will immediately and vitally affect the course of events all over the world, will be construed throughout the world by every nation as an act of American national policy.

Take the simplest case. Suppose Congress does nothing. Then on May 1, when section 2 expires, we shall have an embargo on munitions to belligerents, an embargo that is not being applied to Japan and China. Suppose that war breaks out in Europe. We shall then find ourselves supplying Japan, which is a partner of the axis, with munitions while we refuse them to Great Britain, France, and, if they are attacked, to Switzerland and the Netherlands. We shall be supplying munitions to the Asiatic partner of the axis while we are withholding them from the nations that were attacked.

Suppose, then, that Congress reenacts the whole of the existing law. In that event Congress will have reaffirmed so positively its insistence on the present act that the President would be morally bound to impose an embargo against Japan. The effect on Japan would be serious. The sudden change of policy in the midst of her war with China would be unneutral and would give Japan the strongest kind of provocation to make a military alliance with Germany and Italy and to strike, while the British are preoccupied in the Mediterranean, at the Dutch East Indies and the adjacent regions.

If Japan is pushed into the arms of Germany, the axis will not only have gained a powerful ally but, what is worse, the axis will have a strong inducement to go to war now in Europe. For by going to war, the axis can shut off the military supplies that are now moving from this country to England, France, and the Netherlands. The existing law, it must be remembered, permits exports of munitions in time of peace. It stops the exports only in wartime. Therefore, the law, as it is now framed, says that if Germany wants to stop the British and French from obtaining arms in the United States, Germany can do this by declaring war. This is a dangerous inducement to the war party at a time when the peace of the world is trembling in the balance.

Suppose then that Congress goes still further, enacts the Nye-Clark-Bone mandatory embargo. Where does that leave us? It also means an immediate embargo against Japan, followed almost surely by a Japanese military alliance with the axis, creating a situation in which there are the strongest inducements to a triple attack on Great Britain and France. For, having been deprived of American supplies, the Japanese, who are already at war, will have to move. The axis will have acquired a willing, even an urgent, ally, and at the same time it will be able to cut off the supply of munitions to the European democracies.

Suppose then that Congress takes the opposite line and revises the law so that supplies will not be sold to "the aggressor." This would compel Congress to declare a kind of war against Japan, and a kind of war is very likely to become a real war.

We are, no matter what we do, in a position where no one will regard the action of Congress as neutral, where everyone will see that it favors one nation at the expense of another. We need not have been in this entangling position. We have entangled ourselves by Mr. NYE's legislation, and the only real way to disentangle ourselves is to repeal the legislation and take our stand once more on the principles of international law.

This is much the safest course, the most easily defensible, the most consistent with the sentiments and the interest of the American people. If we return to international law, we do not have to intervene in the Far East by changing our policy in the middle of the war. We do not have to challenge Japan at a time when Japan is inevitably in a desperate mood. We shall be able to take the neutral position, which is that Japan and China may buy supplies here in accordance with articles VII and VIII of the Hague Convention of 1907 on the Rights and Duties of Neutral Powers. We shall not be entangled in the extremely dangerous consequences that would result from applying an embargo in the middle of a war. We shall remove from Japan the provocation and the inducement to sign a military alliance with the axis and to precipitate a world war.

In regard to Germany and Italy, we shall be taking a position which is legally and morally unassailable. On the other hand, we shall take away from them the hideous inducement to start a war in order to deprive their opponents of supplies that they can obtain only as long as there is no war. The act of repeal, on the other hand, would not only remove the inducement to strike quick, which we now offer to the axis, but it would be profoundly deterrent because it would be construed as making it possible for the coalition to resist successfully.

Above all, repeal would protect the United States against finding itself in a horrible dilemma once war broke out. For then, with public sentiment what it is, with America's national interest what it is, we should at the outbreak of a war, after air raids on London and Paris and the overrunning of Holland and Switzerland, find ourselves compelled to refuse arms to the nations that engaged the overwhelming sympathy of the Nation.

The argument now being conducted before the committees of Congress is emotional enough. Imagine what it would be in the midst of war itself. If in the midst of war we refused to amend the act, a great majority of the people would be horrified at the idea that they were helping aggression to succeed. And if, acting on our sentiments and what many would regard as our vital interests, we then amended the act, we should for all practical purposes have intervened in the war.

The safest course, I repeat, is to repeal the act and return to the elementary principle of international law. This is the only solution that can still be adopted which is legally neutral and can therefore be defended; it is the only solution which can enable us to escape the worst of all the entanglements of a neutral, the entanglements of changing his policy after war breaks out.

Mr. NYE. Mr. President, I have been more than a little disturbed by reason of the speed with which people have adopted two cries—one cry particularly, to the effect that the Neutrality Act has proven a failure. In my opinion, the Neutrality Act has one lone purpose, and that purpose is to help the United States keep out of other people's wars; and until there can be a demonstration of our involvement in other people's wars in spite of the existence of that act, I do not know by what right, by what rhyming, or by what reasoning anyone can fairly conclude that the Neutrality Act has been a failure.

Unprecedented is the speed with which people have recently adopted as their own the cry that if war comes to Europe our country cannot hope to stay out of that war. Many seem certain that a war in Europe makes our participation inevitable, inescapable. This sort of thinking is alarming, to say the least. It is the kind of thinking that most easily breaks down resistance to being drawn into the wars of other people, wars which would bring unbearable penalties upon our country and its citizens.

"We cannot escape part in it if war comes to Europe." Why does this thought persist and grow, when there is so much reason to believe that we can stay out of war if we but have the will to stay out? Norway, Sweden, Denmark, Holland, Switzerland, and Spain stayed out of the last war. They were 55,000,000 people, living in democracies at the very door of the war in Europe. If they could stay out of the last war, why can we not be sure of a prospect of staying out if war comes to Europe again—we who are 3,000 miles and more removed from the seat of war? Why must we even lend ourselves to the thought that we cannot stay out of another European war? One must naturally be left wondering as to the source of this feeling of inevitability. Are these opinions being planted by chance, by careful purpose? Are they inspired? Are we by any chance being thus early subjected to clever propaganda?

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from North Dakota yield to the Senator from Washington?

Mr. NYE. I yield to the Senator.

Mr. SCHWELLENBACH. I do not want to digress too far from the Senator's remarks; but I was very much struck a few weeks ago in reading an article, which seemed to be a special article, in one of the newspapers here, in which some local newspaperman had interviewed a man named Warring, who was charged with attempting to bribe a jury, or something like that. The newspaperman went on and interviewed Warring; and during the course of the interview Warring said, "There comes a time in the life of every man when he must go to jail."

I was rather struck by the similarity between that remark and the attitude of many persons in this country. I have never figured out that I was going to jail, and I do not think more than 2 or 3 percent of the population figure that they are really going to jail; but I was struck with the similarity between that attitude and the attitude of many persons in the country that at regular intervals there come times when the country must go to war.

Mr. NYE. One is about as inevitable as the other, I should say; and I thank the Senator from Washington for

his very striking example of how easily some persons can make themselves believe that this, that, and another course are inevitable.

I have asked if by any chance there might be a purpose of propaganda behind this feeling that persists and grows. It can fairly be said that the greatest danger to our peace in America is propaganda, from abroad and propaganda from home; influences that adopt No. 1 causes ahead of the cause of Americanism, and ahead of the cause of the security of our great country. If we can learn to expect this propaganda, and be prepared better to distinguish it when it is in evidence, we shall surely find ourselves much better prepared to avoid being devoured in other peoples' wars another time.

Today I make it my business to point to what may be expected in the way of foreign propaganda intended to invite our active interest in more of Europe's hates and wars. Propaganda there will be; that we may be sure; indeed, propaganda there is today. A few days ago the Senator from California [Mr. JOHNSON] very forcefully remarked that whether or not the former Secretary of State, Mr. Stimson, wanted to recognize it, nevertheless it is true that foreign propaganda is at work in the United States today. It does not matter in the least from which side it may come, the fact still remains that propaganda is not a good tonic for us. We are having it dished up to us by both sides involved in Europe today. There will be more of it; and I should like to plead with the Senate to be prepared for it and to be ready to define it.

An English writer has declared that while British propaganda was very successful during the World War, its success was in the end more largely traceable to the miserable failure of German propaganda. In the light of what I am about to suggest by way of information which I think the Senate should have, I am inclined to believe that, with all the blunders of Germany and her propaganda machine in 1914, 1915, 1916, and 1917, they never did anything quite so brazen as is being done today by men in authority in Britain who are laying the foundation for the involvement of the United States in her next war, for whatever cause it may be.

At this point I desire to say that I have great sympathy with the expression which came yesterday from the lips of Gen. Hugh S. Johnson when he declared that he had no desire for the erection of a monument in his memory in Rome or in Berlin. Likewise he vowed that he was not interested in having a monument erected to him in London or in Paris. His words were well chosen; for there has been intent on the part of Americans—some of them great and leading Americans—to plant in the American mind the conclusion that anyone who fought against involvement in the European squabble was seeking or inviting the favor of one side or another engaged in the present European battle of words and propaganda.

I am not speaking today and I am not offering in evidence what I do offer in evidence because I think it will help or hurt any particular European cause. I offer it alone for the purpose it may serve in maintaining the one great democracy that exists and continues upon the earth. I want to call attention to the plans of one foreign country—plans cunningly laid—for our involvement in her next war.

If I were to charge openly the things that are going soon to appear in evidence, if I were to stand here and allege that this country and its propagandists intend to do this, that, and the other thing to America, Senators would be on their toes demanding to know what kind of authority could exist for such a contention. I say, Mr. President, these plans that are British to take the United States into Britain's next war, whatever the cause of that war may be, are unbelievable. If I were to stand here and say that Great Britain hopes that in her next war Japan will be opposed to her, Senators would rise and demand to know the authority for any such statement; but the truth of the matter is that Great Britain's minds today are anticipating that the one easy, sure way to involve the United States on the side of Britain in another war is to have Japan arrayed against Great Britain in that conflict. The easy way to get us into the next conflict that they think is coming is to have our alleged prejudices against the Japanese appealed to.

The authority I am about to quote today may be questioned. There has been published a series of works under the title "The Next War." One of the volumes in this series is entitled "Propaganda in the Next War." This particular volume was written by one Sidney Rogerson. I have been unable to obtain any trace of his background or of his connections; but the editor in chief of all these works, including the one entitled "Propaganda in the Next War," is a man whose name is recognized the world over as an authority in Great Britain. He is none other than Capt. Liddell Hart, associated with the London Times, a writer and a military authority in Europe. I ask unanimous consent that there may be printed in the RECORD at this point the account which I find in the British "Who's Who" concerning Capt. Liddell Hart.

The PRESIDING OFFICER (Mr. MILLER in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

Liddell Hart, Basil Henry: Military correspondent of the Times, and its adviser on defence in general; b. 31 Oct. 1895; m. 1918, Jessie, d. of J. J. Stone, Stratford Lodge, Stroud; one s. Educ.; St. Paul's; Corpus Christi College, Cambridge. K. O. Y. L. I.; served European War, 1914–18 (wounded); half-pay, 1924; retired, 1927; Military correspondent of the Daily Telegraph, 1925–35; military editor of the Encyclopaedia Britannica; evolved the battle drill system (1917) and various tactical methods officially adopted since the war; the modernised infantry drill; the theory of the indirect approach in strategy; one of the three referees for Army Gold Medal Essay, 1924; Lees-Knowles lecturer, Trinity College, Cambridge, 1932–33; Leverhulme Research Fellow, 1934; officially visited the training centres of the French Army, 1926; the Italian Army and Air Force similarly, 1927; critiques circulated by General Staff; British Delegation International Studies Conference, 1935; Co-opted Member of the County of London Territorial Association; of the Executive Committee of the League of Nations Union; on the Council of the Society for Army Historical Research; Member of the Institute of Historical Research; F. R. Hist., S. Publications; New Methods of Infantry training, 1918; Science of Infantry Tactics, 1921; 3rd edition, 1926; Paris, or the Future of War, 1925; A Greater than Napoleon—Scipio Africanus, 1926; The Remaking of Modern Armies, 1927; Great Captains Unveiled (Jenghiz Khan, Sabutai, Gustavus, Wallenstein, Saxe, Wolfe), 1927; Reputations—Ten Years After (historical studies of Joffe, Foch, Haig, Petain, Ludendorff-Falkenhayn, Gallieni, Pershing, Allenby, Liggett), 1928; The Decisive Wars of History, 1929; Sherman, 1930; The Real War, 1914–18, 1930; Foch—The Man of Orleans, 1931; The British Way in Warfare, 1932; The Future of Infantry, 1933; The Ghost of Napoleon, 1933; T. E. Lawrence—in Arabia and After, 1934, new edition, 1935; A History of the World War (enlarged from The Real War), 1934; When Britain Goes to War (enlarged from The British Way in Warfare), 1935; The War in Outline, 1936; Europe in Arms, 1937; Through the Fog of War, 1938; translations of writings in French, German, Italian, Russian, Arabic, and ten other languages; Joint Author of the official manual Infantry Training, 1921; Editor, Small Arms Training, 1924; criticised by request, post-war French Infantry regulations for their official organ, 1922–23. Address: 123 Gloucester Place, W. 1. T.: Welbeck, 3425. Clubs: Athenaeum, Army and Navy, Savage.

Mr. NYE. This work, Propaganda in the Next War, staggers the imagination. It amazes me that men could be so brazen in laying down the plans which are to entrap us, publish them, and give them, at least for a few days, to the world.

I understand that this particular volume, Propaganda in the Next War, published last fall and placed in circulation, instead of having its circulation enlarged, now is suffering at the hands of those who desire to retire it from circulation. A few days ago I came on the floor of the Senate with the volume itself. I am sorry I have not it with me today. I am told that it is the only copy of Propaganda in the Next War available in the United States. It can be had; I can borrow it again if there is occasion and need for it in the Senate; but it is no longer easy to obtain. I wish the entire work might be read by every Member of the Senate. One particular chapter, however, is one which every Member of the Senate ought to be required to read. It is the chapter entitled "Enemies, Neutrals, and Allies," a large portion of which is given over to a description of just how they are going to manage their propaganda upon the United States in the

event of the next war; and in the light of what we are seeing happen day after day in this country, I am given to wonder, as others must be given to wonder, if perchance that propaganda is not already under way.

"Enemies, Neutrals, and Allies" is the title of chapter 4, which I have had typed from the book Propaganda in the Next War. I shall not read all of it to the Senate, but after I shall have concluded reading certain portions of it I shall ask unanimous consent that the whole chapter be printed in the RECORD as a part of my remarks.

Mr. President, the early pages of the chapter are given over to the manner in which England will handle propaganda in the countries of her enemies, how she will get her propaganda to the people in the lands which she is fighting in the next war. We find this writer and authority pointing out, too, how large a part in world consideration the word "democracy" is going to play in the next war, how readily it lends itself to a play which will invite the prejudices of a people who may not stop to analyze what is being done under the name and in the name of "democracy."

This British authority and writer is greatly concerned for fear they are not going to be able to make as large use another time as they did during the last war of so-called atrocity stories, remembering how easily they preyed upon our minds and worked upon our sympathies by the tales, since proven so thoroughly untrue, of the dismemberment of women and children, and the other terrible inflictions that were visited upon helpless people. Now they wonder if it is going to take at another time, in light of the fact, strange as it may seem, that there are so many atrocities being practiced all over the world today without any war being involved. The writer says:

Atrocity propaganda will be less effective with neutrals in the next war. They have been sated with it in peace.

* * * * * * *

Since on paper our case toward neutrals appears to lack a mainspring, it will behoove us to manufacture what we can and press it everywhere we can—a task of making bricks with little straw, at which we showed ourselves to excel in the last war.

I wish to stress particularly the plans of propagandists to take their straws, in the form of statements which lack truth, and manufacture them into the brick which are to be our undoing, destroy our neutrality, and embroil us in another foreign war. The writer continues:

In the realm of the moving-picture industry we may be able to depend on the natural bias of the United States film manufacturers in favor of Great Britain as opposed to Germany, Japan, or Italy, and on their command of the machinery of international film distribution. This will be an asset both with the stock entertainment picture and the news reels.

Again we find the author of this work on British propaganda in the next war demonstrating how they will resort to the use of foreign languages in portraying their cause. But part 4 of this particular chapter is the one directly devoted to us here in the United States, and I shall insist on reading almost in its entirety that portion of the work. I read:

There remains the United States—the great neutral. In the next war, as in the last, the result will probably depend upon the way in which the United States acts, and her attitude will reflect the reaction of her public to propaganda properly applied. During the Great War the efforts of the rival propagandists in the United States almost stagger belief. The Germans were the more amazing and their activities amounted to a degree of interference in American domestic affairs which will surely never be tolerated again. They entered the field of United States labor politics, organizing their own union. They set up all sorts of propagandist bodies, whether supposedly pacifist organizations which adroitly blamed the Allies for keeping the war going or bureaus to work upon and inflame Negro opinion. They appealed to university-trained and professional men. They reached women by forming such bodies as the League of American Women for Strict Neutrality, and workingmen through Labor's National Peace Council. They even bought a New York daily paper. We were almost as thorough though less blatant in our methods. Among our multifarious activities was the supply of a regular British news sheet to no fewer than 360 smaller American papers.

For some time the issue as to which side the United States would take hung in the balance, and in the final result was a credit to our propaganda—

Meaning British propaganda—

We were helped by the carelessness of the Germans. They continually overreached themselves and, with all their native tendency to overorganization, forgot to cover up their tracks. Their propaganda was as obvious as it was energetic. I repeat, it is unthinkable that such a dog fight between non-Americans will again be permitted in the United States.

That is a happy conclusion to draw. I wish we might draw the same conclusion, that we could hope to escape that dog fight in propaganda. But I wonder how well prepared we are to avoid repetition of the same degree of propagandist dog fight as that which occurred at that time.

This British writer says, in another portion of his work:

Secondly, the American peoples are still under the influence of much of the Great War propaganda. They are more susceptible than most peoples to mass suggestion—they have been brought up on it—and since 1918 they have shut themselves off from reality. Thirdly, they are at this moment the battleground of an active propaganda of labels.

There is no sense in refusing to recognize that there has always been a substratum of suspicion of Great Britain in the United States.

Then the author proceeds to show how in the years that followed the last war much of that which was basic to the building of our prejudices in the United States against Great Britain has been eliminated. Correctives have been accomplished. The issues are no longer what they then were; but this writer admits there are still some prejudices. He says in this regard:

There remain the Jews. It has been estimated that of the world Jew population of approximately 15,000,000, no fewer than 5,000,000 are in the United States. Twenty-five percent of the inhabitants of New York are Jews. During the Great War—

I want the Senators to note this language of this British author—

During the Great War we bought off—

Do not misunderstand me—

we bought off this huge American Jewish public by the promise of the Jewish National Home in Palestine, held by Ludendorff to be the master stroke of allied propaganda, as it enabled us not only to appeal to Jews in America but to Jews in Germany as well. Since then our attempts to implement our undertaking have landed us in difficulties with the indigenous Arabs, agitated by Italian propaganda, without satisfying the Jews. We have not satisfied the educated British Jews. How much less have we satisfied the more remote Jew community on the other side of the Atlantic?

In addition, the recent realist policy of the British Government has been worked up into a propaganda of significant extent and intensity which represents Great Britain as being "half Fascist," excuse the label, all ready and prepared to "sell the democratic pass" and go "all Fascist" at the first convenient opportunity. This is being developed by the intense Jewish hatred of Germany and from her of all dictator countries, and backed by the influence of the Catholic Church and undenominational liberals. At the moment, we have a strong section of American opinion against us, but if war were to break out tomorrow between England and Germany this mass of opinion would have to come down on one side or the other, and it will be marvelous indeed if German propaganda could succeed in bringing it down on theirs.

In general, the situation in the United States is more favorable to Great Britain than in 1914, in that the obvious centers of infection have been removed, but less favorable in that we have temporarily at any rate lost caste as a "democratic" state because of the propaganda which represents us as truckling to, or at least having truck with "dictators." Though we are not unfavorably placed, we shall require to do much propaganda to keep the United States benevolently neutral. To persuade her to take our part will be much more difficult, so difficult as to be unlikely to succeed. It will need a definite threat to America, a threat, moreover, which will have to be brought home by propaganda to every citizen, before the Republic will again take arms in an external quarrel.

But this author is certain that there is one challenge which will surely bring the United States into Britain's next war. Listen to the author:

The position will naturally be considerably eased if Japan were involved, and this might and probably would bring America in without further ado. At any rate, it would be a natural and obvious object of our propagandists to achieve this, just as during the Great War they succeeded in embroiling the United States with Germany.

Fortunately with America, our propaganda is on firm ground. We can be entirely sincere, as our main plank will be the old democratic one. We must clearly enunciate our belief in the democratic form of government and our firm resolve to adhere to it.

Our minor propaganda will aim at attaching the support of important sections, such as the Jews, probably by the declaration of a clear-cut policy in Palestine, and of our intention, if victorious, to put an end to anti-Semitic persecutions; and of the Roman Catholic community in similar terms. These should not be difficult to pursue nor to put over to the American public. We shall, as before, send over our leading literary lights and other men with names well known in the United States to put our point of view over the dinner table. Our trouble here will be to find men with equally commanding reputations to step into the shoes of such as Kipling, Barrie, Shaw, Galsworthy, and Wells. Conversely, we should exploit to the full the views and experiences of American nations who might be serving in our forces or those of our allies.

And so on, and on, and on, Mr. President, goes this author, picturing the plans, the means that will be resorted to to invite active American interest in the British cause, whatever that cause may be. So go their plans to make sure that America will repeat her serious mistake of 1917, and enter a foreign war, pouring out her resources of life and wealth for the winning of what we thought to be the finest causes upon this earth, only to discover after the war was all over that we did not have a chance to win one of those causes when we went into that war. There is no assurance that we would be able to win anything more than the war. And I hope with all my heart, Mr. President, that we in the United States will take that last experience and lay it alongside of the promise that is made by these British authorities to bring into play their propaganda upon us, and that thereby we may be led to a conviction that before ever we move in that direction again we must have more assurance by far than we had the last time that we may be able to win the things we say we are fighting for, as well as win the war.

Mr. MINTON. Mr. President——

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from North Dakota yield to the Senator from Indiana?

Mr. NYE. I yield.

Mr. MINTON. I apologize to the Senator for interrupting him, but I did not hear his opening remarks, so I have been unable to learn who is going to get us into war. Who is it that wants to drag us in? And from what is the Senator reading?

Mr. NYE. I take it the Senator from Indiana was not here when I began my argument.

Mr. MINTON. No; I was not in the Senate Chamber when the Senator from North Dakota began. I am sorry.

Mr. NYE. I have been reading from a chapter appearing in a book published in Great Britain last fall entitled "Propaganda in the Next War." The author is Sidney Rogerson. The editor in chief of this book, and the series of books running along with it under the heading The Next War, is Capt. Liddell Hart, an eminent British authority on the staff of the New York Times, who gives his assistance to this work, and gives it a credit which cannot be denied.

Mr. MINTON. What contacts have these men in the United States which lead the Senator to believe that such dire things are going to happen?

Mr. NYE. I am sorry the Senator did not hear me read precisely the people in this country to whom the British propagandists will be looking to help them pull their chestnuts out of the fire in the next emergency.

Mr. MINTON. The information is in the RECORD, then?

Mr. NYE. Yes. I know the Senator will, with much interest, read it in the RECORD.

Mr. WILEY. Mr. President, I should like to ask the Senator a question. I listened with a great deal of interest to his remarks on the same subject, upon which I spoke yesterday in the Senate. I am interested in obtaining a little information. As I understand, this distinguished author says that if and when Europe gets into war America will be the target again for propaganda from both sides. Is that correct?

Mr. NYE. Well, he is a little more direct than that. He suggests how they will manage the next time to get us into their war.

Mr. WILEY. In the statement the Senator has presented it was set forth how the Allies and also the Central Powers during the last war did everything to bring us into the conflict on one side or the other. It was further suggested in the statement that perhaps in the next war America will not permit this land to be such a fertile ground for propaganda, and that brings me to this thought: Have aliens in the United States any right to freedom of speech or freedom of the press when it involves a matter of propaganda or involves the question of getting us into war?

Mr. NYE. If they do have such right, and there be their kind who want to involve us in war, we certainly ought to see to it that any right of that kind is taken away from them, and I wish the way might be found to do it.

Mr. WILEY. That is what I was going to suggest. Has the Senator any concrete suggestion now, anticipating that Europe may get into war, as to what we should do to stop the alleged propagandists in the future?

Mr. NYE. Under the Constitution, there is a large question in my mind how far we can go in legislating in that field. I do not think it ought to be difficult at all to legislate the alien out of an influential position.

Mr. WILEY. That is my theory.

Mr. NYE. But I am sure that the minute we did that the alien would invite the cooperation and make available to himself the interests and the activities of those who have American citizenship. Those things can be bought for a price from people who do not look very far ahead to what the consequences might be.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. MINTON. We will not have to worry much about the propaganda contained in the book to which the Senator referred, as I understand there is only one copy of it in the United States. Is that correct?

Mr. NYE. The Senator has not yet understood just what this book is.

Mr. MINTON. Is there more than one copy in the United States?

Mr. NYE. I am told that it is probably the only copy in the United States.

Mr. MINTON. Who owns the copy, if that is not asking the Senator an unfair question?

Mr. NYE. Will the Senator be satisfied if I tell him that a dean in a very prominent American university is in possession of the book? I have seen it.

Mr. MINTON. If it is so closely guarded and so little circulated, we do not have to worry much about the propaganda it contains, do we?

Mr. NYE. From the standpoint of the British propagandists, I think what they would least desire is the circulation of this particular book among us. The book is plainly a handbook for British propagandists. I am told that this work and other works are accepted as handbooks in British military circles. Liddell Hart is quite an authority on this and other subjects, and is looked upon as such.

Mr. BONE. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. BONE. I happen to have seen that volume, and I think it was not intended for circulation in this country, but rather to be a handbook for British propaganda.

Mr. NYE. That is quite correct.

Mr. BONE. It was not intended to be propaganda in this country, but merely to explain the technique and the method of approach that would be employed by British propagandists in the event of war.

Mr. NYE. That is correct.

Mr. BONE. It was not intended to reach the American public, but to provide for the British propagandists some sort of mechanism of approach in spreading propaganda. Am I correct?

Mr. NYE. The Senator is entirely correct. I may say that my whole purpose in bringing this matter to the attention of the Senate, and, if it reaches that far, to the attention of the country, is to show the existence of a basic plan of propaganda to involve us in the next war, to the end that in the future we may be far better prepared than we have been

in the past to know it when we see it, when we encounter it, and be better prepared to resist it.

Mr. MINTON. Has the Senator any information about anyone who is trying to carry out the plan outlined in the handbook to which he has referred? I think it would be very interesting to know who it is that is trying to carry it out.

Mr. NYE. I think we would probably find something very interesting if we could have access to the lists of foreign educators and lecturers who have been spreading themselves out over America during the last couple of months. I hope to be prepared with such a list at an early date.

Mr. MINTON. Has the Senator observed any foreign lecturers anywhere in our country using the technique outlined in the handbook to which he has referred?

Mr. NYE. No; I have not. I ask that the entire chapter from which I have been reading be printed in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From The Next War, a series edited by Capt. Liddell Hart]

PROPAGANDA IN THE NEXT WAR

(By Sidney Rogerson)

CHAPTER IV. ENEMIES, NEUTRALS, AND ALLIES

It should now be possible, it is hoped, to see fairly clearly what amount of offensive propaganda will be practicable in the next war and the methods by which it is to be pressed. At the same time it will, for obvious reasons, not be desirable to inquire too closely into the subject, especially so far as it concerns action toward the enemy.

It has been seen that Germany, to a lesser degree Italy, and in a different manner Japan, will constitute difficult problems for the offensively minded propagandist. Directing our thoughts on Germany, we should remark that whereas in 1914 the "all-highest" was enthusiastically supported by the majority of Germans, the regime rested on the basis of a governing caste. On a conservative estimate there must have been from 30 to 45 percent of German opinion opposed politically to the imperial system and lukewarm or antipathetic to its interests. These radical and socialist elements were powerful, well organized, and owned their own press. After the first flush of racial patriotism cooled, but before war weariness had set in, they represented a potentially receptive atmosphere for liberal propaganda. When the blockade and military pressure became acute, they were readily influenced by our propaganda to become agents of disaffection or peace. We had, therefore, an audience to appeal to in the enemy's country. We had also the message to which this audience were by nature or conviction sympathetic—the message of liberty, freedom, and equality. There were still parliamentary forms of government in Germany and Austria, based vaguely on our own Westminster model. The radical elements in the two countries had faith in these and believed that the machine could be captured by electoral methods and used to carry out the reforms in which they were interested. The gospel of our propagandists was their gospel. Thirdly, we had the means to reach them through their papers and our pamphlets. The former were naturally subject to wartime censorship, but they were not then bolted and barred against every item of copy that had not been scrutinized and approved by Government propaganda experts trained to detect the faintest suspicion of antinational propaganda. Substantial was the volume of such propaganda which these papers reproduced, lifted largely from their contemporaries in Switzerland, Holland, Denmark, and Scandinavia. Regular news services were supplied by our propagandists to these countries in the certainty that much of them would be copied into the German press. Then the trench lines ran close together from the sand dunes of Dunkerque to the Alps. Pamphlets were shot over by mortars and grenades to the fighting troops and dropped in millions over the back areas and in Germany. In all this propaganda we had, moreover, very much our own way. We could concentrate on the work in hand in the absence of any concerted German counter propaganda.

Next time the conditions will be very different. The basis on which the German regime rests has been made much broader. It is now a popular, as opposed to a caste regime, and it will have, in the early days at any rate, the support of the bulk of the German masses, as well as a large percentage of the classes. There will be the antipathetic minority, but this will be much more closely watched and controlled, and moreover will not be inherently susceptible to the old democratic slogans. It will tend naturally to connect these with the dark days of inflation, Spartacist and Communist risings, the occupations by French and African troops, the days of hatreds, humiliations, and starvation, and the connection of ideas will have been cleverly fostered by energetic and all-pervading propaganda. Not only will the old slogans be unacceptable, but it will be much more difficult to present them. There will be no papers to rely upon other than those pursuing an effective antidemocratic policy by advancing the concrete gospel of national socialism. There will, in addition, be less opportunity for the organization of pamphlet campaigns—that is, unless a German-French fighting front is again stabilized along the Maginot line, for example. Finally, the enemy will not be supine as in the Great War, but engaged actively and efficiently in developing a propaganda offensive against us.

Where, then, are we to look for the weak chinks in his totalitarian armor? Where, for the matter of that, are we to find a propaganda blade "fit for the deed we have to do"? The problem, as I see it, lies not so much in the strength of the enemy's position as in our difficulty of selecting a constructive line of policy which we can adhere to and which will make any effective appeal to people brought up on totalitarian propaganda. There are some lines which we can rule out from the beginning. We cannot propose a vote of no confidence in the regime nor hope to benefit from abuse of Hitler. We cannot advance a propaganda of material well-being. The Germans have been taught that we live in luxury and slothfulness, but that we are soullessly selfish, and that we will see to it that no one else gets a share of our comforts if we can prevent it. We cannot promise the benefits of democratic freedom. The German has too much experience of this or what he thinks it implies, and has risen to that fly once already. We cannot promise territorial rewards. After all, it will be argued, England has had chances innumerable of making some arrangement about colonies, which she would not take. "Now," the enemy propagandist may declare, "Germany is going to force her to disgorge or perish in the attempt."

As with Germany so with Italy and Japan. None of the old-time rallying cries of "liberty" or "democracy" or some association of free peoples are calculated to have any influence. While the totalitarian states are fresh and confident I cannot see any constructive line of propaganda policy that is open to us to pursue against them, and there is no justification for the assumption that they will tire any more quickly than states less organized for war. This need not dismay us, however. Offensive propaganda does not begin to be effective until the atmosphere is receptive; in the Great War nearly 4 years had passed before this condition was reached. It is on this account that I began by saying that it is reasonable to argue that the next war will not favor the development of propaganda directly against the enemy; but, as I have stressed throughout, if it should develop into a war of attrition, propaganda will come into its own again. Some constructive idea would then almost certainly be thrown up; and we shall have men clever enough, I hope, to seize on this and exploit it. Unless war spreads and involves all Europe, and we again attempt to engage in it on the Continent, there will be no points at which Great Britain and Germany will touch. Our frontiers may be the Rhine and theirs the Thames Estuary, but these will only be maintained in the air, if at all. Therefore air-borne propaganda, whether by airplane or radio, looks to be the only obvious means of approaching each other at first.

If there is one direction in which we may look with a reasonable hope of results for the creation of a favorable atmosphere, it is to the rigidity of the German propaganda control. We may well take a hint from jiujitsu, and see how far we may use the enemy's strength against him. I cannot believe that a healthy and virile people, however conscientious they are in acquiescing in control in the national interest, can feel happy when this control is arbitrarily extended to cover the most trivial items of general interest. There is evidence that good Germans, educated men and many of them loyal members of "the party," already rely upon English and foreign newspapers to keep abreast of general nonpolitical developments. The German has a veneration for knowledge. He elevates erudition on a high altar, and is concerned at all times to appear well informed. It is not merely that he is genuinely fond of learning; he senses also that he is the parvenu in European civilization. How often have I not had Germans apologize to me that in political development their country was 200 years behind our own, arguing that this was why we found it so difficult to understand their methods. It is a manifestation of an inferiority complex that impels the barbarian, conscious of his skins and his cave drawings, to cry down the silks and oil paintings of civilization as evidence of decadence, the while he furtively but energetically sets about copying them to the best of his ability. This is no very inaccurate description of the German attitude, with the addition that the German leaders from Nietzsche to Ludendorff and Stuermer have tried to make a virtue out of this barbarian inferiority and to raise the idol of the "blond beast" and of "blood and iron." I suggest, therefore, that this sense of inferiority may be played upon and that our propaganda should stress to the Germans their ignorance. There must be no blame laid on their leaders. On the contrary, these must be extolled for their ability in difficult circumstances, the implication being that they, too, are ignorant of what the world is thinking. Excellent fellows, no doubt, but blind leaders of the blind. Once an uneasiness about comparatively small facts that have been kept from them is planted in the minds of thinking Germans, something important will have been accomplished. In the circumstances, even this much will be difficult, but not impossible. Although German preparedness is avowedly based on the need to defend the Fatherland, the theory that is implied in all the rearming and mass mobilization is surely one of attack. Germany is taking over the French doctrine of elan, "l'audace, toujours l'audace," and basing her hopes and her organization on a swift overwhelming onrush. She has, I think, in her home propaganda,

not directly but by implication, lifted the eyes of her people away from the old, humiliating pictures of defense against encircling enemies to the newer visions of all Germans united to assert themselves against those who deny them their rights. It should therefore be psychologically correct to see how this new-found, though as yet untried, confidence can be struck the most telling blow. This seems to me to lie in the organization, immediately on the outbreak of war, of large-scale air attacks on the German industrial centers in which not only bombs but pamphlets would be dropped pointing out that poor Fritz was probably so ill informed that he did not know that British planes could reach German cities as easily as the converse—and that they would do so. The keynote all through would be obliquely the suppression of information in Germany, coupled with direct revelations, which the propagandee might verify, based on the course of operations. By this method propaganda would be combined with offensive military action, which I believe would be psychologically right.

The same text would be discoursed upon in all our radio broadcasts directed to neutral countries in the hope that they would be picked up in Germany. We should inform the Dutch, the Swiss, and others how amazing it was that even the more ordinary occurrences were withheld from the Germans. From time to time there would be opportunist sniping of detailed news, such as casualties, over German wave lengths and disguised interpolations when a German station was silent during an interval. The latter might be made very effective on the same theme. An even more directly hopeful field to exploit would be the enemy nationals domiciled in foreign countries. There are large concentrations of Germans, Italians, and Japanese in South America, notably in Brazil, in the United States of America, and elsewhere, and it will be the duty of our propagandists to see that a steady stream of information is directed at these and that facilities are tacitly accorded to them to relay the gist of this in their letters home to their countryfolk behind the bars of totalitarian suppression. Sympathetically worked upon, these extramural enemy nationals will be the most convincing witnesses to the truth, so many stones dropped into the propaganda pond whose ripples may be readily enlarged upon. Simultaneously every effort would be made to reach disaffected intellectuals and others by having news or pamphlets posted to them inside Germany, though this would be much more difficult than previously, especially in the early stages of a war.

Japan seems to be quite as difficult to attack directly by propaganda, but her Achilles' heel, as I have suggested, may well be found in the countries she has annexed. It should be a first duty to attempt by propaganda to foment sedition in Formosa, Korea, Manchuria, and such parts of China proper as she may by then have taken under her control, so that as large a part of her energies as possible are dissipated in dealing with insurrection and revolt. While it seems tolerably certain that there will be plenty of lines of appeal, including some concrete idea of delivery from oppression, calculated to appeal to people subjected to a tyranny as harsh as the Japanese, the problem will be how to reach them. Newspapers will be a slender hope; they will only circulate among the educated handful, and their activities and contents will be subject to the most rigorous censorship. The wireless will be relatively useless in regions too far distant from potential transmitting stations and where a receiving set is a conspicuous rarity. The same applies to the cinema. There will be picture theaters in the great cities, but these will be under strict military control. There remain the airplane-and-pamphlet and the word-of-mouth methods of propaganda, and both these will be used to the limit. It is difficult to imagine Japan being engaged in a major war which did not also involve Russia, a fact which would immensely facilitate the development of anti-Japanese propaganda throughout the countries of the Far Eastern mainland, though there would be ractions against Russian-made propaganda among sections where anti-Communist views were in the ascendant.

Italy, as I have said, is a more hopeful problem. Both owing to the liberal leaven and to the existence of a traditional feeling of friendship for Great Britain, there is a chance of making propaganda directly at the Italian peoples. The former will, unless the existing restrictions are greatly tightened up on the advent of war, afford ways and means for the entry of propaganda into Italy; the latter might constitute a valuable basis for our propaganda, especially, if and when the time should come, against the Duce. It should only be necessary for his speeded-up timetable of war plans to miscarry, for the Italians to learn of reverses as aerial and naval war was carried to their coasts; for us to point out that in the good old days, before they were led into the paths of oppression and conquest by their brilliant leader, such bloodshed of Italians by British airmen or sailors would have been unthinkable. Think of all the thousands of Italians interned in England. But how happy they are! How well fed and cared for! Here are some photos of men from Naples, imprisoned in the Alexandra Palace. They send their salutations to their brothers, undernourished and anxious. This line of propaganda attack will, I fancy, be likely to be possible earlier and to work more quickly against Italy than either Germany or Japan. The Germans have always vaguely felt that they had a divine mission; they have a great faith in their race and in themselves. The Japanese are confident to the pitch of bigotry. The Italians are less sure of themselves. I repeat, it is only possible to do so much by precept and teaching, and all this Mussolini has done. He cannot change his raw material, only improve it; nor make a colonial administration out of men who are more content to be led. Thus, the morale of the Italian will not be entirely above suspicion and, moreover, his newly acquired colonial Empire will be a positive source of danger. The Italian Peninsula may poke a dangerous finger into our imperial communications, and Italian propaganda and intrigue stir up hornets' nests about our ears in the Near East and Egypt, but Italy is very vulnerable herself. The Germans of the Trentino must dislike their Italian masters as much as they must be casting longing eyes across the Brenner. Then there are the Arabs of Libya, over whom the Italian lords it repressively but uneasily, and the freshly won Empire of Abyssinia. Here are surely foci for propaganda so long as we can select a line of policy which we can advance toward Arabs or Abyssinians without reacting on African peoples under our own flag.

There are, then, two indicated lines of propaganda action—one designed to shake the Italian's confidence in himself and his leaders; the other to stir up trouble in the lands where Italians rule over other peoples. The Italians are held in low regard not only by the white but by some of the colored races. This should simplify the direction of propaganda toward their African colonies, and the fact that these march with British possessions or spheres of influence should enable comparisons between the African's lot in Abyssinia under Italian rule to be contrasted with that in Kenya or Tanganyika under the British flag.

There will also be immediately available a wider variety of means for disseminating propaganda against Italy than against Germany or Japan. Italian newspapers might even in certain circumstances be capable of exploitation fairly soon. Extensive use would undoubtedly be made of the pamphlet-carrying airplane both in Italy and her colonies and the radio would help with the Italians as well as in certain of her possessions where there are receiving sets.

II

Taking it all in all, however, there does not seem to be a great future for the direct propaganda offensive in the next war, unless this should turn out to be a protracted and wearying affair. For offensive propaganda we shall look rather to the indirect variety, directed toward neutrals and allies—to engage the former on our side if possible, but at all costs to prevent their going over to the enemy, and to keep the latter at concert pitch against the enemy. This neutral zone will be the great battleground of propaganda, where both sets of combatants will fight each other with all their energies and every known method. Here again, unless I am mistaken, we may find ourselves up against a tough problem at first. Here it is:

During the Great War the world lay under the spell of democracy. It was still a word to conjure with; no one had dared to challenge its meaning. Despite the presence of Japan and Russia in the ranks of the Allies, and of the near republic of the young Turks among the central empires, the war was fairly accurately represented by allied propagandists as a struggle between "democracy" and the "forces of reaction," the implication being that "democracy" was to stop the world from plunging into "chaos and night." Since 1918 democracy has been challenged. It is now on the defensive. Germany and Italy are constructive as well as repressive. They have an idea to put forward—not, many people may say, a first-class idea, but a concrete one all the same. Their battalions of trained propagandists make the very best out of it, representing their countries as the forces of the new progress. Democracy, they assert, led to all sorts of humiliation and trouble—some countries into an uneasy twilight and others into definite "chaos and night." From this sorry state the "forces of progress" have rescued or are rescuing them. Whereas in 1914–18 democracy could be represented as the new force which held out a hope to a hopeless world, now it is being represented as the force which has been used by unscrupulous countries to cover their seizure of all that is worth having and, having taken this, to preserve the status quo in a world of inequalities of work and wealth. The result of this propaganda is that while the democratic states—whether under a crowned sovereign or top-hatted president—have dwindled, the authoritarian model is very popular. Roughly speaking, the democracies are Great Britain, Belgium, France, the United States of America, Switzerland, Holland, and the Scandinavian countries. The dictatorships are Germany, Italy, Russia, Turkey, Portugal, Japan, Greece, Poland, Hungary, Bulgaria, and practically all the South American Republics, led by Brazil. Spain will shortly join their ranks, and possibly China, if she can hold out long enough against the Japanese. Not all of these are totalitarian in the strict sense of the word, nor necessarily of a National Socialist character, but all are undemocratic in fact, and many of them therefore antidemocratic in spirit.

Some of them were once seats of British influence, notably South America, but are now under a constant spray of German and Italian propaganda by wirelessed news, short-wave radio talks, and personal effort which has begun to percolate. Some of them, like Portugal, are traditional friends and will probably be on our side in sentiment if not in fact in the next war, but what propaganda line, unless the enemy presents us with a special opportunity, can we take with Portugal except our centuries-old friendship? Turkey is a vigorous state which will be most important to us, and which we are assiduously wooing with apparent success, but in the actual field of propaganda what can be put forward against Germany that is constructive? There can be no doubt that the next war will be billed as a fight between democracy and dictatorship. It may in fact be nothing of the sort. We might get Italy as a partner and Germany Belgium; authoritarian Portugal is likely to come in with us and the democratic Scandinavian countries may

well remain strictly neutral. In the ultimate resort, alliances spring from the hope of material advantage, not the possession of a common ideological belief, but in our propaganda we must make the facts fit our case as far as possible. We shall almost certainly represent the struggle in the propaganda we shall be compelled to do toward France, the United States of America, and our own Empire as democracy and freedom versus dictatorship and persecution. As propaganda must be unified, how are we to pursue the energetic policy we should to the neutrals, many of whom, like Spain, Portugal, Greece, and Turkey are so vital to us? We cannot speak with two voices in our propaganda. This, of course, applies to what, borrowing a military adjective, I may call the grand propaganda. Without this backbone minor propaganda can only achieve little with much effort, though we shall obviously set out to do as much of this as we can. It will enable us to burke the main issue, and it can, of course, be very embarrassing to the enemy. A storm of quite respectable dimensions was, for example, in 1916 worked up in neutral countries with a snapshot of Bernstorff, the then German Ambassador to America. The photo which was picked up from Bernstorff's desk by an alert British agent showed the ambassador in a "swimsuit" with his arm around two "bathing belles" similarly clad. It was entirely innocent, but it was published almost all over the world in such a fashion as to suggest the worst sort of ambassadorial gallantry, conduct unbecoming even a Prussian officer and a gentleman! Again my feeling is that it will be more difficult to prejudice neutral feeling against Germany or Italy than against Japan. How, for example, can we hope to rouse passions against the German dictatorship by reciting the persecutions of Jews who are thrust into concentration camps, thrashed, and spit upon, or against the Italian by broadcasting the number of Arabs who have been dropped from Graziani's airplanes and intellectuals forcibly dosed with castor oil; how can we hope by such propaganda to rouse the passions of dictator countries like Spain, Turkey, the Latin-American, or the Balkan States, where torture, mutilation, and butchery are understandable methods in an emergency? Where is the point of preaching democratic tolerance to a Turkish leader who solved his parliamentary problem by hanging his whole opposition party? We may also reflect on the deliberate slaughter by the Turks of the 100,000 Greeks at Smyrna in 1921, and the Japanese massacre of hundreds of thousands of men, women, and children in China. Atrocity propaganda will be less effective with neutrals in the next war. They have been sated with it in peace.

Japan's distinction is that she is unpopular. Her drastic underselling methods and her tactless dumping of shoddy articles at cheap prices have combined to create a widespread resentment against her. She is a commercial danger, and therefore the more easily, from the propaganda viewpoint, saddled with atrocities. That is a cynical observation, perhaps, but a truism nevertheless, for in war those nations with whom one is in sympathy can do no wrong: Those from whom one has something to fear never do right. In addition, Japan does challenge humanitarian opinion everywhere and it is interesting to study the way in which China, largely through the inspiration of Madam Chiang, it is believed, is slowly building up a propaganda case against her. A notable feature of this is the exposure of Japan's deliberate debauching of Chinese populations by encouraging the opium and cocaine habits. This is indeed a way of waging war which could only be conceived by an oriental.

Since on paper our case toward neutrals appears to lack a mainspring, it will behoove us to manufacture what we can and press it everywhere we can—a task of making bricks with little straw at which we showed ourselves to excel in the last war. We may, of course, find the enemy unconsciously presenting us, as he did last time, with many opportunities to develop propaganda against him, but, however useful opportunistic propaganda may be, we cannot rely on it, nor can it take the place of constructive propaganda. As to methods, there will naturally be a stampede for space in the neutral papers, and we may get an extra share on account of old good will or friendship as well as on the merits of our propaganda. It is fortunate that the neutral states lying nearest Germany are those—Switzerland, Holland, and Scandinavia—which all merit the adjective "democratic." They will accordingly be likely to reproduce much of our propaganda—though they will have to be more discreet than last time—and some of it may leak into Germany. In the realm of the cinema we may be able to depend on the natural bias of the United States film manufacturers in favor of Great Britain as opposed to Germany, Japan, or Italy, and on their command of the machinery of international film distribution. This will be an asset both with the stock entertainment picture and the news reels. Our own pictures will not count any more in continental countries than they do now. Germany has a better hold on the European market than we have, though neither of us can seriously challenge the Americans. We shall overhaul and intensify our radio broadcasts to neutrals, especially those who still have democratic sympathies, but we shall have a hard task getting in against the enemy propaganda which through constant effort in time of peace has already won an established position. Germany and Italy have both been broadcasting on the short wave for some years in English as well as other languages. We shall stand a better chance of success in our propaganda to neutral countries if we face the position that many of them, though not necessarily ill-disposed toward us, will not, from the nature of their politics, be receptive to our democratic propaganda. Those that will be likely to be sympathetic will have to walk delicately in the matter of propaganda owing to the sensitiveness of Germany and Italy on the matter.

III

There remains the United States—the great neutral. In the next war, as in the last, the result will probably depend upon the way in which the United States acts, and her attitude will reflect the reaction of her public to propaganda properly applied. During the Great War the efforts of the rival propagandists in the United States almost stagger belief. The Germans were the more amazing and their activities amounted to a degree of interference in American domestic affairs which will surely never be tolerated again. They entered the field of United States labor politics, organizing their own union. They set up all sorts of propagandist bodies, whether supposedly pacifist organizations which adroitly blamed the Allies for keeping the war going or bureaus to work upon and inflame Negro opinion. They appealed to university-trained and professional men. They reached women by forming such bodies as the League of American Women for Strict Neutrality, and working men through Labor's National Peace Council. They even bought a New York daily paper. We were almost as thorough though less blatant in our methods. Among our multifarious activities was the supply of a regular British news sheet to no fewer than 360 smaller American papers.

For sometime the issue as to which side the United States would take hung in the balance, and if the final result was a credit to our propaganda, we were helped by the carelessness of the Germans. They continually overreached themselves and, with all their native tendency to overorganization, forgot to cover up their tracks. Their propaganda was as obvious as it was energetic. I repeat, it is unthinkable that such a dog fight between non-Americans will again be permitted in the United States. The American peoples have progressed a long way since those days, when foreign politics were hardly touched upon in any but a few of the greater newspapers. Nowadays the American foreign correspondent is one of the most resourceful and best informed in the world. They have what amounts almost to a passion for "debunking" foreign aims and ideas, but while they have encouraged Americans to interest themselves in politics overseas, they have not yet succeeded in transferring their own objective outlook to their readers. Excellently served though the Americans are by their news gatherers and reporters abroad, they can perhaps hardly be expected, in the security of their own detached hemisphere, to see European affairs realistically. For one thing the American is the great champion of the oppressed—and frequently of the soi-disant oppressed—which may explain why he is so frequently taken in by the hard-luck story of London confidence tricksters. Secondly, the American peoples are still under the influence of much of the Great War propaganda. They are more susceptible than most peoples to mass suggestion—they have been brought up on it—and since 1918 they have shut themselves off from reality. Thirdly, they are at this moment the battleground of an active propaganda of labels.

There is no sense in refusing to recognize that there has always been a substratum of suspicion of Great Britain in the United States. The American people may admire some of our traits and hold others in contempt, but they periodically tend to suspect our motives. During the Great War we were particularly vulnerable to indirect propaganda in the United States, and the Germans were able to work up a fierce feeling for the miserable Irish, struggling to get home rule; for the oppressed Indians, writhing under a British military despotism; for the fleasome fellaheen in Egypt, kept on the bare subsistence line; and for the poor Jew whose brethren were periodically beaten up or burned by Britain's allies. It is good to feel that in the next war those horses will not run; certainly not in the same colors. The bestowal of more than dominion status on Ireland, the Indian constitution, and the recognition of the Kingdom of Egypt have removed these dangerous centers of propaganda infection. Whatever, if anything, we may have lost by these concessions, they have made us so much the less vulnerable to enemy propaganda attack in America. It will be difficult again to rally American feeling against us on these counts. There remain the Jews. It has been estimated that of the world Jew population of approximately 15,000,000, no fewer than 5,000,000 are in the United States. Twenty-five percent of the inhabitants of New York are Jews. During the Great War we bought off this huge American Jewish public by the promise of the Jewish national home in Palestine, held by Ludendorff to be the master stroke of Allied propaganda, as it enabled us not only to appeal to Jews in America but to Jews in Germany as well. Since then our attempts to implement our undertaking have landed us in difficulties with the indigenous Arabs, agitated by Italian propaganda, without satisfying the Jews. We have not satisfied the educated British Jews. How much less have we satisfied the more remote Jew community on the other side of the Atlantic? In addition, the recent realist policy of the British Government has been worked up into a propaganda of significant extent and intensity which represents Great Britain as being "half Fascist"—excuse the label—all ready and prepared to "sell the democratic pass" and go "all-Fascist" at the first convenient opportunity. This is being developed by the intense Jewish hatred of Germany and from her of all dictator countries, and backed by the influence of the Catholic Church and undenominational liberals.

At the moment we have a strong section of American opinion against us, but if war were to break out tomorrow between England and Germany this mass of opinion would have to come down on one side or the other and it will be marvelous indeed if German propaganda could succeed in bringing it down on theirs.

In general the situation in the United States is more favorable to Great Britain than in 1914, in that the obvious centers of infection have been removed; but less favorable in that we have temporarily at any rate lost caste as a "democratic" state because of the propaganda which represents us as truckling to, or at least having truck with "dictators." Though we are not unfavorably placed, we shall require to do much propaganda to keep the United States benevolently neutral. To persuade her to take our part will be much more difficult, so difficult as to be unlikely to succeed. It will need a definite threat to America, a threat, moreover, which will have to be brought home by propaganda to every citizen, before the Republic will again take arms in an external quarrel. The position will naturally be considerably eased if Japan were involved and this might and probably would bring America in without further ado. At any rate, it would be a natural and obvious object of our propagandists to achieve this, just as during the great war they succeeded in embroiling the United States with Germany.

Fortunately with America our propaganda is on firm ground. We can be entirely sincere as our main plank will be the old democratic one. We must clearly enunciate our belief in the democratic form of government, and our firm resolve to adhere to it. Our minor propaganda will aim at attaching the support of important sections, such as the Jews, probably by the declaration of a clear-cut policy on Palestine and of our intention if victorious to put an end to anti-Semitic persecution, and of the Roman Catholic community in similar terms. These should not be difficult to pursue, nor to put over to the American public. We shall as before send over our leading literary lights and other men with names well known in the United States to put our point of view over the dinner table. Our trouble here will be to find men with equally commanding reputations to step into the shoes of such as Kipling, Barrie, Shaw, Galsworthy, and Wells. Conversely, we should exploit to the full the views and experiences of American nationals who might be serving in our forces or those of our allies. We should make much of them, decorate them, signal them out for mention in dispatches and in the press and use their stories as propaganda material to their own people. This was a form of propaganda very ably developed by the French during the great war. American newspapermen in London are of approved mettle and, though impervious to any obvious propaganda, should nevertheless represent a valuable propaganda force on the strength of the day to day news they send over, quite apart from the fact that many of them like this country. In an experience of knowing many of them over a period of 18 years I can echo Admiral Brownrigg's words praising "their absolute reliability, their honesty in preserving secret information which I had been compelled or perhaps had thought wise to impart to them, and their loyalty in never making use of it until I gave them the word 'go.'" We shall see that they are given every facility for observing and reporting and that their messages are censored sympathetically. Similarly with their news-reel men. They should be the first to be allowed to "shoot" pictures of air raids, in order that a proper volume of pictorial "horror" will be available in one of the few great countries where "atrocity propaganda" will still be operative. Our cables and wireless telegraph services will be available for less urgent or secret messages. Our radio propaganda should also be working at full pressure, but there must be a great improvement upon the present lackadaisical outlook. I can best illustrate this by the following personal experience. On the evening that the world was standing expectantly to hear the Prime Minister's pronouncement on Great Britain's attitude if the Germans followed their coup against Austria by one against Czechoslovakia, I ran into a friend who is possibly our best-known radio commentator. "Tell me what I'm going to tell America," he asked me. "I've got to do my weekly talk on British affairs over the American 'network' in half an hour and I haven't made up my mind what I ought to say." "But surely you're in touch with the Government," I replied. "Haven't they given you a line, knowing that you regularly reach hundreds of thousands of American listeners?" "Not a word," was his surprising answer. "I'm not in touch with any governmental source of information. They have never tried to get in touch with me, though someone must know what I'm doing. Still I've tried to get in touch with them." And he explained how he had previously been down to a certain Government department where he was permitted to see a junior member of the press office who could not be of any real service to him. This is sober fact, and illustrates as well as may be how much our authorities are doing to counteract the anti-British radio propaganda which is growing in the United States.

I must not, however, give the impression that we are doing absolutely nothing at present to direct propaganda toward foreign countries. That would be unfair to that esoteric body, the British Council, which occupies itself in what it calls "cultural propaganda" or more succinctly in spreading a "knowledge and appreciation of our language, literature, art, science, and education." It has numerous committees composed of politicians, civil servants, manufacturers and merchants, and educationists, and sends out British lecturers and musicians, gramophone records, periodicals, and literature to various foreign countries, entertains editors and educationists visiting England, and generally encourages the young idea, whether in Latvia or Uruguay, to learn and appreciate the English language. Although it has practically no permanent staff, it claims to discharge the onerous duties of coordinating the propaganda activities of other bodies, excellent in their own spheres, like the Travel Association (the old "Come to Britain" organization) and the Film Institute (a body which exists primarily to foster the educational and documentary film), and of linking these up with the British Broadcasting Co.'s vague operations.

Much of the council's work is no doubt excellent in its way, but it is emphatically not propaganda. In the present situation it is rather like trying to interest a working-class mother in fancy needlework when other energetic people are instructing her how to make her family budget go further. Cultural propaganda is a dilettante vision. It advances nothing constructive and, despite its hosts of committees, it is not unified. Moreover, it is not controlled either by experts or a permanent staff, but by a collection of enthusiastically minded amateurs. The worst that can be said about it is that it spends thousands of pounds of public money which might be more profitably applied; the best is that it can do no harm and may even wring a tear out of some aged native of Bulgaria or Peru who can recall the days before Great Britain thought it necessary artificially to stimulate an interest in her national culture. Also it may provide a skeleton which strengthened in the caliber as well as the numbers of its personnel and animated by a propaganda spirit, might be padded out as part of the ministry of propaganda in a future war.

Lastly, if anything is certain about the next war it is that we shall have France as our ally in chief, if not as our only certain ally outside the British Empire. Geographically, we are bound to France as inexorably as one member of a chain gang to the next; also the only things we have in common with her are this geographical contiguity and the desire to protect ourselves from any aggression on the part of Germany. Other than these, we have no real community of interests, methods, or outlook. This is not to say that sections, important and very vocal sections of British opinion, are not sincerely pro-French or to deny that France has probably the highest intellectual standards and the greatest measure of individual liberty of any country in the world, but propaganda unfortunately demands a unification of policy, and on this score our alliance with France is demonstrably weak. How to advance a concrete policy in line with France has been the difficulty ever since the armistice and will remain in a future war. Had we not been leg shackled to a logical France, determined as a continental nation to defend her own interests as appeared reasonable to her, the course of European propaganda and, therefore, history would have been different in the past 20 years. These fetters will hamper our propaganda to neutrals in the next war and not improbably to the main enemy also. Should we, by any fortunate chance, evolve a constructive idea for propaganda policy, we shall not be able to press it into use unless and until France agrees, and our outlook being so divergent, it may seldom be possible for her to agree. Equally, as our ally, we shall have to direct a continuous propaganda to her in the nature of a heart stimulant. Always suspicious, she will tend to question the seriousness of our war effort and the weight of our losses unless we give her constant proof. France is a very feminine partner, needing much patience and more attention, who will insist on approving anything we may wish to do and is capable of distracting us in any course on which we may both have agreed. This is the usual difficulty between allies, perhaps, but I feel that no charge of anti-French bias can be preferred against me for observing that she is not the easiest partner in a world situation like the present. Much propaganda effort will, therefore, have to be directed to keep her contented that we are also pulling our weight.

One of the most effective methods of convincing allies and neutrals is to provide their propagandists with facilities to inspect and write up our war effort for themselves. This was a sphere in which we excelled during the Great War, and it is one for which we have a special flair on account of our ability to steer a middle course between rigid secrecy and open publicity. But this sort of propaganda is a tricky business which demands imagination as well as patience and tact on the part of those charged with the propaganda duties, and which is seldom welcomed by the fighting forces, who are required constantly to divert responsible officers to "bear-lead" a stream of visiting foreign statesmen, pressmen, photographers, and cinematograph men. Moreover, it contains an element of danger. Still it is effective. Seeing is believing, and since the aim of the propagandist is to make news and see that it is reported, how better can he do this than by allowing it to be reported by those whom he wishes to influence? But those who have read Brownrigg's entertaining account of his experiences will have no doubts as to the snares and pitfalls which beset this particular propaganda path.

More attention will also require to be devoted to the countries of the Empire, which, owing to the changed status deriving from the Statute of Westminster, will properly claim to be regarded as allies, and there is no ally, not even a brother, who does not need special attention. While on general grounds the Empire can be expected to march in step with the mother country, there is no definite assurance that she will do so. We should take warning from the recent break-away of New Zealand on the League of Nations discussion on Abyssinia, and the possibility of racial or anti-imperial propaganda growing in strength in other dominions or India. The great relief in respect of propaganda toward allies is that there is no bother about how to reach them. All methods are available. The difficulty is to know just what to say and how much emphasis to lay on it. Indeed the utmost care is necessary for controlling propaganda toward allies. Most of the feeling of one ally for another is manufactured, and this is particularly true of the British, with whom, as I have indicated earlier, a potential enemy may change with the turn of the political weathercock into a trusted

friend. For this reason this type of propaganda is really more important at home. If the French are our allies, it will be our concern to insure that our people think well of the French, and vice versa. Then the propagandist must be careful not to overstress the note of confidence. I have indicated the reaction of the Russians to confidence propaganda, and there is always the danger that, whereas in order to bring home the need for a united front, it is good to take the line that the allies are hand-in-glove and that therefore all is going well, some minor ally may argue "good, but if things are going well, there is no longer the same need for us to obey the more powerful allied powers. We'll act more on our own in future."

Mr. KING. Mr. President, I shall detain the Senate but for a few moments. If I understand the Senator, he is desirous that our country shall not be drawn into any international conflict, and that our policies shall be directed to that end. The American people desire peace. While our country has been a party to several conflicts I think it may be truthfully said that the traditions and teachings of the American people have been directed toward the promotion of peace, of fellowship at home, and international peace and good will. The founders of this Republic, and the American people generally, have been influenced by the teachings of the Christian religion; they have attempted to fashion their social and political life along religious, ethical, and spiritual lines; they have not been dogmatic, but, as I have indicated, they have sought to promote the most cordial and friendly relations among the people of all nations.

The American people look with grave concern upon the conflicts now raging in some parts of the world, and they are profoundly concerned in any movement that would result in the fires of international conflict being brought to our shores.

Democratic nations, though loving peace and abhoring war, cannot help but experience some concern when they see democratic peoples being attacked by dictators or by powerful and aggressive military forces. The records of the past are replete with the destruction of small and liberty-loving nations by greedy, powerful, and militaristic combinations. We cannot be oblivious to conditions in Europe and in Asia; to the wanton and unprovoked attacks by certain governments upon small and weaker nations and upon peace-loving and defenseless people, such as we find in China. Notwithstanding our sympathy for the oppressed and persecuted, the American people are sincere in their desire that no situation shall arise which will result in this nation's becoming a belligerent and taking part in world conflicts.

I desire, however, to comment very briefly upon an observation made by the distinguish Senator from North Dakota. If I correctly interpreted his remark it was tantamount to a condemnation of or a criticism of the United States for entering the World War. Mr. President, I know there are and will be differences of opinion as to the reasons or justification for our country's becoming a participant in that great conflict. However, in my opinion, history will justify the course pursued by our Government and acquit the American people of any improper or sinister purpose in joining the allied forces in that conflict.

Reference has been made by the Senator to what he denominates "propaganda" upon the part of Great Britain, if not other of the Allied Nations, and I gained the impression from his statement that our entrance into the World War was largely due to propaganda, particularly upon the part of Great Britain.

Mr. President, there was propaganda in the United States before we entered the World War, but in my opinion the most pervasive and sinister propaganda was carried on by representatives of the German Government. If there was propaganda in the United States disseminated by the Allied Nations, it was inconsequential measured by the activities of German agents and representatives, not only in the United States but in other countries. I recall Germany's diplomatic and consular representatives, actively, openly, and secretly, carried on the most vigorous propaganda in behalf of their Government. Attempts were made by representatives of Germany to draw Mexico into the contest upon the side of Germany and to induce the Mexican Government to assert authority over territory which constituted a part of the United States.

Mr. NYE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MALONEY in the chair). Does the Senator from Utah yield to the Senator from North Dakota?

Mr. KING. I am glad to yield to the Senator.

Mr. NYE. I am sure the Senator has not read into anything I have said this afternoon language which would put me in the light of holding a brief for the propagandists of any country, at that time or now.

Mr. KING. No; and I acquit the Senator of any desire to aid any cause by propaganda, but when we speak of propaganda of the allied nations during the World War I am sure we would, if we desired to be entirely fair, refer to the propaganda of the Central Powers which was more extensive, if not sinister and malevolent.

Germany expended large sums in her propaganda movements and in endeavoring to secure moral, if not material, support from the United States as well as from other countries.

There was an organization in the United States known as the German-American Alliance which had been formed for entirely proper purposes. There were evidences that it was being utilized in behalf of Germany and her associates in the war.

I had occasion to make some investigation as to its activities and the investigation resulted in the surrender of the charter under which it was organized.

That there were rather powerful forces at work among the American people in behalf of Germany and the Central Powers, I think will be conceded by those who were familiar with conditions in the United States immediately before and after our Government entered that conflict.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. MINTON. Does not the Senator remember that prior to our entry into the World War the German Government secretly purchased the New York Mail and financed it to carry on its propaganda in this country?

Mr. KING. I recall that fact.

Mr. MINTON. And that a man by the name of Dr. Rumley ran the newspaper for them and was afterward convicted in the Federal courts of the offense of concealing the ownership of that newspaper?

Mr. KING. I thank the Senator for reminding me of the matters referred to.

Mr. President, may I say that I had no objection to the Central Powers or the Allied Governments' adopting honest and fair methods for the presentation of their respective causes to the world. It was quite natural, and was to be expected, that the Central Powers would covet the goodwill of the nations who were not parties to the conflict; nor did I object to the Allied Nations employing legitimate and proper methods to secure the goodwill and, for that matter, the support of other nations.

It is quite natural for belligerents to justify their course and to present to the world reasons which they claim warrant their engaging in military conflicts. It is obvious when nations are at war—whether they are Fascist, communistic, or democratic—they will be interested in securing the goodwill of nonbelligerent nations. In seeking this end undoubtedly they will not always pursue fair and honorable means. Too often they will resort to improper methods of intrigue and secret and malevolent activities. As I have indicated, some of the methods adopted by Germany may not be defended; indeed, they call for condemnation.

Mr. President, with reference to the Senator's statement criticizing our Government for entering the World War, permit me to say that, in my opinion, the United States was justified in associating itself with the Allied cause. I voted in favor of the declaration of war following the great message of the great President, Woodrow Wilson, and if the same conditions which then existed should again be presented, notwithstanding my abhorence of war, I should vote for my country to enter the war.

We all know that Mr. Wilson was a man of peace. There was no stronger character in our country at that time, than

our President, and there was no person who was more devoted to peace than he. I might add for the benefit of my Republican friends that a great Republican leader—Theodore Roosevelt—was perhaps as resentful of Germany's conduct as any other person in our country. My recollection is that he favored the United States entering the war against Germany, when the latter sent her legions into Belgium and carried on a ruthless and destructive campaign against peaceable and unoffending people. Following this, cities and towns were destroyed and great cathedrals were bombed and the German legions then marched into France and carried woe and desolation into an important part of French territory. My recollection is that ex-President Roosevelt, before we entered the war, stated that the United States should have become a belligerent soon after Germany violated Belgian territory. His view was that an international wrong had been committed against peaceable and unoffending people.

However, the American people are averse to war. While the sympathies of most Americans were with the Allies and associated powers, nevertheless they restrained their feelings and pursued a neutral attitude. President Wilson urged that Americans be neutral in thought as well as in deed, and he exercised his great influence in the restraint of manifestations in favor of the Allied Powers as against the Central Powers. But finally Germany's policies became so cruel and ruthless that civilized peoples indicated their reprobation of the same. Ships were sunk and American citizens killed upon the high seas. The situation reached such a climax of injustice and wrong on the part of Germany and her associates that our President came before the assembled Senate and House and read that great message which resulted in this Republic becoming a participant in the conflict. I voted in favor of the President's recommendation, as did substantially all of the Members of the House and the Senate. There was substantial unanimity on the part of the American people, and they rallied with earnestness behind him and supported the measures which were recommended in order to prepare our Nation to play an important part in the conflict.

Of course war is terrible. The consequences of war persist for an indefinite period. The part our country played in the war was most important. Indeed, I think it may be said that it was the deciding factor in that terrible conflict. War, however, brings woe and sorrow. Even the victors pay heavy penalties for their triumphs, and our country will be discharging obligations incurred in the war long after we have passed from this field of action. Our children and grandchildren will bear heavy burdens resulting from a conflict perhaps the greatest of all time.

However, Mr. President, there are things in this world more important than money or property or even life itself. I refer to honor and liberty and the perpetuity to those priceless principles which in the end must prevail if civilization is to be preserved. The American people joined in a cause which they believed represented justice and liberty and righteousness and the moral and spiritual principles which must persist if a reversion to barbarism is to be averted.

DUTIES ON CERTAIN IMPORTS TO NEW YORK WORLD'S FAIR AND GOLDEN GATE INTERNATIONAL EXPOSITION

Mr. WAGNER. Mr. President, I ask unanimous consent for the present consideration of a bill which was reported today by the Committee on Finance by unanimous vote. I refer to House bill 5287.

The PRESIDING OFFICER. The clerk will state the title of the bill.

The CHIEF CLERK. A bill (H. R. 5287) relating to the importation of distilled spirits for consumption at the New York World's Fair, 1939, and the Golden Gate International Exposition of 1939, and to duties on certain articles to be exhibited at the New York World's Fair, 1939.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance, with amendments.

The amendments were, on page 1, line 10, after the word "of", to strike out "the joint resolution approved June 18, 1934, entitled 'Joint resolution to protect the revenue by regulation of the traffic in containers of distilled spirits'," and insert "section 2871 of the Internal Revenue Code"; and on page 5, at the beginning of line 20, to strike out "Sec. 4. Unbound books of all kinds, bound books of all kinds except those wholly or in part in leather, sheets or printed pages of books bound wholly or in part in leather, pamphlets, music in books or sheets, and printed matter" and insert "Sec. 4. Tourist literature containing scenic, historical, geographic, time table, travel, hotel, or similar information, chiefly with respect to places or travel facilities outside the continental United States", so as to make the bill read:

Be it enacted, etc., That the Federal Alcohol Administration Act, as amended, shall not apply to the importation, for the account of a foreign government, of distilled spirits, wine, or malt beverages produced in its own country, for on-premises consumption in the national pavilion restaurant of such foreign government at the New York World's Fair, 1939, or at the Golden Gate International Exposition of 1939; nor shall regulations 13 under the provisions of section 2871 of the Internal Revenue Code apply to such importation, if such distilled spirits, wine, or malt beverages are entered for customs purposes in the name of the duly authorized representative of the national pavilion restaurant of the foreign government responsible for the importation: *Provided*, That the individual containers of all such distilled spirits, wine, or malt beverages shall, prior to release from customs custody, have firmly affixed thereto a label stating the country of origin of such beverages, and bearing a statement to the effect that the same have been imported solely for consumption at the New York World's Fair, 1939, or the Golden Gate International Exposition of 1939, as the case may be: *Provided further*, That the removal from the premises of any national pavilion restaurant of any distilled spirits, wine, or malt beverages imported under the provisions of this act for on-premises consumption in such national pavilion is forbidden otherwise than for destruction or exportation under customs supervision, and in the event any of the distilled spirits, wine, or malt beverages so imported are not consumed upon the premises of the national pavilion restaurant and are removed from such premises for consumption or for sale or other commercial purposes in the United States, such distilled spirits, wine, and malt beverages so removed shall be seized and forfeited. All distilled spirits, wine, and malt beverages removed in violation of this proviso, the containers thereof, and every vehicle or vessel used in the transportation thereof, shall be seized and forfeited. Such seizure and forfeiture, and the disposition of such property subsequent to seizure and forfeiture, or the disposition of the proceeds from the sale of such property, shall be in accordance with existing laws or those hereafter in existence relating to seizures, forfeitures, and dispositions of property or proceeds, for violation of the internal-revenue laws: *And provided further*, That nothing in this section shall authorize the importation of distilled spirits in containers of larger than 1 gallon capacity.

SEC. 2. The joint resolution entitled "Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the New York World's Fair, 1939, New York City, N. Y., to be admitted without payment of tariff, and for other purposes," approved August 16, 1937 (50 Stat. 668), is amended by adding at the end thereof the following:

"SEC. 2. Notwithstanding the provisions of the last proviso to the foregoing section, the New York World's Fair, 1939, Inc., shall not be liable for the payment of duty on articles imported under this joint resolution, to be exhibited or used by or for the account of a foreign government, if (a) the New York World's Fair, 1939, Inc., declares at the time of entry that the articles are to be so exhibited or used; (b) the New York World's Fair, 1939, Inc., furnishes to the appropriate collector of customs the name and address of the duly authorized commissioner of the foreign government by which or for whose account the articles are to be so exhibited or used; and (c) the New York World's Fair, 1939, Inc., within 30 days from the date of entry furnishes to the appropriate collector of customs a declaration of such duly authorized commissioner that his government will pay all duties, taxes, and other charges accruing on such articles, under such regulations as the Secretary of the Treasury may prescribe. Such commissioner shall possess all the rights of a consignee. This section shall remain in full force and effect until 90 days after the final termination of the New York World's Fair."

SEC. 3. The joint resolution entitled "Joint resolution providing for the importation of articles free from tariff or other customs duty for the purpose of exhibition at the Golden Gate International Exposition, to be held at San Francisco, Calif., in 1939, and for other purposes," approved May 18, 1937 (50 Stat. 187), is amended by adding at the end thereof the following:

"SEC. 2. Notwithstanding the provisions of the last proviso to the foregoing section, the San Francisco Bay Exposition shall not be liable for the payment of duty on articles imported under this joint resolution, to be exhibited or used by or for the account of a foreign government, if (a) the San Francisco Bay Exposition declares at the time of entry that the articles are to be so exhibited or used; (b) the San Francisco Bay Exposition furnishes to the appropriate collector of customs the name and address of the

duly authorized commissioner of the foreign government by which or for whose account the articles are to be so exhibited or used; and (c) the San Francisco Bay Exposition within 30 days from the date of entry furnishes to the appropriate collector of customs a declaration of such duly authorized commissioner that his government will pay all duties, taxes, and other charges accruing on such articles under such regulations as the Secretary of the Treasury may prescribe. Such commissioner shall possess all the rights of a consignee. This section shall remain in full force and effect until 90 days after the final termination of the Golden Gate International Exposition."

SEC. 4. Tourist literature containing scenic, historical, geographic, timetable, travel, hotel, or similar information, chiefly with respect to places or travel facilities outside the continental United States, all the foregoing, if their entry is not prohibited, and if of bona fide foreign authorship and classifiable under paragraph 1410 of the Tariff Act of 1930, shall be admitted without payment of duty if imported for gratuitous distribution within the exhibits of foreign governments at the New York World's Fair, 1939.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

FUNERAL EXPENSES OF THE LATE SENATOR LEWIS

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, without amendment, Senate Resolution 121, and ask unanimous consent for its present consideration.

There being no objection, the resolution (S. Res. 121) submitted by Mr. LUCAS on April 13, 1939, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of Hon. James Hamilton Lewis, late a Senator from the State of Illinois, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MALONEY in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nomination of Alexander W. Weddell, of Virginia, now Ambassador Extraordinary and Plenipotentiary to Argentina, to be Ambassador Extraordinary and Plenipotentiary to Spain.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations for promotions in the Army.

Mr. BARKLEY. I ask that the Army nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

That completes the calendar.

ADJOURNMENT TO THURSDAY

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn under the order previously made.

The motion was agreed to; and (at 3 o'clock p. m.), under the order previously entered, the Senate adjourned until Thursday, April 27, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate on April 25, 1939

NATIONAL LABOR RELATIONS BOARD

William M. Leiserson, of Ohio, to be a member of the National Labor Relations Board for a term of 5 years from August 27, 1938, vice Donald Wakefield Smith, term expired.

COAST GUARD OF THE UNITED STATES

Pay Clerk George M. Bailey to be a chief pay clerk in the Coast Guard of the United States, to rank as such from April 14, 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 25, 1939

PROMOTIONS IN THE REGULAR ARMY

MEDICAL CORPS

To be colonels

William Dey Herbert
George Fairless Lull
Charles Clark Hillman
Sidney Lovett Chappell
Harry Louis Dale
George Russell Callender
Edward Weidner
Raymond Whitcomb Bliss
Norman Thomas Kirk
William Benjamin Borden
Robert Henry Duenner

To be lieutenant colonel

Henry Stevens Blesse

To be captains

William Calaway
Howard Amos Van Auken
John Henry Taber
Thomas Morrison Arnett
Charles Henry Moseley

DENTAL CORPS

To be colonels

Eugene Milburn
Lowell B. Wright
Harry Morton Deiber

VETERINARY CORPS

To be captains

Stephen Grieve Asbill
Benjamin Francis Leach

CHAPLAINS

To be chaplain with the rank of lieutenant colonel, United States Army

George Jefferson McMurry

To be chaplains with the rank of captain, United States Army

Silas Edward Decker
Martin Carl Poch
Wallace Irving Wolverton
James Corey Bean
Charles Irving Carpenter
James Thomas Wilson

POSTMASTERS

LOUISIANA

Claire C. Gonsoulin, Sunset.

NEW YORK

Charles Hogan, Harrisville.

NORTH CAROLINA

Alexander C. King, Flat Rock.
Gertrude B. Owens, Fountain.
Geneva J. Weaver, Robersonville.

OHIO

Carl A. Rickard, Alliance.

PENNSYLVANIA

Joseph F. Gallagher, Philadelphia.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 25, 1939

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou, God of all grace and goodness, from whom our spirits have come, unto whom we belong, and in whose service is our peace, lift upon us the light of Thy countenance, that we may see our duties more clearly, understand them more wisely, and perform them more faithfully.

Bless Thy servants. In these perilous and difficult days, direct their minds and hearts by Thine own eternal guidance. Beyond the fallibility of human thought, give them divine wisdom. Fill us with a burning passion to see the righteousness of God flow everywhere as a mighty stream.

We pray that Thou wilt lift the nations of the earth into the loftier altitudes of the spirit of good will and peace. Hasten that blessed day of prediction, when it shall be the goal of all our aspirations to do justly, to love mercy, and to walk humbly with our God.

In the name of Christ we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

EXTENSION OF REMARKS

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my remarks made yesterday by inserting excerpts of letters respecting the bill H. R. 3799.

The SPEAKER. Is there objection?

There was no objection.

ELECTION TO COMMITTEE

Mr. DOUGHTON. Mr. Speaker, I offer the following resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 174

Resolved, That the following-named Members be, and they are hereby, elected members of the standing committee of the House of Representatives on the District of Columbia, to wit: Mr. FRIES, of Illinois; Mr. EBERHARTER, of Pennsylvania; Mr. TENEROWICZ, of Michigan.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to, and a motion to reconsider laid on the table.

EXTENSION OF REMARKS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a discussion of the social security by Senator TAFT and Representative SMITH of Illinois.

The SPEAKER. Is there objection?

There was no objection.

Mr. MOSER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a radio address delivered last night over WMAL by Mr. Andrews, the Administrator of the Fair Labor Standards Act.

The SPEAKER. Is there objection?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in three particulars: First, the Federal Housing Administration; second, on the Cuban Trade Treaty; third, on the Conference on Religion.

The SPEAKER. Is there objection?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my remarks upon the bill pending today.

The SPEAKER. Is there objection?

There was no objection.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein recommendations of the Brookings Institution in respect to Federal tax changes.

The SPEAKER. Is there objection?

There was no objection.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a speech delivered by Senator ROBERT TAFT, of Ohio, before the Republicans, on the Republicans on the March Dinner, April 20, 1939.

The SPEAKER. Is there objection?

There was no objection.

COMMITTEE ON LABOR—LEAVE TO SIT DURING SESSIONS OF HOUSE

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the Committee on Labor may be permitted to sit this afternoon during the session of the House.

The SPEAKER. Is there objection?

There was no objection.

CONDITION OF BUSINESS

Mr. JOHNS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. JOHNS. Mr. Speaker, I have received a notification from a good businessman in Wisconsin who writes me as follows:

> For God's sake do something. We are hanging on by an eyelash and day after day passes with no hope from Washington.
>
> Our customers cannot invest in our equipment until the Wagner Act has been overhauled; until the excess-profits and capital-gains taxes have been modified so as to encourage capital expenditures; until the everlasting spending of money is stopped and a fair break given to management as well as labor. The Catlin labor bill just passed in Wisconsin could well be a model for Federal legislation.
>
> Will you please write and advise what chance there is of sane legislation?
>
> Mr. Roosevelt challenges you this morning; now is your chance to show whether our legislators are mice or men.

I want to reply to my correspondent, and if there is any Member in Congress that has any suggestions to offer as to an answer to this letter, I would be glad to have such advice.

I also have another letter from a fur producer in Wisconsin who says that he is 100 percent against the President's good-neighbor policy to allow foreign fur farmers to prosper at the expense of our own producers. He states that at the present time he is only interested in mink-pelt production but desires to start now to protect mink producers from what has already been done to the fox producers.

He further informs me that it would interest you to know that a marked increase in imports of silver foxes into this country during January 1939 is shown in the figures released by the Department of Commerce. Arrival of silver-fox skins in January 1939 totaled 14,232 as compared with 3,315 in the like month of 1938. Average value for imported skins in January 1938 was $33.06 while in 1939 the average was only $26. This heavy increase in silver-fox imports is attributed to the lowering of the tariff to 37½ percent ad valorem on January 1. The imports were heaviest from Canada, although Norway shipped about 25 percent of the skins received.

He assures the delegation from Wisconsin that they have a big job on their hands to protect the fur industry of this country. He also advises, which is a surprise, that Wisconsin's fur industry produced 52 percent of all the fox and mink pelts raised in the United States in 1937, which brought to the State almost 55 percent of the industry's national income. He also advises that reports indicate that out of a total of 396,463 fox and mink pelts produced in the United States in 1937, Wisconsin produced 206,504. The total income

from the pelts for the entire country in 1937 was $9,932,556, with the total from Wisconsin alone amounting to $5,456,640.

This report also reveals that the State's income from furs is almost equal to the combined income from tobacco and canning of peas, of which we produce a large amount of canned peas, and also the combined income from spring and winter wheat, alfalfa seed, market and kraut cabbage, sugar beets, clover seed, and canned corn. The domestic fur industry does not compete in any way with agricultural products, but instead is of direct benefit to agricultural products, in that it affords a significant and desirable market for various products. The fur industry has also helped to rehabilitate marginal and submarginal lands by the establishment of fur farms on such acreage.

My correspondent feels that the tariff on fur should not only be restored to the previous tariff rate but should be increased at least to 75 percent.

GOVERNMENT REORGANIZATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 262)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and together with the accompanying papers, referred to the Select Committee on Government Organization and ordered to be printed:

To the Congress of the United States:

Pursuant to the provisions of the Reorganization Act of 1939 (Public, No. 19, 76th Cong., 1st sess.) approved April 3, 1939, I herewith transmit reorganization plan No. I which, after investigation, I have prepared in accordance with the provisions of section 4 of the act, and I declare that with respect to each transfer, consolidation, or abolition made in reorganization plan No. I, I have found that such transfer, consolidation, or abolition is necessary to accomplish one or more of the purposes of section 1 (a) of the act.

In these days of ruthless attempts to destroy democratic government, it is baldly asserted that democracies must always be weak in order to be democratic at all, and that, therefore, it will be easy to crush all free states out of existence.

Confident in our Republic's 150 years of successful resistance to all subversive attempts upon it, whether from without or within, nevertheless we must be constantly alert to the importance of keeping the tools of American democracy up to date. It is our responsibility to make sure that the people's Government is in condition to carry out the people's will promptly, effectively, without waste or lost motion.

In 1883 under President Arthur we strengthened the machinery of democracy by the civil-service law; beginning in 1905 President Roosevelt initiated important inquiries into Federal administration; in 1911 President Taft named the Economy and Efficiency Commission which made very important recommendations; in 1921 under Presidents Wilson and Harding we tightened up our budgetary procedure. Presidents Theodore Roosevelt, Taft, Wilson, Harding, Coolidge, and Hoover in succession strongly recommended the rearrangement of Federal administrative activities. In 1937 I proposed, on the basis of an inquiry authorized and appropriated for by the Congress, the strengthening of the administrative management of the executive establishment.

None of all this long series of suggestions, running over more than a quarter of a century, was in any sense personal or partisan in design.

These measures have all had only one supreme purpose—to make democracy work—to strengthen the arms of democracy in peace or war and to insure the solid blessings of free government to our people in increasing measure.

We are not free if our administration is weak. But we are free if we know, and others know, that we are strong; that we can be tough as well as tender-hearted, and that what the American people decide to do can and will be done, capably and effectively, with the best national equipment that modern organizing ability can supply in a country where management and organization is so well understood in private affairs.

My whole purpose in submitting this plan is to improve the administrative management of the Republic, and I feel confident that our Nation is united in this central purpose, regardless of differences upon details.

This plan is concerned with the practical necessity of reducing the number of agencies which report directly to the President and also of giving the President assistance in dealing with the entire executive branch by modern means of administrative management.

Forty years ago, in 1899, President McKinley could deal with the whole machinery of the executive branch through his eight Cabinet Secretaries and the heads of two commissions; and there was but one commission of the so-called quasi-judicial type in existence. He could keep in touch with all the work through 8 or 10 persons.

Now, 40 years later, not only do some 30 major agencies (to say nothing of the minor ones) report directly to the President, but there are several quasi-judicial bodies which have enough administrative work to require them also to see him on important executive matters.

It has become physically impossible for one man to see so many persons, to receive reports directly from them, and to attempt to advise them on their own problems which they submit. In addition, the President today has the task of trying to keep their programs in step with each other or in line with the national policy laid down by the Congress. And he must seek to prevent unnecessary duplication of effort.

The administrative assistants provided for the President in the Reorganization Act cannot perform these functions of over-all management and direction. Their task will be to help me get information, and condense and summarize it—they are not to become in any sense Assistant Presidents nor are they to have any authority over anybody in any department or agency.

The only way in which the President can be relieved of the physically impossible task of directly dealing with 30 or 40 major agencies is by reorganization—by the regrouping of agencies according to their major purposes under responsible heads who will report to the President, just as is contemplated by the Reorganization Act of 1939.

This act says that the President shall investigate the organization of all agencies of the Government and determine what changes are necessary to accomplish any one or more of five definite purposes:

(1) To reduce expenditures.

(2) To increase efficiency.

(3) To consolidate agencies according to major purposes.

(4) To reduce the number of agencies by consolidating those having similar functions and by abolishing such as may not be necessary.

(5) To eliminate overlapping and duplication of effort.

It being obviously impracticable to complete this task at one time, but, having due regard to the declaration of Congress that it should be accomplished immediately and speedily, I have decided to undertake it promptly in several steps.

The first step is to improve over-all management, that is to do those things which will accomplish the purposes set out in the law, and which, at the same time, will reduce the difficulties of the President in dealing with the multifarious agencies of the executive branch and assist him in distributing his responsibilities as the chief administrator of the Government by providing him with the necessary organization and machinery for better administrative management.

The second step is to improve the allocation of departmental activities, that is, to do those things which will accomplish the purposes set out in the law and at the same time help that part of the work of the executive branch which is carried on through executive departments and agencies. In all this the responsibility to the people is through the President.

The third step is to improve intradepartmental management, that is, to do those things which will enable the heads

of departments and agencies the better to carry out their own duties and distribute their own work among their several assistants and subordinates.

Each of these three steps may require from time to time the submission of one or more plans involving one or more reorganizations, but it is my purpose to fulfill the duty imposed upon me by the Congress as expeditiously as practicable and to the fullest extent possible in view of the exceptions and exemptions set out in the act.

The plan I now transmit is divided into four parts, or sections, which I shall describe briefly, as follows:

PART 1. EXECUTIVE OFFICE OF THE PRESIDENT

In my message to the Congress of January 12, 1937, in discussing the problem of how to improve the administrative management of the executive branch, I transmitted with my approval certain recommendations for strengthening and developing the management arms of the President. Those three management arms deal with (1) budget and efficiency research, (2) planning, and (3) personnel. My accumulated experience during the 2 years since that time has deepened my conviction that it is necessary for the President to have direct access to these managerial agencies in order that he may have the machinery to enable him to carry out his constitutional responsibility and in order that he may be able to control expenditures, to increase efficiency, to eliminate overlapping and duplication of effort, and to be able to get the information which will permit him the better to advise the Congress concerning the state of the Union and the program of the Government.

Therefore I find it necessary and desirable in carrying out the purposes of the act to transfer the Bureau of the Budget to the Executive Office of the President from the Treasury Department. It is apparent from the legislative history of the Budget and Accounting Act that it was the purpose in 1921 to set up an executive budget for which the President would be primarily responsible to the Congress and to the people, and that the Director of the Budget was to act under the immediate direction and supervision of the President. While no serious difficulties have been encountered because of the fact that the Bureau of the Budget was placed in the Treasury Department so far as making budgetary estimates has been concerned, it is apparent that its coordinating activities and its research and investigational activities recently provided for by the Congress will be facilitated if the Bureau is not a part of one of the 10 executive departments. Also, in order that the Bureau of the Budget may the better carry out its work of coordination and investigation, I find it desirable and necessary in order to accomplish the purposes of the act to transfer to the Bureau of the Budget the functions of the Central Statistical Board.

By these transfers to the Executive Office the President will be given immediate access to that managerial agency which is concerned with the preparation and administration of the Budget, with the coordination of the work of the governmental agencies, and with research and investigation necessary to accomplish the five definite purposes of the Reorganization Act of 1939.

I also find it necessary and desirable to transfer to the Executive Office of the President the National Resources Committee, now an independent establishment, and to consolidate with it by transfer from the Department of Commerce the functions of the Federal Employment Stabilization Office, the consolidated unit to be known as the National Resources Planning Board. This Board would be made up as is the present advisory board of the National Resources Committee of citizens giving part-time services to the Government, who, aided by their technical staff, would be able to advise the President, the Congress, and the people with respect to plans and programs for the conservation of the national resources, physical and human. By these transfers to the Executive Office, the President will be given more direct access to and immediate direction over that agency, which is concerned with planning for the utilization and conservation of the national resources, an indispensable part of the equipment of the Chief Executive.

On previous occasions I have recommended and I hereby renew and emphasize my recommendation that the work of this Board be placed upon a permanent statutory basis.

Because of an exemption in the act it is impossible to transfer to the Executive Office the administration of the third managerial function of the Government, that of personnel. However, I desire to inform the Congress that it is my purpose to name one of the administrative assistants to the President, authorized in the Reorganization Act of 1939, to serve as a liaison agent of the White House on personnel management.

In this manner the President will be given for the first time direct access to the three principal necessary management agencies of the Government. None of the three belongs in any existing department. With their assistance, and with this reorganization, it will be possible for the President to continue the task of making investigations of the organization of the Government in order to control expenditures, increase efficiency, and eliminate overlapping.

PART 2. FEDERAL SECURITY AGENCY

Studies heretofore made by me and researches made at my direction, as well as recommendations submitted by me to the Congress, and especially those contained in my message of January 12, 1937, indicate clearly that to carry out the purposes of the Reorganization Act of 1939 to group, coordinate, and consolidate agencies of the Government according to major purposes and to reduce the number of agencies by consolidating those having similar functions under a single head, would require the provision of 3 general agencies in addition to the 10 executive departments.

It is my objective, then, by transfer, consolidation, and abolition, to set up a Federal Security Agency, a Federal Works Agency, and a Federal Loan Agency, and then to distribute among the 10 executive departments and these 3 new agencies the major independent establishments in the Government—excepting those exempt from the operations of the act—in order to minimize overlapping and duplication, to increase efficiency, and to reduce expenditures to the fullest extent consistent with the efficient operation of the Government.

I find it necessary and desirable to group in a Federal Security Agency those agencies of the Government the major purposes of which are to promote social and economic security, educational opportunity, and the health of the citizens of the Nation.

The agencies to be grouped are the Social Security Board, now an independent establishment; the United States Employment Service, now in the Department of Labor; the Office of Education, now in the Department of the Interior; the Public Health Service, now in the Treasury Department; the National Youth Administration, now in the Works Progress Administration; and the Civilian Conservation Corps, now an independent agency.

The Social Security Board is placed under the Federal Security Agency, and at the same time the United States Employment Service is transferred from the Department of Labor and consolidated with the unemployment-compensation functions of the Social Security Board in order that their similar and related functions of social and economic security may be placed under a single head and their internal operations simplified and integrated.

The unemployment compensation functions of the Social Security Board and the employment service of the Department of Labor are concerned with the same problem, that of the employment or the unemployment of the individual worker.

Therefore they deal necessarily with the same individual. These particular services to the particular individual also are bound up with the public-assistance activities of the Social Security Board. Not only will these similar functions be more efficiently and economically administered at the Federal level by such grouping and consolidation, but this transfer and merger also will be to the advantage of the administration of State social-security programs and result in considerable saving of money in the administrative costs of the governments of the 48 States as well as those of the United States.

In addition to this saving of money there will be a considerable saving of time and energy not only on the part of administrative officials concerned with this program in both Federal and State Governments, but also on the part of employers and workers, permitting through the simplification of procedures a reduction in the number of reports required and the elimination of unnecessary duplication in contacts with workers and with employers.

Because of the relationship of the educational opportunities of the country to the security of its individual citizens, the Office of Education with all of its functions, including, of course, its administration of Federal-State programs of vocational education, is transferred from the Department of the Interior to the Federal Security Agency. This transfer does not increase or extend the activities of the Federal Government in respect to education, but does move the existing activities into a grouping where the work may be carried on more efficiently and expeditiously, and where coordination and the elimination of overlapping may be better accomplished. The Office of Education has no relationship to the other functions of the Department of the Interior.

The Public Health Service is transferred from the Treasury Department to the Federal Security Agency. It is obvious that the health activities of the Federal Government may be better carried out when so grouped than if they are left in the Treasury, which is primarily a fiscal agency, and where the necessary relationships with other social security, employment, and educational activities now must be carried on by an elaborate scheme of interdepartmental committee work.

The National Youth Administration is transferred from the Works Progress Administration to the Federal Security Agency since its major purpose is to extend the educational opportunities of the youth of the country and to bring them through the processes of training into the possession of skills which enable them to find employment. Other divisions of the Federal Security Agency will have the task of finding jobs, providing for unemployment compensation and other phases of social security, while still other units of the new agency will be concerned with the problem of primary and secondary education, as well as vocational education and job training and retraining for employment. While much of the work of the National Youth Administration has been carried on through work projects, these have been merely the process through which its major purpose was accomplished, and, therefore, this agency under the terms of the act should be grouped with the other security agencies rather than with the work agencies.

For similar reasons the Civilian Conservation Corps, now an independent establishment, is placed under the Federal Security Agency because of the fact that its major purpose is to promote the welfare and further the training of the individuals who make up the corps, important as may be the construction work which they have carried on so successfully. The Civilian Conservation Corps is a small coordinating agency which supervises work carried on with the cooperation of several regular departments and independent units of the Government. This transfer would not interfere with the plan of work heretofore carried on but it would enable the Civilian Conservation Corps to coordinate its policies, as well as its operations, with those other agencies of the Government concerned with the educational and health activities and with human security.

PART 3. FEDERAL WORKS AGENCY

In order to carry out the purpose of the Reorganization Act of 1939 I find it necessary and desirable to group and consolidate under a Federal Works Agency those agencies of the Federal Government dealing with public works not incidental to the normal work of other departments, and which administer Federal grants or loans to State and local governments or other agencies for the purposes of construction.

The agencies so to be grouped are: The Bureau of Public Roads, now in the Department of Agriculture; the Public Buildings Branch of the Procurement Division, now in the Treasury Department; and the branch of building management of the National Park Service (so far as it is concerned with public buildings which it operates for other departments or agencies), now in the Department of the Interior; the United States Housing Authority, now in the Department of the Interior; the Federal Emergency Administration of Public Works (familiarly known as P. W. A.); and the Works Progress Administration (familiarly known as W. P. A.) except the functions of the National Youth Administration.

The transfer of both the Public Works Administration and the Works Progress Administration to the new Federal Works Agency would provide for both principal types of public works that have been carried on by the Federal Government directly or in cooperation with the State and local governments. I find that it will be possible to reduce administrative costs as well as to improve efficiency and to eliminate overlapping by bringing these different programs of public works under a common head. But, because of the differences that justified their separate operation in the past and differences that will continue in the future to distinguish certain phases of major public works from work relief, I find it necessary to maintain them at least for the present as separate subordinate units of the Federal Works Agency.

The present Federal Emergency Administration of Public Works is placed under the Federal Works Agency under the shorter name of Public Works Administration.

The name of the Works Progress Administration has been changed to Work Projects Administration in order to make its title more descriptive of its major purpose.

The Bureau of Public Roads is transferred from the Department of Agriculture to the Federal Works Agency and as a separate unit under the name of Public Roads Administration. This will bring the administration of the Federal roads program, with its grants-in-aid to the States, into coordination with other major public-works programs and other programs of grants and loans to the States.

The construction and operation of many public buildings is now carried on in two agencies which are consolidated under the new Federal Works Agency, namely, the Public Buildings Branch of the Procurement Division of the Treasury Department, which is concerned with the construction of Federal buildings and with the operation of many public buildings outside the District of Columbia, and the Branch of Building Management of the National Park Service, of the Department of the Interior, which is concerned with the operation of public buildings in the District of Columbia. These two separate activities are consolidated in one unit to be known as the Public Buildings Administration. Improved efficiency, coordination of effort, and savings will result from this transfer and consolidation.

Then, also, there is transferred from the Department of the Interior to the Federal Works Agency the United States Housing Authority The major purpose of the United States Housing Authority is to administer grants-in-aid and loans to local public-housing authorities in accordance with its established standards of construction in that part of the housing field which cannot be reached economically by private enterprise. For these reasons it should be grouped with those other agencies which have to do with public works, with grants and loans to State and local governments, and with construction practices and standards.

PART 4. FEDERAL LOAN AGENCY AND TRANSFERS OF INDEPENDENT LENDING AGENCIES

In order to carry out the purposes of the Reorganization Act of 1939 I find it necessary and desirable to group under a Federal Loan Agency those independent lending agencies of the Government which have been established from time to time for the purpose of stimulating and stabilizing the financial, commercial, and industrial enterprises of the Nation.

The agencies to be so grouped in the Federal Loan Agency are the Reconstruction Finance Corporation, the Electric Home and Farm Authority, the Federal Home Loan Bank Board, the Federal Housing Administration, and their associated agencies and boards, as well as the Export-Import Bank of Washington.

Since 1916 the Congress has established from time to time agencies for providing loans, directly or indirectly, for the stimulation and stabilization of agriculture, and such agencies should, in my opinion, be grouped with the other agricultural activities of the Government. For that reason I find it necessary and desirable to accomplish the purposes of the act to transfer the Farm Credit Administration, the Federal Farm Mortgage Corporation, and the Commodity Credit Corporation and associated agencies to the Department of Agriculture.

ECONOMY AND EFFICIENCY

One of the five purposes of the Reorganization Act of 1939 is "to reduce expenditures to the fullest extent consistent with the efficient operation of the Government." This purpose is important in each phase of the plan here presented. The Reorganization Act prohibits abolishing functions—in other words, basic services or activities performed. Therefore the reduction in expenditures to be effected must necessarily be brought about chiefly in the overhead administrative expenses of the agencies set up to perform certain functions. The chance for economy arises, therefore, not from stopping work but from organizing the work and the overhead more efficiently in combination with other similar activities. Only the Congress can abolish or curtail functions now provided by law.

The overhead administrative costs of all the agencies affected in reorganization plan No. I is about $235,000,000. This does not include the loans they make, the benefits they pay, the wages of the unemployed who have been given jobs; it does not include the loans and grants to States or, in short, the functional expense. It does include the overhead expense of operating and administering all these agencies.

The reduction of administrative expenditures which it is probable will be brought about by the taking effect of the reorganizations specified in the plan is estimated, as nearly as may be, at between $15,000,000 and $20,000,000 annually, a substantial lowering of the existing overhead. Certain of these economies can be brought about almost immediately; others will require a painstaking and gradual readjustment in the machinery and business practices of the Government.

Any such estimate is incomplete, however, without reference to the corresponding savings which will follow in the States and cities through the recommended consolidation of the Federal services with which they cooperate, and the improved efficiency and convenience which will be felt by citizens all over the Nation, many of whom will be able to find in a single office many of the services now scattered in several places. These economies will undoubtedly exceed the direct savings in the Federal Budget.

It will not be necessary to ask the Congress for any additional appropriations for the administrative expenses of the three consolidated agencies set up in this plan, since their costs will be met from funds now available for the administrative expenses of their component units. Actually, new expenses will be only a fractional part of the expected savings.

Neither on this reorganization plan No. I nor on future reorganization plans covering interdepartmental changes and intradepartmental changes will every person agree on each and every detail. It is true that out of the many groupings and regroupings proposed in this message a few of the individual agencies could conceivably be placed elsewhere.

Nevertheless, I have been seeking to consider the functional origin and purpose of each agency as required by the reorganization bill itself.

If in the future experience shows that one or two of them should be regrouped, it will be wholly possible for the President and the Congress to make the change.

The plan presented herewith represents 2 years of study. It is a simple and easily understood plan. It conforms to methods of executive administration used by large private enterprises which are engaged in many lines of production. Finally, it will save a sum of money large in comparison with the existing overhead of the agencies involved.

I trust, therefore, that the Congress will view the plan as a whole and make it possible to take the first step in improving the executive administration of the Government of the United States.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 25, 1939.*

REORGANIZATION PLAN NO. I

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, April 25, 1939, pursuant to the provisions of the Reorganization Act of 1939, approved April 3, 1939

PART 1. EXECUTIVE OFFICE OF THE PRESIDENT

SECTION 1. Bureau of the Budget: The Bureau of the Budget and all of its functions and personnel (including the Director and Assistant Director) are hereby transferred from the Treasury Department to the Executive Office of the President; and the functions of the Bureau of the Budget shall be administered by the Director thereof under the direction and supervision of the President.

SEC. 2. Central Statistical Board: The Central Statistical Board and all of its functions and personnel (including the chairman and the members of the Board) are hereby transferred to the Bureau of the Budget in the Executive Office of the President. The chairman of the Board shall perform such administrative duties as the Director of the Bureau of the Budget shall direct.

SEC. 3. Central Statistical Committee abolished and functions transferred: The Central Statistical Committee is hereby abolished, and its functions are transferred to the Director of the Bureau of the Budget to be administered by him under the direction and supervision of the President. The Director of the Bureau of the Budget shall promptly wind up any outstanding affairs of the Central Statistical Committee.

SEC. 4. National Resources Planning Board: (a) The functions of the National Resources Committee, established by Executive Order No. 7065 of June 7, 1935, and its personnel (except the members of the committee) and all of the functions of the Federal Employment Stabilization Office in the Department of Commerce and its personnel are hereby transferred to the Executive Office of the President. The functions transferred by this section are hereby consolidated, and they shall be administered under the direction and supervision of the President by the National Resources Planning Board (hereafter referred to as the Board), which shall be composed of five members to be appointed by the President. The President shall designate one of the members of the Board as chairman and another as vice chairman. The vice chairman shall act as chairman in the absence of the chairman or in the event of a vacancy in that office. The members of the Board shall be compensated at the rate of $50 per day for time spent in attending and traveling to and from meetings or in otherwise exercising the functions and duties of the Board, plus the actual cost of transportation: *Provided,* That in no case shall a member be entitled to receive compensation for more than 30 days' service in 2 consecutive months.

(b) The Board shall determine the rules of its own proceedings, and a majority of its members in office shall constitute a quorum for the transaction of business, but the Board may function notwithstanding vacancies.

(c) The Board may appoint necessary officers and employees and may delegate to such officers authority to perform such duties and make such expenditures as may be necessary.

SEC. 5. National Resources Committee abolished: The National Resources Committee is hereby abolished and its outstanding affairs shall be wound up by the National Resources Planning Board.

SEC. 6. Federal Employment Stabilization Office abolished: The Federal Employment Stabilization Office is hereby abolished and the Secretary of Commerce shall promptly wind up its affairs.

SEC. 7. Transfer of records and property: All records and property (including office equipment) of the several agencies transferred, or the functions of which are transferred, by this part are hereby transferred to the Executive Office of the President for use in the administration of the agencies and functions transferred by this part.

SEC. 8. Transfer of funds: So much of the unexpended balances of appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the use of any agency in the exercise of any functions transferred by this part, or for the use of the head of any department or agency in the exercise of any functions so transferred, as the Director of the Bureau of the Budget shall determine, shall be transferred to the Executive Office of the President for use in connection with the exercise of functions transferred by this part. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided,* That the use of the unexponded balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

SEC. 9. Personnel: Any personnel transferred by this part found to be in excess of the personnel necessary for the efficient administration of the functions transferred by this part shall be retransferred under existing law to other positions in the Government service, or separated from the service subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

PART 2. FEDERAL SECURITY AGENCY

SECTION 201. Federal Security Agency: (a) The United States Employment Service in the Department of Labor and its functions and personnel are transferred from the Department of Labor; the Office of Education in the Department of the Interior and its functions and personnel (including the Commissioner of Education) are transferred from the Department of the Interior; the Public Health Service in the Department of the Treasury and its functions and personnel (including the Surgeon General of the Public Health Service) are transferred from the Department of the Treasury; the National Youth Administration within the Works Progress Administration and its functions and personnel (including its Administrator) are transferred from the Works Progress Administration; and these agencies and their functions, together with the Social Security Board and its functions, and the Civilian Conservation Corps and its functions, are hereby consolidated under one agency to be known as the Federal Security Agency, with a Federal Security Administrator at the head thereof. The Federal Security Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive a salary at the rate of $12,000 per annum. He shall have general direction and supervision over the administration of the several agencies consolidated into the Federal Security Agency by this section and shall be responsible for the coordination of their functions and activities.

(b) The Federal Security Administrator shall appoint an Assistant Federal Security Administrator, who shall receive a salary at the rate of $9,000 per annum, and he may also appoint such other personnel and make such expenditures as may be necessary.

(c) The Assistant Administrator shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in that office, and shall perform such other duties as the Administrator shall direct.

(d) The several agencies and functions consolidated by this section into the Federal Security Agency shall carry with them their personnel.

SEC. 202. Social Security Board: The Social Security Board and its functions shall be administered as a part of the Federal Security Agency under the direction and supervision of the Federal Security Administrator. The Chairman of the Social Security Board shall perform such administrative duties as the Federal Security Administrator shall direct.

SEC. 203. United States Employment Service: (a) The functions of the United States Employment Service shall be consolidated with the unemployment-compensation functions of the Social Security Board and shall be administered in the Social Security Board in connection with such unemployment-compensation functions under the direction and supervision of the Federal Security Administrator.

(b) The office of the Director of the United States Employment Service is hereby abolished, and all of the functions of such office are transferred to, and shall be exercised by, the Social Security Board.

(c) All functions of the Secretary of Labor relating to the administration of the United States Employment Service are hereby transferred to, and shall be exercised by, the Federal Security Administrator.

SEC. 204. Office of Education: (a) The Office of Education and its functions shall be administered by the Commissioner of Education under the direction and supervision of the Federal Security Administrator.

(b) All functions of the Secretary of the Interior relating to the administration of the Office of Education are hereby transferred to, and shall be exercised by, the Federal Security Administrator.

SEC. 205. Public Health Service: (a) The Public Health Service and its functions shall be administered by the Surgeon General of the Public Health Service under the direction and supervision of the Federal Security Administrator.

(b) All the functions of the Secretary of the Treasury relating to the administration of the Public Health Service, except those functions relating to the acceptance and investment of gifts as authorized by sections 23 (b) and 137 (e), title 42, United States Code, are hereby transferred to, and shall be exercised by, the Federal Security Administrator.

SEC. 206. National Youth Administration: The National Youth Administration and its functions shall be administered by the National Youth Administrator under the direction and supervision of the Federal Security Administrator.

SEC. 207. Civilian Conservation Corps: The Civilian Conservation Corps and its functions shall be administered by the Director of the Civilian Conservation Corps under the direction and supervision of the Federal Security Administrator.

SEC. 208. Transfer of records and property: All records and property (including office equipment) of the several agencies which, with their functions, are consolidated by section 201 into the Federal Security Agency are hereby transferred to the jurisdiction and control of the Federal Security Agency for use in the administration of the agencies and functions consolidated by that section.

SEC. 209. Transfer of funds: So much of the unexpended balances of appropriations, allocations, or other funds (including those available for the fiscal year ending June 30, 1940) available for the use of any agency in the exercise of any functions transferred by this part, or for the use of the head of any department or agency in the exercise of any functions so transferred, as the Director of the Bureau of the Budget shall determine, shall be transferred for use in connection with the exercise of the functions transferred by this part. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

SEC. 210. Administrative funds: The Director of the Bureau of the Budget shall allocate to the Federal Security Agency, from appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the administrative expenses of the agencies and functions consolidated by this part, such sums, and in such proportions, as he may find necessary for the administrative expenses of the Federal Security Agency.

SEC. 211. Personnel: Any personnel transferred by this part found to be in excess of the personnel necessary for the efficient administration of the functions transferred by this part shall be retransferred under existing law to other positions in the Government service, or separated from the service subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

PART 3. FEDERAL WORKS AGENCY

SECTION 301. Federal Works Agency: (a) The Bureau of Public Roads in the Department of Agriculture and its functions and personnel (including the Chief thereof) are transferred from the Department of Agriculture; the Public Buildings Branch of the Procurement Division in the Treasury Department and its functions and personnel are transferred from the Treasury Department; the Branch of Buildings Management of the National Park Service in the Department of the Interior and its functions and personnel (except those relating to monuments and memorials), and the functions of the National Park Service in the District of Columbia in connection with the general assignment of space, the selection of sites for public buildings, and the determination of the priority in which the construction or enlargement of public buildings shall be undertaken, and the personnel engaged exclusively in the administration of such functions, and the United States Housing Authority in the Department of the Interior and its functions and personnel (including the Administrator) are transferred from the Department of the Interior; and all of these agencies and functions, together with the Federal Emergency Administration of Public Works and its functions, and all of the Works Progress Administration and its functions (except the National Youth Administration and its functions) are hereby consolidated into one agency to be known as the Federal Works Agency, with a Federal Works Administrator at the head thereof. The Federal Works Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive a salary at the rate of $12,000 per annum. He shall have general direction and supervision over the administration of the several agencies consolidated into the Federal Works Agency by this section and shall be responsible for the coordination of their functions.

(b) The Federal Works Administrator shall appoint an Assistant Federal Works Administrator, who shall receive a salary at the rate of $9,000 per annum, and he may also appoint such other personnel and make such expenditures as may be necessary.

(c) The Assistant Administrator shall act as Administrator during the absence or disability of the Administrator, or in the event of a vacancy in that office, and shall perform such other duties as the Administrator shall direct.

(d) The several agencies and functions consolidated by this section in the Federal Works Agency shall carry with them their personnel.

SEC. 302 Public Roads Administration: (a) The Bureau of Public Roads and its functions shall be administered as the Public Roads Administration at the head of which shall be the Chief of the Bureau of Public Roads whose title shall be changed to Commissioner of Public Roads. Hereafter the Commissioner of Public Roads shall be appointed by the Federal Works Administrator.

(b) All functions of the Secretary of Agriculture relating to the administration of the Bureau of Public Roads are hereby transferred to, and shall be exercised by, the Federal Works Administrator.

SEC. 303. Public Buildings Administration: (a) The Public Buildings Branch of the Procurement Division and its functions, the Branch of Buildings Management of the National Park Service and its functions (except those relating to monuments and memorials) and the functions of the National Park Service in the District of Columbia in connection with the general assignment of space, the selection of sites for public buildings, and the determination of the priority in which the construction or enlargement of public buildings shall be undertaken, are hereby consolidated and shall be administered as the Public Buildings Administration, with a Commissioner of Public Buildings at the head thereof. The Commissioner of Public Buildings shall be appointed by the Federal Works Administrator and shall receive a salary at the rate of $9,000 per annum. The Commissioner of Public Buildings shall act under the direction and supervision of the Federal Works Administrator.

(b) All functions of the Secretary of the Treasury and the Director of Procurement relating to the administration of the Public Buildings Branch of the Procurement Division and to the selection of location and sites for public buildings, and all functions of the Secretary of the Interior and the Director of the National

Park Service relating to the administration of the functions of the Branch of Buildings Management and the functions of the National Park Service in the District of Columbia in connection with the general assignment of space, the selection of sites for public buildings, and the determination of the priority in which the construction or enlargement of public buildings shall be undertaken, are hereby transferred to, and shall be exercised by the Federal Works Administrator.

SEC. 304. United States Housing Authority: (a) The United States Housing Authority and its functions shall be administered by the United States Housing Administrator under the direction and supervision of the Federal Works Administrator.

(b) All functions of the Secretary of the Interior relating to the administration of the United States Housing Authority are hereby transferred to, and shall be exercised by, the Federal Works Administrator.

SEC. 305. Public Works Administration: The Federal Emergency Administration of Public Works and its functions shall be administered as the Public Works Administration with a Commissioner of Public Works at the head thereof. The Commissioner of Public Works shall be appointed by the Federal Works Administrator and shall receive a salary at the rate of $10,000 per annum. The Commissioner of Public Works shall act under the direction and supervision of the Federal Works Administrator.

SEC. 306. Work Projects Administration: The Works Progress Administration and its functions (except the National Youth Administration and its functions) shall be administered as the Works Projects Administration, with a Commissioner of Work Projects at the head thereof. The Commissioner shall be appointed by the Federal Works Administrator and shall receive a salary at the rate of $10,000 per annum. The Commissioner shall act under the direction and supervision of the Federal Works Administrator.

SEC. 307. Transfer of records and property: All records and property (including office equipment) of the several agencies which, with their functions, are consolidated by section 301 into the Federal Works Agency are hereby transferred to the jurisdiction and control of the Federal Works Agency for use in the administration of the agencies and functions consolidated by that section.

SEC. 308. Transfer of funds: (a) So much of the unexpended balances of appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the use of any agency (except the United States Housing Authority) in the exercise of any functions transferred by this part, or for the use of the head of any department or agency in the exercise of any functions so transferred, and so much of such balances available to the United States Housing Authority for administrative expenses, as the Director of the Bureau of the Budget shall determine, shall be transferred for use in connection with the exercise of the functions transferred by this part. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

(b) All unexpended balances of appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the use of the United States Housing Authority, other than those transferred by subsection (a) of this section, are hereby transferred with the United States Housing Authority and shall remain available to it for the exercise of its functions.

SEC. 309. Administrative funds: The Director of the Bureau of the Budget shall allocate to the Federal Works Agency, from appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the administrative expenses of the agencies and functions consolidated by section 301, such sums, and in such proportions, as he may find necessary for the administrative expenses of the Federal Works Agency.

SEC. 310. Personnel: Any of the personnel transferred by this part found to be in excess of the personnel necessary for the efficient administration of the functions transferred by this part shall be retransferred under existing law to other positions in the Government service, or separated from the service subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

PART 4. LENDING AGENCIES

SECTION 401. (a) Transfers to the Department of Agriculture: The Farm Credit Administration, the Federal Farm Mortgage Corporation, and the Commodity Credit Corporation, and their functions and activities, together with their respective personnel, records, and property (including office equipment), are hereby transferred to the Department of Agriculture and shall be administered in such Department under the general direction and supervision of the Secretary of Agriculture, who shall be responsible for the coordination of their functions and activities.

(b) Transfer of administrative funds: So much of the unexpended balances of appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the administrative expenses of any agency transferred by this section, as the Director of the Bureau of the Budget shall determine, shall be transferred to the Secretary of Agriculture for such use; and the Director of the Bureau of the Budget shall allocate to the Secretary of Agriculture from such funds, such sums, and in such proportions, as he may find necessary for the administrative expenses of the Secretary of Agriculture in connection with the agencies and functions transferred by this section. In determining the amount to be transferred, the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer. The use of the unexpended balances of appropriations, allocations, or other funds transferred by this subsection shall be subject to the provision of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

(c) Transfer of other funds: All unexpended balances of appropriations, allocations, or other funds, other than those mentioned in subsection (b) of this section, available (including those available for the fiscal year ending June 30, 1940) for any agency transferred by subsection (a) of this section shall be transferred with such agency and shall remain available to it for the exercise of its functions.

(d) Personnel: Any of the personnel transferred by this section to the Department of Agriculture which the Secretary of Agriculture shall find to be in excess of the personnel necessary for the administration of the functions transferred by this section shall be retransferred under existing law to other positions in the Government, or separated from the service subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

SEC. 402. (a) Federal Loan Agency: There shall be at the seat of the government a Federal Loan Agency, with a Federal Loan Administrator at the head thereof. The Federal Loan Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive a salary at the rate of $12,000 per annum.

(b) Assistant Federal Loan Administrator: The Federal Loan Administrator shall appoint an Assistant Federal Loan Administrator, who shall receive a salary at the rate of $9,000 per annum. The Assistant Administrator shall act as Administrator during the absence of disability of the Administrator, or in the event of a vacancy in that office, and shall perform such other duties as the Administrator shall direct.

(c) Powers and duties of Administrator: The Administrator shall supervise the administration, and shall be responsible for the coordination of the functions and activities of the following agencies: Reconstruction Finance Corporation, Electric Home and Farm Authority, RFC Mortgage Co., Disaster Loan Corporation, Federal National Mortgage Association, Federal Home Loan Bank Board, Home Owners' Loan Corporation, Federal Savings and Loan Insurance Corporation, Federal Housing Administration, and Export-Import Bank of Washington. The Administrator may appoint such officers and employees and make such expenditures as may be necessary.

(d) Administrative funds: The Director of the Bureau of the Budget shall allocate to the Federal Loan Agency, from appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the administrative expenses of the agencies named in this section, such sums, and in such proportion, as he may find necessary for the administrative expenses of the Federal Loan Agency.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state the parliamentary inquiry.

Mr. AUGUST H. ANDRESEN. It is my understanding that the recommendations made by the President must be disapproved by the Congress within 60 days from today. My parliamentary inquiry is this: Should the Congress adjourn before the 60 days has expired, will the President's recommendations become operative within the 60-day period?

The SPEAKER. The Chair will read subsection (b) of section 5 of the Reorganization Act:

If the Congress adjourns sine die before the expiration of the 60-day period, a new 60-day period shall begin on the opening day of the next succeeding or regular special session. A similar rule shall be applicable in the case of subsequent adjournments sine die before the expiration of 60 days.

EXTENSION OF REMARKS

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend in the RECORD an article by Rev. O'Brien, of the Newman Foundation, Champaign, Ill.

The SPEAKER. Is there objection?

Mr. SABATH. Reserving the right to object, what is the article?

Mr. KNUTSON. It is an article by the Rev. John J. O'Brien, of the Newman Foundation of Champaign, Ill. It has no political significance.

The SPEAKER. Is there objection?

There was no objection.

By unanimous consent Mr. WILLIAMS of Missouri and Mr. SABATH were granted permission to extend their own remarks in the RECORD.

GOVERNMENT REORGANIZATION

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. TABER. Mr. Speaker, the President of the United States has just submitted his first proposal under the reorganization bill. It must be disapproved by the Congress in whole in order to destroy it.

I wish to call attention to the fact that here in the second proposal there is an attempt to merge two relief activities under the Securities Division. That is the N. Y. A. and the C. C. C., both of which are temporary activities. There is in the third proposal, an attempt to merge the Housing activity and the W. P. A., an emergency activity, and P. W. A., an emergency activity, with the works activity. Those activities should be temporary and should not be merged with anything. We should not attempt to create permanent activities by this kind of consolidation. [Applause.]

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. WARREN. Mr. Speaker, in reply to the gentleman from New York [Mr. TABER], after listening very carefully to the message that has just been submitted to the Congress, I am convinced that the President has done a magnificent job on this plan. [Applause.] The answer to the question just raised by the gentleman from New York is that under the act itself no reorganization shall have the effect of continuing any agency or function beyond the time when it would have terminated if the reorganization had not been made. Therefore, these temporary agencies, put together in another agency, of course, can only exist so long as the Congress has permitted them to exist, or so long as they may be renewed by the Congress itself. [Applause.]

[Here the gavel fell.]

Mr. RAYBURN rose.

The SPEAKER. Does the gentleman from Texas desire recognition?

Mr. RAYBURN. I had intended to ask permission to address the House for 1 minute, but the gentleman from North Carolina [Mr. WARREN] has so well answered the statement of the gentleman from New York that it is unnecessary.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4630) entitled "An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1940, and for other purposes."

The message also announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 2061. An act for the relief of Ernest O. Robinette and others;

H. R. 2074. An act for the relief of Junius Alexander;

H. R. 2098. An act for the relief of Katherine Patterson; and

H. R. 2320. An act to provide domiciliary care, medical and hospital treatment, and burial benefits to certain veterans of the Spanish-American War, the Philippine Insurrection, and the Boxer Rebellion.

ACQUISITION OF STOCKS OF STRATEGIC AND CRITICAL MATERIALS

Mr. LEWIS of Colorado. Mr. Speaker, I call up House Resolution 173.

The Clerk read as follows:

House Resolution 173

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 5191, a bill to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for armed forces and the civilian population in time of national emergency, and to encourage the development of these resources within the United States, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 3 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Military Affairs, the bill shall be read for amendments under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LEWIS of Colorado. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

I yield myself 8 minutes at this time.

Mr. Speaker, this is a unanimous report from the Committee on Rules and, as stated in the resolution, it provides for 3 hours of general debate. It is an open rule for the consideration of the bill H. R. 5191.

I shall not attempt at this time to go into the merits of the bill, which will be fully explained by members of the Committee on Military Affairs, except to say that it provides, as is indicated in the title, "for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for armed forces and the civilian population in time of national emergency, and to encourage the development of these resources within the United States."

There are many of these strategic and critical materials, but most prominent among those which we lack are manganese, chrome, tungsten, tin, and rubber.

Let me emphasize that this bill does not embody a new idea arising out of the present situation in Europe. It is not the child of any war hysteria. It is the fruition of years of study by the Procurement Division of the Treasury, by the Planning Branch in the office of the Assistant Secretary of War and of the General Staff of the Army, and by the War Procurement Planning Section of the Office of Naval Operations of the Navy. It is a plan which has been frequently discussed in the House during the 6 years I have been a Member of the House and doubtless was discussed frequently before. The details of the bill, as I stated, will be discussed at length by the members of the committee.

However, I wish to remind the House of a rather dramatic and tragic incident which happened during the World War the loss of the *Cyclops*, with a large cargo of manganese which, after all, is the most important of the critical and strategic materials so far as we are concerned. You will readily recall the incident.

In the winter of 1917–18 every steel plant in the United States from coast to coast was running at full capacity to supply steel for new ships to replace submarine losses, for strategic railways behind the lines in France, for munitions, and ever more munitions. The same was true of the steel plants in Germany. The situation is perhaps best epitomized by the statement frequently made at that time by which the steel industry of the United States was referred to under the name of one of the great steel centers of America—namely, Pittsburgh—and the steel industry in Germany was referred to by the name of the great steel center in Germany—namely, Essen. You will recall the expression frequently used at that time, that the war had come to be a contest between the steel industries of the United States and Germany. The common saying was, "It is Pittsburgh against Essen." We know, of course, that Pittsburgh won—but not by any too wide a margin.

Ferromanganese is an essential in the manufacture of modern steel. One of the pressing problems of our steel makers at that time was the shortage of manganese. Although our domestic producers were running at full capacity, they supplied our steel plants in this country with only 30 to 33⅓ percent of the needs of the steel plants of the United

States. We were obliged to look elsewhere for the balance of the necessary amount of manganese. One of the sources of supply for the best quality of manganese was and is Russia; but the Dardanelles were fortified by the Turks, and we could not bring manganese from Russia because this passage from the Black Sea to the Mediterranean was blocked.

Domestic production of manganese was running at full capacity, but it did not suffice. Our reserves of manganese were running low. The situation was not merely serious, it was critical.

Further to realize how critical it was we should recall the military situation. Germany was preparing for the Hindenburg drive, which was designed to break through the western front, roll back the allied armies to Paris and beyond, and win the war before the bulk of the American Army could reach France. Those were grim days in February and March of 1918.

Finally arrangements were made by the United States to secure from Brazil a somewhat inferior quality of manganese. A naval auxiliary vessel, the *Cyclops,* was sent in January of 1918 to Rio de Janeiro to secure a cargo of manganese. In Rio it was loaded with 10,800 tons of manganese and started north, touching at the Barbados, and on March 4, 1918, sailed from the Barbados for Baltimore, where she was due to arrive on March 13, 1918. Neither the *Cyclops* nor any of the 309 persons making up the officers, crew, and passengers of the ship were heard from again. This absolutely essential cargo of manganese was lost without trace.

Whether the loss of the *Cyclops* was due to sabotage, whether the ship was torpedoed—which later investigation in Germany seems to indicate is unlikely—or whether the cargo shifted and the ship capsized or broke up and sank is not known. The disappearance of the *Cyclops* remains one of the unsolved mysteries of the seas.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Colorado. I will yield in a moment.

This presented a very difficult situation to our steel manufacturers, to the Army, to the Navy, to the allied armies on the western front, which were depending to such a great extent upon the products of our steel mills. Great Britain had a very meager store of manganese at that time, none of which her own steel industry could afford to give up. But the United States arranged to buy from Britain 40,000 tons of ferromanganese at a cost of $400 a ton, which is five times the present price of this material. Had we not been able to get this supply from Great Britain, say the experts in various departments of our Government, our production of steel and munitions would necessarily have been curtailed. Probably it would not have been possible to start the final drive in the early summer of 1918, which, inspired by the presence and participation of the American Army, won the war.

This rather dramatic incident demonstrates what the situation was when all the sea lanes were open—I say all, practically all. It gives us cause to think what might happen if by submarines or airplanes our sea lanes to those countries which produce the major part of these strategic materials which we lack were closed.

I emphasize again that the plan embodied in this bill is not an idea born of the present situation in Europe, but that it is the deliberate conclusion reached after long and careful studies by experts in our Government departments which have been considering the question for many years. It has been the subject of discussion in the House on many occasions.

At this point, in view of the very, very fine report on this bill by the Committee on Military Affairs, I ask unanimous consent to insert the committee's report at this point as part of my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The report referred to follows:

The Committee on Military Affairs, to whom was referred the bill (H. R. 5191) to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for armed forces and the civilian population in time of national emergency, and to encourage the development of these resources within the United States, and for other purposes, having considered the same, submit the following report thereon with the recommendation that it do pass.

The committee in consideration of this bill, conducted extensive hearings over a period of several weeks, at which various officers and representatives of the War Department, and other Government departments concerned, testified at length, and, after the presentation of much evidence, the committee proceeded into executive session for the consideration of amendments to the bill, and the reported bill is the final result of the hearings and executive consideration of the measure.

The committee, after considering the measure from two principal angles: First, solely as a national-defense measure, and secondly as a measure designed to develop our national resources of strategic raw materials needed for the national-defense program, particularly as shown by the uncontroverted testimony of all witnesses to be an essential means of making the United States independent of foreign sources of strategic raw materials and supplies, reported the bill favorably. We have, however, placed the essential consideration, that is, development of our own natural resources, necessarily as secondary, to the important matter of obtaining at the earliest practicable date consistent with the general welfare of the necessary stock piles and supplies of these strategic raw materials.

The War Department has submitted a large amount of evidence emphasizing the needs of the Department for a number of strategic raw materials, and they have placed special emphasis on at least four of them, with manganese at the head of the list because of the fact that steel cannot be produced without adequate supplies of high-grade ferromanganese, and it is so well known that we are practically destitute of any known or discovered resources of tin and rubber, that your committee believes that the particular in which the measure provides for the acquisition of any or all of these strategic supplies from foreign sources is a wise conclusion and in harmony with the needs of national defense at this particular time when there is so much discord and military activity in European countries.

The committee has written into the bill a declaration of congressional policy, the effect of which is to encourage as far as consistent to do so, the discovery and development of the sources of raw material in this country, and it is felt that the situation is similar to that which requires the placing of what is known as "educational orders" with dormant and inactive factories.

The principle involved being by the placing of educational orders with factories adapted to the production of noncommercial articles, that is, those not of commercial value other than in the national-defense picture; and it is likewise felt that, inasmuch as such strategic and critical materials as manganese, tungsten, tin, and rubber are now very largely obtained from foreign sources, if a general war, which is not at this time unlikely, should occur, the lines of trade and commerce with foreign countries might be severed to such extent as to compel this country, in case of a national emergency, to resort entirely to domestic production of these vital necessities; and it is felt that, while the money authorized to be appropriated in the bill ($100,000,000) is being used, at least a sufficient portion of it should be allocated to the letting of contracts for high-grade ferromanganese, tin, and chrome from domestic deposits where possible, and thus obtain for stockpile requirements as much as possible of the supplies from domestic sources and thereby encourage development of our domestic industries so as to make it possible in the event of a national emergency to procure the needed supplies from domestic sources.

In an abstract report by the Bureau of Mines, printed in the record of the hearings, and which the committee has had occasion to give considerable study, that Department makes this statement:

"The present international situation brings sharply to attention the problem of strategic or deficient minerals. The position of the United States with respect to them is now far more acute than at any other time in its history. Since the World War a great deal of publicity has been given to this question but, with minor exceptions, nothing tangible has been accomplished in solving it despite its importance as an element in national security. Heretofore efforts to overcome our dependence on foreign sources of certain basic mineral raw materials have been limited to encouragement of domestic industries under tariff protection, but this method has not produced results."

Evidence before your committee as well as before the Senate committee of a very substantial character discloses that a vast quantity of some of these materials exists in some 15 or 20 of our States, and that during the World War, when prices were high, the domestic industries, particularly the manganese industry, was encouraged to make further and additional development of their mines and properties that production of manganese in particular, which is regarded by the committee and by the War Department as strategic mineral No. 1 in matter of importance, rose from a domestic production of 2,635 tons in 1914, with 31 producers engaged in the industry, and within the 3 years thereafter, going up to 1918, the production went up from this small tonnage to 305,869 tons, and the number of producers from 31 to 247, and this is quite convincing that if the industry, then in its infancy, practically dormant, could revive to that extent, that with modern equipment

and machinery now available from many sources, and with trial orders sufficient to give encouragement to further development, our domestic sources, particularly in relation to manganese, which is the backbone of our national-defense program, could be developed to such an extent that within a period of some 4 or 5 years we would probably be independent of foreign sources for supplies.

The committee has authorized the appropriation of $100,000,000 for this purpose but has not allocated any portion of the authorization to any particular year, but has provided that it is subject to use by the War Department as in the judgment of the officials in control of acquisition as to the extent to which they shall go in the acquisition of foreign stocks, or encouragement of development and production of domestic stocks. The committee feeling that under existing world conditions it might be necessary to spend the whole of the money authorized, or such portion as may be appropriated by the Appropriations Committee, in 1 year, while any change of conditions might justify its being spent over a period of 4 years at the rate of about $25,000,000 per year.

This matter, the committee felt, should be left to the sound judgment of the Ordnance Branch of the War Department, under the supervision of the Secretary of War, and the Procurement Division concerned with procuring these stock piles.

Two methods of solving this problem have been suggested to your committee: First, the purchase of stock piles of strategic minerals to be held in reserve for military and civilian use in an emergency; and, second, the stimulation of domestic industries by tariff protection or other subsidies.

It is the opinion of your committee that if the acquisition of stock piles is established as a national policy, certain advance precautions should be taken in the public interest. Material purchased for storage must be of standard grade, such as industry is accustomed to using, as we should no more expect our industries to function in time of war with off-grade raw materials than we would expect the Army and Navy to fight with defective equipment.

The bill also provides for the acquiring of stocks of strategic and critical materials for the national defense from nations which are indebted to the United States and which will consent to credit the agreed purchase price on the principal of such indebtedness; also to undertake the acquisition of these materials from those nations who will consent to exchange surplus agricultural commodities owned by the Federal Government. Stocks so acquired to constitute a national reserve and to be used only during an emergency upon order of the President in time of war or when he shall find that a national emergency exists with respect to national defense as a consequence of the threat of war.

It was developed by testimony given before this committee by the various departments that the United States, while self-supporting with regard to national resources, to a greater extent than any other nation, is lacking certain raw materials essential to the need of the armed forces of the Nation and to the well-being of the civilian population in event of war.

The important strategic raw materials, manganese, chromium, tungsten, and tin, are either entirely lacking in this country or are produced in very limited quantities incapable of marked expansion and supplies must be imported over long ocean routes.

The United States would find itself at a grave disadvantage in the event that war or other emergency should close the sea lanes or block the normal sources of supply.

To assure that our military forces be adequately supplied with munitions, and that the civilian element suffer no unnecessary hardship in event of war, it is advisable that stocks of these strategic materials be sufficient, when supplemented by domestic production and supplies carried in the hands of dealers and manufacturers, to last the Nation through at least 2 years of national emergency, be procured in time of peace or reasonable international tranquillity and released upon emergency upon order of the Secretary of War.

It is advisable that this legislation be enacted at this time since it is evident that its provisions can be carried out only in time of peace. Furthermore, the provisions of the Neutrality Act add urgency to this legislation since, even during a major war to which this Nation were not a party, the application of the embargoes provided in the Neutrality Act might result in retaliatory action on the part of the nations involved with resulting hardship and diplomatic friction to the United States.

Discussion of the four strategic materials follows:

MANGANESE ORE

The principal use of manganese is in the manufacture of steel. It is impossible to produce sound steel without high-grade manganese ore. Other uses are in dry batteries, in paint and varnish, and in fertilizer.

The principal sources are Russia, Africa, Brazil, and India.

Small quantities of ferro-grade ore are produced in this country and in Cuba.

Stock pile recommended, 554,000 long tons.

CHROME ORE

Principal use of chromium is in the manufacture of high-grade alloy and corrosion-resisting steels. Other uses are in refractories, brick and cement, and in the chemical industry for electroplating, dyeing, and tanning.

Sources are South Africa, Turkey, India, and New Caledonia.

Domestic stocks are limited and production has averaged only 800 tons per year.

Domestic production in war is estimated at not more than 25 percent of requirements.

Stock pile recommended, 250,000 long tons.

TUNGSTEN ORE

Tungsten is used principally in the steel industry in producing high-speed tool steel. The mass production required in war makes tool steel for high-speed machining of metals vital.

Sources are China, Burma, and Bolivia.

Domestic production in war can be increased to supply approximately 25 percent of requirements.

Stock pile recommended, 3,350 short tons.

TIN

Principal use is in tinplate for food containers. It is also used in bearings, for solder, and in the making of bronze and tinfoil.

Sources are in the Straits Settlements of Malaya, the United Kingdom, and Bolivia.

There is no domestic production of tin, although approximately 30 percent of requirements may be obtained from secondary sources, including detinning.

Stock pile recommended, 85,000 short tons.

Mr. LEWIS of Colorado. Mr. Speaker, I yield now to the gentleman from Utah [Mr. MURDOCK].

Mr. MURDOCK of Utah. Does not the story the gentleman has so dramatically told emphasize the fact that in creating stock piles of strategic minerals we should not lose sight of the abundant manganese deposits in the United States and particularly in Utah, Colorado, and other intermountain States, also to some extent here in the East? We should not overlook the importance of developing this source of manganese so that we shall not be dependent on foreign countries for it during a state of war. By developing our local deposits we can depend on American manganese rather than foreign manganese.

Mr. LEWIS of Colorado. A very important feature of this bill provides for the development of domestic manganese.

Mr. O'CONNOR rose.

Mr. LEWIS of Colorado. May I suggest to the gentleman that he make his inquiries of members of the Committee on Military Affairs?

Mr. O'CONNOR. I want to supplement by an observation the statement made by the gentleman from Utah, if the gentleman will yield.

Mr. LEWIS of Colorado. I yield to the gentleman.

Mr. O'CONNOR. Supplementing what the gentleman from Utah said, may I call the gentleman's attention to the fact that Montana alone is capable of producing 70,000 tons of manganese annually and has shipped 16,844 long tons, or two-thirds of the entire amount shipped from the United States during the year 1937. We have great bodies of manganese and chromite in the State of Montana that have not been developed. That is one reason why I am very strong for this bill, with some suggestions to be made later on as to amendment.

Mr. LEWIS of Colorado. As I said a moment ago, this bill provides for the investigation and development of those resources.

Mr. Speaker, I reserve the balance of my time.

COMMITTEE ON CLAIMS

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent that the Committee on Claims may have permission to sit during the session of the House on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Maryland [Mr. KENNEDY]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I presume this is agreeable to the minority members of that committee?

Mr. KENNEDY of Maryland. I have not consulted them, but this meeting is for the purpose of considering an omnibus bill. The gentleman from New Jersey [Mr. THOMAS], minority member of the committee, I am sure, will be agreeable.

The SPEAKER. Is there objection to the request of the gentleman from Maryland [Mr. KENNEDY]?

There was no objection.

ACQUISITION OF STOCKS OF STRATEGIC AND CRITICAL MATERIALS

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, in discussing the bill before us (H. R. 5191), a proposal to vote $100,000,000 or more of Federal funds for the purchase of so-called strategic or critical materials, I wish to state I hope that the provisions specified in section 7 will be carried out in a sound and beneficial manner. Especially do I hope that a great proportion of this appropriation will be used for the purchase of American-made goods, American-mined ores, and every other profitable product of the soil and of the toil of our American citizenship.

I am not a blind or a partisan critic of this administration, nor am I criticizing the motives underlying the philosophy behind this measure to purchase so-called strategic materials. I realize full well that we have an inadequate supply of certain critical minerals and other materials, such as tin, rubber, nickel, manganese, and chromium in this country. I am fully aware that when chromium and other alloys are added to our American-made steel and American-made copper they make harder, tougher metals, more suitable for the many purposes of armaments and other war uses. For instance, gun barrels, cannons, steel helmets would be ineffective without chromium. It is undoubtedly important that we have ample supplies of these materials to properly safeguard ourselves in the event of an attack on our own shores.

Mindful as I am that we have now embarked on a campaign of spending hundreds of millions of dollars on war machinery, I am not unmindful that millions of our people are fearful that we are going to become embroiled in a European war. Why, I ask, this dreadful specter of war? Do you not, Mr. Speaker, yourself, believe that much of the war hysteria of the people of the United States is due to the attitude of many here in Washington? Do you not believe that this bill which provides for the piling up of war supplies will but further agitate our own, as well as foreign nationals?

I, for one, believe not alone that we should but that we can remain out of foreign wars if henceforth we but mind our own business, and millions of our citizens are of the same mind.

For hundreds of years European conflicts have been raged over certain boundary lines. I now repeat what I have stated many times: What difference does it make to our citizenship along what river or chain of mountains the boundaries of the states of Europe, Asia, or Africa are laid? "What matter to us what flag flies over Djibouti or Tunisia?" "What difference to us, whether foreign countries be ruled by so-called 'czars,' or 'kaiser,' or 'kings,' or whether they be designated 'commissars,' or 'fuerhers,' or 'duces.'" All rule with an iron hand. The type of government which the people of foreign countries want is for them, not for us, to decide. "What difference to us, whether any European country have 600 or 800,000 soldiers when we have our own standing army of unemployed amounting to approximately 12,000,000?" Each time legislation comes before us, we should ask ourselves: Will it help the farmer? Will it put Americans back to work in our mines, on our railroads, in our factories? So I ask today, what does this bill do for our own people? What can those who will administer it do best to assure benefits to our own citizenry? Those are the questions which constitute the real kernel of this and all discussion.

In my opinion, such foreign purchases are but a temporary solution. Are we to be called upon forever to spend hundreds of millions of dollars on foreign-made goods for war purposes? You will readily admit that such a procedure would not make us self-sufficient or permanently solve our problem. There is only one way to do that, and that is to develop, as far as possible, our own industries in America for producing these materials. Are we under this bill, Mr. Speaker, to buy millions of dollars worth of manganese from foreign countries when the records of the United States Government Survey shows natural deposits in excess of 100,000,000 tons of manganese ore in South Dakota alone, to say nothing of the actual production over the years of manganese in Arizona, Montana, Nevada, and Virginia? It is a historic fact that the State of Virginia, during the War between the States, produced 18,000 tons of manganese, and a further fact that since that time that great Commonwealth has produced in excess of 1,440,000 tons for the American steel industry. It is also a fact, Mr. Speaker, that prior to the World War American industry was entirely dependent upon Germany for her chemicals and dyes. In the United States today we produce our own picric acids, our own nitrogens, and our own dyes. Such also was the history of the portland-cement industry, all of which came from England until the Republican tariffs imposed in the McKinley administration gave birth to the development of that industry in America. Otherwise we would be voting money today to buy foreign cement as a strategic material. So I say to you today: Let us develop our own industries. It can be done. It should be done. Let this Congress give our own people work. It is their heritage, not ours to deny it to them.

Let me refer you to the testimony of my colleague the Honorable J. F. SCRUGHAM, Democratic Representative to Congress from the State of Nevada, and quote from testimony taken at the hearing before the Military Affairs Committee February 28, 1929, on this bill:

Mr. FADDIS. Do you think it is important for us to obtain a foreign supply of these strategic materials or to develop home industry?

Mr. SCRUGHAM. I think it is far more important for us to develop home industry.

Mr. FADDIS. How long do you think it will take to develop home industry?

Mr. SCRUGHAM. That is a matter of spending dollars and cents. All of the materials, even tin, exist in this country, and particularly there are occurrences of nickel in several places which have not been explored.

Mr. FADDIS. But particularly with reference to the supply of manganese, what do you think?

Mr. SCRUGHAM. In my opinion, there is an ample supply in this country, but it requires tariff protection or wartime conditions for commercial production.

Remember, Mr. Speaker, that the distinguished gentleman from Nevada who admits that it requires the application of the Republican principles of tariff protection to develop this for our domestic infant industries is himself a Democrat.

The public press informs us that the German motor lories, motortrucks, and other mobiles, mechanized artillery now roll down the highways of the German Reich on ersatz. In this instance ersatz is a rubber substitute, a synthetic rubber product made of bituminous coal and lime, vast deposits of which natural resource exist not alone in the great State of Illinois but elsewhere throughout the country.

Among the best signal wires and cables made use of by the Signal Corps in the World War were those insulated with synthetic rubber made of American-produced sulfur, talcum, and vegetable oils, produced by American miners, quarrymen, and farmers. Almost daily in Congress we hear of the superiority of the German air forces over our American air forces. This is said to be due to the lack of proper research studies necessary to the construction of the American aircraft.

I am going to submit to this Congress the proposition of submitting to all suitable departments of our Government such as the War, the Navy, the Department of Agriculture, and of Commerce, a proposal to proceed immediately to a factual determination that would sound out in truth the real or fancied shortage now existent in so-called strategic materials.

Further, that this Congress should ascertain from the Federal Tariff Commission the cost of production of manganese abroad as well as in the United States and of any and all other materials purchased under this act. I further propose that they report these findings back to this Congress so that proper steps may be taken that would insure for all time our economic self-sufficiency in any critical material of which there is an insufficiency for all purposes both in peace and in national defense.

Mr. Speaker, I am not interested in the least in building up the agriculture, the forest, or the mining interests of other countries. I am interested in maintaining the tonnage necessary to the support of the transcontinental railroad systems which converge on the shores of Lake Michigan at Chicago. Are we to see these foreign materials piled up on the Atlantic and Pacific seaboard hauled and transported in foreign ships while our trains and train crews lie idle?

More particularly, Mr. Speaker, I am tremendously interested in reducing unemployment in the mines, in the fields, as well as in the forests of the United States, and I am even still more profoundly interested in building up and not depleting the incomes of American workers throughout the United States.

If there ever was a time when we needed to explore, discover, and develop our own American national resources, certainly today is the time, faced, as we are, with top-heavy unemployment in every basic American industry. Let us no longer be romanticists and idealists in the discussion of this measure. Let us in no uncertain terms make it clear that the preponderance of these moneys be used for the benefit of our own farmers, our own miners, our own railroaders. Let us clearly understand that we will develop so far as possible these strategic materials in this country, for only then will we be self-sufficient.

I was deeply impressed, Mr. Speaker, by a news article carried on the front page of one of our great Chicago dailies under date of Friday April 21. The fundamental economic and factual soundness underlying that article commended it to me. The brilliant editorial expression and policies that characterize the editorial staff of that paper commends that article to every Member on both sides of the aisle and in Congress, and particularly so, in debate on this bill.

Let me now quote from that article, the headline of which read: "One hundred Kane County farmers attend third S. O. S. feast."

For 50 cents each, here's what more than 100 farmers feasted upon at Geneva Hall last night.

Thick pork steaks, creamed potatoes, custard pie—

And mark me, Mr. Speaker, an Illinois farm custard pie is made with rich Illinois eggs and milk; and when I say eggs I do not mean imported dried or frozen Chinese eggs—

* * *, and pies were topped with a fluffy meringue made of American egg whites * * *, American, not Chinese, dried egg albumen, together with plenty of milk, with lots of cream content. Tasty American cheese, hot rolls, and butter.

This dinner—

Continues the article—

was one of a series of farmers' "S. O. S. dinners," "Serve Only Surplus," started by Kane County, Ill., farmers. The idea underlying the plan was to use up farm surpluses and to raise farm prices. The first dinner was attended by only 7 farmers and the second by 40.

Mr. A. H. Kirkland, temporary secretary of the S. O. S., hopes the surplus-foods-dinner idea will spread in chain form throughout the country. Each guest at a dinner is expected to invite six guests to the next one. At that rate, Mr. Kirkland says, more than 4,000,000 persons will be partaking of dinners of surplus foods throughout the Nation in a short time.

Mr. Speaker, the Kane County and the Illinois farmers, Mr. A. H. Kirkland, their secretary, and the Chicago Daily Tribune are to be congratulated upon their formulating, sponsoring, support, and publicizing of such a program and their pursuing of such a policy. If there is a real shortage of any necessary or strategic material or suitable substitute in our country, materials not native to our own mineral forests or agricultural resources, why cannot our farmers and our miners through the ordinary and the long-established channels of commerce, by and with the aid of the assistance of this Federal Government, mutually exchange these goods in a program of true reciprocity?

Webster defines "reciprocity" as being, "An equality of mutual benefits * * * to be yielded or enjoyed."

Reciprocity in that sense does not, as under the present policy of the Roosevelt administration and the Hull trade program, imply increasing the importation of canned meats, beef, hogs, cattle, hams, bacon, shoulders, cheese, and corn into this country. It does not mean increased importation by the hundreds of millions of pounds of butter and lard substitutes while our own hog lard is a dreg on the market. Nor, Mr. Speaker, does it mean the importation of foreign products by the billions of pounds of corn-starch substitutes, with our own cribs full to overflowing.

The reciprocity program of trade as originally projected by the Republican Party did not and does not now imply a reduction in the tariff schedules on steel products such as were made under the Hull British colonial trade agreements, while the blast furnaces in the East Chicago steel district stood cold and idle and the workers in the Calumet district without gainful employment.

Certainly reciprocity in its true sense does not mean, as the records of the United States Department of Commerce so vividly disclose:

The tremendously increasing imports by the hundreds of thousands of tons of coal, coke, and briquettes from Great Britain, French Indochina, or from the United States to Soviet Russia.

Millions of tons of coal and coal products have been imported into the United States under the Roosevelt-Hull trade agreement program, while in the ghost villages and abandoned coal towns of Illinois our own Illinois miners are compelled to seek their sustenance on W. P. A. work projects; there to be ballyhooed and advertised under red, white, and blue banners as the recipients of Federal relief.

In discussing a problem similar to this very one which confronted our country in 1864, President Abraham Lincoln declared:

If America buys a ton of steel rails in England, America gets the steel rails, but England gets the $90.

If, however—

Continued President Lincoln—

America buys that ton of steel rails in the United States, America gets the steel rails and America has the $90.

There is, Mr. Speaker, a world of wisdom, sagacity, and plain common sense wrapped up in that little human story, told by that distinguished Republican President, which is wholly applicable to the problems confronting this House in its deliberation on this bill, H. R. 5191.

Let us defend American labor, industry, and agriculture in times of peace, and American farmers and industrial workers will defend our shores in times of war. [Applause.]

Mr. CRAWFORD. Will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I would like to ask a question with reference to the provisions contained on page 3 of the bill, lines 1 to 3, where the following language appears:

To make purchases of such materials in accordance with specifications prepared by the Procurement Division of the Treasury Department and approved by the Secretary of War and the Secretary of the Navy, and to provide for the storage and maintenance, and, where necessary to prevent deterioration, for the rotation of such materials.

I would like to refer further to page 4, lines 9 to 13, to this effect:

The duties on these materials imported shall not be covered into the general fund of the Treasury, but shall be held and, as I understand, added to this $100,000,000 in the form of a revolving fund.

Two questions are involved here. How will the Treasury Department dispose of these goods which are necessary to be rotated in order to prevent deterioration? Is it the plan of this bill to transfer them from one warehouse to another and thus prevent deterioration, or does this bill give authority to the Secretary of the Treasury to take these goods and put them on the market and dispose of them in order to prevent deterioration? Can the gentleman answer that question?

Mr. ALLEN of Illinois. I appreciate the questions of the able gentleman from Michigan. I am honored by his asking me these questions, because I know that no Member of Congress has a better understanding of or a greater desire to understand the various measures under consideration than the gentleman from Michigan. However I wish the gentleman would propound that question to a member of the Committee on Military Affairs who has attended the hearings on this bill.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The gentleman is making a very interesting speech. I wish to call attention to the essential harmony of two points he has made. First, the gentleman states that the American people want to keep out of foreign trouble. Second, the gentleman points to the importance of developing domestic industry. I would simply nail a point right in there, that the development of a domestic industry is the surest way for us to keep out of foreign trouble, because we need manganese in time of peace as well as in time of war. If we develop our domestic deposits, we can have the manganese we need for industry and will not be trying to bring it in over war-ridden seas.

Mr. ALLEN of Illinois. I thank the gentleman for his appropriate and convincing statement. He always contributes to a better understanding of the matters before us.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Missouri.

Mr. SHORT. The gentleman will recall that a huge manganese plant that was built in the State of Arizona at tremendous cost was forced to close shortly after this administration negotiated its reciprocal-trade treaty with Brazil, from which we are now importing manganese.

I regret that under this program of purchasing we are not to buy more lead and zinc. Of course, we all know this country produces a sufficient supply of lead and zinc, but I wish to remind the gentleman that under the recent reciprocal trade agreement made with Canada many of our lead and zinc mines in this country, not only in my district but in the great tri-State area of Oklahoma, Kansas, and Missouri, have been forced to close, thus throwing many miners out of employment due to the importation of zinc produced by cheap labor abroad.

Mr. CASE of South Dakota. Will the gentleman permit me to add the observation that at the time this Arizona mine closed a company which had spent over $400,000 in preparing to set up a plant on the South Dakota deposits was forced to abandon its work?

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Kentucky.

Mr. MAY. I should like to answer the question propounded by the gentleman from Michigan [Mr. CRAWFORD]. I call the attention of the gentleman to the provisions of section 3 of the bill on the question of preventing deterioration and decay of the materials. A system of rotation is provided for in that section of the bill. The Secretary of War and the Secretary of the Navy may replace acquired stocks of any materials subject to deterioration by equivalent quantities of the same material by such methods as they may determine serves best the purposes of the act.

Mr. CRAWFORD. Mr. Speaker, if the gentleman will permit, that is the very point I desire to clear up, because what I want to know is whether the Secretary of the Treasury, with the approval of the Secretary of War, can proceed to dispose of these commodities on the open market in competition with the inventory holdings of those engaged in private industry.

Mr. ALLEN of Illinois. Mr. Speaker, I do not believe I can yield any further at this time because of the demand for time. Perhaps that matter can be determined when we are considering the bill proper.

[Here the gavel fell.]

Mr. LEWIS of Colorado. Mr. Speaker, I yield 10 minutes to the distinguished chairman of our Rules Committee, the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, first let me congratulate my colleague the gentleman from Colorado [Mr. LEWIS] for so ably explaining the rule and the bill that is made in order under the rule. I hope we will have the gentleman here in the future to present many more of these bills. At the same time, I want to commend the gentleman from Pennsylvania [Mr. FADDIS] for his excellent work in drafting so fine a bill and for his interest generally in behalf of the people and their welfare. I listened to him with a great deal of pleasure and satisfaction when he recently appeared before the Rules Committee, and I may say to the House that there are very few men possessing his intelligence and the knowledge he has on this subject. I congratulate him upon his success in the matter. [Applause.]

I do not want to speak on the rule or the bill. I leave that in the capable charge of the chairman of the Committee on Military Affairs [Mr. MAY] and the other members of that committee. I desire only to make a few observations at this time in reply to my colleague from Illinois, the genial Mr. ALLEN, who serves with me on the Rules Committee.

Mr. Speaker, the President submitted a fine report to the House this morning on reorganization, in which he states the Nation will be saved at least $20,000,000. Reliable information I have is to the effect it will save closer to $35,000,000 annually.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I regret that I cannot yield now.

Mr. Speaker, in 1933, when I was privileged to serve as chairman of the steering committee, the great majority of new Democrat Members in the House made it difficult for them to take up individually with the President numerous matters and complaints with regard to the various departments. After a study of conditions, the steering committee proposed to the President that four or six appointees be designated as secretaries and that there evolve upon them the duty of acting as intermediaries and assistants with whom congressional problems could be taken up. It is therefore especially pleasing to me that the President saw fit to adopt our suggestions, and I am naturally glad to know that this will result not only in increased efficiency and better coordination but also in economy, as he states in his message. I feel that this bill will receive the endorsement and support even of those who so strongly opposed the reorganization bill as a whole.

Now, Mr. Speaker, some gentlemen always complain that we are spending too much money, particularly the gentleman from Pennsylvania [Mr. RICH]. Right here let me say that while I am not opposed to the rule, I want this bill to be considered, but I do want the country to understand that the President has not asked for nor recommended $100,000,000. He feels that $10,000,000 each year for 3 or 4 years would suffice, but the committee, which is independent of the President, feels they should recommend $100,000,000. This is just another proof, incidentally, that the President is trying to hold down expenditures, but that the House is acting independently, and not as a rubber stamp, as has been so often charged. Still, it is only an authorization, and not an appropriation, and I hope that the Appropriations Committee will not appropriate more than the President suggested unless there are very good reasons for so doing. I also agree with my colleague from Illinois in saying that every dollar should be spent in this country, provided that we can obtain here the materials we need.

Mr. Speaker, as to war, I can assure my colleague from Illinois [Mr. ALLEN] that it is not the President who is trying to involve this country in war. The President is doing everything humanly possible to keep us out of war,

and some day in the near future every Member of this House and every honest American will recognize this fact and give him credit for his efforts. [Applause.]

I say it is most unfair for Republicans to jump at every chance they have to charge that he is trying to involve us in war, when by every step possible he seeks to prevent a war and to bring peace and happiness not only to the people of America, but to the people of the world. [Applause.]

My friends on the Republican side have tried to inject the tariff issue into this question. Perhaps my colleague from Illinois [Mr. ALLEN], who is chairman of the Republican Congressional Political Committee, can tell us what tariff law we had from 1929 up to 1933. Was it not the Republican Smoot-Hawley tariff which brought about such prosperity under Hoover from 1929 to 1933? I think my good friend would be wise not to inject the tariff question into this discussion, because it does not reflect too well upon his own party. However, just for his information, I would like to call his attention to a very excellent and clear article appearing in the New York Times under date of Sunday, April 16, 1939, Trade Pacts Prove Superior to Barter. It shows our gains by means of trade treaties have increased in the past few years by 39.8 percent, while Germany's gains total 1.8 percent for the same period.

As I have said, all I desire is to answer a few of these points my colleague has raised during his remarks. I am hopeful that when the bill is considered on the floor ample opportunity will be given to explain to the House why an authorization for the expenditure of $100,000,000 is necessary at this time. I know that those in control of our military affairs can spend $100,000,000. They can spend $500,000,000 or even $1,000,000,000, because they are adept at spending. And my experience is that they reach their zenith during the months of April, May, and June each year. Their hardest effort is to see how they can spend the money they inveigled Congress into appropriating each year. Just in passing, I want to say that I am not entirely satisfied with the way the War Department proceeds in purchasing supplies and materials. I do not blame Admiral Peoples, but I do think that some of his subordinates should be checked upon, and on those matters I am going to insist upon a report. Only a few days ago information came to me of certain firms being favored, and many reports are to the effect that profits in airplanes and motors are outrageously high. If necessary, I shall bring a resolution before this House to investigate these matters.

I think we should begin to scrutinize the appropriations and expenditures to these departments and to bring about the economy the President seeks and on which the Democratic Party insists. Let us show the country that we not only preach economy but practice it.

Mr. Speaker, I recall the days of 1917 and 1918. I know that we authorized the expenditure of money to produce in America some of these raw materials, and I know what failure to be prepared means. I also remember claims against the Government by some of the mining engineers and experts who were authorized to develop some of these materials and the promises they never fulfilled. Even now we have claims pending before the Committee on Claims amounting to hundreds of thousands of dollars, because it is claimed that the Government and military establishments authorized these people to undertake developments for which they now claim never to have been compensated. Therefore, I feel that we should be careful under this bill before new ventures are authorized, and I hope that those who have charge of the matter will be satisfied first that there are no gentlemen who will try to experiment at the expense of our country, but to whomever is given the work should first be found to be reliable and dependable, someone who can be trusted to produce the needed articles in our country. I am for the reemployment of American labor first, and any mineral that can be produced and manufactured should be made here. As I understand, Mr. FADDIS, that is the aim, that every effort will be made to produce and finally to manufacture everything and anything that can be produced in this country. Is that not right?

Mr. FADDIS. That is correct.

Mr. SABATH. That would increase employment and bring about better conditions generally.

I think I have said just about all I wanted to talk to you about, and so I will conclude right here. [Applause.]

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remainder of my time to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, sometimes I get a little confused in this House over the difference between millions and billions. I understood the chairman of the Rules Committee to state that the reorganization might save $20,000,000. I assume that he has forgotten about the expenditure of the other $10,000,000,000.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. FISH. And it must be gratifying to the economy-minded Members to find that we may save $20,000,000 through the reorganization bill and spend $10,000,000,000 in some other way. That is a very fine way to economize.

Mr. SABATH. I have just been informed that the saving will be at least $35,000,000. The President was not well-informed when he said $20,000,000.

Mr. FISH. And now I understand the distinguished chairman of the Rules Committee to state that the President was not well informed. I agree with the gentleman from Illinois completely.

Mr. SABATH. As to the size of the sum that would be saved.

Mr. FISH. This is not the first time that he has been badly informed, and I rather believe that the reorganization will not save a single dollar when we get right down to rock bottom, because the President has never saved anything before this. He has a perfect record in this respect.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. SABATH. In that respect permit me to say that the President is always careful and he rather underestimates than overestimates matters of that kind.

Mr. FISH. And all I can say to the gentleman is that I judge people by their past records, and as Al Smith often said, "Let us look at the record." For 6 years the President of the United States has come before the Congress annually and told how he proposed to balance the Budget, and each year we have had a deficit of from two to three billion dollars. I rather believe when he gets through with the reorganization that instead of saving $20,000,000, we will have a deficit of $20,000,000, but that is such a small sum under the New Deal that we need not worry about it.

Mr. SHORT. And is it not an undeniable fact each year our revenues have fallen pitifully below anticipation and our expenses have far exceeded their estimates.

Mr. FISH. By $2,000,000,000 or more a year.

Mr. BOLAND. Mr. Speaker, will the gentleman yield to me?

Mr. FISH. Oh, I would love to.

Mr. BOLAND. Do I understand that the idea of the gentleman from New York is that the President should balance the Budget at the expense of starving people in the Nation?

Mr. FISH. No. I have generally voted myself for the one-third that are undernourished, underfed, and underclothed under this administration, because it does not do anything to solve the problem, and we are forced to do something ourselves in Congress to try to feed them.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Missouri first.

Mr. BOLAND. Just 1 moment.

Mr. FISH. I shall come back to the gentleman in a moment. I yield to the gentleman from Missouri.

Mr. SHORT. The fact is that no single individual in this country ever starved, and all this relief and all this

pump-priming has done has been to perpetuate the poverty of the people while piling up a debt of billions.

Mr. FISH. That ought to be a complete answer.

Mr. BOLAND. The gentleman agreed to yield to me.

Mr. FISH. Yes.

Mr. BOLAND. Do I understand the gentleman to say that there were no starving people before Mr. Roosevelt came into office?

Mr. SHORT. No more than we have today.

Mr. BOLAND. Does the gentleman know there were bread lines in every large industrial center of this country?

Mr. SHORT. My God, we have got Government soup kitchens now everywhere.

Mr. BOLAND. There were 20,000,000 people in the bread lines.

Mr. SHORT. These new dealers are not philanthropists and they are not interested in feeding the hungry and clothing the naked as much as they are in turning it into a political racket to perpetuate themselves in power. You will find that out next year, as you did last.

Mr. FISH. Go right ahead. I like that kind of talk.

Mr. BOLAND. The gentleman is not so sure of that. I do not think the gentleman is that much of a prophet as to say that we will find that out next year. Next year you will find out something.

Mr. FISH. Now, what were we discussing a few moments ago? [Laughter.] I just want to find out what this bill is we were discussing and get back to it.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield, certainly.

Mr. KNUTSON. Next year we will be wondering what we are going to do with the mess you folks left us. [Laughter.]

Mr. FISH. Now, Mr. Speaker, we have before us a little bill. It involves only $100,000,000—a paltry sum under the New Deal and in these days of war hysteria and fear and dread of war. I am not opposing the bill. I would like to reduce the amount in the bill because I believe it is excessive. When you consider a bill of this kind for acquiring stocks of strategic and critical war materials you almost think you are in the midst of war. You can almost hear the beating of the wings of the angel of death as she hovers over America. You are apt to believe we are about to let loose the dogs of war.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield, certainly.

Mr. LEWIS of Colorado. I recall with very great satisfaction a very splendid speech made by the gentleman from New York 4 or 5 years ago, urging investigation looking toward the ultimate acquisition of such strategic materials as, for example, tin. Certainly at that time there was no talk of war. The gentleman stimulated at that time the interest which I already had in this matter.

Mr. FISH. I am glad I converted the gentleman at that time and I am glad he is helping bring in this bill, because I am for the general principles of the legislation. I am going to give my reasons why I do not believe it should carry $100,000,000 or $50,000,000 or $40,000,000, and possibly not more than $10,000,000. I believe in acquiring this tin. I believe in acquiring rubber and the other necessary materials that we do not have; but I was wondering whether the gentleman from Colorado in the Southwest has ever heard about the war debts and whether he knows that those nations which own and have a monopoly on tin and rubber still owe us between four and five billion dollars.

Mr. LEWIS of Colorado. I am well aware of that fact. Indeed, the bill provides for an effort, at least, to secure these materials in part from the nations of the world that owe us, and in exchange to give them credit on their war debts.

Mr. FISH. I was just wondering why it was necessary to spend $100,000,000 to acquire rubber and tin from Great Britain when Great Britain owes us between four and five billion dollars, and why it could not be arranged to get a partial payment every year in rubber and tin, and if you want to throw in tea and other commodities that we do not produce, I would not oppose that either.

Mr. LEWIS of Colorado. I thoroughly approve of that plan. Indeed, it is provided for in the bill.

Mr. FISH. Yes. There was a little clause that was inserted here that even some members of the committee did not know existed. I want to bring out that I do not think it is necessary to carry this large appropriation. I want to discuss briefly the war-debt situation, and then you can ask all the questions you want.

Mr. LEWIS of Colorado. This is not an appropriation, I may say. This is an authorization bill.

Mr. FISH. Of course it is an authorization, but it will be a mandate of the Congress and expected to be followed later on by an appropriation.

Mr. BARRY. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. BARRY. The gentleman's theory, as far as our foreign policy is concerned, is that we mind our own business. If war broke out in Europe and Asia, we have enough foodstuffs to be self-sufficient, except for tea, cocoa, and such things, but we do not have enough critical war materials. If we acquire a sufficient amount of them to last for 5 years, could we not follow out the gentleman's theory of isolation and not even say "Hello" to Europe and Asia, and go along with an internal economy of our own?

Mr. FISH. I see the logic of the gentleman's statement; but as long as he raises that issue, I would say that I cannot conceive of any war that will cut off these raw materials mentioned in this bill, particularly tin or rubber, because we can get tin from Bolivia. I cannot conceive of any war that would interfere with our trade with Bolivia. As a matter of fact, spending these billions—not millions, but billions—of dollars to build a navy, it seems to me that we could get any of these raw materials from Holland or the Malay Peninsula, whether it is rubber or any other necessary raw material, as long as we have the largest navy we have ever had. I do not assume that this huge navy is to be sterilized like our gold in Kentucky and to be of no more use than the gold is.

I do not see, since we are spending billions of dollars to have a Navy, why we should not be able to secure these materials even in wartime, because no nation intends to attack us, and will not attack us as long as we have a powerful Navy. I am sure the gentleman agrees with this.

Mr. BARRY. It would be much safer, I am sure, if we did not have to go abroad to get anything. A recent survey showed that there are something like eight critical raw materials that we lack; and whether we have to go down to Bolivia or out to the Malay Peninsula, will not the gentleman admit that it would be much safer for the peace of this country and in keeping with his theories of isolation if we did not have to trade with anyone unless we wanted to?

Mr. FISH. My principles of isolation certainly do not go that far. I am in favor of trading with these nations. I am opposed to the cash-and-carry plan in the neutrality bill, and was opposed to it when the last bill came up. I would like to see it done away with. I believe it is an intolerable limitation and restraint upon our ships, that we cannot carry any goods to belligerent nations, but must let all the other ships of the world do so. I want our ships to trade out in the Far East, to buy rubber, tin, or anything else we need but to trade with belligerents at their own risk.

I am perfectly willing to go along with this war-scare bill to be on the safe side, as the gentleman says. I do not see that there is any necessity for it, for I believe we can go anywhere and get anything we want whether in time of peace or in time of war; but to be on the safe side and to make assurance doubly sure I will support the bill in principle. When it comes to spending any money, I think it is preposterous to buy rubber and tin, both of which come from the British Empire, as she has a monopoly on both,

without calling upon her to make partial payment of their war debts in tin and rubber. Certainly the gentleman does not object to that.

Mr. BARRY. I am in favor of that. If, however, the gentleman agrees with the principle of the bill, that we acquire critical war materials, certainly he is not going to object to the $100,000,000 or take the position that $100,000,000 is too much to provide these materials sufficient to last us for any reasonable length of time.

Mr. FISH. The reason I am opposed to spending the $100,000,000 is simply because if we put the authorization for the $100,000,000 in the bill, leaving it as it is now, the Navy Department, the War Department, or those who buy the strategic and critical war materials will forget the fact that Great Britain still owes us four or five billions of dollars. If we authorize an expenditure of $10,000,000 each year, then the Navy Department, the War Department, or whatever the department may be that will procure these war materials, will think most earnestly about these debts that are due us and join in making demands for rubber and tin from Great Britain to be offset against her war debts.

I remember back in 1931 and 1932 when then President Herbert Hoover communicated with President-elect Franklin Delano Roosevelt asking him to cooperate to settle the war debts. Mr. Franklin D. Roosevelt, then Governor of New York State, wrote to President Hoover and said: "No. I propose to do that in my own way. That will be the first objective of my administration."

Under the Republican administration we received payment of about $200,000,000 annually, but under this administration we have not received any money at all from these debtor nations, except from little, honest Finland. I ask why this is not the time to get something out of them in the way of partial payments through supplying rubber, tin, and other essential raw materials for war purposes that we do not produce in this country? [Applause.]

[Here the gavel fell.]

Mr. LEWIS of Colorado. Mr. Speaker, may I inquire how the time stands?

The SPEAKER pro tempore. The gentleman from Colorado has 8 minutes remaining. The gentleman from Illinois has used all his time.

Mr. LEWIS of Colorado. Mr. Speaker, I yield 7½ minutes to the gentleman from Pennsylvania [Mr. FADDIS], the author of this bill.

Mr. FADDIS. Mr. Speaker, I congratulate the very distinguished member of the Committee on Rules [Mr. LEWIS] for his exceptionally able presentation of the rule on this bill. Mr. Speaker, I ask that I be not interrupted until I have finished making my statement, because many and varied conflicting questions have already been injected into this debate, and it is my desire to present the essential features of this legislation in a clear and connected manner.

To begin with I want everyone to realize and to take into consideration the fact that this bill is a measure designed, first, to provide for our national security. This is the foremost thought in connection with the legislation, and has been ever since it has been under consideration by the Committee on Military Affairs. From the very first bill I introduced on this subject about 4 years ago—and as far as I know that was the first bill ever introduced upon this subject—every bill has contained the provision that this material should be acquired by exchange or credit on the war debts, or by exchange of surplus agricultural commodities. So this feature is not new by any manner of means.

I want it also distinctly understood, as the gentleman from Colorado attempted to make plain, that this bill is not the outgrowth of any war hysteria. It is the outgrowth of many years of work on the part of officers connected with the Army and the Navy—or, to be more explicit, the Assistant Secretary of War of the United States—to provide a program that would make this Nation self-sufficient to meet the needs of an emergency.

Anyone who attended the hearings on this bill and listened to the discussions in the committee would gain the idea that this is a bill for the acquisition of manganese alone, because the American Manganese Producers' Association appeared at these hearings and, with all of the power of a very unscrupulous lobby, attempted to prostitute the interests of national defense to the domestic production of manganese in the United States. All the way through the committee fought that attempt, and when the bill was written it was written without giving in to the demands of the American Manganese Producers' Association.

I know the pressure that has been exerted upon Members of the Congress who represent districts containing deposits of manganese. I know where this pressure has come from. It is not the first time, by any means, that this pressure has been exerted upon Members of Congress.

On last Wednesday, April 19, I inserted a letter from the president of the American Manganese Producers' Association, page 1542 of the Appendix of the CONGRESSIONAL RECORD. I answered this letter paragraph by paragraph. I would ask that each and every Member of the House secure the RECORD and read that letter before making up his mind with reference to certain amendments which may be introduced to this piece of legislation.

Do not take the judgment of those who are endeavoring to inject amendments into this legislation in order to make it a bonanza for unscrupulous promoters of mining enterprises throughout the United States. Take the judgment of the members of the committee; take the judgment of the members of the Army, the Navy, the State Department, the Geological Survey, the Bureau of Mines, and other bureaus connected with this Government who appeared in support of the present legislation in its present form.

If you will read the hearings held last year by the Senate Committee on Military Affairs you will find that not one single official connected with the Government, not one single man who is charged with the duty of procuring these materials, appeared before that committee who did not discount the possibility of making this Nation self-sufficient in regard to manganese or any other of these essential commodities through domestic production. If you will read the record of the committee hearings held by the Committee on Military Affairs of the House you will find that each and every official of this Government who appeared before the committee made the statement that from past experience they did not believe it was possible to procure enough manganese from domestic sources to make this country self-sufficient in that respect.

Mr. Speaker, no one is attempting to discourage domestic production. We, however, do not wish to see the acquisition of the materials under the terms of this legislation delayed in order to encourage these would-be promoters of domestic manganese mining ventures to the end that we shall have no manganese.

I wish to go back into the history of the World War. Under the high pressure of wartime prices were five times normal. At that time the American producers of manganese were able to produce only 35 percent of the manganese consumed at that time. As the chairman of the Committee on Rules stated, we are still engaged in litigation trying to settle some of the claims which resulted from the overextravagant promises of the promoters of that day in getting some of the people of this Nation entangled into enterprises to produce manganese.

Mr. KNUTSON. Will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from Minnesota.

Mr. KNUTSON. As I recall, the Geological Survey reported that there are about 100,000,000 tons of manganese in this country and that manganese is found in 38 States of the Union.

Mr. FADDIS. One hundred million tons of manganese ore. No doubt. But that is manganese ore of a varying content of manganese and of a varying analysis. When we

speak of the manganese that we use, we refer to manganese ore with a content of 40 to 60 percent pure manganese and free from undesirable foreign contents.

Mr. KNUTSON. I concede that the American ore is not as high grade as some of the other ore, but I think it compares favorably with Russian manganese.

Mr. FADDIS. To answer the gentleman's question, I believe every one realizes the fact that there is a certain amount of manganese ore in the United States. One of the reasons for the reluctance of those who are charged with the duty of procuring this manganese is the fact they want this ore to remain here as a reserve. I am certain that the acquisition of these essential commodities can be safely left in the hands of those officers of the Army and Navy charged with this duty. They have a splendid record for honesty and efficiency built up through a century and a half of brilliant, patriotic, and unselfish service. [Applause.]

Mr. LEWIS of Colorado. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

Mr. KNUTSON. Mr. Speaker, this is a pretty important matter, and I think we should have a quorum, because I am not in favor of this myself.

The SPEAKER. The Chair will count.

Mr. KNUTSON. Mr. Speaker, I withdraw my point of no quorum.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. MAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5191) to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for armed forces and the civilian population in time of national emergency, and to encourage the development of these resources within the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5191, with Mr. BOLAND in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. MAY. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Chairman, it should first be understood that this bill does not arise out of the present international situation. The Committee on Military Affairs has for several years, certainly during the 3 years I have been a member of that committee, has been studying this identical question. The War Department has been studying the question continuously since the World War and whether you recall it or not, the last Congress in the naval appropriation bill appropriated $3,500,000 for the purchase of strategic war materials. This money is now being expended for that purpose.

Mr. Chairman, this bill arises through a realization that our Nation will not be able to carry on a war successfully, or unsuccessfully for that matter, beyond a period of 6 months with the present supply of these materials that we now have on hand.

I consider and I believe the overwhelming majority of the committee consider that the passage of this bill and the acquisition of these materials are just as necessary as the building of battleships. The gentleman from New York a few moments ago said he did not understand why we needed this legislation, because we had such a fine navy. The reason for this legislation is that we not only want a great navy, a strong navy, but we want it employed in time of war in defense and not merely in keeping open the lines of commerce. I am sure that if you will study a map of the world, such as I have here, showing the location of supplies of the different strategic materials, you can easily see that a condition might arise where we would be cut off from the sources of supplies and the only way we could go there and buy the supplies would be with a naval convoy. It is easily possible that a third or a half of our fleet might be engaged in protecting our shipping lines and the ships that would transport these materials and, therefore, the strength and effectiveness of the Navy would be considerably reduced.

At this point I call your attention to a list of the materials which are covered by the pending measure. They are in three groups: First, the strictly strategic materials, of which there are 17 listed by the War Department. The most important of these 17 are chromium, manganese of ferrograde, tin, and tungsten. Second, there are the critical materials, materials which are necessary in time of war and must be stored up. Some of them are available in this country. The list includes 20 such materials. Third, there are the essential materials, and the list includes 35 such materials.

EXHIBIT A

ARMY AND NAVY MUNITIONS BOARD COMMODITIES DIVISION—DEFINITIONS AND LISTS OF ESSENTIAL COMMODITIES

DEFINITIONS

Strategic materials: Strategic materials are those materials essential to the national defense for the supply of which in war dependence must be placed in whole, or in part, on sources outside the continental limits of the United States, and for which strict conservation and distribution control measures will be necessary.

Critical materials: Critical materials are those materials essential to the national defense, the procurement problems of which in war, while difficult, are less serious than those of strategic materials because they can be either domestically produced or obtained in more adequate quantities or have a lesser degree of essentiality, and for which some degree of conservation and distribution control will be necessary.

Essential materials neither strategic nor critical: In this classification are included those materials, essential to the national defense, for which no procurement problems in war are anticipated, but whose status is such as to require constant surveillance because future developments may necessitate reclassification as strategic or critical.

List of strategic materials (17): Aluminum, antimony, chromium, coconut shell char, manganese ferrograde, manila fiber, mica, nickel, quartz crystal, quicksilver, quinine, rubber, silk, tin, tungsten, and wool.

List of critical materials (20): Asbestos, cadmium, coffee, cork, cryolite, flaxseed, fluorspar, graphite, hides, iodine, kapok, nux vomica, opium, phenol and picric acid, platinum, scientific glass, tanning materials, titanium, toluol, and vanadium.

Essential materials neither strategic nor critical (35): Arsenic, abrasives, acetic acid, acetone, alcohol (ethyl), camphor, castor oil, chlorine, copper, copra, cotton linters, helium, hemp, jute, iron and steel, lead, magnesium, methanol, molybdenum, nitrogen compounds (ammonia and nitric acid), palm oil, paper and pulp, petroleum, phosphates, potash, refractories, shellac, sisal, sugar, sulfuric acid (including sulfur and pyrites), uranium, webbing and duck, wheat, zinc, and zirconium.

Approved by the Army and Navy Munitions Board, January 7, 1939.

I wish to address my remarks particularly to section 6 of this bill, which provides, in part, as follows:

In the acquisition of stocks of materials, as herein authorized, the agency charged with the duty of acquiring the same shall, as to the materials acquired outside the United States—

(a) Request the appropriate department or departments to undertake the acquisition of the same from those nations which are indebted to the United States and which will consent to credit the agreed purchase price on the principal of such indebtedness.

I call your attention to the fact that numerous nations in the world are indebted to us on loans made during the war and loans made following the armistice, and on November 15 of last year this indebtedness amounted to a little in excess of $13,000,000,000. At this point I insert in the RECORD a statement of the original debts and how they were funded, showing that at the time the debts were funded the foreign debt was in round figures $11,596,000,000.

EXHIBIT B.—*Statement showing principal and interest computed at the rates specified in debt agreements on indebtedness of foreign governments to the United States at time of funding, credit allowances, the cash payments on execution of agreements, and the total debt as funded*

Country	Indebtedness at time of funding			Credit allowances and cash payments on execution of agreements		Funded debt
	Principal	Interest	Total	Applied on principal	Applied on interest	
Austria	$24,055,708.92	$559,176.08	$24,614,885.00			$24,614,885
Belgium	377,029,570.06	40,767,664.60	417,797,234.66		$17,234.66	417,780,000
Czechoslovakia	91,879,671.03	25,978,742.91	117,858,413.94		[1] 2,858,413.94	115,000,000
Estonia	13,999,145.60	1,765,219.73	15,764,365.33	[2] $1,932,923.45	1,441.88	13,830,000
Finland	8,281,926.17	727,389.10	9,009,315.27		9,315.27	9,000,000
France	3,340,516,043.72	684,870,643.17	4,025,386,686.89	386,686.89		4,025,000,000
Great Britain	4,074,818,358.44	529,309,727.30	4,604,128,085.74		4,128,085.74	4,600,000,000
Greece	[3] 27,167,000.00	3,127,922.67	30,294,922.67	2,922.67		30,292,000
Hungary	1,685,835.61	253,917.43	1,939,753.04		753.04	1,939,000
Italy	1,647,869,197.96	394,330,268.38	2,042,199,466.34	199,466.34		2,042,000,000
Latvia	5,132,287.14	647,275.62	5,779,562.76		4,562.76	5,775,000
Lithuania	4,981,028.03	1,049,918.94	6,031,516.97		1,546.97	6,030,000
Poland	159,666,972.39	18,898,053.60	178,565,025.99		5,025.99	178,560,000
Rumania	36,116,972.44	8,477,479.10	44,594,451.54	4,451.54		44,590,000
Yugoslavia	51,037,886.39	11,819,226.00	62,857,112.39	7,112.39		62,850,000
Total	9,864,238,203.90	1,722,582,624.63	11,586,820,828.53	2,533,563.28	7,026,390.25	11,577,260,885
Cash received upon execution of agreements	600,639.83	4,167,966.31	4,768,606.14			
Credit allowances	[2] 1,932,923.45	[1] 2,858,413.94	4,791,337.39			
Total	2,533,563.28	7,026,380.25	9,559,943.53			
Amount funded	9,861,704,640.62	1,715,556,244.38	11,577,260,885.00			

[1] Amount of interest written off in compromise settlement with Czechoslovakia referred to on p. 15.
[2] Allowance for total loss of cargo of S. S. *John Russ* sunk by a mine in Baltic Sea (see p. 19).
[3] Includes 4 percent 20-year loan of $12,167,000 authorized by act of Feb. 14, 1929.

I also insert in the RECORD a statement of the total payments made on foreign debts up to January 31, 1938, showing total payments, in round figures, of $2,748,000,000.

EXHIBIT C.—*Total payments received on account of indebtedness of foreign governments to the United States as of Jan. 31, 1938*

Country	Total payments received	On funded debts		On debts prior to funding [1]	
		Principal	Interest	Principal	Interest
Austria	$862,668.00	$862,668.00			
Belgium	52,191,273.24	17,100,000.00	$14,490,000.00	$2,057,630.37	$18,543,642.87
Cuba	12,286,751.58			10,000,000.00	2,286,751.58
Czechoslovakia	20,134,092.26	19,829,914.17			304,178.09
Estonia	1,248,432.07		1,246,990.19		1,441.88
Finland	5,101,034.77	801,510.02	3,990,209.48		309,315.27
France	486,075,891.00	161,350,000.00	38,650,000.00	64,689,588.18	221,386,302.82
Great Britain	2,024,848,817.09	232,000,000.00	1,232,770,518.42	202,181,641.56	357,896,657.11
Greece	3,778,384.01	981,000.00	1,635,308.00	2,922.67	1,159,153.34
Hungary	478,294.48	73,995.50	403,545.94		753.04
Italy	100,829,880.16	37,100,000.00	5,706,708.26	364,319.28	57,598,852.62
Latvia	761,549.07	9,200.00	621,520.12		130,828.95
Liberia	36,471.56			26,000.00	10,471.56
Lithuania	1,237,956.58	234,783.00	1,001,626.61		1,546.97
Nicaragua	168,575.84			141,950.36	26,625.48
Poland	22,646,297.55	1,287,297.37	19,310,775.90		2,048,224.28
Rumania	4,791,007.22	2,700,000.00	29,061.46	1,798,632.02	263,313.74
Russia	8,750,311.88				8,750,311.88
Yugoslavia	2,588,771.69	1,225,000.00		727,712.55	636,059.14
Total	2,748,816,460.05	475,555,368.06	1,319,916,264.38	281,990,396.99	671,354,430.62

[1] Includes cash received upon execution of debt-funding agreements amounting to $4,768,606.14, of which amount $600,639.83 was applied on principal and $4,167,966.31 on interest. (See p. 16.)

I also insert a statement of the total debts as of November 15, 1938, the total, in round figures, being $13,011,000,000.

EXHIBIT D.—*Principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest, as of Nov. 15, 1938*

	Total indebtedness (payments on principal deducted)	Total payments received	Funded indebtedness				Unfunded indebtedness			
			Indebtedness		Payments on account		Indebtedness		Payments on account [1]	
			Principal (net)	Accrued interest	Principal	Interest	Principal (net)	Accrued interest	Principal	Interest
Armenia	$23,205,108.24						$11,950,917.49	$11,245,190.75		
Belgium	444,835,943.91	$52,191,273.24	$400,680,000.00	$44,155,943.91	$17,100,000.00	$14,490,000.00			$2,057,630.37	$18,543,642.87
Cuba	12,286,751.58								10,000,000.00	2,286,751.58
Czechoslovakia	[2] 165,696,936.80	20,134,092.26	165,241,108.90	455,827.90	19,829,914.17					304,178.09
Estonia	[2] 20,443,880.32	1,248,432.07	16,466,012.87	3,977,867.45		1,246,990.19				1,441.88
Finland	8,335,440.92	5,262,970.27	8,195,841.19	139,599.73	804,158.81	4,149,496.19				309,315.27
France	4,141,020,821.51	486,075,891.00	3,863,650,000.00	277,370,821.51	161,350,000.00	38,650,000.00			64,689,588.18	221,386,302.82
Germany (Austrian indebtedness)[4]	[2] 26,005,480.99	862,668.00	25,980,480.66	25,000.33	862,668.00					
Great Britain	5,341,707,369.96	2,024,848,817.09	4,368,000,000.00	973,707,369.96	232,000,000.00	1,232,770,518.42			202,181,641.56	357,896,657.11
Greece	34,066,508.20	4,039,888.01	31,516,000.00	2,550,508.20	981,000.00	1,896,812.00			2,922.67	1,159,153.34
Hungary	[2] 2,340,511.32	488,122.64	1,908,560.00	431,951.32	73,995.50	413,374.10				753.04

See footnotes at end of table.

EXHIBIT D.—*Principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest, as of Nov. 15, 1938*—Continued

	Total indebtedness (payments on principal deducted)	Total payments received	Funded Indebtedness				Unfunded Indebtedness			
			Indebtedness		Payments on account		Indebtedness		Payments on account	
			Principal (net)	Accrued interest	Principal	Interest	Principal (net)	Accrued interest	Principal	Interest
Italy	$2,021,340,404.05	$100,829,880.16	$2,004,900,000.00	$16,440,404.05	$37,100,000.00	$5,766,708.26			$364,319.28	$57,598,852.62
Latvia	[2] 8,423,708.06	761,549.07	6,879,464.20	1,544,243.86	9,200.00	621,520.12				130,828.95
Liberia		36,471.56							26,000.00	10,471.56
Lithuania	[2] 7,540,167.50	1,237,956.58	6,197,682.00	1,342,485.50	234,783.00	1,001,626.61				1,546.97
Nicaragua [6]		168,575.84							141,950.36	26,625.48
Poland	[2] 255,838,294.41	22,646,297.55	206,057,000.00	49,781,294.41	1,287,297.37	19,310,775.90				2,048,224.28
Rumania	[2] 63,982,114.54	4,791,007.22	63,860,560.43	121,554.11	2,700,000.00	29,061.46			1,798,632.02	263,313.74
Russia	385,362,027.59	[7] 8,750,311.88					$192,601,297.37	$192,760,730.22		[7] 8,750,311.88
Yugoslavia	61,702,031.26	2,588,771.69	61,625,000.00	77,031.26	1,225,000.00				727,712.55	636,059.14
Total	13,011,846,749.58	2,749,249,727.71	11,231,157,710.25	[8]1,372,121,903.50	475,558,016.85	1,320,346,883.25	204,561,214.86	204,005,920.97	281,990,396.99	671,354,430.62

[1] Payments of governments which have funded were made prior to the date of the funding agreements.
[2] Differences between principal of funded indebtedness and amounts here stated represent deferred payments provided for in the funding agreements, for which bonds of the respective debtor governments have been or will be delivered to the Treasury.
[3] Increase over amount funded due to exercise of options with respect to the payment of interest due on original issue of bonds of debtor governments.
[4] The German Government has been notified that the Government of the United States will look to the German Government for the discharge of this indebtedness of the Government of Austria to the Government of the United States.
[5] Includes additional bonds aggregating $3,489,482.75 received July 23, 1937, in exchange for bonds aggregating $1,207,742 and annuities aggregating $69,534.46, payable on Jan. 1, 1933, 1934, and 1935, but postponed as provided by agreements of May 8, 1930, and Sept. 14, 1932.
[6] The United States holds obligations in the principal amount of $289,898.78, which, together with accrued interest thereon, are to be canceled pursuant to agreement of Apr. 14, 1938, between the United States and the Republic of Nicaragua, ratified by the U. S. Senate on June 13, 1938.
[7] Represents proceeds of liquidation of financial affairs of the Russian Government in this country. (Copies of letter dated May 23, 1922, from the Secretary of State and of reply of the Secretary of the Treasury dated June 2, 1922, in regard to loans to the Russian Government and liquidation of affairs of the latter in this country appear in the Annual Report of the Secretary of the Treasury for 1922, as exhibit 79, p. 283, and in the combined annual reports of the World War Foreign Debt Commission, as exhibit 2, p. 84.)
[8] Includes balances of amounts postponed under provisions of joint resolution of Dec. 23, 1931. (For amounts postponed, see p. 35 of Annual Report of the Secretary of the Treasury for 1932.)

Fourth. I insert a statement showing the amount of the debt of the German Nation to the United States at this time, which, of course, arose from the expense of our army of occupation and from findings of the Joint Claims Commission.

EXHIBIT E.—*Indebtedness of Germany to the United States, Jan. 31, 1938*

AMOUNTS NOT PAID ACCORDING TO CONTRACT TERMS, JAN. 31, 1938

[In reichsmarks]

	Indebtedness as funded	Total indebtedness as of Jan. 31, 1938	Principal	Interest accrued and unpaid [1]
Army costs	1,048,100,000	1,010,352,175.64	997,500,000	12,852,175.64
Mixed claims	2,121,600,000	2,074,170,000.00	2,040,000,000	34,170,000.00
Total	3,169,700,000	[2] 3,084,522,175.64	3,037,500,000	47,022,175.64

	Total payments received as of Jan. 31, 1938	Payments received	
		Payments of principal	Payments of interest
Army costs (reichsmarks)	51,456,406.25	50,600,000.00	856,406.25
Mixed claims (reichsmarks)	87,210,000.00	81,600,000.00	5,610,000.00
Total (reichsmarks)	138,666,406.25	132,200,000.00	6,466,406.25
Amounts received (in dollars)	33,587,809.69	31,539,595.84	2,048,213.85

AMOUNT OF INDEBTEDNESS

[In reichsmarks]

Date due	Funding agreement		Moratorium agreement	Total
	Principal	Interest		
Sept. 30, 1933		2,498,562.50	1,529,049.45	[2] 4,027,611.95
Mar. 31, 1934	122,400,000		1,529,049.45	123,929,049.45
Sept. 30, 1934	20,400,000	3,855,687.50	1,529,049.45	25,784,736.95
Mar. 31, 1935	82,900,000	4,534,250.00	1,529,049.45	88,963,299.45
Sept. 30, 1935	29,700,000	5,212,812.50	1,529,049.45	36,441,861.95
Mar. 31, 1936	29,700,000	5,891,375.00	1,529,049.45	37,120,424.45
Sept. 30, 1936	29,700,000	6,569,937.50	1,529,049.45	37,798,986.95
Mar. 31, 1937	29,700,000	7,248,500.00	1,529,049.45	38,477,549.45
Sept. 30, 1937	28,600,000	7,927,062.50	1,529,049.45	38,056,111.95
Total	373,100,000	43,738,187.50	13,761,445.05	430,599,632.55

[1] Includes interest accrued under unpaid moratorium agreement annuities.
[2] Includes 4,027,611.95 reichsmarks deposited by German Government in the Konversionskasse fur Deutsche Auslandsschulden and not paid to the United States in dollars as required by the debt and moratorium agreements.

If you will turn to page 100 of the hearings you will observe that this question was gone into at some length with Dr. Feis, who is the economic adviser of the Department of State. Frankly, neither Dr. Feis nor I have any great hopes that any considerable amount of this material will be secured through giving credits on the debts, but I do say that, in view of the condition of our national debt, which is now over $40,000,000,000, and considering the present tax burden of the American people, when a majority of the nations of the earth owe us in excess of $13,000,000,000, it ill becomes the Congress to seek to appropriate an additional $100,000,000 without at least making an honest effort to try to secure these materials from the nations which will credit the purchase price on their debt. [Applause.]

You will observe the bill states that the purchase price of the materials shall be credited on the principal of the debt. The word "principal" was used advisedly, on the advice of the State Department, whose representatives said there was no hope of getting any nation to send us these materials if credit was given merely on the interest on the war debts; that the nations already owed us so much interest that this amount would be merely a drop in the bucket. They were sure they would not be able to interest any nation in a credit merely on interest. Therefore, the bill provides that if the debtor nations wish to pay their debts we will credit the purchase price of the materials on the principal.

The other provision of section 6, in which I am very deeply interested personally, provides that in the acquisition of stocks of the materials in question the agency charged with the duty of acquiring them shall—

Further request the appropriate department or departments to undertake the acquisition of the same from those nations which consent to exchange such materials for surplus agricultural commodities produced in the United States.

This provision, I submit, is founded upon an old and fundamental principle, that if your cellar is full of apples and you need some potatoes, if you are wise you will take some apples out and exchange them for potatoes.

As every Member of this House knows, this Nation is now burdened with surpluses of wheat and cotton. The most recent report of the Department of Agriculture, which I have before me, indicates that on July 1 the wheat surplus will be approximately 275,000,000 bushels. On March 1, last, the surplus of cotton was approximately 16,750,000 bales, and we are now planting another crop estimated to produce 12,000,000

bales of cotton. On August 1, when we are ready to pick another crop of cotton, counting the cotton on hand and that in the field, we shall have at least 25,000,000 or 26,000,000 bales of American cotton on hand.

This matter was investigated by the committee back in February. Since then you have observed activities on the part of the Senate, and some Senators in particular, and activities on the part of the Department of Agriculture and the Department of State. I am delighted to observe the activities of the Ambassador to Great Britain, Mr. Kennedy, who now gives us some hope that it will be possible to send an enormous amount of cotton to Great Britain in exchange for tin and rubber for war stock purposes.

The Commodity Credit Corporation has loans on more than 11,000,000 bales of cotton, which loans total over $600,000,000.

I submit that it would be unfair to the American people, that it would be unfair to the taxpayers of this Nation for us to undertake to appropriate an additional $100,000,000 out of the United States Treasury without making an honest effort—and I hope and believe a successful effort—to take these enormous surpluses which we now have on hand, to take this enormous surplus of cotton in which our Government now has an investment of over $600,000,000, and use a reasonable amount of it in exchange for the materials which this Nation will so sorely need in time of war.

I hope that this section of the bill may receive the unanimous approval of the Congress. There are some who may say that it is no more than a gesture, but for my part, considering the national debt, considering the burden of taxes, we can at least say of it that it is a magnificent gesture. [Applause.]

Mr. CASE of South Dakota and Mr. CRAWFORD rose.

Mr. PACE. May I say before I yield for a question that it should be borne in mind that the crediting on the war debts and the exchange for surplus agricultural commodities applies only to the materials which are bought from foreign sources and in no way will interfere with the domestic production of any of the materials which are available in this country.

I now yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I just want to say that I feel the gentleman who is now speaking is entitled to some of the credit that may have been given to others. I do not want to detract from the credit that has been given to one of the Senators, although I think the gentleman who is now speaking is deserving of much of the credit for bringing forth the desirability of this suggestion.

Mr. PACE. I appreciate that gracious compliment, but I want to say that at this hour, in view of the condition of the American farmer, I am not looking for credit, but looking for a chance to dispose of some of these surpluses, so that those boys may get back on their feet. [Applause.]

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. SHORT. The gentleman from Georgia, who is a very valuable member of our committee, and who has made such an excellent speech, does deserve this credit, and as one of the minority members of our committee, I want to pay him a tribute. I was particularly interested in his discussion of the war debt, and in view of the fact we did fight in the World War and saved the scalps of certain allies, and in view of the fact we spent our treasure and spilt our blood over there, and then after the war was over we shipped them commodities to keep them from starving, and extended them loans that ran into the hundreds of millions and even billions of dollars, does not the gentleman think it ill behooves any American even to contemplate forming an alliance with those people who have shown their gratitude and appreciation by pointing at us a finger of scorn and calling us Shylocks when we try to collect? [Applause.]

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. PACE. I may add, in conclusion, that there is one provoking thing about these war debts. When I observe the warlike activities of the head of the Government in Italy, when I consider the treatment he recently accorded a message of the President of the United States, and I look to this list and see that at this hour Italy owes this Nation in excess of $2,000,000,000 of honest American money, it provokes one almost beyond the limit of patience.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. CRAWFORD. I desire to ask the gentleman this question with reference to subsection (b) of section 6: Assuming that we trade cotton, under the present barter plan, in the purchase of these war materials, will it be necessary under this provision for us to subsidize the price of cotton and pay the full price for the material we receive in exchange?

Mr. PACE. It will not. The plan contemplates that there would be an agreed price on cotton, there would be an agreed price on the war materials that we were buying, that they would be exchanged and the exchange would be made on a war basis—that is, the exchange is for defense. Great Britain, for instance, would take our cotton and store it until time of need, in case of war, and we will take their materials and store them and not put them into commercial channels, except for replacements or to avoid depreciation, until they are needed in time of war.

There will be no subsidy necessary. It would save the Nation under the present contemplated subsidy from $50,000,000 to $150,000,000.

Mr. CRAWFORD. Do I understand the gentleman to mean exactly what he said, to the effect that we will take their material, or do we purchase that material outright, by exchange?

Mr. PACE. It is a question of barter and exchange. We exchange so much cotton for so many thousand tons of manganese, for instance.

Mr. CRAWFORD. But the title is placed in us after the trade is made?

Mr. PACE. Unquestionably, but under an agreement that it will not be put into commercial channels except for the purpose of rotation and renewal.

Mr. CRAWFORD. Referring now to section 3 about which I inquired awhile ago, wherein the Secretary of the Treasury is authorized to replace acquired stocks of any materials subject to deterioration, and so forth, by such method as he may deem serves the purpose of the act, do I understand now that the gentleman states as a matter of fact that this material will not be thrown into channels of commerce in competition with private industry?

Mr. PACE. Yes. If the gentleman will look to the hearings he will see that the witnesses went into that at considerable length, and he will notice that to accomplish such rotation, the only use that will be made of these materials, which will be put into a stock pile and stored away, will be to dispose of such of the materials as rapidly depreciate, and then, for instance, if it is manganese, and I do not know how fast it depreciates, but slowly, we can take some of the stock material and swap it with the Steel Corporation for recently acquired materials under regulations set up as provided in the bill.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. PACE. Yes.

Mr. LUTHER A. JOHNSON. What amount of cotton is contemplated might be used in this exchange?

Mr. PACE. There is no provision about that. As the President has said, or has been reported in the newspapers, as far as cash money is concerned he could not approve over $10,000,000 for next year, but we are hoping that we will immediately purchase ten million worth of materials in cash and that during the year we will be able to negotiate with these nations that have this material or that owe us money and secure the remainder of the $100,000,000 worth of materials through exchange or credit on debts.

Mr. LUTHER A. JOHNSON. What I wondered is whether anything is in contemplation about the amount of cotton that will be taken.

Mr. PACE. Of course it will be limited to the $100,000,000 worth.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. PACE. Yes.

Mr. SHORT. The gentleman a moment ago stated that Italy owed us over $2,000,000,000. I am sure the gentleman has some other figures there on the desk. Can he tell us just how much France owes us today?

Mr. PACE. France owed us on November 15, $4,141,000,000.

Mr. SHORT. Almost twice as much as Italy. How much does Great Britain owe us?

Mr. PACE. Five billion three hundred and forty-one million dollars.

Mr. SHORT. My purpose in asking the gentleman these questions is not to refer particularly to Italy, but simply to point out that all of the countries of Europe have defaulted, and not simply to single out a totalitarian state.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. ANDREWS. Mr. Chairman, I yield myself such time as I may require.

I shall bring the Committee now to the point of view held by the minority at the time this bill was reported to the House. As a result of lengthy hearings and the appearance before the committee of a considerable number of Members of the House interested particularly in that feature having to do with domestic production, the minority, prior to the time the bill was reported, offered an amendment which was rejected in the committee, as follows:

Purchases under this act shall be made in accordance with the Buy American Act of March 3, 1933, and not less than 20 percent of the total amount allotted for the purchase of any given material in any year shall be used for the purchase of domestically produced materials from domestic ores, if offered. Bidders offering such domestic materials shall not be required to supply an advance performance bond, but their materials must meet the specifications called for and shall not be purchased at a premium exceeding the 25 percent authorized in the Buy American Act.

Certain materials referred to in this bill are now available to a certain extent in this country or may become available through further research and development. We thought an amendment of that type or some similar amendment would perfect this bill from the standpoint of protecting and encouraging American industry. I might point out to the Committee that a bill in the Senate which is a companion bill, one might say, to the Faddis bill, and which the Senate passed recently, included some such provision as I have outlined, which was incorporated in the minority views.

With the permission of the Committee I will read that section of the so-called Thomas bill in the Senate, referring to this question. It is section 5 of that bill:

Purchases under this act shall be made in accordance with title III of the act of March 3, 1933, but a reasonable time, not to exceed 1 year, shall be allowed for production and delivery from domestic sources, and in the case of any such material available in the United States, but which has not been developed commercially, the Secretary of War and the Secretary of the Navy may, if they find that the production of such material is economically feasible, direct the purchase of such material without requiring the vendor to give bond.

Since the passage of the Thomas bill in the Senate and the report, by the House committee, of the Faddis bill, as I understand it, a majority of those interested, particularly in their own congressional districts, both of the majority and the minority, a number of them not members of the Military Affairs Committee, have agreed on an amendment in this connection substantially as follows: It would appear on page 4, line 16, of the bill:

Strike out the period and insert: "*And provided further*, That purchases under this act shall be made in accordance with the Buy American Act of March 3, 1933 (47 Stat. 1520), and a reasonable time, in the judgment of the Secretary of War and the Secretary of the Navy, shall be allowed for the production and delivery from domestic sources."

In an effort to save time this afternoon I should like to ask the chairman of the committee or the author of the bill, Mr. Faddis, whether they might consider the acceptance of this amendment just as I have read it? It is an amendment which has been agreed upon by the gentleman from Nevada [Mr. SCRUGHAM] and the gentleman from South Dakota [Mr. CASE] and other Members greatly interested.

Mr. MAY. As far as I am concerned, the part of the amendment suggested by the gentleman from New York [Mr. ANDREWS] which provides for the enforcement of the provisions of the Buy American Act will be satisfactory, and we have an amendment already drawn to that effect, as far as that is concerned; but I would just like to call the gentleman's attention to the further provision in his amendment which provides that—

Not less than 20 percent of the total amount allotted for the purchase of any given material in any year shall be used for the purchase of domestically produced materials.

I just had an analysis made of that suggestion the other day by a gentleman who claimed to be a producer of manganese, and he said this—and I agree with him—that under the gentleman's amendment, if only 20 percent was allowed for domestic purposes, one large producer might get the whole contract, and other producers, who might develop mines in other sections of the country and thereby bring about a general development in all States, would be defeated. To that extent I would object to the gentleman's amendment, but I readily agree with the Buy American provision.

Mr. ANDREWS. I believe the gentleman misunderstood me. While that was the original amendment, since then we have agreed on the amendment which I read, which is as follows:

And provided further, That purchases under this act shall be made in accordance with the Buy American Act of March 3, 1933 (47 Stats. 1520), and a reasonable time, in the judgment of the Secretary of War and the Secretary of the Navy, shall be allowed for the production and delivery from domestic sources.

It is that amendment which I am asking the chairman of the committee whether he will accept?

Mr. MAY. If the gentleman will submit a copy of the amendment, I will be glad to consider it with a view to agreeing to it if we can do so. I have no disposition to be contrary about it.

Mr. ANDREWS. I thank the gentleman.

Mr. Chairman, I would like to point out one thing more about the bill from the standpoint of the minority Members. The original bill, as written by the gentleman from Pennsylvania [Mr. FADDIS] provided for the sum of $100,000,000 out of any money in the Treasury. I might call attention to the fact that the President, in a statement publicly made and otherwise, has made it known that he does not favor an appropriation of more than $10,000,000. I doubt if there is any Member of the minority who has been in the habit, at the present time, at least, of jumping ahead of the President on the expenditure of funds. I might call attention further to the fact that the Senate bill, which originally provided for $100,000,000, by amendment in the Senate was cut to $10,000,000. Certainly with the viewpoint of the President known, his expression having been received, it seems to me that the limit should be reduced from $100,000,000 to $40,000,000, or not more than $10,000,000 in any one year; and we intend to offer an amendment to that effect.

Mr. Chairman, I yield back the balance of my time.

Mr. MAY. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut [Mr. SMITH].

Mr. SMITH of Connecticut. Mr. Chairman, first I want to compliment the gentleman from Pennsylvania [Mr. FADDIS] for the work he has done during the last 5 years on this subject. Most of you will recall the bill which was passed in the previous Congress, of which the gentleman from Pennsylvania was the author, which limited the exporting of scrap tin, in order to conserve one of our resources. The subject is one in which the gentleman from Pennsylvania has been very much interested and upon which he has done a great deal of work in conjunction not only

with the men from the Army and the Bureau of Mines but the National Resources Committee and others who have studied this subject. His work with that of the gentleman from Georgia [Mr. PACE] as to the use of agricultural surplus commodities has been outstanding in this session.

We have heard very little, it seems to me, against the desirability of this legislation. We need these materials which we cannot produce in sufficient quantity in this country. We have little argument today on the floor against the necessity for some such legislation.

The gentleman from New York [Mr. ANDREWS] has mentioned the amount of the authorization. The four most essential materials included in this bill, namely, manganese, tungsten, chrome, and tin, would require about $100,000,000 to build up a sufficient supply to give us a year's reserve for the normal peace-time needs of this country. This, roughly, is the basis of the authorization. We expect to authorize somewhat less than a full year's supply of these various commodities. Some of them can be produced in this country to some extent; but as to 11 of them, the War Department, the Bureau of Mines, and the Geological Survey feel that they should be placed in a category by themselves.

We would need somewhat more than $100,000,000 to furnish a sufficient stock pile of all these materials. We had hoped to make a real start on a material stock pile with whatever appropriation we authorized in this bill. I think we should not set the authorization at less than the $100,000,000. The amount of money which will be made available is another question and must be taken up with the Committee on Appropriations in conjunction with the question of how much of these materials we can get by swapping surplus agricultural commodities, and, if possible, by credit on the war debts. It seems that we may acquire some by swapping surplus agricultural commodities. The State Department has gone into the question pretty thoroughly, and while some of those who have testified do not think specific authorization is needed, there is, nevertheless, a question in the minds of some of us about this need. I believe we shall be on the safe side if we give this authorization, retaining the limit of $100,000,000 set in this bill, for then there can be no question as to the power of the State Department in conjunction with these other departments to use agricultural commodities for the acquisition of the minerals we need without having to negotiate and have ratified a treaty. It is probable that if they succeed in making an agreement with the British they will bring in some treaty, but if we pass this authorization, we shall have an authorization within the limits set by this bill to use agricultural commodities without the need of further action by treaty. I think we can safely do that, and I think and I believe it is one reason we should keep the authorization at the full amount set in the bill even though we do not this year appropriate the full amount that we authorize.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Connecticut. I yield.

Mrs. ROGERS of Massachusetts. Has it occurred to the gentleman that it would be an excellent plan if we could exchange manufactured products, such as cotton and woolen clothing, boots and shoes, in exchange for raw materials?

Mr. SMITH of Connecticut. Then we would be getting into a system of barter. As to the agricultural commodities the set-up is different, for the Government today is in possession of large quantities of surplus agricultural commodities that it has acquired in conjunction with farm programs. It offers a chance to take them out of the world market, to set them aside as military reserves, and to keep them from hanging as a threat over the market. I believe this is desirable; but as for getting into a system of barter, I do believe it would not be desirable to place such a provision in this bill.

Mrs. ROGERS of Massachusetts. It would afford a great deal of employment, and we have millions unemployed.

Mr. SMITH of Connecticut. We need these raw materials now primarily as a reserve, and the principal object of this bill is to acquire them, if we can, by the exchange of agricultural commodities without defeating the purpose of the bill. I favor this, but to go beyond the exchange of raw materials would make a very complicated problem.

One item about which there has been a great deal of controversy is manganese. I think argument over this controversy has held up such legislation as this for some years. The lobby of the Manganese Producers' Association has been very active not only in this Congress but in prior Congresses insisting that we should provide for the acquisition of domestic manganese. Your committee wants to help domestic producers. It would be far more desirable, of course, if we could develop a domestic source of supply sufficiently large that we could depend upon it in time of war rather than having to acquire manganese abroad.

There is no question about that. We have held hearings for many years on this subject but to the present we have had no testimony on which we could depend as to the ability of domestic manganese producers to turn out a sufficient quantity of the proper grade of manganese to supply the needs of our steel industry in wartime. Reading the hearings you will see that last year in an attempt to get the latest and the best unbiased evidence on this question $100,000 of W. P. A. funds was used for a survey by the Bureau of Mines of the domestic manganese industry. Their latest report, which came since the hearings closed, is incorporated in the printed hearings and will be found at page 212. It is an unbiased report and covers all these materials. The report is signed by John Wellington Finch, the Director of the Bureau of Mines.

The Bureau of Mines and other Government agencies believe that even though we encourage the domestic manganese industry we could not in any sufficient time set up an industry to take care of our war needs for manganese. Could this be done the War Department would prefer it, but we have no evidence that we can do it. It is true that promoters have come before the committee claiming various things. Producers have come before the committee and told us that the Buy American Act which is tied into the bill would enable them to do it. It was necessary to put a specific provision in the bill—and it is in the bill now—to make the tariff apply. Given this 50-percent tariff protection and the additional 25-percent advantage of the Buy American Act, one of our producers states that we can produce it domestically.

Mr. Chairman, one domestic producer says that is sufficient to protect him, that he can expand, but he does not claim he can produce the major part of our yearly needs.

We have done another thing in this bill to try to promote the domestic production of these various articles. We have provided a yearly appropriation of $500,000 for the Bureau of Mines and the Geological Survey for investigation to discover deposits, to analyze them, and to figure out new methods of using them in order to get them into production to meet our deficiencies, which we all know exist.

That is an advantage which has not existed heretofore. It is more than has ever been done for the manganese producers by their lobby in all the years it has been operating here. It is an effort by the committee to encourage domestic production.

Mr. KNUTSON. Will the gentleman yield?

Mr. SMITH of Connecticut. I yield to the gentleman from Minnesota.

Mr. KNUTSON. The distinguished gentleman from Connecticut is undoubtedly aware of the fact that the domestic industry was given a tariff protection of 1 cent per pound?

Mr. SMITH of Connecticut. At one time; yes.

Mr. KNUTSON. Or $20 a ton. This, as I recall, was reduced to $10 a ton in the Brazilian treaty.

Mr. SMITH of Connecticut. Yes; but under neither situation has the domestic industry been able to produce 10 percent of our domestic needs.

Mr. KNUTSON. Simply because we cannot expect the American industry to compete with India, Brazil, and the other places where they have peon labor. If you could persuade the American miner to accept Brazilian and Indian wages, we could compete with the world in the production of manganese.

Mr. SMITH of Connecticut. That argument has been made, but the Bureau of Mines does not in its report agree that the domestic industry can be developed under tariff protection alone.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, it is my purpose to speak in behalf of the minority report of the Committee on Military Affairs, as set out in Report No. 283, part II, and which urges consideration by Congress of a plan to encourage domestic producers to build up the domestic production of strategic materials. The minority report suggests that purchases under this act shall be made in accordance with the Buy American Act of March 30, 1933.

It is my view that Congress should, to this very reasonable extent, start active encouragement that may lead to further research and development which may lead to a greater degree of independence of our Government in the matter of securing these strategic materials. My interest in speaking to you at this time is purely in the interest of national defense.

Throughout our hearings on this important measure I was impressed with the importance of acquiring a stock pile of the four materials—manganese, chrome, tungsten, and tin—that are described in greatest detail in the committee report, No. 283. You will note that the committee makes the statement that these materials are either entirely lacking in this country or are produced in very limited quantities, incapable of marked expansion, and that supplies must be imported over long ocean routes.

The Legislative Reference Service has very kindly prepared the production and export figures for chrome, manganese, tin, and tungsten in all the countries listed in the committee report as the principal sources of these strategic materials for each year from 1909 to 1937, inclusive. I am sorry I did not get these tables in time to include them in the hearings.

They have also prepared a table setting out the production and foreign-trade figures of the United States for chrome ore, manganese, tin, and tungsten for the same years, 1909–37, inclusive.

These tables reveal the influence of the stress of the World War period and its stimulation of domestic production of chrome ore, manganese, and tungsten. Even under the stress of World War demand, our domestic production of tin was relatively negligible.

Following the World War, the domestic production of even chrome and manganese very rapidly declined and today our domestic production of them amounts to only a small fraction of our total needs. In the case of tungsten the domestic production also declined rapidly following the World War, but it has shown considerable increase within the past few years.

For the last 5 years, for which total figures are available, 1933–37, inclusive, our total imports of chrome ore were approximately 1,446,000 long tons; and our domestic production was approximately 4,200 long tons, or about one-third of 1 percent of the total. Our imports of manganese ore, not including manganiferous ores, were approximately 1,400,000 long tons, while our domestic production for that period was approximately 144,000 long tons, or about 10 percent of the total. Our production of manganiferous ores is much more encouraging by way of comparison than manganese, as revealed in these tables. Our imports of tungsten for that period were approximately 7,000 short tons, and our domestic production was approximately 11,000 short tons, or about 60 percent of the total.

During the 5 years, 1914–18, inclusive, our imports of chrome ore were approximately 425,000 long tons and our domestic production amounted to approximately 177,000 long tons, or about 30 percent of the total. In manganese ore, not including manganiferous ores, our imports were approximately 2,295,000 long tons and our production was approximately 479,000 long tons, or about 18 percent of the total. The total imports of tungsten during that period were approximately 19,000 long tons, and the domestic production was approximately that same amount, or 50 percent of the total.

It is my own opinion that the domestic production of manganese can be greatly stimulated with proper and reasonable encouragement, especially if sufficient encouragement be given to the production and use of manganiferous ores of less than 35-percent grade. From the standpoint of developing our own self-sufficiency in the field of national defense, it is my own view that the Federal Government should take reasonable steps to encourage the development of production of these strategic materials wherever possible.

INCREASE THE TOTAL STOCK PILE

There is one point I wish to emphasize in connection with this bill. Its purpose should be to increase the total stock piles of strategic materials in our Nation. Our passage of this bill will be of very little defense value if the officials charged with the administration thereof use it only as authority for a bookkeeping transaction with the owners of privately owned stocks. These officials should take notice that in the passing of this bill Congress is trying to build up the total available stock pile of strategic materials. The War Department officials, in hearings before the committee, revealed a sincere interest in this purpose.

I am mentioning this point here only because I have received a copy of a letter written by the American Manganese Producers' Association to Hon. A. J. MAY, chairman of our committee, stating that in their opinion the total stock pile of manganese in the United States will be no larger at the end of the first year than now exists, and I want to say that the officials of the War Department to whom I have talked demonstrated a far better understanding of the true purpose of this bill than is implied by the statement of the American Manganese Producers' Association.

HOW LARGE SHOULD THE AUTHORIZATION BE?

Some very interesting discussion took place in committee regarding the size of the authorization. At no time during committee hearings and during committee discussion was any official report presented from either the War Department or the Budget favoring the authorization of the expenditure of $100,000,000, as provided in this bill.

We are all now familiar with the President's opposition to the expenditure of more than $10,000,000 for these purposes in the coming fiscal year. When I find our President, and Commander in Chief of our Army and Navy, recommending a sum far less than that included in our committee recommendation, I am inclined to follow the recommendation of the President. As Commander in Chief of the Army and Navy, he is in position to know our needs, and I have not yet met a situation in the field of national defense wherein I have felt that he has underestimated them. For that reason, I will support any amendment offered to this bill that has for its purpose the reduction of the authorization to $10,000,000 per year. That, I believe, will be adequate for the needs as recommended by the President and at the same time more economical.

You may be told in the course of this debate that we should authorize the full $100,000,000 and leave it to the Committee on Appropriations to recommend such sums as the exigencies of the occasion may require, but it is my position that such loose and extravagant authorization measures can only deprive the Committee on Military Affairs of their true function in this House, namely, the careful study of our needs in the field of national defense. [Applause.]

The tables referred to by the gentleman from Iowa [Mr. MARTIN] are as follows:

Production and foreign trade figures of the United States for chrome ore, manganese, tin, and tungsten, 1909 to 1937, inclusive

[1 long ton=2,240 pounds; 1 short ton=2,000 pounds]

Year	Chrome ore (or chromite)[1]		Manganese					Tin				Tungsten		
			Production[2]		Imports		Domestic exports—ferro-manganese and spiegeleisen	Production	Imports		Domestic exports—bars, blocks, pigs, etc.	Production	Imports—tungsten-bearing ores	Domestic exports—ferro-tungsten, tungsten, metal, and wire
	Production	Imports	Manganese ores	Manganiferous ores	Oxide and ore	Ferro-manganese and other alloys, manganese content			Ore	Bars, blocks, pigs, etc.				
	Long tons	*Long tons*	*Long tons*	*Long tons*	*Long tons*	*Long tons*	*Long tons*	*Short tons*	*Long tons*	*1,000 lbs.*	*1,000 lbs.*	*Short tons*	*Long tons*	*1,000 lbs.*
1909	598	29,702	1,544	68,054	105,061		0	20		91,122		1,619		
1910	205	44,953	2,258	61,101	242,348		0	40		105,138		1,821		
1911	120	38,139	2,457	44,437	176,852		0	70		106,937	[3]	1,139		[4]
1912	201	47,007	1,664	51,517	300,661		0	130		116,003		1,330	371	
1913	255	49,772	4,048	59,403	345,090		0	55		104,282		1,537	766	
1914	591	79,842	2,635	98,265	283,294		0	104		95,050		990	217	[5]
1915	3,281	47,051	9,613	195,735	313,985		0	102		115,636	301	2,332	439	
1916	47,035	107,069	31,474	544,326	576,321		0	140	7,179	138,073	258	5,923	3,635	125
1917	43,725	113,326	129,405	860,944	629,972		0	110	8,084	143,637	798	6,144	4,357	1,784
1918	82,430	77,781	305,869	1,170,462	491,303		3,577	69	16,423	142,507	40	5,068	10,365	1,232
1919	5,079	71,592	55,322	433,733	333,344		2,999	56	17,189	89,698	612	330	8,400	38
1920	2,502	150,275	94,420	767,664	606,937		3,454	22	30,489	126,038	1,411	216	1,740	5
1921	282	81,836	13,568	97,099	401,354		690	4	13,696	54,201	2,309		1,441	0
1922	355	90,081	15,682	625,659	374,451		1,396	1.4	12,325	134,833	1,803		[6]1,665	[7]1
1923	227	128,763	32,269	1,433,897	206,048		4,295	1.9	2,692	154,411	1,680	251	[8]	5
1924	288	118,343	58,348	898,468	254,458	47,811	3,165	7	155	145,782	938	565	80	5
1925	108	149,739	98,324	1,448,054	299,950	67,436	5,496	14	191	171,686	809	1,190	3,090	13
1926	141	215,404	46,258	1,235,431	361,490	43,932	693	8	303	172,836	1,511	1,382	3,442	29
1927	201	222,360	44,741	1,461,608	313,395	34,018	1,641	27	122	159,357	2,262	1,164	1,614	20
					Manganese content									
					Long tons									
1928	660	216,592	46,636	1,177,762	207,808	47,550	9,440	47	130	174,654	781	1,208	2,730	17
1929	269	317,030	60,379	1,188,258	323,415	62,785	1,574	39	128	195,165	1,769	830	6,810	103
1930	80	330,531	67,035	785,390	278,070	38,452	6,189	17	289	180,844	189	702	3,614	30
1931	268	212,528	39,242	281,414	245,910	17,763	1,306	4	30	147,984		1,404	1,191	1,058
1932	155	89,143	17,777	25,434	53,553	14,586	33	½	17	77,995		396	109	141
1933	843	116,511	19,146	191,631	141,457	31,919	47	3	24	142,727		895	794	854
1934	309	192,297	26,514	221,822	165,840	18,781	222	9	2	89,568	[9]	2,049	1,315	704
1935	515	259,063	26,428	524,184	189,258	21,904	131	50	178	143,938		2,395	1,707	997
1936	269	324,258	32,119	940,519	415,748	30,733	486	115	179	170,305		2,612	4,345	104
1937	2,321	553,916	40,241	1,340,972	488,640		1,725	162	151	197,377		3,500	6,198	449

[1] No domestic exports for chrome ore (or chromite); in 1922 there were exported 23 tons of ferrochrome and chrome metal.
[2] Manganese ore is 35 percent or more manganese. Manganiferous ore is from 5 to 35 percent manganese.
[3] Not listed separately.
[4] Included in "All other articles."
[5] Value.
[6] Additional imports of tungsten and alloys (tungsten content): 1922, 723,000 pounds; 1923, 615,000 pounds.
[7] Additional exports of tungsten ores and concentrates (tungsten content), 717 pounds.

Sources:
U. S. Bureau of Foreign and Domestic Commerce. Statistical Abstract of the United States, various issues 1914 to 1937. Production and import figures, 1909 to 1935 (with exceptions noted below). HA202.
——— Foreign Commerce and Navigation of the United States, various issues from 1909 to 1937. All export figures 1909–37; and import figures for 1937. HF105.A2.
U. S. Geological Survey. Mineral Resources of the United States, 1919, pt. I, p. 747. Tin production, 1909–15. TN23.U6.
U. S. Bureau of Mines. Mineral Resources of the United States, 1925, p. 65. Tin production, 1916–24. TN23.U6.
——— Minerals Yearbook, 1938, pp. 526–527, 543, 569, and 620. Manganese production for 1933 and 1938, production of other minerals for 1937. TN23.U612.
U. S. Tariff Commission. Tariff Information Surveys, 1921. Ores of ferro-alloys, pp. 42–43. Chromite imports, 1910–19. HF1756.A427 revised.

Mr. MAY. Mr. Chairman, I yield 5 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I am going to support this measure, but not because I feel it is an emergency war measure. Personally, I do not believe we are in danger of going to war with any foreign country if we keep our feet on the ground. [Applause.] No foreign nation dare attack us at home. I also feel that the Congress of the United States for the first and last time about 20 years ago voted to finance a war on foreign soil and send our American boys across a water expanse of 3,000 miles to fight and die in foreign lands for a futile dream of peace among European nations whose history denies that they were ever at peace. I do not believe the Congress of the United States will ever repeat that tragedy. [Applause.]

I am for this bill because it will give encouragement to the development of our mines in the United States, and particularly in my own State of Montana. We produce in Butte, Mont., alone, as my colleague from Montana will verify, in the neighborhood of 70,000 tons of manganese ore per annum.

We have large bodies of chromite in the Stillwater Valley of eastern Montana that are now unexplored and unexploited. I hope the chairman of the committee will add to the excellent work he has already done in bringing this bill upon the floor of the House by agreeing to an amendment that will provide for purchase in accordance with the Buy American Act of such products as manganese, chromite, and other strategic minerals that may be produced in the United States. If we do nothing else, we will have served our country well in accomplishing this one thing.

Mr. Chairman, we shall really do nothing to restore prosperity and increase employment in this country by the purchase of foreign metals when we have the same minerals here at home.

One of the surprises of the war period was a large production of manganese ore in Montana. In 1916 general attention was directed to the manganiferous deposits by the shipment of rather large quantities of high-grade manganese oxide ore from Phillipsburg. In 1917 the production in that district so greatly increased that Montana jumped far ahead of the other States producing manganese ore. Reports from the operators in 1918 show a minimum reserve of 125,000 tons of high-grade carbonate ore and an additional very large amount in prospect. The total amount of high-grade manganese ore, including the carbonate and oxide varieties, in Montana is at least 250,000 tons, or somewhat more than one-third of the total amount estimated for

the country. This writer believes that the expectation of finding very large additional amounts of carbonate ore is warranted.

Chromite is found in a belt of pyroxenites and peridotites near the south border of Montana, in Sweet Grass and Stillwater Counties. The belt starts on the Boulder River, in Sweet Grass County, 10 miles south of McLeod, and extends in a general direction 15 degrees south of east for 27 miles to Fishtail Creek, in Stillwater County. A smaller deposit of chromite some 25 miles to the southeast, near Red Lodge, is not a part of this belt. The mode of occurrence gives every reason to believe that the ore extends for considerable distances below the surface, perhaps 1,000 feet or more. Chromite is also found on claims near Washoe, 10 miles southwest of Red Lodge. Although no approach to an accurate estimate is at present possible, it is the belief of the writer that the estimate of 375,000 tons is a low estimate for the belt as a whole. If that amount of ore is not ultimately recovered, it will not be because the ore is not in the ground. It should be noted that the form of occurrence of the chromite in this belt is radically different from that of deposits farther west, in California and Oregon, and that there is much stronger reason for counting on continuity in depth here than there.

The development of our own natural resources has been placed as a secondary consideration by the Committee on Military Affairs, according to the committee's report. The first point in the committee's report on the bill is based on the alleged immediate need of national-defense precautions. It appears to me that the protection of the American market for the American producer is suffering under the supposition of an immediate war danger.

The report states:

The principle involved being by the placing of educational orders with factories adapted to the production of noncommercial articles; that is, those not of commercial value other than in the national-defense picture; and it is likewise felt that, inasmuch as such strategic and critical materials as manganese, tungsten, tin, and rubber are now very largely obtained from foreign sources, if a general war, which is not at this time unlikely, should occur, the lines of trade and commerce with foreign countries might be severed * * *.

At the same time the report points out that American producers are capable of providing a great tonnage to the American market if the foreign imports are unavailable. The report states (p. 203):

During the World War, when prices were high, the domestic industries, particularly the manganese industry, was encouraged to make further and additional development of their mines and properties that production of manganese in particular, which is regarded by the committee and by the War Department a strategic mineral No. 1 in matter of importance, rose from a domestic production of 2,635 tons in 1914, with 31 producers engaged in the industry, and within the 3 years thereafter, going up to 1918, the production went up from this small tonnage to 305,869 tons, and the number of producers from 31 to 247, and this is quite convincing that if the industry, then in its infancy, practically dormant, could revive to that extent, that with modern equipment and machinery now available from many sources, and with trial orders sufficient to give encouragement to further development, our domestic sources * * * within a period of some 4 or 5 years, we would probably be independent of foreign sources for supplies.

Excerpts from the testimony presented by James W. Furness, Chief of the Economics and Statistics Branch of the Bureau of Mines, before the Committee on Military Affairs during consideration of the measure now before the House, are particularly significant as concerns the production of manganese in Montana.

On page 83 of the hearings report, Mr. Furness stated:

The manganese content of manganese ores imported into the United States is consistently around 47 percent.

Speaking of production in Montana on page 89, Mr. Furness said:

The grade of the ore is raised (through a processing plant) from approximately 30 percent to more than 60 percent.

And on page 91, Mr. Furness stated:

Butte can produce ore not only higher grade than any other source that we now know, but it can produce a comparatively high tonnage as compared with the domestic production, but not compared with the tonnage imported.

The chairman of the committee on page 93 asked Mr. Furness the following question:

Then you tell us there has been a developed production of about 70,000 tons a year out at Butte, Mont., and now what has your committee done toward finding about these other States besides Montana? How many other places have you got a production of 70,000 tons a year?

Mr. Furness answered:

Nowhere else.

Tables on page 3 of the reprint of a chapter entitled "Manganese and Manganiferous Ores" from the Minerals Yearbook, 1938, prepared by the Bureau of Mines, show the amounts of metallurgical manganese and ferruginous manganese ore shipped from Montana and other States from 1933 to 1937.

The tables show that Montana shipped 16,854 long tons, or two-third of the entire amount shipped from United States mine, of metallurgical manganese ore in 1937. In 1936, Montana shipped 5,154 long tons; in 1935, 2,155 long tons; in 1934, 1,657 long tons; and in 1933, 987 long tons.

Montana was second high in 1937 among States shipping ferruginous manganese ore with 19,660 long tons, a slight decrease from the figure in 1936. Shipments of ferruginous manganese ore from Montana in 1936 totaled 20,307 long tons; in 1935, 6,818 long tons; in 1934, 11,247 long tons.

Now when the committee report states that "the important strategic raw materials—manganese, chromium, tungsten, and tin—are either lacking in this country or are produced in very limited quantities incapable of marked expansion," it is paradoxical to the preceding production figures in Montana alone.

Montana alone is capable of producing 70,000 tons of high-grade manganese annually. Domestic manganese is not "entirely lacking" or "incapable of marked expansion," as stated in the committee report.

Furthermore we have a record tonnage of imported strategic metals, particularly manganese, in stock piles today. Surely we must give all consideration possible to domestic producers and under no circumstances must we purchase from foreign producers under the pretense of a war mania.

The committee report shows that we can produce manganese and chrome in the United States. It is far better to develop our domestic resources rather than to continue to purchase foreign materials. You cannot put men to work in the United States by purchasing foreign strategic materials.

[Here the gavel fell.]

Mr. MARTIN of Iowa. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, I am one of those old-fashioned Americans who believe we should patronize home industry. I can see no reason whatever for including manganese in this measure. As I recall, from 35 to 38 States in the Union have large deposits of manganese. It was for the purpose of developing these deposits that a tariff rate of $20 per ton was imposed in the Hawley-Smoot Tariff Act. Under the beneficent influence of this protection there was rapid development of the American manganese industry, but in negotiating the trade agreement with Brazil we very generously reduced that tariff rate of $20 per ton to $10 per ton, which practically shut down all American manganese mines because their operators could not compete with countries where the wage scale is but a fraction of what it is in this country. When we reduced the tariff rate on manganese in the Brazilian treaty that benefit automatically was extended to Cuba, Russia, India, and other large producers of manganese, where the going wage scale is about 25 to 50 cents a day.

Of course, you are never going to develop the American manganese deposits with a tariff rate of $10 per ton; in fact, it would need at least $20, and there are those who say we would need perhaps a $25 tariff. But I notice that when the $20 rate was in effect the manganese mines in Minnesota were operating, and I notice that the imports at that time were comparatively small. Of course, the large steel manufacturers want cheap manganese. They want to buy

their manganese in Cuba and Brazil and in India and in Russia, because they can buy it there for a fraction of the amount for which the American miner can produce it.

It seems to me the time has come when we should restore the bars that are so essential to the welfare of agriculture and industry in this country. The gentleman from Montana [Mr. O'CONNOR] called attention to the deposits in his State. The gentleman believes the passage of this measure will help the mining industry in Montana. The gentleman is a bigger optimist than I am. I do not believe we are going to get a dollar out of this program. I do not believe the State of Montana will get anything out of it. Of course, we have worried along with these trade agreements now for the past 4 or 5 years, and I guess we can stand for it another 18 months. Then we are going to have a change.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I have only 5 minutes. I am sorry.

Mr. SHEPPARD. So am I.

[Here the gavel fell.]

Mr. MARTIN of Iowa. Mr. Chairman, I yield 3 additional minutes to the gentleman from Minnesota.

Mr. KNUTSON. In the meanwhile we shall continue to operate soup kitchens and W. P. A. and P. W. A. and all these other economic monstrosities that only dreamers and visionaries could concoct. Fortunately, we are returning to sanity. That was shown in a number of States last fall. Unless all signs fail, we are going to have a Republican landslide in 1940. But I pity the man who is elected President, because he will not in one term be able to clean up the mess he will find, so he will have to reconcile himself to being a one-termer. [Applause.]

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I yield 10 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Chairman, when I came here in January 1937 as a new Member, one of the first Members of this body I met was the gentleman from Nevada, Congressman SCRUGHAM. He said to me in a private conversation that we ought to try to put in some military or naval appropriation bill an item for say $10,000,000 to provide for laying in a stock pile of strategic war materials. I said, "Governor, I do not know much about that. You as an artillery officer in 1917 probably got an insight of the country's need." He said, "Exactly so. The country was in desperate need for them when we entered the war."

You will recall that the House in 1937 put in the naval appropriation bill an item for $5,000,000, which was cut to $3,500,000, and passed. This was a starter. I recall that the Committee on Military Affairs was kind enough to listen to me on May 18 of 1937 when the preceding Faddis bill was before that committee. It also provided that a stock pile should be gathered of strategic materials from abroad. I believe the original Faddis bill provided that these materials should be obtained from abroad as part payment of the war debts. It occurred to me at that time, as it does today, that there is very little likelihood of our getting any money from the nations who owe us these debts. We are getting strategic materials from Russia, but I believe Russia intends never to pay her war debt to us. Therefore, I do not have very much hope that we shall get much of these materials from some of the nations abroad which owe us money, for some of the countries that can best produce the materials we need do not owe us war debts and some that owe us war debts will not pay us in that way.

I have heard something said here today about additional national expense and the mounting debt. I should like to ask if you ever knew a businessman to build a $5,000 or $10,000 frame dwelling and then as an economy matter fail to take out fire insurance on that dwelling. I believe we might go ahead and vote our millions and billions as a matter of national defense and for other purposes and fail to pass some such legislation as this, and thus exhibit the same lack of judgment the man who builds a $10,000 frame house exhibits when he fails to take out a fire-insurance policy on the house.

Why am I here advocating this bill in general? Am I a spokesman for the American Manganese Association? By no means. Am I here speaking for some promotion concern in Arizona? By no means. I do know, and I can back up this statement of my colleagues from the West, that there are great deposits of these strategic materials all over the West. I heard the gentleman from South Dakota [Mr. CASE] say there is enough manganese in South Dakota to match all the iron ore in the country. I have just heard the gentleman from Montana [Mr. O'CONNOR] say we are producing great quantities of manganese at Butte.

My other colleague, the gentleman from Minnesota [Mr. KNUTSON], has just said we are producing it out in Minnesota. I do know there are millions of tons of manganese ore in sight out at Artillery Peak in Mohave County, Ariz. I do know that I have received many letters and telegrams from my constituents in Arizona saying, "help the small mine owners," in many, many ways which I have not time to enumerate.

It has been suggested that we do not have these strategic materials in this country. I cannot believe that. I have it on the word of the dean of the School of Mines of the University of Arizona, and other eminent authorities, that there is a vast supply of manganese, for instance, at Artillery Peak, Mohave County, Ariz., and I know there is a vast supply of tungsten in the State of Arizona. I believe we have no need, from the standpoint of conserving our present stock to meet future needs—and there is no man in this House who takes more interest in posterity and preserving for posterity what we ought to preserve for it than myself.

I am not speaking now for the American Manganese Association, neither do I speak for great steel manufacturing concerns. I want that to be distinctly understood. I am very much interested in the steel industry of this country in general and I know that manganese, for instance, is the very backbone of the steel industry. We must not depend upon foreigners for this. I do not want our great steel-manufacturing concerns to continue indefinitely to get their supply of cheap manganese from low-paid labor abroad when they ought to get it at home.

As a matter of national defense, and that is my primary interest in this bill, I want us to have not only a present stock pile, and I am willing to get it from Russia, or China, or any place else right now within the next 30 days, if it can be done, and I am going along with this bill with that understanding, but I do not want that thing to become the Nation's fixed policy. It is of the future years I am thinking. That we may have a long-time national defense, we ought to begin now to produce what we can produce and what we know we can produce in this country. So I am hoping for an amendment to this bill looking in that direction.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. If I have the time; yes.

Mr. MURDOCK of Utah. I know the gentleman is familiar with the great contribution made by American prospectors of the West in developing our mineral resources, and I am just wondering if a part of the money appropriated in this bill for exploration for these critical and strategic materials could not be well allotted to those prospectors in the way of grubstakes.

Mr. MURDOCK of Arizona. I think that is true. I would like to see that done.

Mining throughout the great West is now stagnant. It is one of the great industries on which all of our prosperity depends. We ought to do that and we ought to liberalize the rules of the S. E. C., and we ought to liberalize Reconstruction Finance loans. We ought to do everything possible to induce new and private capital to enter into the development of western mines, not big mines only, but also small mines. Every day I get many letters from the small mines' associations, of which there are about 50 councils organized all over the State, asking for just these things.

I tell you, Mr. Chairman, we all know and speak about the importance of manufacturing and farming, but the

great extractive industry of taking wealth from Mother Earth is basic and parental, and I want to emphasize that.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I am interested in the manufacture of steel, I am interested in farming, I am interested in mining, but I want to stress this thought before my time expires. I am basically interested in national defense, and we cannot have a national-defense policy unless we somehow split the difference between two opposing schools of thought with respect to this matter. Get your immediate stock pile at once, get it abroad, by exchanging cotton, if you please, but see to it that year after next we get these minerals right out of the soil of America.

Mr. ROMJUE. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I will have to yield first to my friend over on this side.

Mr. SHORT. I may say to the gentleman from Arizona that he has really answered the question I had in mind. The gentleman has made a very splendid statement, and while we should do everything in our power to encourage industries in this country, due to the present emergency, I am pleased that the gentleman states he is willing for us to import these four strategic materials.

Mr. MURDOCK of Arizona. I thank the gentleman from Missouri. Yes; I am willing and anxious that they be imported for only a short time.

Mr. ROMJUE. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I yield to the gentleman.

Mr. ROMJUE. If legislation of this kind had been enacted when we entered the World War, would it not have saved much time and millions of dollars?

Mr. MURDOCK of Arizona. It certainly would, and that is one of the points I wish to cover next. We have been told here that the Government spent a lot of money 20 years ago doing what we are asked to do now, but let me remind you that we did not begin that program until after the war started. We had better begin now before war starts, for fear we may have a war, and I hope my colleague, the gentleman from Montana [Mr. O'CONNOR] is correct that we are not going to have any war. I pay money out for accident insurance, and hope never to need to collect a cent.

One more thing. Matters have changed in 20 years. New processes have been developed. I understand there is an electric process now for refining manganese ore so that we can have, wherever there is cheap power, manganese ore produced suitable to our trade which could not be done 20 years ago.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. ANDREWS. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Chairman, I do not want to trespass on the time of the Committee this afternoon, except to say that several Members on the floor on both sides—yes, even some on the majority—have asked me if I think this is a good bill. I feel highly flattered that any majority Member would ask my opinion of any piece of legislation, but I am happy to state that I think I am correct when I say that the Committee on Military Affairs is unanimously in favor of this legislation. It is a good bill. Its quick enactment is both desirable and necessary. I pause long enough to extend my congratulations and appreciation to our distinguished chairman, the gentleman from Kentucky [Mr. MAY] and the author of the bill the gentleman from Pennsylvania [Mr. FADDIS], both of whom have given much time and serious study to this particular legislation. We all know that it is absolutely useless for us to build battleships, tanks, semiautomatic rifles, artillery, antiaircraft guns, and so forth, unless we have something to shoot out of those guns, and the four strategic materials covered in this legislation—manganese, tungsten, tin, and chromium—are essential materials in warfare. Modern war cannot be waged without them. They are indispensable. I think that the provision in the pending legislation whereby we shall attempt to secure tin and rubber from some of our former allies to apply on the war debt they owe us is a very good provision, although I do not expect us to get a dollar's worth of any commodity by applying it on the war debt. It is regrettable that a more serious and determined effort has not been made to collect these war debts or to take them out in trade; and, since we do not have much faith or hope in getting tin and rubber by applying their cost to the credit of our debtor nations, I think the provision of bartering excess cotton and wheat for these strategic war materials is a wise one. I deeply appreciate the efforts of the gentleman from Georgia [Mr. PACE], along with those of the distinguished junior Senator from South Carolina, who brought this to the attention of the American people. I hope that as we secure these war materials and build up our own national defense that we will keep in mind at all times that it is all for defense purposes only, and while we want munitions and materials of war to shoot out of these cannon and guns, let us hope and pray that we may never have to shoot any of it except in practice. [Applause.]

Mr. MAY. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Chairman, I am glad to know that our genial friend from Missouri [Mr. SHORT] is in hearty accord with the purposes of this bill, because I feel that we are all now pretty well agreed that the 3 hours' debate allotted to us is hardly necessary. I shall yield a part of my time to the gentleman from Pennsylvania [Mr. FADDIS].

As has been said by the gentleman from Missouri [Mr. SHORT], the chairman of the committee has rendered distinguished service in reporting this bill, but I recall that for the last 3 years the gentleman from Pennsylvania [Mr. FADDIS] has had a bill of this kind before the Committee on Military Affairs, but it is only a recent thing that so much attention has been attracted to this particular legislation.

I was interested in what the gentleman from Arizona [Mr. MURDOCK] had to say, that this is primarily a national-defense measure. This is no tariff bill. This does not involve reciprocal-trade agreements or anything of that sort. This is a bill that the War Department and the Navy Department say is absolutely necessary for proper and adequate national defense. It is not necessary to recount the lack of supplies of this kind that we needed during the World War. Along with the national-defense bill we passed last month, this is just another part of a program to accumulate these stock piles, so that we will not be caught in any such predicament as we found ourselves in during the World War. It does have a twofold purpose, because in addition to the national defense it gives encouragement to the American mining industry. I live away down at El Paso, where there is a big smelter and likewise a large copper refinery. My people are interested in mining, and I think near my own city there is a tin mine which has now been abandoned for some years, but I know some good mining men who believe that with just a little encouragement it could be made to produce in paying quantity. Tin is one of the scarcest materials that we have in this country. I want to assist and encourage the mining business. The owners and operators deserve encouragement, and this program will also assist employment.

I want to see the mining industry of the entire country prosper. I am one of those who believes that we can always depend upon the War Department and the Navy Department, so long as it is consistent with national defense, to give preference to the domestic producer. If you will read carefully the testimony of those who spoke for the War Department and the Navy Department, as disclosed by the hearings, you will find that in every instance both the War Department and the Navy Department have always given preference to American production where the proper quality and quantity of mineral could be obtained.

So it seems to me, in view of the fact that the chairman of the committee and the ranking member on the minority side have agreed on the Buy American amendment to the bill, there is little need for further discussion or for any roll call, because this Congress has already demonstrated it is tremendously interested in national defense, and that is all there is left to this bill. [Applause.]

I think it is a very fine piece of legislation, and I am anxious to see this bill go to conference in order that any differences existing between this bill and the so-called Thomas bill shall be ironed out and the bill become law quite soon, in order that the Procurement Division of the Treasury and the procurement division of the Army, the Navy, and the Bureau of Mines shall begin operation under this bill. We have been talking about it for 3 or 4 years. It will encourage those interested in national defense, but likewise it will be a great stimulus to the domestic mining industry of this country.

I want to again pay my tribute of thanks to the gentleman from Pennsylvania [Mr. FADDIS] and all others, including the chairman of the committee [Mr. MAY], the gentleman from South Dakota [Mr. CASE], the gentleman from Nevada [Mr. SCRUGHAM], the gentleman from Arizona [Mr. MURDOCK], and many others who have been so largely interested in this important legislation for 3 or 4 years, but only now begin to see the fruition of their efforts.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield.

Mr. LEAVY. I notice in this bill there is a provision for $500,000 additional to the Bureau of Mines and the Geological Survey for research and exploratory work. I think that is a very commendable and splendid thing. If they, in the course of this research and exploration work, should make findings that we have these strategic minerals in America, then would we be in a position to automatically stop this storing up and making purchases abroad?

Mr. THOMASON. Oh, I do not think there is any doubt about it. The committee was unanimously in accord with the views just expressed by the gentleman from Washington [Mr. LEAVY]. That is a fine provision in this law, but, of course, if you judge the War Department and the Navy Department by their past records, as well as the promises made by their spokesmen in the hearings, the gentleman from Washington and every other Member of this body, as well as every American citizen, need have no fear whatever that the War and Navy Departments will immediately seize upon that new development as a result of the exploratory and experimental work, and give all the purchases to home production.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. ANDREWS. Mr. Chairman, I yield 4 minutes to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Chairman, there are many here today who, like lawyers, believe that the best defense is thorough preparation. This, therefore, is a strategic time to point out to you the horrible truth that we are leaving to potential enemies of the United States the power to gain control of our supply of a very important war material—zinc.

If war should come—and the people are looking to this Congress to prevent war—there must be zinc in every cartridge that is fired.

Some of the gentlemen here may fancy that we have an adequate supply of zinc. We have mines in Missouri and New Jersey, we have zinc-processing plants in Missouri, Illinois, and, I am informed, in Wisconsin.

The truth is, however, that American zinc industries are now being rapidly destroyed by an undeclared price war, which is the direct result of the treaty with Canada which went into effect last January. [Applause.]

Our industries cannot possibly compete with zinc industries in foreign countries. We have wage and hour laws; we have high taxes; the social-security tax in the zinc-processing plant in my district, for instance, near Danville, Ill.—Danville, you will remember, was "Uncle Joe" Cannon's home town—amounts to $100 a day. Last year, due to this treaty, this one plant lost a quarter of a million dollars. Already the operators have been forced by the treaty to discharge hundreds of men. The situation is the same everywhere in the American zinc industry.

I am told that those in the State Department profess not to understand how a treaty which became effective in January might have caused a loss last year; but, fortunately for the United States, there are some Members here who know business and business ways; who can appreciate that in an industry like this, where prices are quoted 4 months in advance, the effect of a treaty in January is to reduce prices at least 4 months before January; who know that a plant, in order to hold customers, will reduce its prices down below cost; who may also see that no zinc plant can go on very long losing money at the rate of a quarter of a million dollars a year.

Fortunately, there is one chance left to remedy this perilous condition—the treaty referred to comes up for review next month.

We have already learned that America needs that Congressmen shall be more than "little Sir Echoes" of an administration.

So I am hoping that those of you who are welcome at the White House will on your next visit there carry with you this thought: That it is not going to do America much good to buy millions of dollars worth of guns with which to frighten so-called aggressors if the so-called aggressors have up their sleeves the assurance that through the Secretary of State we are signing away the power to produce the stuff of which our bullets must be made. Thank you. [Applause.]

Mr. ANDREWS. Mr. Chairman, I yield 3 minutes to the gentleman from Montana [Mr. THORKELSON].

Mr. THORKELSON. Mr. Chairman, I shall support this bill for the full amount it authorizes, $100,000,000. I look upon it not as a war measure because we use manganese in peacetime as well as in wartime.

Manganese is produced in Montana, and our Montana producers are not asking any aid in its production. We have well-developed ore bodies and we have flotation plants and nodulizing plants in Montana. These plants represent the investment of many millions of dollars. We can produce on 24 hours' notice at the rate of 70,000 tons of manganese per year. After 3 months of operation we can produce at the rate of 140,000 tons per year, and after 4 years of operation we can produce at the rate of approximately 400,000 tons per year. This production is of 60-percent manganese as compared with imported manganese which runs only about 47 percent.

I am interested in another phase of this bill. My colleagues on the left speak about spending money. Here is an opportunity to stop spending money by allowing our mines to operate and employ the people of Montana who are now idle. This will reduce the W. P. A. pay rolls and at the same time add to the production of needed materials. I believe our own industries are entitled to this much consideration not only as a war measure but as a peace measure. I shall, therefore, give my full support to this bill carrying as it does authorization for $100,000,000. [Applause.]

I am speaking in behalf of H. R. 5191.

My State does not ask any aid of any kind from the Government to develop a manganese resource. Developed ore bodies, a commercial flotation process, and nodulizing plant are already in existence, representing several million dollars of investment.

One operation at Butte can start producing the highest grade nodulized manganese ore in the world with fewer impurities than any known ore. This operation can start within 24 hours' notice. Furthermore, it is the only known ore which has been used 100 percent straight in a blast furnace; that is, it does not have to be blended with other ores.

This operation has a present capacity of 70,000 long tons of nodulized ore per year and the owners would be willing to double this capacity, which would mean 140,000 tons per year. Doubling this capacity can be accomplished in 3 months' time if necessary. I am advised that the ore supply for such production is adequate.

Another phase of this situation, which seems to me of vital importance at this time, is the number of men that would be employed in my district alone. I am informed that steady and gainful employment would be given to 415 men per day on a 70,000-ton of nodulized manganese ore per year basis

and approximately a thousand men on a 140,000-ton per year basis.

Within the 4-year period which this bill covers I have no doubt that the manganese resources of Phillipsburg, Mont., will come in for more intensive development, as they were heavily drawn on during the World War. At the end of the 4-year period I predict that my State alone will produce a large percentage of the United States requirements.

From the title of this bill I gather that it is the will and intent of Congress to, first, provide for a stock pile insofar as possible from domestic sources, and secondly, to develop sources of strategic raw materials in this country, to the end that such materials may be removed from said strategic list. I consider it my duty, therefore, to insist that American production and American labor be given every and all preference over foreign producers, such as Cuba, Russia, India, Africa, and Brazil.

It is my conviction that this amendment should be adopted, as it will bring the proposed bill, H. R. 5191, in line with the Thomas bill, S. 572, which has already passed the Senate by a vote of 59 to 13.

Mr. MAY. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. FADDIS].

Mr. FADDIS. Mr. Chairman, I am highly appreciative of the courtesy, the patience, and the industry exhibited by my colleagues on the Committee on Military Affairs in assisting in the preparation and presentation of this legislation. Since I have been a member of this committee I do not believe any subject has come before it the hearings on which stretched over a longer time or involved the examination of more witnesses than did the hearings on this subject. There was a full attendance of the committee at almost every session, and I am sure no committee ever went into a subject more thoroughly, more painstakingly, and more patiently than did the Committee on Military Affairs on this subject.

It is not my purpose to make an extended talk on this legislation this afternoon, because the matter has been very thoroughly discussed by preceding speakers. I do want to say, however, that in my opinion any acquisition of strategic materials under the provisions of this bill will be just as valuable to this Nation, or perhaps more valuable, than the acquisition of so much useless gold. After all, while it is almost universally recognized in this world that gold is necessary, as a basis of currency, at the same time when we come to making a practical use of gold, about its only practical use, as far as I can see, is what you can use to fill your teeth. If we accumulate reserves of these essential materials without which the industries of this Nation cannot function, either in time of peace or in time of war, we have added to the resources, the assets, and the wealth of the Federal Government something which may be more valuable to us some day than all the gold buried at Fort Knox.

It does not necessarily follow that we contemplate using these materials in war time, as far as their use in lethal weapons is concerned, but it is highly probable that the day may come when the world will be so torn with strife that it will be impossible for us to secure enough of these essential commodities to enable our industries to function even though we may not be engaged in any hostility ourselves.

To illustrate: We are the largest consumer of tin in the world. Each year we consume in the neighborhood of 60,000 tons of pig tin—that is, refined tin, virgin tin. Every pound of this tin comes from abroad. The largest percentage of it comes from the Malay Straits Settlements. Some of it comes from Bolivia. We do not at the present time in the United States have one single smelter that could smelt tin ore, could we acquire the tin ore. We are the largest consumer of manganese in the world and annually consume in normal times in the neighborhood of 1,000,000 tons of ferromanganese. Without manganese our steel industries could not function. We are also the world's largest consumer of chromium and tungsten. Without these materials our steel industry could not function. Prior to this time we have imported practically all of our chromium and tungsten as well as our manganese.

I do not desire this afternoon to go into the likelihood of our being able to produce manganese domestically. In this connection I desire to say only that so far we have never done so, and by the testimony of the most optimistic supporters of a domestic manganese industry it has been proven before the Committee on Military Affairs that with the very best that they could do it would take 8 years before domestic producers could produce our annual needs of manganese. I would like to see the day come when we would be self-sufficient in manganese, and, indeed, self-sufficient in every commodity which we need in this Nation. That is, however, a physical impossibility.

There are many other commodities which may be acquired under the terms of this legislation, and it will be noted that no commodity is mentioned by name in the pending legislation. It is flexible enough to meet the varying conditions which we may encounter.

The first legislation introduced and reported along this line mentioned four commodities by name and it only proposed to acquire these four commodities. They were manganese, tin, chromium, and tungsten. But as more work was done on the legislation and more thought given to it, it was realized that conditions change so rapidly now that what is a very essential commodity today may not be so essential tomorrow, while a commodity which today is relatively unimportant may be a No. 1 essential commodity tomorrow. For instance, I do not doubt that a great many Members of the House are acquainted with this new metal beryllium and the rapid advances which will in all probability be made by that metal in the next few years. I use that simply as an illustration. There are various commodities which it will be necessary to acquire under the terms of this legislation that are highly perishable. These commodities are not metals. Manganese, tin, and various other metals could scarcely be classed as perishable, but there are certain drugs that are highly essential to this Nation which are highly perishable as is also rubber. There is not only a possibility but the certainty that these cannot be stored for any great length of time.

In order that the War Department may not lose the money invested in those commodities which are perishable, the rotation feature is provided in this legislation. The Procurement Division may turn these commodities into the market before they deteriorate and become useless. However, when they turn these commodities into the market, they must acquire others to replace the commodities so turned off in order that at all times a sufficient supply of commodities will be maintained in the Nation. They cannot speculate in commodities.

Just a word as to the appropriation asked for in the provisions of this legislation. We are asking for $100,000,000. I do not believe there is a member of the Committee on Military Affairs who believes that this sum is exorbitant. I know there are some of my colleagues on the minority side who do not wish to oppose the President in the matter of this appropriation. Just the same, I know that they firmly believe that in order to make ourselves safe along this line, a greater expense than this is justified.

I feel that the duty of the Committee on Military Affairs of the House is to recommend to the Congress legislation which it deems sufficient to provide for the national security of the United States. I feel further that when we have recommended to the Congress legislation that we believe to be sufficient along this line, we have discharged our duty to the Congress and to the Nation. If the Committee on Appropriations or any other department in connection with the Government does not see fit to take the advice of the committee which is charged with this duty, then the committee has fulfilled its obligations to the Nation and has done all it can do.

Mr. Chairman, I do not wish to take any more time. If any Member has any questions he would like to ask, I will be glad to endeavor to answer them.

Mr. SHORT. Mr. Chairman, I would like to ask the gentleman if he noticed about a month ago where the Federal Sur-

plus Commodities Corporation had sold to both Germany and Japan wheat for around 37 cents and 38½ cents a bushel, whereas the American consumer has to pay 70 cents a bushel in Chicago? If we are going to swap or trade our surplus wheat and cotton to Britain, Belgium, or any other country for tin and rubber, I trust that those who negotiate the trade will know how to swap horses a little better than we have been doing in the past.

Mr. FADDIS. I hope that will be the case. May I observe in that connection that the American individually is the sharpest trader the world has ever produced, but, taking us collectively, we seem to have been at the head of the world's sucker list of the past 25 years. [Applause.]

[Here the gavel fell.]

Mr. SHORT. I heartily concur in the gentleman's opinion.

Mr. ANDREWS. Mr. Chairman, I yield 10 minutes to the gentleman from South Dakota [Mr. CASE].

DEVELOPMENT OF DOMESTIC RESERVES MEANS DOUBLING OUR DEFENSE IN MATERIALS

Mr. CASE of South Dakota. Mr. Chairman, in being accorded the privilege by the gentleman from New York [Mr. ANDREWS], ranking minority member of the Committee on Military Affairs, to conclude the discussion on this side of the aisle, I, as a Member of the House, want to pay my respects to him, to the gentleman from Kentucky [Mr. MAY], chairman of the committee, and to the members of the committee. They have all been courteous and helpful to all of us lay Members who have consulted them on this bill. It was my privilege to appear before that committee in its consideration of this strategic-minerals bill. May I say to those Members who have not had occasion to appear before the committee that you will find on the Committee on Military Affairs of the House of Representatives men who are sincerely and earnestly interested in the welfare of the United States. [Applause.] They are exceeded by none in their patriotism and devotion to the best interests of this country.

As I stated, it was my privilege to appear before that committee on behalf of the proposal that the principle of the Buy American Act be incorporated in this legislation. The chairman of the committee and the ranking minority member were very sympathetic. The gentleman from Massachusetts [Mr. CLASON] and the gentleman from Iowa [Mr. MARTIN] were very helpful in framing a suitable amendment.

There are many Members of the House now before me, not members of the committee, who have been active and effective in developing support for the proposal. I see three or four in the front row, outstandingly, the gentleman from Nevada [Mr. SCRUGHAM], the gentleman from Utah [Mr. MURDOCK], the gentleman from Arizona [Mr. MURDOCK], the gentleman from Iowa [Mr. HARRINGTON], the gentlemen from Montana [Mr. THORKELSON and Mr. O'CONNOR], and others who have spoken during the day. My colleague from South Dakota [Mr. MUNDT] has been greatly interested in the matter. These men have all been working for the development of a national-defense bill that will give us a double national defense, an emergency stock pile, and the double defense that comes from the development of our own resources.

I hold in my hand copy of a pamphlet prepared by the Committee on Industrial Preparedness, of the American Institute of Mining and Metallurgical Engineers published in 1933 entitled "Manganese for National Defense."

INSURANCE IS THE KEYNOTE

I want to call attention to a few sentences appearing on page 34 thereof. I quote:

> No one can foretell what the nature of the war emergency may be. It may range from an airtight blockade on the one hand, through numerous conceivable intermediate situations, to minimum interference with sea-lanes and shipping on the other hand. For this reason the availability of foreign imports necessarily remains an unknown quantity in our problem. Nor is there any way to determine it. At best, foreign imports cannot be classed as insurance, and insurance is the keynote of this discussion.

Let me repeat that—

> At best, foreign imports cannot be classed as insurance, and insurance is the keynote of this discussion.

That conclusion of the American Institute of Mining and Metallurgical Engineers is the sound basis upon which the Members of this House have asked that this program not only provide for the stock-piling of strategic materials but also permit and encourage the development of a domestic supply.

Reference has been made, I believe by the gentleman from Iowa, to the fact that there are four principal minerals in which we have a critical deficiency: Manganese, chromium, tungsten, and tin. It is true that with respect to chromium, tungsten, and tin there is as yet a lesser amount of evidence as to adequate supplies in this country, although I am reminded by the correspondence which comes to me frequently from my people in the mineral section of the Black Hills of South Dakota that we do have chromium, that we do have tungsten, and that we do have tin.

TIN IN THE BLACK HILLS

As a matter of fact, the Bureau of Mines' reports annually call attention to the deposits of tin in the Black Hills. Over a period of years considerable tin has been produced and two companies are milling ore there at the present time. Last year a party of four engineers from the Bureau of Mines spent several weeks investigating these tin deposits and two reports from the Bureau are now in preparation and are expected in May.

I am not contending that on the basis of present investigations or data available there is evidence to show that we have a supply of tin in this country adequate for any prolonged emergency, but at least we do have deposits that warrant a complete exploration to determine if we have enough tin to carry us through an emergency. Such tin as can be produced should be bought under the Buy American amendment to this bill in order to encourage full exploration of the deposits and research proposed in the bill should be carried on in such areas as this.

MANGANESE IS NO. 1 IN IMPORTANCE

A great deal of the discussion this afternoon has been addressed to the subject of manganese, and very properly so. I believe you all saw the statement of Mr. Girdler, of the Republic Steel Corporation, made in February of this year, that the time would come when the United States would give all the gold in the vaults in Kentucky for a pile of desperately needed manganese and chromium. It needs no emphasis from me to supplement what has been said earlier this afternoon about the importance of manganese generally. We must have it if we are to have steel in war or peace. I wish to concentrate my remarks on the domestic possibilities.

Bernard Baruch, who was Chairman of the War Industries Board during the World War, in December of 1919 in a letter to President Wilson stated:

> Through a system of stimulation by a protective tariff, a bonus, an exemption from taxation for a limited period, licensing, or any other effective means, every possible effort should be made to develop production of manganese, chrome, tungsten, dyestuff, by-products of coal, and all such raw materials usually imported but which can be produced in quantity in this country.

It is stated by the American Institute of Mining and Metallurgical Engineers, in the report to which I have already referred, that their earlier conclusions, published in 1924, have been modified as a result of two things: First, the development of new processes, and second, the discovery of new deposits of manganese in the United States.

THE SOUTH DAKOTA DEPOSIT

The deposit of manganese in South Dakota to which reference has been made so many times this afternoon was not known, as far as Bureau of Mines reports or United States Geological Survey reports are concerned, until 1929, and the first memorandum prepared and issued by the Department of the Interior was in February of 1930.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I am pleased to yield to the gentleman from Utah.

Mr. MURDOCK of Utah. The deposits were found by a prospector.

Mr. CASE of South Dakota. Yes; I believe they were found by prospectors who knew what they were after. The Indians and early settlers spoke of them as the "black buttes."

The American Institute of Mining and Metallurgical Engineers in its 1933 report further says:

> There is a way to possible modification of this war-reserve requirement. We have referred in the foregoing pages to recent discoveries of large reserves of low-grade material, of which the Chamberlain nodules are perhaps outstanding.

The report goes on to a properly conservative engineering statement:

> We feel that processes might be developed, applicable to the large low-grade reserves, which would be noncommercial in normal times, but which might be thoroughly demonstrated to be technically sound and therefore applicable in times of stress and resulting high prices, such as in a war emergency. The investigation of such processes and their demonstration on an operating scale is obviously not an undertaking for private enterprise. But its importance to national defense is unquestionable.
>
> Therefore, we go further than we did in 1924 with respect to supplementary recommendations, such as stimulating research and maintaining contact. We definitely recommend concrete research by the proper Government agencies, to the end that fully demonstrated methods supported by detailed designs and plans may actually be in hand on the eve of a war emergency.

On the basis of that recommendation, direct Government exploration and development of these reserves is warranted. You will recall that only a few weeks ago Congress passed legislation to authorize "educational orders" for factories and industries.

BILL PROVIDES EXPLORATORY WORK

It is interesting to me that the bill in one section provides authorization for an appropriation to the Bureau of Mines to do actual exploration work that can involve diamond drilling or crosscutting and development of processes to make a practical determination of the value of domestic deposits.

In the press memorandum put out by the Interior Department in February 1930, with respect to this Chamberlain deposit, it was stated that the exploratory work of the United States Geological Survey had been confined to nine townships. It further stated that the reconnaisance work by the principal operator and the United States Geological Survey had shown that the manganiferous zone persisted many miles farther up and down the valley of the Missouri River. In those nine townships they found by examining the bluffs and by digging pits and piling stocks a total estimated reserve of 102,177,476 tons, not of ore but of metallic manganese. This estimate is supported by a detailed table showing the estimates according to the different sections and legal descriptions of the land.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Chairman, I yield 2 additional minutes to the gentleman from South Dakota.

Mr. CASE of South Dakota. This discovery doubled the known manganese reserves of this country. Up to that time the total manganese reserves of the country were estimated at 100,000,000 tons of metallic manganese.

I have here a letter from Donald M. Liddell, a well-known chemical engineer and metallurgist in the United States. This letter is dated September 9, 1938, and in it Mr. Liddell states with respect to the South Dakota deposits:

> There is no question that it is possible to produce manganese oxide of high grade from these ores. * * *
>
> In consideration of the importance of manganese from the standpoint of national defense, I have often wondered why the War Department was never given an appropriation to test the process for treating these Chamberlain ores. * * *
>
> At worst, if it was found that the cost was so high as to make the process noncommercial, the War Department would at least have the information necessary for the prompt erection and operation of a plant in case of an emergency.

I may add that the General Manganese Corporation, which has been the principal prospector in this area, is confident that the processes it has developed will produce a concentrated manganese that will meet every demand—if, as a new producer, they can be given assurance of a steady and dependable market at a fair American price.

In conclusion, I merely wish to say that I am in favor of this proposed legislation. I agree with the gentleman from Pennsylvania that the bill should be passed with the amount in the bill as it is. The Committee on Appropriations can be counted upon to reduce the appropriation if it is found that the failure of an emergency to develop means that the appropriation of less money is called for. However, speaking personally as a member of the Committee on Appropriations, I wish to assure you of my support for a proper appropriation under the authorization herein granted.

In my remarks on April 12 I reported that Members of the House who were interested in the domestic development as a means of doubling the defensive values of this measure had agreed on the following amendment:

> Page 4, line 16, strike out the period and insert "*And provided further*, That purchases under this act shall be made in accordance with the Buy American Act of March 3, 1933 (47 Stat. 1520), but a reasonable time, not to exceed 1 year, shall be allowed for production and delivery from domestic sources, and in the case of any such material available in the United States, but which has not been developed commercially, the Secretary of War and the Secretary of the Navy may direct the purchase of such material without requiring the vendor to give bond; but nothing herein shall eliminate the requirement that the material delivered shall meet the specifications on which the order was placed."

Since then members of the group have conferred with members of the Military Affairs Committee and with the gentleman from Pennsylvania [Mr. FADDIS], whose name is carried on the bill and who has worked hard for many years for legislation of this character. It has been agreed that the first part of the amendment, that proposing the application of the Buy American Act, will be accepted, so that the amendment will read:

> *And provided further*, That purchases under this act shall be made in accordance with the Buy American Act of March 3, 1933 (47 Stat. 1520), and a reasonable time, in the judgment of the Secretary of War and Secretary of the Navy shall be allowed for production and delivery from domestic sources.

I am pleased that the committee has announced it will accept the amendment in that form, incorporating the principle of "buy American," in order that we may have first a stock pile and second the double defense that comes from the development and the encouragement of the development of our American deposits. [Applause.]

[Here the gavel fell.]

Mr. ANDREWS. Mr. Chairman, I ask unanimous consent that all Members who have spoken on the pending bill today may have permission to revise and extend their own remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MAY. Mr. Chairman, I yield myself the remainder of the time allotted to this side.

Mr. Chairman, I do not suspect there is anybody here who imagines by any stretch of the imagination that I am going to take the 25 minutes that has been allotted to me. I would not have spoken upon the bill at all but for the fact that I very much desire to express my appreciation of the fine statesmanship, and sportsmanship as well, displayed by both sides of the House in the debate on this measure. It makes me very happy to realize that in all of these matters of national defense this body always exhibits its patriotism.

In the very few words I shall have to say about the matter, I simply want to stress two or three points. One is that this is both a national-defense measure and a recovery measure. It is a national-defense measure in the sense that it proposes to make this country self-sufficient in the matter of these strategic raw materials in case of war or any other great national emergency. It is a recovery measure in the sense that it proposes to encourage development of our own domestic resources in the production of these raw materials. If the spirit of the proposed bill is observed by those who administer it, it means development of our domestic mines and payment of wages to our own people, rather than people of other countries.

I am pleased to say on my own account that I greatly favor any measure that tends to develop domestic resources, that will spend money in this country for wages to provide greater comforts and greater conveniences for our own people, rather than spend it abroad among people to whom we owe no obligations in the way of support or relief.

I want to emphasize one other thing, and that is that it has been admitted here by everybody who has spoken upon the bill that during the last great war American producers were able to, and did, produce about 30 to 35 percent of our requirements, and basing my remarks largely upon a memorable statement made by one great statesman many years ago, that he had but one light by which his footsteps were guided and that was the lamp of experience, and taking that as my lesson today, I just want to call attention to the fact that during the World War when there was a market and a demand for manganese—and, of course, that is the critical No. 1 material—our production rose in this country, from domestic sources, from a little more than 6,000 tons to more than 300,000 tons.

Basing my remarks upon that experience and that accomplishment by an industry that had not then the facilities or the advantages of the new discoveries and the new research accomplishments we have now, I think I am perfectly safe in saying that in the event we had another war, this country would soon put itself in position to provide for our needs.

Now, I am hopeful that most of the war scare is over, and while it might not be over and they may have some war in Europe, I am not convinced yet that we are going to be involved in any war for many years, but I am also convinced that if we will begin, in good faith under the terms of this bill, to provide the necessary stocks or storage piles of these strategic materials, we can do this in peacetimes greatly cheaper than we can do it in wartimes, and that we can do it in peacetime by placing with those who have discovered deposits of manganese or tin or tungsten or chrome, if they discover them, and I know they have been discovered, according to Bureau of Mines reports, in about 27 States in this country—by placing trial orders contingent upon the production of the material and the furnishing of it—not advancing money or anything else of that kind, but saying to the producer, "When you produce so many tons of material, we will take it from you at a price." This will encourage the development of these resources of ours.

What the ordinary businessman wants is not a boost in prices for a small amount of production. What he wants is a long-time contract upon which he can be assured that he will have a market for his product in the event he finds it and produces it. In other words, the Government does not have to assume a single risk in the matter of domestic purchases of these strategic raw materials. What they should do and no doubt will do is to place orders for their needs at such prices as they are willing to pay and the producer is willing to take, and then the producer simply takes his Government order to his banker and on that order and the faith of the banker in his customer and his Government, he advances to the businessman the money necessary for working capital and production costs, and the producer then retires his loan from profits made. In that way the private banker furnishes the money for development and the Government pays for what it gets and nothing more. Therefore, I think that the matter of trial orders which this bill would authorize, if adhered to by those who administer it in the spirit in which the Congress intended it, will be a great boon to the production of domestic materials of this kind.

One thing on the question of the amount of money authorized by this bill, and I feel that it is unnecessary to discuss it because the bill will pass with the provision in it, but that is merely this: We do not know whether war will begin tomorrow or next day or 6 months or next month or this year or next year. It may be that the War Department and the Navy Department will need more money 3 years from now than they need this year. It might be that they will need more money next year than 4 years from now, and I think our committee has wisely provided for a lump-sum authorization in the maximum amount of $100,000,000, and that the House Committee on Appropriations and the President, through the Director of the Budget, will be able to control the situation, and instead of having too much money one year and not enough another year we will have the proper amount, and if an amendment should be offered I think it would be wise to leave it as it is.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. MAY. Yes, gladly.

Mr. CASE of South Dakota. I was going to point out the very thing that the gentleman has mentioned, and also point out if the amount were reduced and 2 years from now it is found that we should make a larger purchase, the hands of the Appropriations Committee and the President would be tied.

Mr. MAY. That is correct, and time can only tell what the requirement will be, and the Committee on Appropriations will have ample latitude to provide what we need when we need it.

Mr. DONDERO. Over how long a period is it expected that this amount will be sufficient?

Mr. MAY. If we have any war at all we are liable to have it within the next 4 years, and the bill will provide for an amendment which the committee will offer for the use of this material within a period of 4 years, beginning with the 30th of June 1939, and ending with the fiscal year 1943.

Mr. DONDERO. Four years then.

Mr. MAY. Four years is the time. One other thing, and I am through. I want to say this to the minority side of our committee. Of course, they are all Republicans, and on the other side they are all Democrats. I suppose they are not to be blamed for being Republicans, and we are not to be charged with blame for being Democrats. But at no time since I have been chairman of the Committee on Military Affairs have I ever discovered the slightest effort on the part of any one of the minority to obstruct the proper procedure of the committee. They are helpful and cheerful under all circumstances; and since the gentleman from Missouri [Mr. SHORT], the orator of the Ozarks, had occasion to say some very flattering things about me, I say in reply that when we are in committee, and when we get into a little trouble, he always turns up as a ray of sunshine and gladness. He has always some happy joke that he can tell to get us off our troubles. He is always resourceful, so that on the one side I have my colleagues politically when I sit at the head of the committee, and I have a strong right arm, but I also have a strong left arm in the person of the minority members of my committee. I am happy to be here this afternoon for the finish of this bill, and I am delighted to close the debate with this statement.

Mr. Chairman, I yield back the remainder of my time and ask for the reading of the bill.

The Clerk read as follows:

Be it enacted, etc., That the natural resources of the United States in certain strategic and critical materials being deficient or insufficiently developed to supply the industrial, military, and naval needs of the country, it is the policy of Congress and the purpose and intent of this act to provide for the acquisition of stocks of these materials and to encourage the development of mines and deposits of these materials within the United States, and hereby decrease and prevent wherever possible a dangerous and costly dependence of the United States upon foreign nations for supplies of these commodities in times of national emergency.

Mr. DIMOND. Mr. Chairman, I move to strike out the last word. I am moved to address the committee briefly today by reason of one statement contained on page 5 of the report of the bill, which reads as follows:

There is no domestic production of tin.

That is a broad statement, and unfortunately the committee was not well informed as to the domestic production of tin. There has been some domestic production of tin in the Territory of Alaska ever since about the year 1900, and by referring to the reports of the United States Geological Survey I find that the domestic production of metallic tin in Alaska in 1937 amounted to 166 long tons and in 1938 to 102 long tons. I have prospected in the Territory of Alaska

for a great many years; and while I never spent any considerable time in the district that contains tin, I know there is a vast region in the Territory of Alaska more than 100 miles wide and approximately 800 miles long in which placer cassiterite, small portions of tin ore, can be found in some of the creeks within every 50 miles, and in some districts considerable quantity of this tin ore can be found mixed with gravel and other creek-bed material.

Mr. MURDOCK of Utah. Mr. Chairman, is it not a fact that every important mineral and metal discovery in Alaska has been made by prospectors?

Mr. DIMOND. Oh, yes; in fact, no discoveries are likely to be made otherwise.

Mr. MURDOCK of Arizona. We have been told that Alaska is the great treasure house of the United States. I suppose the gentleman intends to speak of nickel and perhaps some of the other strategic metals.

Mr. DIMOND. We have good reason to believe that we may be able to develop enough nickel in Alaska to supply a large part of the needs of the Nation for nickel. That is a large order, but I make the statement after consideration. There is at least some probability that we have that much nickel in Alaska.

But what I wish to speak about is tin. Alaska is one place under our flag where there is at least more than a fair chance to develop an adequate national supply of tin. Let me repeat that there is an area in Alaska extending from Tin City on Bering Strait, 800 miles approximately eastward to the boundary of Canada, and tin ore can be found in the gravels of many of the creeks all along this region.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. DIMOND. I yield.

Mr. LUTHER A. JOHNSON. The Foreign Affairs Committee of the House held exhaustive hearings several years ago on the subject of tin, making an investigation as to its production in this country, and also from whence it came, because of the fact that the United States consumes more than half the tin used in the world; yet we found no place in the United States where it was produced. Have there ever been made any tests of this tin in Alaska?

Mr. DIMOND. Yes. In the year 1937 Alaska produced about 166 long tons of metallic tin; in the year 1938 about 102 long tons. There is capacity for indefinite expansion of our production of tin in the Territory. The one thing that ought to be done by the Congress is to appropriate sufficient money to adequately explore the tin resources of Alaska. That is what I suggest now.

Mr. FADDIS. Mr. Chairman, will the gentleman yield?

Mr. DIMOND. I yield.

Mr. FADDIS. I am firmly convinced that there are extensive deposits of cassiterite of tin in Alaska that could well be worth mining. I have been trying to get some people interested for the last 4 years in the matter, but I have been unable to do so. They claim it is too far away, and so forth. I agree with the gentleman. I believe there are valuable deposits there.

Mr. DIMOND. Mr. J. W. Farrell, of Hot Springs, Alaska, who is extremely well informed on the subject, sent me some time ago a statement which he wrote concerning the occurrences of tin ore in the placers of Alaska from which I quote the following, believing that it is accurate and not an overstatement:

> The exploitation of tin on the Seward Peninsula has been carried on more or less since the beginning of the century. Reports of geologists and prospectors indicate that stream tin is dominant throughout the peninsula. In the Cape York, Port Clarence, and Kougarok mining districts tin has been found in commercial quantities and has been mined desultorily for the last 35 years. Repeated interruptions in its production have been caused solely on account of the market price. It is the old story again: We cannot compete with foreign products, with their cheap wages and low standard, unless we are subsidized or protected. It is in the York district where the most tin is mined. It is only those deposits of easy access and economically situated that can be made to pay under the existing conditions.
>
> YORK DISTRICT
>
> Near Tin City in the Cape York district a dredge was operated for the recovery of tin alone. It has been in disuse now for many years, not because of the lack of tin ore to dig, for there are vast tracts of it, but the market price of the product did not justify continuing its operation. In this district tin has been found in the lode or bedrock source also. But owing to the great expense of exploration work on quartz prospects, especially on a metal of such low value, prospectors were not interested.
>
> RUBY-POORMAN AREA
>
> Eastward from the Seward Peninsula is the Ruby-Poorman mining district. Tin occurs in most all of the placer gold creeks in this camp. Only in a few instances has there been tentative shipments of tin to the market. There is, however, in this district many tributaries of the Sulatna River that throw more tin than gold, and the tin content is of sufficient quantities to be a prolonged producer if the price were right.
>
> Further eastward again is the Gold Hill mining district. Grant Creek and Mason Creek are said to contain large deposits. These two creeks will soon be in placer-gold production on a big scale. Whether it will justify the operators to save the tin it remains to be seen.
>
> HOT SPRINGS TIN
>
> Next comes the Hot Springs mining district. This camp and the Cape York district have been the greatest units in producing over a million dollars' worth of tin for the world's market. Please note, I say "world's market" for our big Nation has no market. In the Sullivan-Tofty area of this district placer-gold mining is being carried on of late with modern mechanical equipment. Last season this section was a big factor in the output of the Territory. Over tracts of placer ground that will be worked drill holes show that the tin content is more constant than the gold.
>
> The estimate of the tin values in this area run into the millions. Whether the operators will make any special effort to recover the tin or let it be swept away into the tailings is problematical.
>
> IN OTHER AREAS
>
> The cassiterite pebble occurs in the Rampart district, in the Tolovana and the Faith-Hope-and-Charity country. It is found in the Circle diggings and the Forty Mile country right up to the international border.
>
> Between the sixty-fourth and sixty-sixth parallels and from the border to Cape Prince of Wales, approximately 800 miles as the crow flies, embraces a vast area of territory that can really be called a "tin belt."
>
> There are many other localities outside of this belt that give great promise in potential tin resources. Among them are the Tolstoi, in the Ophir mining district; the Reglagalik River, in the Kuskokwim delta; and on Cache Creek and Willow Creek, tributaries of the Susitna River.

So, Mr. Chairman, I earnestly urge that for promotion of the aims of national defense—and national defense is the purpose of the bill now under consideration—the Congress would do well to appropriate at least $500,000 for the sole object of making a thorough, detailed, and scientific investigation of the tin resources of Alaska, for it may well be that Alaska alone can produce all of the tin needed by the Nation. In this connection it may be in order to observe that, so far as my knowledge goes, no tin ore has been found in place in Alaska, except, possibly, in slight quantities. The broken ore is found in relatively small particles or pebbles mixed with the stream gravels of the rivers and creeks in many parts of all of that vast region described by Mr. Farrell. Where so much broken and water-washed ore is found in the gravels it is highly probable that a search might reveal the source of the ore in the lodes. The amount of money required for a thorough prospecting of the region in which the principal tin occurrences are found is relatively insignificant. The possible beneficial results of such an examination are well-nigh incalculable.

The CHAIRMAN. The time of the gentleman from Alaska has expired.

Mr. SHANLEY. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, naturally with the gentleman from Texas [Mr. LUTHER A. JOHNSON], I welcome this addition to our tin information. I hope the distinguished Delegate from Alaska will amplify his statement and give to us his idea of what can be done in there.

May I say that I vouchsafe the hope that in dealing with these World War debts, those nations who have an opportunity to send those materials to us may remember the striking words of our President in his war-debt message of June 13, 1934, that those nations must make "substantial efforts" and "determined sacrifices" to pay us those debts; and that we were to view the use to which they utilize their national resources in paying. If they do that, I believe the American people will have a warmer respect for them, be-

cause the implications of that war-debt speech ought to be an illustration to those nations that owe us money. They can do something for us now, and now is the time to do it. [Applause.]

That may be the moral for foreign nations, but notwithstanding their final attitude, we must make the most of this great bill H. R. 5191, which has had the support of its sponsor, the gentleman from Pennsylvania, Representative FADDIS, and the assistance of my own colleague from Connecticut, Representative JOSEPH J. SMITH, in its novel history. The contribution of the Military Affairs Committee in their studies and deductions on this subject—the acquisition and storage of strategic and critical materials to the needs of industry for the manufacture of supplies for armed forces and the civilian population in time of national emergency—is an epochal one.

The committee on which I have the honor to serve has made an exhaustive kindred study into the supply of tin. The efforts of both of these committees means much for national defense.

It might be well to place in the record at this point a study on World Resources by Stuart Chase in his thoughtful and arresting book Rich Land, Poor Land:

If we had intelligence enough to maintain a world raw-material control, many of the reasons for modern wars would evaporate and concern about minerals would be greatly lessened. Each nation would know that it would receive its fair share of the available world supply. Meanwhile the United States and Russia have far more resources within their own boundaries than other nations have. The British Empire can almost match them, but the Empire depends on the navy and on long roads of transport. Brooks Emeny has identified 19 minerals and 3 agricultural products as of paramount importance in war. They are: Coal, iron ore, petroleum, copper, lead, nitrates, sulphur, bauxite zinc, manganese, nickel, chromite, tungsten, potash, phosphates, antimony, tin, mercury, mica, cotton, rubber, wool.

Let us note how well the seven great powers are supplied with these, including colonial possessions and regions of control, as well as home territory.

The United States is short of rubber and somewhat short of chromite, antimony, and tin.

Russia is short of rubber, antimony, tin, tungsten, and is not too well provided with nickel and bauxite.

Great Britain (including the Empire) is short of mercury, antimony, and potash, and needs more petroleum, sulphur, cotton, and phosphate.

Germany needs petroleum, copper, cotton, bauxite, rubber, manganese, nickel, chromite, tungsten, wool, phosphates, antimony, tin, mercury, mica, and some lead, sulphur, and zinc. Indeed, all she is sure of are coal, iron, nitrates, and potash. The reason for Hitler becomes plainer.

France requires petroleum, copper, cotton, zinc, rubber, tungsten, wool, tin, mercury, and some lead, sulphur, manganese, phosphate, and mica. She is sure only of coal, iron, nitrates, bauxite, nickel, chromite, potash, and antimony.

Italy is short of everything except iron, lead, nitrates, sulphur, bauxite, zinc, and mercury. She is totally without petroleum, cotton, rubber, nickel, chromite, tungsten, phosphate, tin, and mica. The Ethiopian adventure becomes plainer.

Japan is short of everything but coal, iron, copper, nitrates, sulphur, chromite, tungsten, and mica. She entirely lacks bauxite, rubber, nickel, and wool. The invasion of Mongolia and China is rationalized if not defended.

Japan has none of the 22 essentials to export; Italy has sulphur, zinc, and mercury; Russia petroleum, manganese, and tugsten; France, iron ore, bauxite, and phosphate; Great Britain, coal and nitrates; Germany, coal, nitrates, and potash. The United States exports coal, petroleum, copper, sulphur, cotton, zinc, and phosphates.

[Here the gavel fell.]

The pro forma amendments were withdrawn.

Mr. MAY. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

On page 2, line 2, strike out the word "hereby" and insert the word "thereby."

The amendment was agreed to.

The Clerk read as follows:

SEC. 2. To effectuate the policy set forth in section 1 hereof the Secretary of War, the Secretary of the Navy, and the Secretary of Interior, acting jointly through the agency of the Army and Navy Munitions Board, are hereby authorized and directed to determine which materials are strategic and critical under the provisions of this act and to determine the quality and quantities of such materials which shall be purchased within the amount of the appropriations authorized by this act. In determining the materials which are strategic and critical and the quality and quantities of same to be purchased the Secretaries of State, Treasury, Interior, and Commerce shall each designate representatives to cooperate with the Secretary of War and the Secretary of the Navy in carrying out the provisions of this act.

SEC. 3. The Secretary of War and the Secretary of the Navy, when they deem such action appropriate, shall direct the Secretary of the Treasury, through the medium of the Procurement Division of his Department and from the funds authorized by the provisions of this act, to make purchases of such materials in accordance with specifications prepared by the Procurement Division of the Treasury Department and approved by the Secretary of War and the Secretary of the Navy and to provide for the storage and maintenance and, where necessary, to prevent deterioration, for the rotation of such materials. To accomplish such rotation the Secretary of the Treasury, with the approval of the Secretary of War and the Secretary of the Navy, is authorized to replace acquired stocks of any material subject to deterioration by equivalent quantities of the same material by such method as he may deem serves best the purposes of this act. The Secretary of the Treasury is empowered to meet, out of the funds authorized in this act, expenses necessary to accomplish this rotation. The commodities so purchased shall be stored by the Procurement Division of the Treasury Department on military and naval reservations or in other locations approved by the Secretary of War and the Secretary of the Navy.

SEC. 4. Materials acquired under this act except for rotation to prevent deterioration shall be used only upon the order of the President in time of war, or when he shall find that a national emergency exists with respect to national defense as a consequence of the threat of war.

SEC. 5. For the procurement, transportation, maintenance, rotation, and storage of the materials to be acquired under this act, there is hereby authorized to be appropriated the sum of $100,000,000, out of any money in the Treasury not otherwise appropriated, during the fiscal years from June 30, 1940, to and including June 30, 1943, to be expended under the direction of the Secretary of War and the Secretary of the Navy: *Provided*, That any customs duties paid on such materials, imported from any place not included in the United States, as defined in section 401 (k) of the Tariff Act of 1930, as amended by section 2 of the Customs Administration Act of 1938, shall not be covered into the general fund of the Treasury of the United States, but shall be credited by the Secretary of the Treasury, to be available for expenditure until the expiration of the then next fiscal year: *And provided further*, That materials purchased under this act and imported shall be entered at the customhouse in accordance with regulations to be prescribed by the Secretary of the Treasury.

Mr. MAY. I offer a further amendment, Mr. Chairman.

The Clerk read as follows:

Amendment offered by Mr. MAY: On page 4, in line 2, strike out the word "from."

Mr. MAY. Mr. Chairman, that is merely a clarifying amendment in order to perfect the language of the section.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MAY. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

On page 4, in line 3, strike out "1940" and insert "1939."

Mr. MAY. Mr. Chairman, that is merely an amendment providing for the beginning at the end of the present fiscal year, making this act effective.

The CHAIRMAN. Without objection, the amendment is agreed to.

The amendment was agreed to.

Mr. MAY. Mr. Chairman, I offer a further amendment to the same section.

The Clerk read as follows:

Amendment offered by Mr. MAY: On page 4, line 16, strike out the period and insert a colon and the following: "*And provided further*, That purchases under this act shall be made in accordance with the Buy American Act of March 3, 1933 (47 Stat. 1520), and a reasonable time, in the judgment of the Secretary of War and the Secretary of the Navy, shall be allowed for production and delivery from domestic sources."

The CHAIRMAN. Without objection, the amendment will be agreed to.

There was no objection, and the amendment was agreed to.

Mr. ALLEN of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ALLEN of Illinois: Page 4, line 1, after the words "the sum of", strike out the remainder of line 1, all of lines 2, 3, 4, and 5, to and including the word "Navy", and insert in lieu thereof "not to exceed $10,000,000 out of any money in the Treasury not otherwise appropriated for each of the fiscal

years ending June 30, 1940, 1941, 1942, and 1943, to be expended under the joint direction of the Secretary of War and the Secretary of the Navy."

Mr. ALLEN of Illinois. Mr. Chairman, I talked considerably on this measure earlier in the day and shall be brief in my remarks on it at this time.

President Roosevelt has publicly stated that in his opinion $10,000,000 would be sufficient to provide us this strategic and critical material. We do not need $100,000,000.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. PACE. Was not the President's statement to the effect that under the condition of the Budget and the Treasury $10,000,000 was all he could approve for the coming fiscal year? The gentleman can cite no instance in which the President has gone contrary to the recommendations of the War Department.

Mr. ALLEN of Illinois. Has he recommended $100,000,000?

Mr. PACE. He has not recommended any amount; he has left that to the Congress.

Mr. ALLEN of Illinois. Another body as well as the President recommended $10,000,000. It seems to me, Mr. Chairman, we would do well to adopt this amendment and spend a portion of this $10,000,000 developing our own resources of these strategic materials in this country. This would be working in a sound and intelligent manner. We are continually hearing in this country about the superiority of German airplanes and their greater speed as compared with our Army planes. I think the United States Government has been derelict in not providing more research work. Each month we appropriate many millions of dollars to prepare our Army, our Navy, and our air force in order that we may be in better position in the event of war, but let us not lose sight of the fact that one of the best preparations for war is to have the finances of the country in sound condition. I would say that in the event this country should find it necessary to go to war now with a debt of $40,000,000,000, we would be under a handicap. I appeal, therefore, to the membership of the House, in addition to having a good army and a good navy, let us insist that we keep our Government finances in such condition that, should war come upon us, our country's credit will be unimpaired.

I ask and urge the adoption of this amendment, which, in my opinion—and, I believe, in the opinion of the administration and the Director of the Budget—will take care of the situation in an able manner.

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I feel that it is unnecessary to discuss this amendment at length. I merely referred to it in general debate this afternoon by saying that it was the judgment of the Committee on Military Affairs that $100,000,000 was the proper amount to be authorized in this legislation. This view is supported by the testimony of other witnesses from the War Department who appeared before the committee. There was no objection from any source to an authorization of $100,000,000; on the other hand, it was agreed by everyone that this was the appropriate figure.

The President's attitude toward the measure was simply this: He made no statement in writing to anyone, at least to my committee, and I receive all of the communications that come from the President to the committee. The only thing that happened in this regard was that he was quoted in the press as having said that $10,000,000 was about what the Government could afford during the next fiscal year in view of present fiscal affairs. Everyone understands, the gentleman offering the amendment understands, that the Bureau of the Budget through the House Committee on Appropriations will be able to control this section of the bill entirely, as to the amount of money that may be appropriated for any 1 of these 4 years.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield.

Mr. ANDREWS. It is true, however, that the Bureau of the Budget did not render a favorable report to the committee on the $100,000,000 carried by the bill.

Mr. MAY. The Budget has made no recommendation about it, but the War Department has uniformly approved it.

Mr. FADDIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if we are going to legislate on this question, we must legislate effectively. In this as in anything else, if we are to buy anything worth while we must pay for it. If we are to accumulate a stock pile we cannot do so on a shoestring.

Our average annual consumption of tin in this country is 60,000 tons. There has scarcely been a time in the last 20 years when we have had 2 days' supply of tin in the warehouses in New York on any day. If foreign sources were to be shut off to us, so far as the tin we have on hand at any one time is concerned, the tinplate industry, the canning industry, and all other industries to which tin is an absolute necessity would have to cease. Soon the very wheels of industry would cease because of the lack of tin for bearings.

The cost of 60,000 tons of tin today at the average price of tin over the last 20 years would be $60,000,000. It is not contemplated under the terms of this bill to lay in a year's supply for we realize that would be impossible. To accumulate an average year's supply of manganese would cost in the neighborhood of $20,000,000. Anyone taking these figures into consideration, figures on these two essential commodities alone, would realize that the President never made any statement that $10,000,000 would be sufficient to supply these essential commodities in case of emergency.

The gentleman from Illinois, I am sure, spoke from a lack of information on the subject and probably from a lack of realization of the magnitude of the subject we are discussing today.

Mr. ALLEN of Illinois. Will the gentleman yield? He referred to me.

Mr. FADDIS. I yield to the gentleman.

Mr. ALLEN of Illinois. Was the gentleman from Illinois lacking in judgment when he said it is important for the financial condition of the country to be in good shape in the event we go to war?

Mr. FADDIS. No. Perhaps I should say the gentleman spoke from a lack of direct knowledge on the subject of the President's statement.

Mr. ALLEN of Illinois. How about direct knowledge on the fact that in order to go to war we should have our debt that we owe reduced down from $40,000,000,000? Does the gentleman agree with that?

Mr. FADDIS. Mr. Chairman, it is the duty of the Congress, as I said once before, to pass legislation that it believes is sufficient to serve the country in time of need. No witness appeared before this committee in support of the legislation who believed that $10,000,000 would be anywhere near enough for this purpose.

Mr. Chairman, for the reasons stated, I ask that the amendment offered by the gentleman from Illinois be defeated.

The pro forma amendment was withdrawn.

The CHAIRMAN (Mr. BOLAND). The question is on the amendment offered by the gentleman from Illinois [Mr. ALLEN].

The question was taken; and on a division (demanded by Mr. ALLEN of Illinois) there were—ayes 43, noes 72.

So the amendment was rejected.

The Clerk read as follows:

SEC. 6. In the acquisition of stocks of materials, as herein authorized, the agency charged with the duty of acquiring the same shall, as to the materials acquired outside the United States—

(a) Request the appropriate department or departments to undertake the acquisition of the same from those nations which are indebted to the United States and which will consent to credit the agreed purchase price on the principal of such indebtedness; and

(b) Further request the appropriate department or departments to undertake the acquisition of the same from those nations which

will consent to exchange such materials for surplus agricultural commodities produced in the United States: *Provided*, That the acquisition of such material shall not be delayed on account of the negotiations undertaken under paragraphs (a) and (b) of this section.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mrs. ROGERS of Massachusetts: On page 5, line 4, after the word "commodities", insert "or manufactures of agricultural commodities, or both."

Mrs. ROGERS of Massachusetts. Mr. Chairman, there are provisions in this bill that irritate many of us when we think of the number of nations that owe us money and have never paid the debts they accumulated during the World War. They might at least pay their debts in part by giving us these raw materials. However, it is very apparent they are not being made to do that.

I sincerely hope the Members will vote for my amendment, which is a very simple one. It provides that manufactured articles made from our surplus agricultural commodities shall be exchanged for raw materials. We have today millions and millions of people unemployed. This amendment would give employment to those working in industries, such as cotton and woolen textiles, the boot, shoe, and other industries. It would also take up the surplus agricultural commodities.

I do not see how this amendment can be defeated when it would give so much employment to the people of our country. It would mean added purchasing power to the industrial workers, which would enable them to buy more farm products. It would take care of the surplus agricultural commodities and thus give work and money to people in the agricultural sections.

Mr. SMITH of Connecticut. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Connecticut.

Mr. SMITH of Connecticut. Would the gentlewoman have us provide in this bill for a method of acquisition of these manufactured commodities by the Government or their manufacture by the Government in order to obtain them for this barter?

Mrs. ROGERS of Massachusetts. I do not see why the departments could not purchase them. This bill, in section 5, provides the sum of $100,000,000 for procurement, transportation, and so forth, to be acquired under this act. We could use the W. P. A., then refund the money to the W. P. A. That agency has already bought materials. There is a branch of the Treasury Department that buys certain surplus commodities, and I do not see why they could not buy manufactured products also. I think this could be easily arranged under existing law, temporarily at least, then, if necessary, have this bill changed later when the appropriation goes through.

Mr. SMITH of Connecticut. As a permanent policy for international trade, does not the gentlewoman believe we should have considerable more legislation than merely an amendment inserted in this military reserve bill, which is intended only to provide the war materials which we lack?

Mrs. ROGERS of Massachusetts. It looks to me like a bill to sell cotton. Why not sell the manufactured articles also? I think our unemployment is an emergency and this is an emergency measure. I feel it ought to be inserted in the bill and I hope the Members will vote for it. Many of you have industries in your district which would be affected. The workers in industry will be given employment and you will be taking care of your surplus agricultural commodities as well. I cannot see why it is not an excellent amendment, and I earnestly hope it will be agreed to. [Applause.]

[Here the gavel fell.]

Mr MAY. Mr. Chairman, I ask unanimous consent that the amendment offered by the gentlewoman from Massachusetts may be reread by the Clerk.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again reported the Rogers amendment.

Mr. PACE. Mr. Chairman, I rise in opposition to the amendment offered by the gentlewoman from Massachusetts.

Mr. Chairman, instead of this amendment having the effect of getting rid of a million bales of cotton, let us say, we would probably get rid of about 50,000 bales. As I stated the other day, the cotton farmer gets $40 for a bale of cotton. When it is manufactured into shirts it is worth from $1,000 to $2,000. The figures furnished me by the Department of Agriculture show that the finished product often sells for 25 times the price of the raw product. If the amendment offered by the gentlewoman from Massachusetts is agreed to, so far as cotton is concerned, we would get rid of only a handful of cotton.

In regard to wheat, I do not know what the lady proposes to do unless she proposed to make it into flour and then sell it in that form. I do not have the figures here, but I know the Department of Agriculture considers flour as in the same category as wheat, and under the recent subsidy flour was subsidized the same as was wheat. However, the main trouble is that the amendment is not practical because there is no fund available for the purchase of manufactured agricultural surpluses, but we do have a fund, fortunately, handled by the Surplus Commodities Corporation, to buy surplus agricultural commodities, but not surplus manufactured commodities.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. PACE. Of course.

Mrs. ROGERS of Massachusetts. Why could not some of the $100,000,000 authorized by this bill be spent in buying manufactured materials? I do not see why this feature is not covered in the bill.

Mr. PACE. Of course, if we did that, we would not get very much material, if we had to spend most of the money in the manufacture of the commodity.

Mrs. ROGERS of Massachusetts. I believe the added employment in the industries would mean a great deal. The additional employment would mean added purchasing power also.

Mr. PACE. I appreciate the lady's interest in employment; but this is the situation with which we are now confronted: There are 32,000,000 farmers in this Nation. Last year their total income was about $8,000,000,000. There are approximately 40,000,000 wage earners in this country, and last year their total income was between thirty-five and forty billion dollars. Thus a third of the population is getting only $8,000,000,000 of income. Would not the lady consent for us to sell some of our commodities without burdening them by increasing the cost from 10 to 25 times in the course of manufacture?

Mrs. ROGERS of Massachusetts. The gentleman knows perfectly well that even when the farmers do not sell all their products they still have enough to eat, but when those living in the industrial sections do not have employment they do not have enough to eat and they lose their homes, which is not the case with the farmers. I want to help these workers. I am asking that you give the industrial workers in the mills and in the shoe industries a chance.

Mr. PACE. May I say to the good lady that she now has the protection of a very fine tariff wall and that that tariff is being paid by the farmers of this Nation.

Mrs. ROGERS of Massachusetts. I believe the gentleman forgets that many agricultural commodities also are protected.

Mr. PACE. No. We are told that if we increase the protection on our agricultural commodities we will get a veto. That is the situation which faces us.

Mrs. ROGERS of Massachusetts. But you are already protected in certain commodities. I do not have the figures with me, but I know you have protection on many of your agricultural commodities.

Mr. PACE. We have a very small tariff on jute, and jute products today are displacing 2,300,000 bales of cotton. That

is the kind of protection they give us in the agricultural sections.

The plan proposed by the pending amendment will increase the cost from 10 to 20 times, so I appeal to the lady, why not let the provision stand and let the exchange be made if it can be done? The lady knows no manufactured commodities are going to be exchanged.

Mrs. ROGERS of Massachusetts. They could be perfectly well. For instance, Russia would be very glad to have our manufactured products.

Mr. PACE. I cannot debate that question with the lady because I do not know to what she is referring.

Mrs. ROGERS of Massachusetts. Russia would be glad to get clothing, and so forth. It seems to me it is only a question of justice. You shut our workers out of this bill and you help the farmers alone. I am only asking for justice for the workers.

Mr. PACE. I understand and appreciate the deep and active interest always shown by the gentlewoman from Massachusetts in the wage earners of her district, and she more than earns the splendid support they have given her through the years, but in this instance I believe they would realize a substantial benefit and more constant employment by unselfishly contributing toward an improvement of the economic condition of the 32,000,000 Americans who must depend upon the returns from agriculture for their income.

I, too, feel a very deep interest in the wage earners. I want to have some part in improving their standard of living and working conditions, but I know that we make no real progress when we try to aid one group or class at the expense of another group or class. On the contrary, I am convinced that our farm population is the best market for your manufactured goods. Around 90 percent of the manufactured articles sold in my district in Georgia are shipped from Massachusetts and the other industrial States of the East. Our work is on the farm. We have no plants to manufacture automobiles, refrigerators, radios, shoes, hats, pistols, guns, shells, and thousands and thousands of other articles found in every mercantile establishment in my State. The wage earners of the industrial States manufacture those articles and the income we receive for our cotton, peanuts, watermelons, peaches, and tobacco is all we have to buy with.

We now have nearly 17,000,000 bales of cotton on hand. Unless we can get rid of millions of bales, not merely thousands, we will not be able to sell our new crop this fall, and we will not be able to buy your manufactured goods.

Mr. Chairman, I urge that this amendment be disagreed to.

Mr. FISH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am inclined to believe that the gentlewoman from Massachusetts [Mrs. ROGERS] has made a very sound proposal, but I do not believe that it has the slightest chance of being adopted because it defeats the purpose of the bill. The purpose of the bill is to get rid of some of the surplus cotton. Under the New Deal the cotton States have been given the kiss of death. The price of cotton has gone down to 8½ cents, and we have lost half our cotton export trade. The Government now holds about 11,000,000 bales of cotton on which it has made loans, and very large sums are being paid for the storage of these bales of cotton. So the real purpose of the bill is to unload this cotton, and that is why they do not want the manufacturing interests of the North to come under this bill. The purpose of the bill is to unload the cotton of the South and the wheat of the West under the camouflage of exchange for war materials. The program of destruction and scarcity and plowing under of crops and birth control of pigs has, by establishing artificial prices, destroyed the foreign markets for our surplus wheat and cotton.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. FISH. For a very important question; yes.

Mr. THOMAS F. FORD. Does the gentleman believe we should not unload the cotton, disregarding the fact that we have plowed some under?

Mr. FISH. I should be very glad to help the cotton people, as I have always said, but the only way I know of helping the cotton people is to elect a Republican President, and the quicker you do that the better. [Applause.] Unless you instill confidence in the people of this country, you will not have buying power and the cotton people will continue to go down and down and down. I want to remind you that before Mr. Hull brought in his free-trade hallucinations cotton under the Republican administrations from 1920 to 1930 sold at 17½ cents a pound.

Mr. BROOKS and Mr. THOMAS F. FORD rose.

Mr. FISH. I yield to one of the cotton experts of the House, the gentleman from Louisiana.

Mr. BROOKS. I should like to ask the gentleman if he makes the statement that the fundamental purpose of this bill is to help the cotton farmers with the full knowledge that his colleagues on the Republican side of the committee supported the bill.

Mr. FISH. My Republican colleagues are just like me, they want to help the rest of the country, too.

We cannot have a prosperous country, we cannot have our people employed if there is no buying power in the South to buy what we produce up north. We are interested just as you are and we have to have a prosperous people if we are to have prosperity north, east, south and west.

Mr. THOMAS F. FORD. How are you going to have a prosperous country if you are going to oppose a measure that will dispose of a great share of the surplus cotton and wheat?

Mr. FISH. The only way is to stop putting it within the power of these New Deal wand wavers and magicians who have given the kiss of death to the cotton growers of the South——

Mr. THOMAS F. FORD. That is nonsense, and you know it.

Mr. FISH. It is not nonsense, and you know it is not. It is just ordinary common sense and that is what the country needs. Cotton is selling at 8 cents or 8½ cents a pound, and if you think we can have a prosperous South with cotton selling at 8½ cents a pound and with 11,000,000 bales held by the Government, you know it is nonsense.

Mr. THOMAS F. FORD. That is just plain nonsense and nothing else.

Mr. KNUTSON and Mr. JOHNSON of Oklahoma rose.

Mr. FISH. It is economic suicide; and if that is nonsense, all right. I want to yield to my adviser on cotton from the State of Minnesota.

Mr. KNUTSON. We can qualify all right. The gentleman from New York might have replied to the gentleman from California that we are not going to restore prosperity by continually giving the American market away to foreigners.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. FISH. Here is another cotton man from Florida, and I would like to hear from him.

Mr. GREEN. In the last 2 years of President Hoover's administration we received 4 and 5 cents a pound for good lint cotton.

Mr. FISH. Well, that is tough, but only in the last year, when there was a world economic depression.

Mr. JOHNSON of Oklahoma. That is too tough.

Mr. FISH. That is very tough, but that was only for 1932–33 when the banks were closed, but at the same time in the last 2 years that you mentioned we were shipping 9,000,000 bales of cotton abroad, and we retained the European and world markets on cotton. You have succeeded in losing half of that market, only selling 4,000,000 bales, and you have the price down now to 8½ cents, and where it will go I do not know. [Applause.]

Mr. GREEN. It is 3 cents more than it was then, and 3 cents is better than nothing.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Massachusetts.

The amendment was rejected.

The Clerk read as follows:

SEC. 7. That the Secretary of the Interior, through the Director of the Bureau of Mines and the Director of the Geological Survey, is hereby authorized and directed to make scientific, technologic, and economic investigations concerning the extent and mode of occurrence, the development, mining, preparation, treatment, and utilization of ores and other mineral substances found in the United States or its Territories or insular possessions which are essential to the national defense or the industrial needs of the United States, and the quantities or grades of which are inadequate from known domestic sources, in order to determine and develop domestic sources of supply, to devise new methods for the treatment and utilization of lower-grade reserves, and to develop substitutes for such essential ores and mineral products; to explore and develop, on public lands and on privately owned lands, with the consent of the owner, deposits of such minerals, including core drilling, trenching, test-pitting, shaft sinking, drifting, crosscutting, sampling, and metallurgical investigations and tests as may be necessary to determine the extent and quality of such deposits, the most suitable methods of mining and beneficiating them, and the cost at which the minerals or metals may be produced.

For the purposes of carrying out the provisions of this section there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, for each of the fiscal years ending June 30, 1940, 1941, 1942, and 1943, the sum of $500,000, of which amount $350,000 shall be appropriated to the Bureau of Mines and $150,000 to the Geological Survey.

Mr. MURDOCK of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK of Utah: Page 6, line 11, after the period, insert "There is also authorized to be appropriated out of any money in the Treasury not otherwise appropriated for the fiscal year ending June 30, 1940, the sum of $50,000, to be allotted to prospectors for prospecting the public lands for the strategic and critical materials under rules and regulations to be promulgated by the Bureau of Mines."

Mr. MURDOCK of Utah. Mr. Chairman, I am speaking for the group of men this afternoon who have discovered, in my opinion, every important mineral or metal deposit in the United States, and that is the American prospector.

We are authorizing appropriations here today of $100,000,000 to buy strategic materials, most of which will go to foreign countries. Then we are authorizing the appropriation of $500,000 to be expended by the Bureau of Mines and the Geological Survey for the exploration and development of strategic materials on public lands and also on private lands. I am for this bill, now that it has been amended to encourage domestic development and production, and shall vote for it. But I make the statement, Mr. Chairman, that if and when additional deposits of these strategic metals or minerals are found withn the United States or found in Alaska, they will be found by the prospector.

The American prospector is a class that has never had any subsidy from the American Government. They are not eligible for any relief money that we have appropriated, either under P. W. A. or W. P. A., that is, to finance them in prospecting activities.

All my amendment would do is this. It would authorize $50,000 to be allotted to American prospectors to grubstake them, to enable them to go out into the unexplored portions of America and prospect for tin, tungsten, manganese, and other strategic metals or minerals in places which have never even been looked at yet. The Bureau of Mines and the Geological Survey will carry out their functions as provided for in this bill in a very efficient and comprehensive manner, but if you find any new deposits you must depend on the American prospector to go out where no other man will go and find those new deposits. His business is prospecting the remote, inaccessible places, where others fear to tread.

Fifty thousand dollars, if appropriated to the American prospectors, would put 1,000 of them out into the field with a $50 grubstake, which is enough to maintain him out there for 3 or 4 months.

If you want to spend some money that will show results, you can make no better investment at this time than to allot the small sum of $50,000 to the American prospectors who want to go out and look for these minerals.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Utah. Yes.

Mr. MURDOCK of Arizona. We have heard it said that mines are made and not found. There is a lot of truth in that, but does the gentleman not believe that this fact has been overemphasized to the neglect of this other fact of mining, that mines first must be found before they can be made? Western mining indeed owes very much to our courageous prospectors who comb our hills for hidden wealth. More power to them.

Mr. MURDOCK of Utah. There never was a mine made that was not first found, and very few have been found by anyone other than the prospector.

Mr. THOMAS F. FORD. Is it not true that the American prospector is the real American individual?

Mr. MURDOCK of Utah. Yes; that is true.

Mr. THOMAS F. FORD. And if we give him an opportunity to develop this in a small way with his initiative, will it not be true that he will develop more for $1 than the average corporation would for $50?

Mr. MURDOCK of Utah. That is very true. If you give him a grubstake and a jackass, he will find more strategic minerals, in my opinion, than any other group in the United States.

Mr. THOMAS F. FORD. And for that reason I believe the gentleman has the best amendment that has been offered on the floor this afternoon.

Mr. KNUTSON. And in view of what the gentleman from California [Mr. THOMAS F. FORD] has said that the prospector is the real American, does not the gentleman believe that we should leave one segment of our citizenship unspoiled?

Mr. MURDOCK of Utah. I do not say that he is the only true American, but I do say that he is the type of American who will go out on his own and prospect for these things, and the $50,000 that my amendment would authorize would certainly be a step in the right direction.

Mr. THOMAS F. FORD. Mr. Chairman, I rise in support of the amendment. The gentleman from Utah [Mr. MURDOCK] has just made a very significant statement. He asked for an opportunity for the prospector to go out and develop essential minerals for the United States. I know those old prospectors. I know what they do. They go out and work for years and years and years. Some of them never get any place, but about 10 percent come in with a claim or discovery that enriches the United States millions and millions of dollars in the end, and it is my opinion that any appropriation that we make or any concession that we give them is worth 100 times what we expend. For that reason I hope that the Members of the House will support the amendment of the gentleman from Utah.

Mr. SCRUGHAM. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Utah. In the western part of the United States there are vast areas covered more or less with lava flow underneath which there probably lie, undoubtedly do lie, large deposits of valuable minerals. At this time they are practically unprospected because of the lack of grubstaking—the lack of an agency that would support the prospector in the field. If this is done, I assure the Members of the House that there is a virgin territory and literally hundreds of thousands of square miles where comparatively little prospecting has been done, and with the aid of modern equipment and scientific knowledge of these domestic strategic materials you are likely to be many times repaid for the investment made.

Mr. CASE of South Dakota. And is it not a fact that $50 to grubstake the prospector for 2 or 3 months would be a much cheaper way of keeping him than on relief?

Mr. SCRUGHAM. Absolutely.

Mr. HINSHAW. Mr. Chairman, I rise in opposition to the amendment. I do not wish to take issue with the able gentlemen from the mining communities, but I happen to have

had a little experience with prospectors, as probably many of you have had.

I know that in the mountains of southern California there are a great many prospectors who are living in cabins and holes in the wall out in the desert countries, and they are living largely on the grubstakes they have obtained from citizens in the cities. Out along the well known metropolitan aqueduct there are probably several thousand prospectors living in tents, cabins, and what not, who will go into the city of Los Angeles, for example, and sell rights or interests in whatever they might find. As a matter of fact, the metropolitan water district has discovered through 96 miles of 16-foot tunnel there are not 18 inches of mineral-bearing rock in the whole district; yet I will wager that much more than $50,000 a year is handed to these various prospectors out along this same mountain territory. A prospector financed by the Government, who locates a claim, is not likely to turn it over to the United States Government. If he cannot do anything else, he is likely to set a rock on it so that a friend of his can find it and himself lay out a claim. I do not see that there is any reason whatsoever for grubstaking prospectors when at the present time they have every opportunity in the world to go into the cities and get what money they need.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. THOMAS F. FORD. The gentleman says that on that great metropolitan district aqueduct there has not been any metal discovered?

Mr. HINSHAW. Right.

Mr. THOMAS F. FORD. But the gentleman understands they have gone through only about five mountain chains?

Mr. HINSHAW. Ninety-six miles of crosscutting of the various veins in southern California.

Mr. THOMAS F. FORD. But do you know and are you willing to say that 2 or 3 or 4 percent of the prospectors who have discovered valuable claims have not produced wealth 10 times or 20 times in excess of the wealth that has been given to them as prospectors or as grubstakes?

Mr. HINSHAW. I would not say it was as high as 2 or 3 or 4 percent. I would say about one-half of 1 percent; and I would say the amount of wealth they have discovered was enormous, and if they did not keep it for themselves they sold it to somebody else for practically nothing.

Mr. THOMAS F. FORD. But it is more than 100 percent of the amount they put in.

Mr. HINSHAW. That might be true, but I do not see how the United States can recover a dime from this $50,000 proposed in this amendment.

Mr. KITCHENS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. KITCHENS. About how many prospectors are there?

Mr. HINSHAW. I think several thousand of them.

Mr. KITCHENS. And I suppose this $50,000 would give each of them about 50 cents?

Mr. HINSHAW. About 50 cents each, and it would not amount to anything.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. MURDOCK of Utah. I made this amount small for that specific purpose, but it would do this: If you would allot $50 each for a grubstake to 1,000 prospectors you would have that many men out in the hills. The answer to the gentleman on this relief proposition in this: When you force them to go into the cities and out of the hills and depend on relief, you destroy the very thing that we would do by this amendment. What I want to do is to give them a grubstake and get them back into the hills where they belong.

Mr. HINSHAW. I will say to the gentleman there is hardly a real prospector in the United States who cannot go into a big city and get anything he wants.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. THOMAS F. FORD. The point is this: There are probably ten or fifteen thousand prospectors in the Western States.

Mr. HINSHAW. At least. I am a prospector, potentially.

Mr. THOMAS F. FORD. And 90 percent of them have been financed by individuals?

Mr. HINSHAW. Right.

Mr. THOMAS F. FORD. I will venture this prediction——

Mr. HINSHAW. And 98 percent of the individuals have been suckers to do it.

Mr. THOMAS F. FORD. I will venture this prediction, that they have produced more wealth in the way of minerals than all the money that they have invested, plus 100 percent.

Mr. HINSHAW. And who got the wealth? [Laughter and applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah [Mr. MURDOCK].

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee will now rise.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. RAYBURN] having resumed the chair, Mr. BOLAND, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill H. R. 5191, pursuant to House Resolution No. 173, he reported the bill back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

Mr. MAY. Mr. Speaker, I ask unanimous consent for the present consideration of S. 572, to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and to encourage, as far as possible, the further development of strategic and critical materials within the United States for common defense, a similar Senate bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the natural resources of the United States in certain strategic and critical materials being deficient or insufficiently developed to supply the industrial, military, and naval needs of the country for common defense, it is the policy of Congress and the purpose and intent of this act to provide for the acquisition of stocks of these materials, to encourage the further development of mines and deposits of these materials in the United States, and to decrease and prevent wherever possible a dangerous and costly dependence of the United States upon foreign nations for supplies of these materials in times of national emergency.

SEC. 2. To effectuate the policy set forth in section 1 hereof the Secretary of War and the Secretary of the Navy acting jointly through the agency of the Army and Navy Munitions Board are hereby authorized and directed to determine which materials are strategic and critical under the provisions of this act and to determine the quality and quantities of such materials which shall be purchased within the amount of the appropriations authorized by this act. In determining the materials which are strategic and critical and the quality and quantities of same to be purchased the Secretaries of State, Treasury, Interior, and Commerce shall each designate representatives to cooperate with the Secretary of War and the Secretary of the Navy in carrying out the provisions of this act.

SEC. 3. The Secretary of War and the Secretary of the Navy when they deem such action appropriate because the domestic supply of any of the above materials is insufficient to meet the industrial, military, and naval needs of the country shall direct the Secretary of the Treasury through the medium of the Procurement Division of his Department, from the funds authorized in section 6 of this act, to make purchases of such materials in accordance with specifications prepared by the Procurement Division of the Treasury

Department and approved by the Secretary of War and the Secretary of the Navy, and to provide for the storage and maintenance and, where necessary to prevent deterioration, for the rotation of such materials. To accomplish such rotation, the Secretary of the Treasury, with the approval of the Secretary of War and the Secretary of the Navy, is authorized to replace acquired stocks of any such material subject to deterioration by equivalent quantities of the same material in such manner as he deems will best serve the purposes of this act. The Secretary of the Treasury is authorized to pay the expenses necessary to accomplish such rotation out of the funds authorized in section 6 of this act. The Secretary shall include in his annual report to Congress a detailed statement of expenditures made under this section and the method of rotation employed. The commodities so purchased shall be stored by the Procurement Division of the Treasury Department on military and naval reservations or in other locations approved by the Secretary of War and the Secretary of the Navy.

SEC. 4. Materials acquired under this act, except materials which must be rotated to prevent deterioration, shall be used only upon the order of the President in time of war, or when he shall find that a national emergency exists with respect to national defense as a consequence of the threat of war, or when he shall find and shall issue a proclamation that a state of emergency exists arising out of deficiencies in the supply of these commodities of such a character as to have a seriously adverse effect on the national defense, by unemployment, the closing of manufacturing plants and interruption in the supply of semimanufactured or manufactured commodities: *Provided*, That when the President finds that any material acquired under this act is not necessary to carry out the purposes of the act or that the quantity in possession is larger than is necessary, he may sell all or any part of such material. The proceeds of any such sale shall be allocated to and deposited in the fund herein provided for.

SEC. 5. Purchases under this act shall be made in accordance with title III of the act of March 3, 1933 (47 Stat. 1520), but a reasonable time (not to exceed 1 year) shall be allowed for production and delivery from domestic sources and in the case of any such material available in the United States but which has not been developed commercially, the Secretary of War and the Secretary of the Navy may, if they find that the production of such material is economically feasible, direct the purchase of such material without requiring the vendor to give bond.

SEC. 6. For the procurement, transportation, maintenance, rotation, and storage of the materials to be acquired under this act, there is hereby authorized to be appropriated the sum of $10,000,000, out of any money in the Treasury not otherwise appropriated, for each of the fiscal years ending June 30, 1940, 1941, 1942, and 1943, to be expended under the joint direction of the Secretary of War and the Secretary of the Navy.

SEC. 7. (a) That the Secretary of the Interior, through the Director of the Bureau of Mines and the Director of the Geological Survey, is hereby authorized and directed to make scientific, technologic, and economic investigations concerning the extent and mode of occurrence, the development, mining, preparation, treatment, and utilization of ores and other mineral substances found in the United States or its Territories or insular possessions which are essential to the industrial needs of the United States for common defense, and the quantities or grades of which are inadequate from known domestic sources, in order to determine and develop domestic sources of supply, to devise new methods for the treatment and utilization of lower-grade reserves, and to develop substitutes for such essential ores and mineral products; to explore and develop, on public lands and on privately owned lands, with the consent of the owner, deposits of such minerals, including core drilling, trenching, test-pitting, shaft sinking, drifting, crosscutting, sampling, and metallurgical investigations and tests as may be necessary to determine the extent and quality of such deposits, the most suitable methods of mining and beneficiating them, and the cost at which such minerals or metals may be produced.

(b) For the purposes of carrying out the provisions of this section there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for each of the fiscal years ending June 30, 1940, 1941, 1942, and 1943, the sum of $500,000, of which amount $350,000 shall be appropriated to the Bureau of Mines and $150,000 to the Geological Survey.

Mr. MAY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAY: Strike out all after the enacting clause and insert the bill H. R. 5191, "To provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for armed forces and the civilian population in time of national emergency, and to encourage the development of these resources within the United States, and for other purposes," as amended in the Committee of the Whole.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time and was read a third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider and a similar House bill (H. R. 5191) to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for armed forces and the civilian population in time of national emergency, and to encourage the development of these resources within the United States, and for other purposes, were laid on the table.

EXTENSION OF REMARKS

Mr. MAY. Mr. Speaker, I ask unanimous consent that all Members who participated in the debate on the bill H. R. 5191, the strategic and critical materials bill, may have 5 legislative days in which to extend their own remarks.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

DETAIL OF CERTAIN UNITED STATES EMPLOYEES

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3134) to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That the act entitled 'An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes', approved May 25, 1938, be, and the same is hereby, amended to read as follows:

"'That the President of the United States be, and hereby is, authorized, whenever he finds that the public interest renders such a course advisable, upon agreement with the government of any other American republic or the Government of the Commonwealth of the Philippine Islands, or the Government of Liberia, if such government is desirous of obtaining the services of a person having special scientific or other technical or professional qualifications, other than those persons covered by the act of May 19, 1926 (44 Stat. 565), as amended by the act of May 14, 1935 (49 Stat. 218), from time to time to detail for temporary service of not exceeding 1 year at a time, under such government, any such person in the employ of the Government of the United States: *Provided*, That the President may, in extraordinary circumstances, extend the period of such detail for one or more additional periods of not to exceed 6 months each: *Provided further*, That while so detailed, such person shall be considered, for the purpose of preserving his rights and privileges as such, an officer or employee of the Government of the United States and of the department or agency from which detailed and shall continue to receive therefrom compensation, and he may receive additional compensation from the department or agency from which detailed not to exceed 50 percent of the compensation he was receiving as an officer or employee of the United States at the time of detail, and shall receive from the United States reimbursement for travel expenses to and from the place of detail and monthly allowances determined by the President to be adequate for quarters and subsistence during the period of such detail. The additional compensation, travel expenses, and other allowances authorized by this act to be paid to any such officer or employee shall be paid from any appropriations available for the payment of compensation and travel expenses of the officers and employees of the department or agency from which he is detailed: *Provided, however*, That if any government to which a detail is authorized by this act shall express the desire to reimburse this Government in whole or in part for the expenses of such detail, the President is authorized, when he deems it in the public interest, to accept such reimbursement and the amount so received may be credited to (a) appropriations current at the time the expenses of such detail are to be or have been paid, (b) appropriations current at the time such amounts are received, or (c) in part as provided under (a) and in part as provided under (b) hereof; and such amount shall be available for the purposes of the appropriations to which credited: *And provided further*, That if any such government shall express the desire to provide advances of funds to be used by this Government, in whole or in part for the expenses of such detail, the President is authorized, when he deems it in the public interest, to accept such advances of funds, and the amounts so received may be established as a trust fund to be available for the purpose and under the provisions of this act until the termination of the detail; any unexpended balance of the trust fund to be returned to the foreign government making the advance.'"

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman tell us the nature of the Senate amendment?

Mr. MAY. I do not have the Senate amendment before me, but it is of a clarifying nature. It includes the amendment that was offered by the gentleman from Michigan [Mr. WOLCOTT] when the bill was under consideration in the House, and the House bill is not changed in any material manner.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendment was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend the remarks I made in the Committee of the Whole this afternoon and to include therein certain letters to which I referred.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KITCHENS and Mrs. ROGERS of Massachusetts asked and were given permission to revise and extend their own remarks.

Mr. PACE. Mr. Speaker, I ask unanimous consent to extend my own remarks made in the Committee of the Whole today and to include therein certain lists and tables to which I referred.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CANNON of Florida. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a statement made by me against the Florida cross-State canal.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a brief newspaper article.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. DITTER. Mr. Speaker, I make a similar request.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. GAMBLE. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a short editorial from the New York Herald Tribune of April 20.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein remarks of the national commander of the Veterans of Foreign Wars.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Iowa. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein production and foreign-trade figures of the United States for chrome ore, manganese, tin, and tungsten, from 1909 to 1937, inclusive, as prepared by the Library of Congress Legislative Reference Section.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa [Mr. MARTIN]?

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein excerpts from an article concerning the occurrences of tin in Alaska, written by J. W. Farrell.

The SPEAKER pro tempore. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. HILL. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a statement concerning the youth problem written by Joseph Cadden, executive secretary of the American Youth Congress.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington [Mr. HILL]?

There was no objection.

Mr. OLIVER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a broadcast made by me last Saturday.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maine [Mr. OLIVER]?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend the remarks I made on the floor today and to include therein other remarks dealing with the same subject.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana [Mr. THORKELSON]?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LELAND M. FORD, indefinitely, on account of illness.

To Mr. THORKELSON, for 2 days, May 1 and May 2, on account of important business.

To Mr. KELLER, for 1 week.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 828. An act to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy.

ADJOURNMENT

Mr. MAY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until tomorrow, Wednesday, April 26, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet again Wednesday, April 26, 1939, in the committee room, Capitol, for the purpose of continuing open hearings on the following bills and resolutions on the subject of neutrality: House Resolution 100, to prohibit the transfer, loan, or sale of arms or munitions (by Mrs. ROGERS of Massachusetts); House Joint Resolution 3, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States (by Mr. LUDLOW); House Joint Resolution 7, to implement the Kellogg-Briand Pact for World Peace (by Mr. GUYER of Kansas); House Joint Resolution 16, to prohibit the exportation of arms, ammunition, or implements or materials of war to any foreign country when the President finds a state of war to exist between or among two or more foreign states or between or among two or more opposing forces in the same foreign state (by Mr. KNUTSON); House Joint Resolution 42, providing for an embargo on scrap iron and pig iron under Public Resolution No. 27 of the Seventy-fifth Congress (by Mr. CRAWFORD); House Joint Resolution 44, to repeal the Neutrality Act (by Mr. FADDIS); House Joint Resolution 113, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States (by Mr. FISH); House Joint Resolution 226, to amend the Neutrality Act (by Mr. GEYER of California); House Joint Resolution 254, to keep the United States out of foreign wars, and to provide for the neutrality of the United States in the event of foreign wars (by Mr. FISH); House bill 79, to keep America out of war by repealing the so-called Neutrality Act of 1937 and by establishing and enforcing a policy of actual neutrality (by Mr. MAAS); House bill 163, to establish the neutrality of the United States (by

Mr. LUDLOW); House bill 4232, to limit the traffic in war munitions, to promote peace, and for other purposes (by Mr. VOORHIS of California); House bill 5223, Peace Act of 1939 (by Mr. HENNINGS); House bill 5432, to prohibit the export of arms, ammunition, and implements and materials of war to Japan, to prohibit the transportation of arms, ammunition, implements, and materials of war by vessels of the United States for the use of Japan, to restrict travel by American citizens on Japanese ships, and otherwise to prevent private persons and corporations subject to the jurisdiction of the United States from rendering aid or support to the Japanese invasion of China (by Mr. COFFEE of Washington); House bill 5575, Peace Act of 1939 (by Mr. HENNINGS).

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads at 10 a. m. Wednesday, April 26, 1939, for the consideration of H. R. 2209 and H. R. 5278, bills to place postmasters of the fourth class on an annual salary basis.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 a. m. Wednesday, April 26, 1939, for consideration of H. R. 5836 and S. 2050.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Petroleum Subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m. Wednesday, April 26, 1939. Business to be considered: Hearing on S. 1302, petroleum shipments.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, April 26, 1939, at 10 a. m., the following bills: H. R. 4592, allowing all registered vessels to engage in the whale fishery; H. R. 4593, relating to the whale fishery.

On Thursday, April 27, 1939, on H. R. 4983, to amend sections 712 and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisitioning of vessels.

On Thursday, May 4, 1939, at 10 a. m., on H. R. 4650, making electricians licensed officers.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, April 26, 1939, at 10:30 a. m., for the consideration of House Joint Resolution 117, H. R. 2654, H. R. 4498, H. R. 5746, H. R. 5758, and H. R. 5851.

COMMITTEE ON ROADS

The Committee on Roads will hold public hearings on Tuesday, May 2, 1939, at 10 a. m., in the Roads Committee room, 1011 New House Office Building (ground floor), on the following acts and bills:

S. 1109 and H. R. 3522, to amend the act entitled "An act to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes," by providing that funds available under such act may be used to match regular and secondary Federal-aid road funds.

S. 1985, to extend the time within which the States may cause toll bridges to be made free in order to qualify for aid under the act of August 14, 1937.

H. R. 4541, to provide for the completion of a part of the Lewis and Clark Highway between Kooskia, Idaho, and a point near Lolo, Mont.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

669. A letter from the Acting Secretary of the Treasury, transmitting the draft of a proposed bill to establish a Coast Guard Reserve to be composed of owners of motorboats and yachts; to the Committee on Merchant Marine and Fisheries.

670. A letter from the Chairman, Reconstruction Finance Corporation, transmitting a report of the activities of the Reconstruction Finance Corporation for the month of February 1939 (H. Doc. No. 265); to the Committee on Banking and Currency and ordered to be printed.

671. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 11, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Monterey Harbor, Calif., authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 266); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

672. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, House of Representatives, for the fiscal year 1939, to remain available until expended, in the amount of $32,500 (H. Doc. No. 264); to the Committee on Appropriations and ordered to be printed.

673. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of Justice, aggregating $4,000, to provide for repairs and alterations to the buildings occupied by the United States Court of Appeals (H. Doc. No. 263); to the Committee on Appropriations and ordered to be printed.

674. A letter from the Architect of the Capitol, transmitting the Annual Report of the Office of the Architect of the Capitol for the fiscal year ended June 30, 1938; to the Committee on Public Buildings and Grounds.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DEROUEN: Committee on the Public Lands. S. 509. An act to add certain lands of the Front Royal Quartermaster Depot Military Reservation, Va., to the Shenandoah National Park, and for other purposes; without amendment (Rept. No. 470). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHANDLER: Committee on the Judiciary. S. 752. An act to amend section 78 of chapter 231, Thirty-sixth United States Statutes at Large (36 Stat. L., sec. 1109), relating to one judicial district to be known as the district of Idaho, and dividing it into four divisions, to be known as the northern, central, southern, and eastern divisions, defining the territory embraced in said divisions, fixing the terms of district court for said divisions, requiring the clerk of the court to maintain an office in charge of himself or deputy at Coeur d'Alene City, Idaho; Moscow, Idaho; Boise City, Idaho; and Pocatello, Idaho; and to authorize the United States District Court for the District of Idaho, by rule or order, to make such changes in the description or names to conform to such changes of description or names of counties in said divisions as the Legislature of Idaho may hereafter make; with amendment (Rept. No. 471). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROMJUE: Committee on the Post Office and Post Roads. H. R. 4322. A bill giving clerks in the Railway Mail Service the benefit of holiday known as Armistice Day; without amendment (Rept. No. 477). Referred to the Committee of the Whole House on the state of the Union.

Mr. FLAHERTY: Committee on the Post Office and Post Roads. H. R. 5064. A bill to amend the act approved June 25, 1910, authorizing establishment of the Postal Savings System; with amendment (Rept. No. 478). Referred to the Committee of the Whole House on the state of the Union.

Mr. BOYKIN: Committee on Merchant Marine and Fisheries. H. R. 5756. A bill to amend section 509 of the Merchant Marine Act, 1936, as amended; with amendment (Rept. No. 479). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 2317. A bill relating to the disposition of funds derived from the Coos Bay Wagon Road grant lands; with amendment (Rept. No. 480). Referred to the Committee of the Whole House on the state of the Union.

Mr. PIERCE of Oregon: Committee on Agriculture. S. 1096. An act to amend section 8c of the Agricultural

Marketing Agreement Act of 1937, as amended, to make its provisions applicable to Pacific Northwest boxed apples; with amendment (Rept. No. 481). Referred to the Committee of the Whole House on the state of the Union.

Mr. JONES of Texas: Committee on Agriculture. House Joint Resolution 247. Joint resolution to provide minimum national allotments for cotton; without amendment (Rept. No. 482). Referred to the Committee of the Whole House on the state of the Union.

Mr. JONES of Texas: Committee on Agriculture. House Joint Resolution 248. Joint resolution to provide minimum national allotments for wheat; without amendment (Rept. No. 483). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOXEY: Committee on Agriculture. H. R. 5498. A bill to make applicable to the years after 1939 the special provisions relating to cotton baleage and acreage allotments which apply for 1939; with amendment (Rept. No. 484). Referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 485. Report on the disposition of records in the Civil Service Commission. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 486. Report on the disposition of records in the Department of the Interior. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 487. Report on the disposition of records in the Veterans' Administration. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 488. Report on the disposition of records in the Department of Agriculture. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 489. Report on the disposition of records in the United States Coal Commission. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 490. Report on the disposition of records in the Navy Department. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 491. Report on the disposition of records in the Post Office Department. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 492. Report on the disposition of records in the Treasury Department. Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROCKEFELLER: Committee on Claims. S. 1038. An act for the relief of L. M. Bell and M. M. Bell; with amendment (Rept. No. 472). Referred to the Committee of the Whole House.

Mr. KEEFE: Committee on Claims. H. R. 2695. A bill for the relief of Kenneth B. Clark; with amendment (Rept. No. 473). Referred to the Committee of the Whole House.

Mr. WINTER: Committee on Claims. H. R. 2926. A bill for the relief of Bernard Woodruff; with amendment (Rept. No. 474). Referred to the Committee of the Whole House.

Mr. ELLIS: Committee on Claims. H. R. 3074. A bill for the relief of Edgar Green; with amendment (Rept. No. 475). Referred to the Committee of the Whole House.

Mr. ROCKEFELLER: Committee on Claims. H. R. 3541. A bill for the relief of John Chastain and Mollie Chastain, his wife; with amendment (Rept. No. 476). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Claims was discharged from the consideration of the bill (H. R. 5634) granting 6 months' pay to Sidney M. Bowen, and the same was referred to the Committee on Naval Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LESINSKI:

H. R. 5977 (by request). A bill to provide pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard who become disabled by reason of their service therein, equivalent to 90 percent of the compensation payable to war veterans for similar service-connected disabilities, and for other purposes; to the Committee on Invalid Pensions.

By Mr. SHEPPARD:

H. R. 5978. A bill granting pensions to male nurses who served under contract between April 21, 1898, and February 2, 1901; to the Committee on Pensions.

By Mr. VAN ZANDT:

H. R. 5979. A bill to amend title X of the Social Security Act with respect to financial assistance to certain blind persons; to the Committee on Ways and Means.

H. R. 5980. A bill to amend title X of the Social Security Act with respect to financial assistance to certain blind persons; to the Committee on Ways and Means.

By Mr. BECKWORTH:

H. R. 5981. A bill to provide a minimum allotment for farm marketing quota purposes of five bales of lint cotton; to the Committee on Agriculture.

By Mr. CHANDLER:

H. R. 5982. A bill for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violations thereof; to the Committee on the Judiciary.

By Mr. DEROUEN:

H. R. 5983. A bill to amend the Agricultural Adjustment Act of 1938, as amended, for the purpose of regulating interstate and foreign commerce in rice and providing for the orderly marketing of rice at fair prices in interstate and foreign commerce; to the Committee on Agriculture.

By Mr. EBERHARTER:

H. R. 5984. A bill to authorize the construction and operation of certain bridges across the Monongahela River in the county of Allegheny, Pa.; to the Committee on Interstate and Foreign Commerce.

By Mr. FLANNERY:

H. R. 5985. A bill to require informative advertising of imported articles; to the Committee on Interstate and Foreign Commerce.

By Mr. IZAC:

H. R. 5986. A bill to give certain warrant officers and enlisted men who are retired with war-time rank the retired pay and allowances of such rank; to the Committee on Military Affairs.

By Mr. RANDOLPH:

H. R. 5987. A bill to amend the District of Columbia Traffic Act of 1925 (43 Stat. 1119); to the Committee on the District of Columbia.

By Mr. SUMNERS of Texas:

H. R. 5988. A bill to amend an act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938 (Public Law No. 583, 75th Cong., 3d sess.); to the Committee on the Judiciary.

By Mr. WHELCHEL:

H. R. 5989. A bill to amend the Railroad Retirement Act to provide annuities for individuals who are totally and permamently disabled and have completed 15 years of service; to the Committee on Interstate and Foreign Commerce.

By Mr. CHANDLER:

H. R. 5990. A bill creating the Memphis and Little Rock Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Memphis,

Tenn.; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FULMER:

H. R. 5991. A bill to provide for the forest conservation of timber used in pulp; to provide for the eventual elimination of artificial market control of cotton; to use the surplus carry-over of cotton; to improve the quality of cellulose pulp; to provide a standard of cotton content in pulp; and for other purposes; to the Committee on Agriculture.

By Mr. AUGUST H. ANDRESEN:

H. R. 5992. A bill to require the earmarking of the subsidy paid by the Secretary of the Treasury for foreign gold and the spending of said subsidy for farm and manufactured products produced in the United States; to the Committee on Coinage, Weights, and Measures.

By Mr. GEYER of California:

H. R. 5993. A bill to amend the Social Security Act with respect to its application to employees of fraternal beneficiary societies, orders, and associations; to the Committee on Ways and Means.

H. R. 5994. A bill to assure to persons within the jurisdiction of every State due process of law and equal protection of the laws, and to prevent the crime of lynching; to the Committee on the Judiciary.

By Mr. McLEOD:

H. R. 5995. A bill to designate the city of Detroit, Mich., as a port of entry for antiques; to the Committee on Ways and Means.

By Mr. RANDOLPH:

H. R. 5996. A bill to amend the act of Congress approved May 3, 1935, entitled "An act to promote safety on the public highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes;" to the Committee on the District of Columbia.

By Mr. GORE:

H. R. 5997. A bill to extend the time within which the States may cause toll bridges to be made free in order to qualify for aid under the act of August 14, 1937; to the Committee on Roads.

By Mr. STEFAN:

H. R. 5998. A bill to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935; to the Committee on Interstate and Foreign Commerce.

By Mr. SUMNERS of Texas:

H. R. 5999. A bill to provide for the administration of the United States courts, and for other purposes; to the Committee on the Judiciary.

By Mr. NICHOLS:

H. Con. Res. 18. Concurrent Resolution to create a joint congressional committee to investigate the Gallinger Municipal Hospital; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to consider their resolution with reference to Social Security Act; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 6000. A bill granting a pension to Thomas L. Dwyer; to the Committee on Invalid Pensions.

By Mr. BRADLEY of Michigan:

H. R. 6001. A bill granting a pension to Sarah Foxton Judson; to the Committee on Pensions.

By Mr. CELLER:

H. R. 6002. A bill for the relief of Albert St. Clair; to the Committee on Immigration and Naturalization.

By Mr. COLE of Maryland:

H. R. 6003. A bill for the relief of William W. Tingle; to the Committee on Claims.

By Mr. DARDEN:

H. R. 6004. A bill for the relief of W. B. Fountain; to the Committee on Naval Affairs.

By Mr. FLANNERY:

H. R. 6005. A bill for the relief of Salvador Plesh; to the Committee on Military Affairs.

By Mr. GEHRMANN:

H. R. 6006. A bill to pay retroactive death-compensation benefits to Knud Jens Finstad; to the Committee on World War Veterans' Legislation.

By Mr. LUDLOW:

H. R. 6007. A bill for the relief of Joe Koor; to the Committee on Claims.

By Mr. McANDREWS:

H. R. 6008. A bill for the relief of Frank Schmitz; to the Committee on Immigration and Naturalization.

By Mr. MASON:

H. R. 6009. A bill for the relief of Robert B. Marshall; to the Committee on Claims.

H. R. 6010. A bill for the relief of John August Johnson; to the Committee on War Claims.

By Mr. MUNDT:

H. R. 6011. A bill for the relief of John H. Balmat, Jr.; to the Committee on World War Veterans' Legislation.

H. R. 6012. A bill for the relief of P. J. Kleinjen; to the Committee on Claims.

By Mr. RANDOLPH:

H. R. 6013. A bill for the relief of Glaspy V. Wolfe; to the Committee on Claims.

By Mr. ROMJUE:

H. R. 6014. A bill granting an increase of pension to Margaret Evans; to the Committee on Invalid Pensions.

By Mr. SMITH of West Virginia:

H. R. 6015. A bill for the relief of Walter Rhodes; to the Committee on Military Affairs.

By Mr. IZAC:

H. J. Res. 275. Joint resolution to authorize the President to present the Distinguished Flying Cross to Frank W. Seifert; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2713. By Mr. BOLLES: Petition of officers and members of Kiel Camp, No. 2502, Royal Neighbors of America, Kiel, Wis., requesting that we support an amendment to the Federal Social Security Act exempting all such organizations; to the Committee on Ways and Means.

2714. Also, petition of officers and members of May Day Camp, No. 151, Royal Neighbors of America, Lodi, Wis., requesting that we support an amendment to the Federal Social Security Act exempting all fraternal organizations; to the Committee on Ways and Means.

2715. Also, petition of Racine Post, No. 76, the American Legion, Wisconsin, advocating a strict adherence to a policy of nonintervention in foreign affairs; to the Committee on Foreign Affairs.

2716. By Mr. CASE of South Dakota: Petition of Scott Gere and 45 residents of White River, S. Dak., favoring passage of the cost-of-production bill; to the Committee on Agriculture.

2717. By Mr. DARROW: Petition of the Philadelphia Board of Trade, urging favorable action on the Darrow bill (H. R. 4631), to continue the 44-hour workweek for employees engaged in certain wholesaling or distributing establishments; to the Committee on Labor.

2718. By Mr. EATON of California: Resolution adopted at the Twentieth Annual Convention of the Associated General Contractors of America at San Francisco, Calif., March 6–10, 1939, urging that the utilization of the vehicle of public-works construction to meet existing or future emergencies should be handled by an agency constituted for that purpose only, with authority to assist in the advance planning of projects; and that in the execution of such projects the costs should be fixed as a result of competitive bids and the contract awarded to the lowest qualified bidder; and that the administration of such emergency program of public-works construction be handled by such agency and none other; to the Committee on Appropriations.

2719. By Mr. ENGEL: Petition of Mr. and Mrs. Frank Emery, Mr. and Mrs. Ben Wyma, Mr. and Mrs. Claude Young, and others of Missaukee County, Mich., urging the strengthening of our neutrality policy to avoid all foreign entanglements which might lead to war; to the Committee on Foreign Affairs.

2720. By Mr. FLAHERTY: Memorial of the General Court of Massachusetts, favoring legislation increasing the amounts of old-age assistance payable by the Federal Government to States and their political subdivisions; to the Committee on Ways and Means.

2721. By Mr. HART: Petition of the Associated General Contractors of New Jersey, protesting against the enactment of Senate bill 2202 to consolidate the Public Works Administration, Works Progress Administration, Civilian Conservation Corps, Bureau of Public Roads, and the Procurement Division of the Treasury Department; to the Committee on Appropriations.

2722. By Mr. JOHNS: Petition of 122 dairy farmers stating that we, the undersigned dairy farmers of Outagamie County, Wis., being sorely pressed to pay our taxes and make a living due to the low prices of dairy products and the high prices that we have to pay for the things we buy, do hereby respectfully petition the Congress of the United States to approve the Wisconsin dairy program; to the Committee on Agriculture.

2723. By Mr. MARTIN J. KENNEDY: Petition of Charles of the Ritz, New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2724. Also, petition of the Industrial Home for the Blind, Brooklyn, urging support of House bill 5136; to the Committee on the Library.

2725. Also, petition of Local No. 31, National Association of Post Office Mechanics, Oyster Bay, N. Y., urging support of House bill 892; to the Committee on the Post Office and Post Roads.

2726. By Mr. KEOGH: Petition of the American Trucking Association, Inc., Washington, D. C., concerning Senate bill 2009, transportation bill; to the Committee on Interstate and Foreign Commerce.

2727. Also, petition of the Dressmakers Union of New York City, concerning House bill 210, the Celler bill; House bill 4369, the Lesinski bill; and House bill 3215, the McCormack bill; to the Committee on Immigration and Naturalization.

2728. Also, petition of the Dressmakers Union, New York City, opposing the Hobbs bill (H. R. 5643); to the Committee on the Judiciary.

2729. Also, petition of the Transport Workers Union of America, Michael J. Quill, president, New York City, favoring the passage of House bill 2888, providing for additional appropriation of $800,000,000 to the United States Housing Authority for slum clearance and decent housing; to the Committee on Appropriations.

2730. By Mr. LEAVY: Petition of the Sportsmen's Association of Pateros, Okanogan County, Wash., urging that, in the contemplated reorganization of Government agencies, the national forests, Federal grazing ranges, migratory fowl and small bird protection and conservation programs, water pollution, and other kindred matters all be administered by a Department of Conservation, unhampered by the care of unrelated affairs; to the Select Committee on Government Organization.

2731. By Mr. LEWIS of Ohio: Petition of 27 elders and ministers of the St. Clairsville presbytery of the Eighteenth Congressional District of Ohio, protesting against the sale by the United States of such materials as cotton, oil, iron, and finished products to Japan to aid them in their aggression against China; to the Committee on Foreign Affairs.

2732. By Mr. MAGNUSON: Petition of the Washington Temperance Association of Seattle, Wash., submitted by W. J. Herwig, educational director, protesting against the advertising of alcoholic beverages over the radio, and urging passage of Senator Johnson's bill (S. 517); to the Committee on Interstate and Foreign Commerce.

2733. By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, urging amendment of title 1 of the Social Security Act; to the Committee on Ways and Means.

2734. By Mr. PFEIFER: Petition of the American Trucking Association, Inc., Washington, D. C., concerning the transportation bill (S. 2009); to the Committee on Interstate and Foreign Commerce.

2735. Also, petition of the Dressmakers Union, Local 22, New York City, concerning the Hobbs bill (H. R. 5643), and the Smith bill (H. R. 5138), the Celler bill (H. R. 210), the Lesinski bill (H. R. 4369), and the McCormack bill (H. R. 3215); to the Committee on Immigration and Naturalization.

2736. Also, petition of the Transport Workers Union of America, Michael J. Quill, president, New York City, urging support of House bill 2888; to the Committee on Banking and Currency.

2737. By Mrs. ROGERS of Massachusetts: Petition of the General Court of the Commonwealth of Massachusetts, memorializing Congress in favor of legislation increasing the amounts of old-age assistance payable by the Federal Government to States and their political subdivisions; to the Committee on Ways and Means.

2738. By Mr. WIGGLESWORTH: Petition of the General Court of Massachusetts, favoring legislation increasing the amounts of old-age assistance payable by the Federal Government to States and their political subdivisions; to the Committee on Ways and Means.

2739. By the SPEAKER: Petition of Yankton Grange, No. 301, Patrons of Husbandry, 4 miles from St. Helens, Oreg., petitioning consideration of their resolution with reference to Senate bill 1108, concerning exportation of peeler logs; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 26, 1939

The House met at 12 o'clock noon.

Rev. Frederick Brown Harris, D. D., pastor of the Foundry Methodist Episcopal Church, Washington, D. C., offered the following prayer:

Eternal Spirit, high over us all, yet deep within us all, we stand in reverence before Thee as together we face the tasks of this day. Help us to whom the torch of great traditions has been passed to serve the present age and to be loyal to the royal in ourselves. Disarm our minds of prejudice, suspicion, fear, and hatred. May our attitude to Thy other children of any race or nation not add to the poison which threatens the peace and happiness of our common humanity. Above all other loyalties and fealties may our ruling passion be to do justly, to love mercy, and to walk humbly before our God.

We lift before Thee the sacred interests of our Republic. We beseech Thee for high hearts and wise minds. Through all the maddening maze of these troubled times that are trying men's souls may we not be disobedient to the heavenly vision.

And now in this shrine of each patriot's devotion may we be still and know that Thou art God; that Thou wilt be exalted among the nations; Thy kingdom come and Thy will

be done on earth as it is in heaven. We ask it in the ever-blessed Name. Amen.

The Journal of the proceedings of the House was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5287. An act relating to the importation of distilled spirits for consumption at the New York World's Fair, 1939, and the Golden Gate International Exposition of 1939, and to duties on certain articles to be exhibited at the New York World's Fair, 1939.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 527. An act for the relief of J. J. Greenleaf;

S. 765. An act for the relief of Hugh McGuire;

S. 920. An act conferring jurisdiction upon the United States District Court for the District of Montana to hear, determine, and render judgment upon the claim of the estate of Joseph Mihelich;

S. 927. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Suncrest Orchards, Inc.;

S. 1092. An act for the relief of Sigvard C. Foro;

S. 1160. An act for the relief of Roland Hanson, a minor, and Dr. E. A. Julien;

S. 1372. An act for the relief of W. B. Tucker, Helen W. Tucker, Lonie Meadows, and Susie Meadows;

S. 1448. An act for the relief of Anna H. Rosa;

S. 1812. An act for the relief of A. E. Bostrom;

S. 2126. An act authorizing the Comptroller General of the United States to adjust and settle the claim of E. Devlin, Inc.; and

S. J. Res. 11. Joint resolution directing the Comptroller General to readjust the account between the United States and the State of Vermont.

IMPORTATION OF DISTILLED SPIRITS FOR CONSUMPTION AND DUTIES ON CERTAIN ARTICLES TO BE EXHIBITED AT THE NEW YORK WORLD'S FAIR, 1939

Mr. CULLEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5287) relating to the importation of distilled spirits for consumption at the New York World's Fair, 1939, and the Golden Gate International Exposition of 1939, and to duties on certain articles to be exhibited at the New York World's Fair, 1939, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 10, strike out all after "of" over to and including "spirits", in line 3, page 2, and insert "section 2C71 of the Internal Revenue Code."

Page 5, strike out lines 20 to 23, inclusive, and insert:

"SEC. 4. Tourist literature containing scenic, historical, geographic, timetable, travel, hotel, or similar information, chiefly with respect to places or travel facilities outside the continental United States."

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman from New York explain the Senate amendments?

Mr. CULLEN. Surely.

The first amendment is merely a technical amendment making reference to the Internal Revenue Code instead of to the joint resolution.

The second amendment rewrites part of section 4 and restricts the importation of books, pamphlets, and literature to scenic, historical, geographic, timetable, travel, hotel, or similar information. I believe this strengthens section 4 and will have the effect of keeping out a lot of literature that may be brought in from abroad in the nature of propaganda.

Mr. MARTIN of Massachusetts. Is this agreeable to the gentleman from Massachusetts [Mr. TREADWAY], a member of the gentleman's committee?

Mr. CULLEN. I spoke to the gentleman and he agreed to it.

Mr. RICH. Reserving the right to object, Mr. Speaker, in connection with the world's fair that is to be opened on Sunday, I understand a special train will leave Washington this week end to take to the world's fair all Members of Congress and their wives who desire to go. That is fine; but may I ask the gentleman if there will be any obligation on our part, if we take that train ride to New York, to vote later for the additional $3,000,000 that is desired?

Mr. CULLEN. None whatever.

Mr. RICH. We can have the free ride?

Mr. CULLEN. You can have the free ride and enjoy the company and your presence at the fair.

Mr. RICH. That will be fine; and we will meet Grover Whalen?

Mr. CULLEN. Yes; and you will be under no obligation whatever with relation to voting for the $3,000,000.

Mr. RICH. That is fine.

The SPEAKER. Does the gentleman from Pennsylvania withdraw his reservation of objection?

Mr. RICH. I withdraw my reservation of objection, Mr. Speaker.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HESS and Mr. MICHAEL J. KENNEDY were given permission to extend their own remarks in the RECORD.

PROMOTION OF OFFICERS OF THE NAVY

Mr. SABATH. Mr. Speaker, I call up House Resolution 170 and ask its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 170

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 4929, a bill to amend the act of June 23, 1938 (52 Stat. 944). That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendments under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bills and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, does the gentleman from Michigan [Mr. MAPES] desire to yield time under the rule?

Mr. MAPES. Mr. Speaker, there is no opposition to the rule. I understand the minority members have an amendment they desire to propose or discuss in connection with the bill itself.

Mr. SABATH. They will not be foreclosed from offering any amendment, because this is a broad and liberal rule, as is usually reported by the Rules Committee.

Mr. WOODRUM of Virginia. Mr. Speaker, will the gentleman from Illinois yield for a unanimous-consent request?

Mr. SABATH. I yield to the gentleman from Virginia.

SECOND DEFICIENCY APPROPRIATION BILL, 1939

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent that the conferees may have until midnight tonight to file a conference report on the second deficiency appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD by inserting therein a speech made at Lynchburg by the chairman of the Democratic National Committee on April 13 and an introduction by the senior Senator from Virginia.

Mr. RICH. Reserving the right to object, Mr. Speaker, the gentleman says this speech was made by the Democratic national chairman. Is that Mr. Farley, the Postmaster General?

Mr. WOODRUM of Virginia. That is the gentleman.

Mr. RICH. Are these speeches of Mr. Farley's that we are printing all the time at Government expense for the welfare of the country or for the benefit of the Democratic Party?

Mr. WOODRUM of Virginia. I may say to the gentleman that whatever is for the benefit of the Democratic Party is for the good of the country. [Applause.]

Mr. RICH. That might be all right if the gentleman is speaking of Jeffersonian Democrats, but the gentleman who made the speech is a new dealer. Does the gentleman figure that the New Deal is a part of the Jeffersonian Democratic Party?

Mr. WOODRUM of Virginia. I believe the New Deal has done many things that have saved the country.

Mr. RICH. It is wrecking the country. If the gentleman will look at the financial statement of the Treasury, he will come to that conclusion, and I know the gentleman has realized it.

The SPEAKER. Does the gentleman from Pennsylvania withdraw his reservation of objection?

Mr. RICH. I will permit the speech to go in the RECORD this time, but I hope after this they will keep out of the RECORD a good many of the speeches by Mr. Farley, because he has more speeches printed in the RECORD than any other public official.

The SPEAKER. The Chair hears no objection.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address by Dr. H. G. Harmon, president of William Woods College.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL

Mr. LUDLOW submitted a conference report and statement on the bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes.

PROMOTION OF OFFICERS IN THE NAVY

Mr. SABATH. Mr. Speaker, this resolution makes in order the bill H. R. 4929, a measure that has been unanimously reported by the Naval Affairs Committee. There is no opposition, as I understand, either to the bill or the rule.

All the bill aims to do is to provide for more orderly promotion in the Navy Department; and in view of the fact that the minority does not desire any time on the rule, Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. VINSON of Georgia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4929) to amend the act of June 23, 1938 (52 Stat. 944).

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4929, with Mr. JONES of Texas in the chair.

The Clerk read the title of the bill.

Mr. VINSON of Georgia, Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON of Georgia. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the object and purpose of the proposed bill is to iron out and remove inequities that have been found to exist in the selection law that was passed during the last session of Congress.

Experience has shown that in any personnel legislation of any magnitude not all provisions are perfect and produce the results desired. Therefore, the sole object and purpose of the proposed bill is to make certain changes to improve the act and to facilitate its operation and thereby be more equitable to the officer personnel of the Navy.

I shall briefly explain each and every one of the amendments so you can readily understand what is proposed and the reason why the changes are necessary.

The first two amendments relate to the composition of the selection board. Under the law today—that is, the Selection Act of June 23, 1938—the Secretary of the Navy designates a board of nine rear admirals to consider promotion of officers who are in the grade of lieutenant commander to the grade of commander. The law also prohibits a member from serving on two successive boards.

We proposed to change that by having a board consisting of three rear admirals and six captains. The reason why the change is proposed is in view of the fact that under the present law no member of a board can serve in successive years, and the Navy Department experienced difficulty in getting rear admirals who could serve on the boards because their duties scatter them all over the country, and it is costly to assemble them and also it interferes with their duties.

With six captains on the board, it places a majority of officers in rank nearer to that of lieutenant commander and who naturally will be in a better position to know of the actual performance of duty of the officers considered for promotion.

The other amendment prohibits the commander in chief of the fleet from serving on a selection board.

The presence of the commander in chief of the fleet on any selection board might tend to have, though unconsciously, an effect upon the decision of officers serving on the board.

There can be no doubt that these two amendments relating to the composition of the board will bring about much improvement in the selection law.

The next amendment relates to the "physical condition" and "medical records" of the officers to be considered by the selection board.

Under the law today the Secretary of the Navy submits to the selection board, first, the number of vacancies to be filled in each grade; second, the names of all officers eligible for consideration for promotion in each grade. No officer's name can be submitted for consideration by the selection board who is not physically qualified. Therefore you will observe that physical qualifications is one of the prerequisites before the selection board can consider an officer.

The amendment proposes to change that by making it unnecessary to have a physical examination before the officer's name is certified by the Secretary as eligible for consideration by the selection board.

This change is brought about by the administrative difficulties encountered when it comes time to certify to the board that the officer whose name is submitted for consideration is physically qualified.

In practice it is an impossibility to hold last-minute physical examinations on each of the 1,000 or more officers eligible annually for selection.

All officers of the Navy are given an annual physical examination and anyone who is found physically disqualified to perform all of his duties is automatically ordered before retiring board if his disability is of a permanent nature. Again, an officer may be temporarily physically disqualified

or may be on duty where examination cannot be arranged to determine his physical condition.

By the selection board's considering his medical record you can rest assured that no officer who is not physically qualified to perform his duties will be selected.

After an officer has been selected, before he is promoted, he must stand a physical examination.

The amendment simply puts the physical examination after he has been selected for promotion instead of making it a condition for consideration by the selection board.

The next amendment simply supplies language to continue the previous practice under the prior law in the selection of additional-number officers. Officers who are additional numbers in a grade are not counted in the total number authorized by law to be in that grade, and, for the same reason, should not, when selected, be counted in the number designated to be selected to fill the vacancies in the next higher grade. It was the intent that these additional-number officers should not be counted, but the interpretation of the law is that they do count, and the amendment proposed to the act will eliminate all doubt.

Forty-eight officers known as "aeronautical engineering duty only officers," 67 officers known as "engineering duty only officers," and 17 officers carried as extra numbers provided for by acts of Congress, making a total of 132 officers, are carried as extra or additional numbers in the service, and these additional number officers are not counted in the distribution of officers in the various grades as provided by law.

The sixth amendment combines subsection (d) and (e) of section 9 of the act of June 23, 1938.

Section (d) prohibits "aeronautical engineering duty only" officers from succeeding to command on shore. However, officers assigned to "engineering duty only" were permitted to succeed to command on shore.

The proposed amendment, by combining subsections (d) and (e), removes the restrictions against officers performing "aeronautical engineering duty only" by being permitted to command on shore. It permits them to be ordered to command on shore only when ordered to do so by the Secretary of the Navy.

It also provides that the recommendation of the selection boards in the cases of officers of this class shall be based upon their comparative fitness for the duties prescribed for them by law, the same provisions that are now applied to officers assigned to "engineering duty only."

In other words, it simply places officers assigned to "aeronautical engineering duty only" on the identical basis with officers assigned to "engineering duty only."

The next amendment relates to the decision of the selection board for promotion, retention, and so forth, being by a two-thirds vote.

As the bill passed the House last year, the selection boards had but two functions. They were to select officers as best fitted for promotion and to designate those adjudged as fitted for promotion.

Both of these functions require a two-thirds vote of the selection board. However, three more functions were added to the duties of the selection board by the final act. These are: First, choosing which of the officers adjudged fitted for promotion should be retained on the active list; second, designating unsatisfactory officers for discharge; and third, designating inapt lieutenants, junior grade, for revocation of commission. As there is no specific authority of law stating that these three additional functions of the selection board require a two-thirds vote, the Navy Department has ruled that the action of the selection board requires only a majority vote.

As these three functions are more or less punitive in nature, it is believed that all of the actions of the selection board should be by two-thirds vote, and that is what this bill will provide.

Under the act of June 23, 1938, there is no general retirement-pay clause in the act; nevertheless, reference is made to retired pay. To clear up the same it is necessary that some positive statement be made as to how retirement pay shall be computed, and therefore we are amending section 11 to take care of this situation, and the retired pay referred to in the selection law is the same as under the general law.

The next amendment deals with giving fitted officers not retained the same consideration as fitted officers retained.

Under the law today fitted officers that are designated by the President for retention when they retire receive the retired pay of their rank; however, officers who are classified by the selection board as fitted but not retained are retired with only the rank and not the retired pay of that rank.

This amendment restores to them the pay of the rank when retired as a fitted officer.

The next amendment, which provides:

Provided further, That until June 30, 1944, such officers shall not be retired until they shall have completed the periods of commissioned service prescribed for their respective grades in subsection (d) of this section for fitted officers recommended for retention on the active list—

is the most important amendment in the bill. It is a committee amendment.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. McCORMACK. The gentleman is aware of the fact that I have introduced a bill relating to certain staff officers. Is it the gentleman's intention to add any amendment of that kind to this bill?

Mr. VINSON of Georgia. The pending bill relates only to the line and not to the staff.

Mr. McCORMACK. The gentleman is not going to put in an amendment to this bill calling for a survey of the staff officers?

Mr. VINSON of Georgia. I have not reached that phase in my remarks.

Mr. McCORMACK. Does the gentleman intend to do that?

Mr. VINSON of Georgia. That is under consideration.

Mr. McCORMACK. If the gentleman is not going to do that, it would be very convenient for me to know it, because I am for the bill, but if the gentleman intends to do that, I shall have to forego attending to some other important matters.

Mr. VINSON of Georgia. We trust the Committee will have the benefit of the presence of the gentleman during the consideration of the bill and that the gentleman will stay here.

Mr. McCORMACK. Will the gentleman frankly advise me whether he intends to offer an amendment providing for such a survey?

Mr. VINSON of Georgia. Not right now.

Mr. McCORMACK. Does the gentleman intend to do that in connection with the consideration of this bill?

Mr. VINSON of Georgia. I cannot answer that question now. I will talk to the gentleman after I have finished my remarks.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. ANDREWS. Is there any provision in this bill in any way affecting any retired officer?

Mr. VINSON of Georgia. Not at all.

As I have stated, this is the most important amendment in the bill and it is a committee amendment.

Under the method of selection, the selection board designates the officers of each grade who are best fitted and who are fitted. In view of the fact that in each grade there is a limited number of vacancies, it naturally follows that but a small percentage of officers considered for promotion will be classified as best-fitted officers. A large majority of officers, due to shortage of vacancies in each grade, are classified as fitted officers.

It is the policy of the Navy Department to retain 20 percent of fitted officers in the grade of commander; 70 percent of the fitted officers in the grade of lieutenant commander.

The Naval Affairs Committee believes that in view of the expansion of the Navy both in ships and aircraft, and in view of the unsettled world conditions as they exist today, the Navy should retain the services of all these officers, at least until 1944, who have been adjudged as fitted by the selection board.

There would be retired from the service today 23 captains and 33 commanders. The country and the Navy needs the services of these officers at this time.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. WALTER. Does this bill take care of those naval aviators to whom the Government owes at least a moral debt?

Mr. VINSON of Georgia. It takes care of every officer who is classified as fitted, and not ordered to be retained by the President, up until he has served at least 30 years in the rank of captain, 28 years in the rank of commander, and 26 years in the rank of lieutenant commander. That is the amendment that I am discussing now. It will retain in the service during this period, from now to 1944, approximately some 250 or 300 officers who otherwise would go out as fitted officers.

There can be no justification with the expansion of the Navy for the wholesale retirement that is brought about among fitted officers.

Now, of course, when the selection board fails to designate an officer as best fitted or as fitted, the officer goes out of the service under certain conditions as the law applies in his case.

The retention as provided for in this amendment will not only save for the country and the Navy, but it will give the officer personnel a more secure feeling insofar as a career in the Navy is concerned, and it will permit the officers adjudged as fitted to remain in the service until 1944 or until they have completed 30, 28, and 26 years, respectively, of commissioned service in the Navy. Thirty years for captains, 28 years for commanders, and 26 years for lieutenant commanders.

In plain language this amendment keeps in the service all officers designated by the selection board as fitted officers whether he be assigned to "engineering duty only," "aeronautical engineering duty only," or to duty in the line.

I earnestly hope that there will be no hesitancy on the part of the House in approving this section, for it means the retention of some 300 officers between now and 1944 who would go on the retired list without this amendment.

In the redraft of subsection k of section 12, the same purposes are served that are now provided in this subsection of the act, with a slight extension of the second proviso. This proviso covers the promotion on the retirement of World War lieutenants. In the law as it stands today, it applies only to such lieutenants as are retired consequent to failure of selection as best fitted and of adjudgment as fitted. As extended in the redraft, it provides that those lieutenants "retired under any provision of law" are promoted upon retirement.

The last amendment to the act as provided in the bill providing for the discharge of lieutenants (junior grade) reported by the selection board as "lacking in aptitude for the naval service" restricts the application to those junior lieutenants who are serving under probationary appointments. In other words, it will not apply to those who have already passed through the probationary appointment as provided under a prior law.

Now, let me digress to say that we have just cause to be proud of the officer and enlisted personnel of our Navy.

The officers, while midshipmen at the Naval Academy, receive the finest education that it is possible for them to get during the 4 years at that institution and upon graduation officers do not put aside their books and consider their education complete. All through their careers they are studying and taking postgraduate and Naval War College courses as well as constantly reading to keep abreast of the times in engineering, gunnery, seamanship, and navigation. I measure my words when I say that our officer personnel is not surpassed by that of any other naval power.

Our enlisted personnel is composed of virile young men unsurpassed by any other similar body of men in the world. Every one of them is given a searching investigation, and he must come up to the high standard set before being accepted for enlistment. The education of our average enlisted man consists of about 3 years of high-school work.

Wherever they go or whatever they do, they reflect credit not only upon the Navy but upon the country as well.

There can be no comparison between the enlisted man of today with the enlisted man of yesterday.

If at any time our Navy is put to the test, the country can rest assured that these young men, led by our capable officers, will make history that you and I and generations to come will be proud to read.

There is no doubt in my mind but that the personnel of the Navy will more than live up to the highest traditions as set by such immortals as John Paul Jones, Perry, Farragut, Dewey, Schley, and others. [Applause.]

Mr. MAAS. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. Mr. Chairman, while I am in complete approval of the general purposes of the bill, it does contain an amendment proposed by the committee of sufficient importance to justify me, I believe, in bringing it to the special attention of the membership of the Committee because eventually it will affect every single one of us in our appointments to the academy at Annapolis. I refer to the amendment which the chairman emphasized, found on page 3 of the bill—an amendment to section 12 of the present Promotion Act. The effect of this amendment will be to keep in active service all fitted officers who otherwise would be let out of the service.

It is not a pleasant duty for me, a member of the committee, to take the floor in opposition to a committee amendment, but I do feel that the Committee should have an explanation of the matter.

For several years one of the principal problems of the Navy Department has been to work out a program through which the officer personnel would be promoted, which would be equitable and fair to all. After several efforts the Promotion Act of 1938 was adopted. The purpose of this bill is to correct imperfections in that act. Under that act each year the selection board meets, canvasses the list of officers who are eligible for promotion, and segregates them into three groups. One group is composed of those officers best fitted for promotion. A second group is composed of those who are fitted for promotion. The third group are the remaining number of officers who are not fitted for promotion and who are automatically retired.

Those who are selected as best fitted are automatically promoted to the vacancies in the higher grades that might exist. In the event that there are any further vacancies, those who are fitted are then promoted, and the remainder are let out. Under the amendment adopted by the committee, all those officers who are not selected as best fitted, who are not necessary to fill the vacancies in the higher grades, would still be kept in the service. The result of that would be to stifle and to stagnate the promotion system that we have been struggling for years to adopt, and the eventual result of it will be that we will have to have fewer candidates for admission to the Naval Academy at Annapolis. The curious part of this to me is that the Navy Department itself is strongly opposed to it, for the reason that these additional officers are not needed. The justification given by the chairman of the committee for this amendment is that with our increased naval-expansion program we are going to need more officers than we have now. Under the act as it is at present, if it is necessary to have more officers, the President has the authority to retain every single one of these officers who are not selected for promotion. I call to your attention the fact that the cost of this amendment would be $4,882,000. It can be best explained by the words of Admiral Richardson, Chief of the Bureau of Navigation, himself:

> What we need is more younger officers of lower grades. We can and will employ these officers, but they will be doing jobs not commensurate with their rank.

Let me interrupt the Admiral here to call attention to this fact. The United States Navy, grade for grade, is the oldest

navy in the world in age of the personnel, and here in this amendment we are proposing to continue in active service the older men. Admiral Richardson says:

> We will, in fact, be using high-priced men, as it were, for low-priced jobs. It is an extravagant process, but we will do it, and, of course, it will have the advantage of freeing some younger officers who otherwise would be doing those duties, for other assignments, and will thus be a net gain in total number.

I think you should know of the effect that this amendment will have; that it is not necessary; that the President right now, under existing law, has authority to keep in the service every single one of these officers if they are needed, but we have been advised by the Navy Department that they are not needed. Yet in spite of that we seem ready to spend $4,682,000 entirely unnecessarily. [Applause.]

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I cannot agree with my distinguished colleague from New York [Mr. COLE], a member of the committee, because we are facing a situation now of a shortage of officers in the Navy; in fact, every ship captain and every navy-yard commandant is crying to the Bureau of Navigation for additional officers. It is true they are asking for younger officers, but there is no reason at all why these so-called older officers cannot be given some of the assignments of those immediately junior to them all down the line, and thereby releasing junior officers for these additional duties.

We have a tremendous investment in these officers, and it seems to me utterly ridiculous for us to take any youngster and educate him at some twenty-eight or thirty thousand dollars' cost at the Naval Academy and then further spend a great deal more money on him, really making him a naval officer after graduation, and when he comes to the point of his greatest usefulness push him out into the world when he has been trained for nothing else but a naval career. These officers going out at comparatively young ages have no equipment for any other pursuit than a naval career. At a time when the Navy is expanding and we are building more ships and putting them in commission every day, I cannot see the justification for pushing these officers out on the retired list and loading up the already overburdened retired list.

There is no justification for our placing officers from 40 to 50 years old on the retired list at $2,500 or $3,000 a year, when they have many years of useful service left in them for the benefit of the Government and the Navy. Every time you place one of those officers on the retired list you replace him with a new midshipman who becomes an ensign, and you have both the cost of this officer on the retired list and the new ensign.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. SIROVICH. Does the passage of this bill remedy the evil which you are discussing?

Mr. MAAS. To a large extent, certainly until 1944, it does, because under our proposal every competent officer will be retained in the Navy until he has had 26 or 28 or 30 years of service, dependent upon his rank at that time.

Mr. SIROVICH. Does this protect the lieutenant commanders, too?

Mr. MAAS. It does. It does exactly that thing. Particularly it affects those in whom many of us are especially interested, the wartime naval aviator; the young man who came in and volunteered his services in 1917 and 1918 and dedicated his life to the service, who today is going to be pushed out into the world at a relatively young age, as far as his useful career is concerned, but yet too old to be absorbed in the commercial-aviation industry, the only field he is trained for.

Mr. DARDEN. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. DARDEN. This amendment does not contemplate keeping those officers found not fit?

Mr. MAAS. Oh, not at all. None of us can justify that. Nobody on the committee even proposed that.

Mr. DARDEN. Then I must have misunderstood the remarks of the gentleman from New York [Mr. SIROVICH], because I thought what he stated contemplated keeping all those officers.

Mr. MAAS. I assumed the gentleman from New York was querying me in regard to my statement, which was that every competent officer would be retained. The gentleman from New York asked me if that meant all of them.

Of course, I meant all competent officers. There are three classes of officers created as a result of the action of selection boards. The officer who is found best fitted is promoted to the next higher grade to fill a vacancy. Then there is the group of officers who are found fitted; then there is the group who are found neither fitted nor best fitted, and those officers are retired, as they should be. We do not desire to retain in the Navy an officer who is not competent for his duties.

Mr. DARDEN. This amendment does not affect that last class, of course?

Mr. MAAS. Of course, it does not protect the incompetent officer, but we have today in this second group of officers who have been judged fitted another narrowing down to the recommendation of a percentage of those who shall be retained on active duty. What we want to do is to retain all fitted officers.

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield myself 5 additional minutes.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. VINSON of Georgia. What this amendment accomplishes is exactly what was written by the House in the bill when it passed last year?

Mr. MAAS. Exactly.

Mr. VINSON of Georgia. That all fitted officers should be retained; and when the bill was finally enacted into law the percentage of fitted officers to be retained was put in the bill?

Mr. MAAS. That is correct.

Mr. VINSON of Georgia. And this now puts it back exactly where the committee sought to put it when it enacted the law in 1938, as it passed the House?

Mr. MAAS. As I recall, the bill last year was reported out of the Naval Affairs Committee unanimously and passed the House. That was the mandate of the House. What we are doing under the present bill is to restore the original provisions that were enacted in the bill that passed the House last year.

Mr. LORD. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. LORD. Mr. Chairman, as I understand it, we are educating at Annapolis about three times as many boys as we really should; that is, they are not finally accepted after a few years' service. Is not this the fact?

Mr. MAAS. Relatively speaking. It is not a few years but a comparatively few years. Seventy-two percent of the total commissioned strength of the Navy is in the first three lower grades. You might liken it to a great flat base and then suddenly narrowing down into a shaft. I believe we are educating too many boys at the Naval Academy.

Mr. LORD. Then the remedy would be to cut down the number sent to Annapolis, making it 200 instead of 500 a year.

Mr. MAAS. I do not know what the exact number should be, but I certainly agree with the gentleman from New York that we ought to cut down at least one appointment; and I hope that the Appropriations Committee in the next appropriation bill will reduce the number from four to three.

Mr. LORD. After the men have served a few years, then they select the favorites, maybe, and they are retained and the rest of the men are out on their ears.

Mr. MAAS. They are not favorites. They are selected on the basis of their records. The selection board is doing the most conscientious job they can. It is not any question of favoritism; it is a question of the limitation of the number of vacancies to be filled.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. ANDREWS. Is it not a fact that the Navy Department opposed the adoption of this amendment?

Mr. MAAS. I would not say they opposed it. They did not enthusiastically endorse it, but they did not oppose it; no.

Mr. ANDREWS. My understanding is that the Navy Department is opposed to the provisions of this amendment.

Mr. MAAS. They did not show any violent opposition before our committee; and there was an agreement with the Navy Department in the matter of the original bill last year to this same effect, as that bill did exactly what we are seeking to do now.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. DITTER. The gentleman made the observation that the Appropriations Committee might change the number. Would the gentleman also recommend that the Appropriations Committee should write a limitation on the pay-of-the-Navy item providing that no selection should ensue during the following year?

Mr. MAAS. No. I could not agree with the gentleman on that because it would do more harm than good.

Mr. DITTER. Could we not hold the entire matter in abeyance so that we might study the entire personnel problem?

Mr. MAAS. We have been studying it very assiduously in our committee, and we feel that this is the most workable program that can be obtained for the next 4 or 5 years.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. BATES of Massachusetts. Is it not a fact that this amendment really provides for retaining in the Navy the best fitted men that are about to go out at a crucial moment when we are rehabilitating not only our shore establishments but our entire fleet?

Mr. MAAS. The term "best fitted" is a legal term. I understand what the gentleman means, however, that they are fitted. I agree with the gentleman that we should retain them.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. VINSON of Georgia. Does not the gentleman from Minnesota believe that his language was a little strong when he expressed the hope that the Appropriations Committee, through a limitation, would reduce the number of midshipmen to be sent to the academy? As a matter of fact, it will be 1948 before we get the authorized number of officers permitted by law. I am satisfied that upon reflection the distinguished gentleman will feel that his remarks were a little strong.

Mr. MAAS. I disagree with the distinguished gentleman from Georgia. Too many of the men graduating from the Naval Academy are being shoved off into civilian life. If we had some way of retaining a greater number of them throughout their career, I would agree with the gentleman.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. COLE of New York. Is it not true that every single one of these fitted officers could be called into service under present law if they were needed?

Mr. MAAS. Oh, they could be, of course. That is a matter that is within the discretion of the President. The fact remains, however, that the Navy is not keeping them. They are competent officers. Every time we let one of them go we are put to the double expense of his retirement pay and the pay of an ensign who steps into his place. There is no justification for it, especially at a time when world conditions are so critical. We cannot justify doing this thing.

Mr. SUTPHIN. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. SUTPHIN. This would permit the retention of 300 fitted officers until 1944. Is that correct?

Mr. MAAS. Yes.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. BATES of Massachusetts. The gentleman states that these are competent officers. Is it not a fact that they are the most competent officers? Because the best fitted have already been selected, and those classed as "fitted" also have been selected. These who are left are not selected because we cannot make room for them.

Mr. MAAS. The gentleman is right; and they are competent officers. It is very difficult, as a matter of fact, to draw the line between the so-called best fitted and fitted officers. We have the two classes solely because of the lack of vacancies, not because of any great apparent differences in the officers themselves.

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Chairman, as a former enlisted man in the Navy, I grasp this opportunity to speak on behalf of the commissioned personnel by reason of the fact that we of the enlisted ranks always recognize the commissioned personnel as the leadership of the Navy. During the discussion here today much has been said about the selection of officers. My knowledge of the Navy has convinced me the officer personnel of the Navy is based on the enlisted personnel. In other words, there are so many admirals for so many captains, and so many captains for so many commanders, and on down the line.

It is true that every year the selection board meets and selects the number of captains in accordance with the number of admirals. Ofttimes there are many captains who are physically and mentally fit to be advanced in rank, but by reason of the number of captains to be selected being restricted according to the number of admirals, some annually are denied the privilege of promotion.

Under section K of the old bill—Public, No. 703—the officers concerned were required to request that they be continued on active duty for a prescribed period if they did not want to be honorably discharged earlier, as per line 5 of the section.

The new amendment, page 3, line 12, to page 4, line 1, makes such request unnecessary and continues them on active duty until the periods of time specified elsewhere in the bill have expired.

This is a very desirable change, as it protects the rights of the naval officer to continue in active service by statutory requirement rather than by administrative action on his request.

The principal point in this bill is the amendment on page 3, lines 16 to 21, inclusive. This will result in reducing very materially the retirement of officers of experience who are fitted for promotion but who would be eliminated under the law at present. Many such officers would retire each year, starting now. This amendment will prevent their retirement and will extend their periods of active duty 2 years or more.

It will result in there being more captains and commanders than are needed for sea duty, but these fitted officers could be used to fine advantage at many shore stations. This should enable the best-fitted officers to get even more sea service than at present, which should improve their training for high command. It will give the Government 1 or more years' valuable service out of these officers before they are retired. As illustration: Under the present law 23 commanders would have to retire in June 1939, whereas under the new law they would not be retired until June 1940 and 1941. Retired officers lose touch, hence usefulness, very quickly after retirement. Under existing world conditions, as well as the expansion program for national defense, these officers would be well retained on active duty for several years longer and their services used to good advantage. The purpose of the act of June 1938 was just that; in its operation the law fell short of the intent of Congress. Congress meant to keep these officers, but the law was so worded as not to give effect to that intent. This amendment makes that intent effective.

But the time will come, 2 years or more hence, when even these officers must go, hence there must be an increase in the number of new officers coming into the Navy each year to fill their places. The Navy is very short of young officers, especially lieutenants and young lieutenant commanders. This amendment cannot make good this shortage, but the

general increase in numbers asked for elsewhere—appropriation bill—does.

The numerical effect of the amendment:

Officers now scheduled for retirement in the year shown who will be kept on for one or more years under the amendment

	1939	1940	1941	1942	1943	1944
Commanders	23					
Lieutenant commanders	33	40				
Lieutenants			63	16	7	8
	56	40	63	16	7	8

Grand total, 190 officers.

In addition, it is estimated that about 160 more officers will become due for retirement under the law up to 1944. In short, the amendment will keep on active duty for additional periods of a year or more about 350 officers who would otherwise be retired prior to 1944, of whom 56 would retire in June of this year.

As the gentleman from Minnesota said, the Navy is expanding at the present time. Very often social and political activities enter into the selection of these officers; and the selection board selects a certain group of officers and tells the remainder, a group of trained men, that they have no place in the Navy. Is that just treatment to men who selected the Navy as a career?

The CHAIRMAN. If there are no further demands for time, the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the act of June 23, 1938 (52 Stat. 944), is hereby amended as follows:

Section 5, strike out subsection (a) and substitute the following:

"(a) The board for the recommendation of line officers for promotion to the grades of rear admiral and captain shall consist of nine rear admirals on the active list of the line of the Navy, not restricted by law to the performance of shore duty only. The board for the recommendation of line officers for promotion to the grade of commander shall consist of nine officers above the grade of commander on the active list of the line of the Navy, not restricted by law to the performance of shore duty only, not less than five of whom shall be rear admirals. These boards shall be appointed by the Secretary of the Navy and convened at least once each year and at such times as the Secretary of the Navy may direct."

With the following committee amendments:

Page 2, line 2, strike out "nine officers above the grade of commander" and insert "three rear admirals and six captains."

Page 2, line 5, strike out "not less than five of whom shall be rear admirals."

Page 2, after line 8, insert the following:

"Section 5, subsection (c), add the following sentence: 'The commander in chief, United States Fleet, may not serve on any such board.' "

The committee amendments were agreed to.

Mr. HOBBS. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HOBBS: Page 1, section 2 of Public, No. 703, Seventy-fifth Congress, approved June 23, 1938, strike out "5½" and insert in lieu thereof "6."

Mr. HOBBS. Mr. Chairman, this amendment proposes to change the percentage of officer personnel in relation to the enlisted personnel of the Navy, putting it back where the House bill had it when we passed it in 1938. In other words, if you consider the officer personnel of the Navy as a pyramid, the remedy here applied would simply broaden the top one-half of 1 percent. This would amount to an increase in the authorized strength of 480 officers. It would save for service about 100 officers a year that are now being kicked out, not through unfitness but because there is no room in the narrowing point of the pyramid. This would broaden it to the extent that we could save from the stigma of disgrace of enforced separation about 100 officers a year. This amendment would strike out the Senate amendment which substituted 5½ for the 6 percent which the bill we passed carried.

I can see no objection, because the distribution of the officer strength is unchanged; therefore I beg the committee to stand by its bill of last year and to increase, for an expanding naval building program, the officer personnel of the Navy by this very small percentage.

Mr. IZAC. Will the gentleman yield?

Mr. HOBBS. I yield gladly to the gentleman from California.

Mr. IZAC. Is it not true, if the gentleman's amendment is adopted, we will keep off the retired list 100 officers in the prime of their lives who are of real value to the Navy today?

Mr. HOBBS. There is no question about that, and I thank the distinguished gentleman, who wears the Congressional Medal of Honor, for his suggestion.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. HOBBS. With pleasure.

Mr. VINSON of Georgia. I wish the gentleman would explain how the statement made by the gentleman from California is correct, when he says by increasing the number from 5½ to 6 percent we will keep from being retired 100 officers who are well qualified? That has no relation whatsoever to retirement, regardless of how many men you put in officer rank in the Navy.

Mr. IZAC. Is it not true that it also keeps a certain number of officers on the active list who would otherwise find no place when it comes time to select them for a vacancy that does not exist?

Mr. HOBBS. That is certainly true.

Mr. Chairman, I have the highest regard for the distinguished chairman of our Committee on Naval Affairs and for his erudition and his profound wisdom on the subject of Navy selection. I recognize the fact that what the gentleman is advancing as a derailing switch for this idea is that we have not yet reached the maximum authorized by law for the officer personnel and may not do so for several years; but I would say that the Navy hierarchy and the distinguished gentleman himself estimated it would take until 1945 for us to reach the strength authorized in the bill we passed in 1935, but we went above that strength of 6,531 last year, if we count the aviation cadets.

I believe this amendment is fundamentally sound, for the reasons I have advanced and those which our distinguished colleague from California pointed out. It will overcome the present tendency, which has nearly doubled the cost to the American taxpayers within the last 4 years of the retirement pay rolls. [Applause.]

Mr. VINSON of Georgia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I sincerely trust the Committee will reject this amendment. Under the law the officer personnel today is 5½ percent of the enlisted personnel. The officer strength of the Navy is based on the authorized enlisted strength of the Navy. The authorized enlisted strength of the Navy is 137,485.

In writing this bill last year, after long hearings by committees of both the House and the Senate, it was determined that 5½ percent was the percentage of officer personnel that was needed in the Navy, and this would provide for 7,562 officers.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Alabama.

Mr. HOBBS. The gentleman did put in the bill his committee reported, however, that 6 percent was needed.

Mr. VINSON of Georgia. Yes; that is true. When the committee reported the bill to the House, the bill carried 6 percent, and the House passed the bill with the 6-percent provision in it. However, after a long hearing with the Senate conferees, after the Senate gave us the benefit of their views, and after the Navy further collaborated on the matter, the conclusion was reached that 5½ percent was all that was needed. This was worked out to a mathematical certainty—not by jumping at the conclusion that so many officers were needed—by detailing officers at various places. The adoption of this amendment merely means there will be 480 more officers, that is all; yet you cannot obtain the officers authorized under the 5½ percent until 1948. What is the use of saying you are going to have 6 percent officers when

you cannot get 5½ percent officers until 1948? If in 1948 it becomes necessary to have 6 percent officers, we will have 6 percent; but there is absolutely no justification today for fixing it at 6 percent any more than at 7 percent, or 8 percent, or 9 percent, when you know you cannot obtain them over a long period of time. Therefore, I respectfully request of the Committee, in all deference to the interest of our friend from Alabama in personnel legislation, that this amendment be rejected.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Alabama.

Mr. HOBBS. Was not the situation substantially the same when the gentleman reported from his committee and urged the House to pass the bill of 1938 which the House did pass?

Mr. VINSON of Georgia. But after listening further to the argument as to why we could not use 6 percent, we were willing to compromise at 5½ percent; and I repeat, the number of officers needed has been worked out to a mathematical certainty.

Mr. HOBBS. The distribution percentages are the same, however?

Mr. VINSON of Georgia. Yes; but this does not have anything to do with the distribution. This just means more admirals and more captains and more lieutenants and more commanders all down the line.

I ask for a vote, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. HOBBS].

The question was taken; and on a division (demanded by Mr. HOBBS) there were—ayes 37, noes 41.

So the amendment was rejected.

The Clerk read as follows:

Section 7, in subsections (a) and (b), strike out "or who is not physically qualified."

Section 8, in subsection (a), strike out "other than medical."

Section 9, in subsection (a), after the word "act" in line 7, insert "exclusive of officers who are or may become on promotion additional numbers in grade."

Section 9, strike out subsection (f) and substitute the following:

"(f) All reports of recommendations of a line selection board under any provision of law shall require the concurrence of at least two-thirds of the members."

Section 11, in subsection (b), at the end of the second proviso insert "with retired pay computed as provided in section 12 (b) of this act."

Section 12, subsection (f), in line 5 change "from" to "to", and in line 6, after "promoted", insert "computed as provided in subsection (b) of this section."

Section 12, strike out subsection (k) and substitute the following:

"(k) Lieutenant commanders and lieutenants with date of rank as such prior to June 23, 1938, and lieutenants (junior grade) who on that date were carried as additional numbers in grade by reason of not having been recommended for promotion, shall, at their own request, in lieu of honorable discharge as provided in subsection (c) of this section, be retired on June 30 of the fiscal year in which they fail of selection as best fitted the second time or on June 30 of the fiscal year in which they complete the period of service designated in the act of March 3, 1931, as amended (U. S. C., title 34, Supp. III, secs. 286a and 286i), whichever date shall be later: *Provided*, That any officer retained on the active list pursuant to this subsection shall be ineligible for consideration for promotion by subsequent selection boards: *Provided further* That lieutenants who served in the Navy or Naval Reserve Force prior to November 12, 1918, and who shall have completed not less than 21 years of service shall, if retired under any provision of law, be advanced to the grade of lieutenant commander on the retired list: *And provided further*, That the retired pay of officers retired pursuant to this subsection shall be computed as provided in subsection (b) of this section on the basis of the active duty pay of their rank on the retired list."

Section 14, in line 9 of subsection (a), after "grade" insert "with probationary appointments."

With the following committee amendment:

On page 2, after line 18, insert the following:

"Section 9, strike out subsection (d) and amend subsection (e) to read as follows:

"'(d) The recommendations of selection boards in the case of officers who are now or may hereafter be assigned to engineering duty only or to aeronautical engineering duty only shall be based upon their comparative fitness for the duties prescribed for them by law. Upon promotion they shall be carried as additional numbers in grade. Officers assigned to aeronautical engineering duty only shall succeed to command on shore only when designated to do so by the Secretary of the Navy.'"

Mr. HOBBS. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HOBBS to the committee amendment: On page 2, in line 24, strike out the word "comparative," and on page 2, line 25, after the word "law" change the period to a comma and insert "in comparison with other officers in the same kind of service, but not by comparison with officers of the line of the Navy proper; and each such officer who is fitted for the performance of his duties shall be selected for promotion."

Mr. HOBBS. I would like to ask the distinguished chairman of the Committee on Naval Affairs if he will not agree to this amendment?

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Certainly.

Mr. VINSON of Georgia. I would like for the gentleman to inform the committee the justification that exists for his amendment. What is the necessity for changing the law from what it is today with reference to the "engineering duty only officers"? Under the law today the engineering-duty officers are not in competition among themselves; they are in competition with the line of the Navy.

Mr. HOBBS. That is right.

Mr. VINSON of Georgia. The aeronautical engineers are in competition with themselves only.

Mr. HOBBS. That is right.

Mr. VINSON of Georgia. Now we take away that and put both of them together under the amendment. The gentleman proposes to amend that by making the competition in both of these engineering ranks among themselves.

Mr. HOBBS. That is right, sir.

Mr. VINSON of Georgia. I would like for the gentleman to explain his reason for it and his justification for it.

Mr. HOBBS. I am greatly surprised at the inquiry of the distinguished chairman of our committee. He knows just as well as I do what is back of this amendment. Not only that, but I have gone over this amendment with him repeatedly, urging its plain and cogent justification. You might just as well compare a Coca-Cola peddler in the grandstand with the first baseman on the Washington Senators as to compare a man who inspects armor plate and tests it in his laboratory in the Philadelphia Navy Yard with an admiral of the fleet. There is no possible way to compare a specialist doing specialist's duties, because of peculiar fitness, with a man on the high seas running a battleship. That is one of the reasons, and the gentleman knows it. The present method of selection is cruelly unfair because the hierarchy in the Navy have a small club on their Mount Olympus which they want to keep exclusive, so they contend that no specialist should ever become an admiral. The Olympians do not want a specialist to advance because of efficiency in his specialty. They want him to be compared with them on their ability to run the fleet. That is the way the law is now and that is why so few specialists get promoted to the rank of admiral. This amendment would make specialists comparable only with officers engaged in the performance of similar duties.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am happy to yield to my learned colleague of the Committee on the Judiciary.

Mr. WALTER. Do I understand the gentleman to mean that unless his amendment is adopted, the very capable, highly specialized head of the aircraft factory at Philadelphia Navy Yard could be relieved of his duty and be succeeded by a man who knew nothing at all about aviation?

Mr. HOBBS. Of course, that is true.

Mr. VINSON of Georgia. Oh, no.

Mr. HOBBS. Of course, that is true. His promotion, his retention in that specialized duty, is dependent upon his selection by a selection board that is charged by law to compare his fitness for promotion with those who run a fleet, an examination that may be upon gunnery on the high seas or it may be upon any one of a dozen things that are routine on the high seas, but that he has not had anything to do with in 20 years.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am delighted to yield to the distinguished gentleman from Massachusetts.

Mr. McCORMACK. Will the gentleman state what will be the effect of his amendment, if adopted?

Mr. HOBBS. It would be simply to require the selection boards to compare specialists with men engaged in similar service in the Navy. The comparison would be between men who are performing similar service for Uncle Sam and not between a scientist testing armor plate, and a navigator.

I submit to the sanity of this House that this amendment is of vital importance to those men who desire to make a career for themselves based on their specialized fitness for the best service to Uncle Sam, and that each of us has a stake in this issue, because unless we adopt this amendment you will have continued the mad scramble of scientists and specialists to get enough sea duty so that they may be promoted.

This is the only way you can give us career men in the American Navy, and I submit this vital amendment should be adopted. [Applause.]

Mr. VINSON of Georgia. Mr. Chairman, let me call the Committee's attention to the law as it exists today, so that you can get briefly a picture of what is involved here.

This relates to two technical groups of officers in the Navy—aeronautical engineers and engineers assigned to that duty only.

Under the law today we fixed it to give these aeronautical engineers exactly what they wanted the last time the committee had this bill under consideration, which was during the last session of the Congress. We provided that the recommendation of the board in case of officers who are now or may hereafter be assigned to aeronautical engineering duty only shall be based upon their comparative fitness among themselves for the technical duties prescribed for them by law.

Now, what does that mean? It means that this little group of some 54 aeronautical engineers, when it comes up for selection, is not in competition with the line officer, but is in competition with the other men assigned to that technical duty.

Mr. WALTER. Mr. Chairman, will the gentleman yield for a correction?

Mr. VINSON of Georgia. Yes.

Mr. WALTER. There are 49 such officers.

Mr. VINSON of Georgia. All right, 49; and there are 64 engineer officers.

Then there is another technical group known as EDO's—engineering duty only.

Bear in mind we had these officers come here from Philadelphia and other places in the country who are technical officers and they said that was exactly what they wanted. They did not want to be drawn into competition with other officers of the Navy. That was last year.

The engineering duty officers did not want that. They wanted a separate provision, and, therefore, we gave them this one:

> The recommendation of the board in case of officers who are now or may hereafter be assigned to engineering duty only shall be based upon their comparative fitness for the duty prescribed for them by law.

They did not want competition just among themselves. They wanted competition among the line officers, due to what reason? Due to the reason that they command on shore, and they could not command a navy yard unless taken in competition with Navy officers who command at sea. Another reason: These officers go to sea because they are the officers who make report upon the operation of all of the boilers and machinery in the ships, and how could they do that unless they went to sea; and would it not be right and fair and proper that they be in competition with all line officers, and that is exactly what they want. No longer than 3 hours ago the admiral appeared before Mr. Hulls and came to my office and said they wanted this law with reference to the EDO exactly as we put it in the bill.

In reference to the aeronautical engineers, last year we gave them exactly what they wanted. They said they wanted competition among themselves, and now this year they come in before the committee and they say they do not want competition among themselves, but they want competition all down the line. So I say to you gentlemen that we are trying to do exactly what these specialists want done, and it is most difficult for us to find out what they want, because when the shoe pinches one year they want it changed the next year so as to suit their ideas then.

I submit to the Committee that the judgment of the Committee on Naval Affairs, after weeks of investigation of this matter, should be given preference in this respect, at least when we are following the viewpoint of these technical officers who are involved, and I earnestly hope that this amendment will be rejected; and if it so develops that any injustice is being done to them and they are not satisfied, we shall have other days here, and we will come back again and try to correct these things.

Mr. MAAS. This is exactly what the aeronautical-duty officers want and the Bureau itself wants.

Mr. VINSON of Georgia. That is right. We are trying to do what they want done. If we make a mistake, it is their fault and not ours.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word. I was rather interested in listening to the last remarks of my distinguished friend from Georgia [Mr. VINSON] that if this does not work out in an equitable way we can come back later and take care of it. That is what we have been hearing for a long while. Ever since I have been a Member of the House, that is what I have been hearing with reference to Navy matters. All I know about the Navy, so far as personnel is concerned, is that there is a lot of naval politics played down there. Politics is played, not only in this Chamber and in the Senate Chamber, but apparently there is quite a political machine down in the Navy Department. Of course, the officers cannot talk out openly. They are not going to take any chance of injuring themselves, but they talk to you and to me privately, and they tell us in confidence what confronts them. I introduced a bill—H. R. 4677—and promises were made last year that the matter involved would be taken care of this year. We have civil engineers and instructors, officers in the Navy, who are discriminated against. A promise was made last year that they would be taken care of this year. This year I introduced a bill and I was given assurance that I would be given a hearing next Monday. On the other hand, I understood, there was going to be an amendment offered to the pending bill calling for a survey of staff officers to be made, and that is why I asked my friend from Georgia [Mr. VINSON] if he was going to offer such an amendment. I could not get a direct answer out of him, but afterward, privately, he told me he would not, but if the amendment was offered, and assuming my point of order was overruled and the amendment was adopted, then I would have a hearing before his committee next Monday, which would be just a joke. A survey is a polite way of sidetracking my bill for this session.

Mr. MAAS. Oh, the committee is intending to have a hearing next Monday.

Mr. McCORMACK. I know the gentleman from Minnesota, and I will back him any time. I know of no one for whom I have a greater feeling of admiration and respect than I have for the gentleman from Minnesota. I remember a case I had before the Naval Affairs Committee of an individual who was trying to correct a record of injustice, unconsciously done, and for 3 years the gentleman from Minnesota and I fought to correct it, and we did finally succeed in correcting it, but I would never have done it if it had not been for the gentleman from Minnesota; so that any time the gentleman says anything to me, his word is as good as his bond, the same as with any other Member, but I say that of the gentleman from Minnesota in particular. I wonder if the gentleman knew an amendment was proposed to be offered to the bill calling for a survey of staff officers, and, of course, the gentleman knows that if that happens it would be useless to have hearings on my bill next Monday.

Mr. MAAS. The chairman discussed that with me, and I asked him not to offer such an amendment at this time.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. VINSON of Georgia. I will say to the gentleman from Massachusetts if a survey were made it would give the gentleman a great deal of beneficial light on the subject.

Mr. McCORMACK. Well, now, that is a question of fact. I have a right to differ. I sometimes wonder how much those who are obsessed with an idea really know about it. Sometimes when we become obsessed with an idea we become one-track-minded. I sometimes feel if we would establish a special committee from this House who had never had any associations with the Navy Department in the past to look into the selection of personnel for promotion we would get a better idea and we would have a more impartial and disinterested approach. You and I know as practical men, as members of different committees, that we sort of approach legislation from the angle of friendships and attachments that we make. Those friendships and attachments are bound to have an influence upon our judgment.

When this bill comes up next Monday, I hope I will get the proper consideration.

I think the amendment offered by the gentleman from Alabama [Mr. HOBBS] is a good one. Personally I think it is a sound one. Apparently the chairman says that under the present law the same results can be obtained. If so, what is the objection to accepting the amendment? Then there will be no question about the meaning of the existing law. The chairman of the committee says that under the present law it can be done. The gentleman from Alabama [Mr. HOBBS] says it cannot be done. The gentleman from Georgia [Mr. VINSON] then concedes it could be done. If that is so, why not adopt the amendment and remove any difficulties? It will clarify it. Then, next Monday I hope that when I come before the Naval Affairs Committee—and I am looking to my friend from Minnesota [Mr. MAAS] for great assistance, and my other friends on the committee—that I will not go up against stacked cards, where the committee is going to report out a survey instead of a bill that should be reported out to meet the existing trying situation which H. R. 4677 tends to solve. [Applause.]

[Here the gavel fell.]

Mr. WALTER. Mr. Chairman, I move to strike out the last two words.

As some evidence, or should I say proof conclusive, that there is a distinction that should be recognized, and will be recognized if the amendment offered by the gentleman from Alabama [Mr. HOBBS] is adopted, may I read something that Admiral Cook wrote last November concerning this class of officers:

> As Chief of the Bureau of Aeronautics, I am greatly concerned over the need for A. E. D. O.'s particularly in view of the pending expansion of the aeronautical organization and the greatly accelerated rate of progress abroad. The Bureau is largely dependent upon the strength and effectiveness of this group for its material and progress in aeronautical matters. They are responsible for the high state of technical development existing in naval aviation today, and are in direct charge of the design, construction, integrity, and readiness of the aeronautical material under the cognizance of this Bureau. Their responsibilities and importance to the efficiency of our aviation material have increased greatly and will continue to increase far out of proportion to the number of officers in the group or who have the technical qualifications to perform their duties.

I submit respectfully that in face of the very flat statement made by the admiral this amendment offered by the gentleman from Alabama [Mr. HOBBS] should be adopted.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. HOBBS] to the pending committee amendment.

The question was taken; and on a division (demanded by Mr. VINSON of Georgia) there were ayes 61 and noes 50.

So the amendment to the committee amendment was agreed to.

The CHAIRMAN. The question now recurs on the committee amendment as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. The Clerk will read the next committee amendment.

The Clerk read as follows:

> Committee amendment: On page 3, in line 7, strike out "(f)" and insert "(e)", and in the same line strike out the word "of" where it occurs the first time and insert the word "or."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

> Committee amendment: On page —, beginning after line 15, insert the following:
>
> "Section 12, subsection (f), add the following proviso: '*Provided further*, That until June 30, 1944, such officers shall not be retired until they shall have completed the periods of commissioned service prescribed for their respective grades in subsection (d) of this section for fitted officers recommended for retention on the active list.'"

Mr. COLE of New York. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, I rise simply to call the attention of the Committee to the fact that this is the amendment which I discussed a short time ago. The effect of this amendment, briefly, will be to freeze into the service some 300 officers who otherwise would go out and who are not needed. It would stagnate the present scheme of promotion, a problem that we have worked on for years. It would cost, unnecessarily, $4,682,000. If it ever happens that these men are needed in case of an emergency, they are always subject to call. If those men are now needed on the active list, because of our naval expansion program, under existing law the President has the authority to keep them in the service.

I feel that if it is the wish of this Committee to keep those officers on the active list simply for the purpose of giving them a job, the Committee should definitely say so with its eyes open.

Mr. VINSON of Georgia. Mr. Chairman, I rise in support of the amendment. As I stated when I explained the various provisions of this bill, the object and purpose of this committee amendment is to retain in service all officers found by the selection board as being fitted officers until 1944, or until they have served their time in their group, which is 30 years for captains, 28 years for commanders, and 26 years for lieutenant commanders.

If this amendment is not adopted some 50 officers will go out on June 1. I earnestly hope the Committee will adopt this committee amendment.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. HOBBS. Has the distinguished chairman of the committee an amendment to add to the committee amendment?

Mr. VINSON of Georgia. Yes; I am about to offer it.

Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

> Amendment offered by Mr. VINSON of Georgia to the committee amendment: Page 3, line 21, change the period to a comma and add the following: "and they may become eligible for selection as provided and as limited in said section (d) of this section."

Mr. VINSON of Georgia. Mr. Chairman, the object and purpose of this amendment is to provide that these officers retained as fitted officers will still be eligible for consideration by the selection board. Their retention as best-fitted officers, in other words, under this amendment, does not close the door of hope in their hearts, but opens the door of opportunity to them.

I ask that the amendment be agreed to, Mr. Chairman.

The CHAIRMAN. The question is on the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The CHAIRMAN. The question recurs on the committee amendment as amended.

The question was taken; and on a division (demanded by Mr. COLE of New York) there were—ayes 81, noes 9.

So the committee amendment was agreed to.

Mr. MAAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAAS: On page 4, after line 23, add a new paragraph as follows:

"Section 12, subsection (d), strike out all the language in parentheses in lines 7 to 11."

Mr. MAAS. Mr. Chairman, the purpose of this amendment is to correct a situation which has arisen under the 1938 act. I think, without a realization of its effect, we accepted a recommendation from the Navy Department in the drafting of the language of the bill which for the first time includes the principle that the time spent by Reserve officers during the World War on active duty, or those on temporary commissions in 1917 and 1918, or during their time as chief warrant officer is to be charged up against them for the purpose of determining the 26, 28, and 30 years' time allowed for service in the Navy. The effect of striking out the language as provided in my amendment will be to give these officers, a small group of non-Naval Academy graduates, mostly pilots, the intended 26 years in the Navy as lieutenant commanders, or 28 years as commanders. None of them will be captains.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. VINSON of Georgia. What section is the gentleman seeking to amend?

Mr. MAAS. Section 12.

Mr. VINSON of Georgia. The effect of the gentleman's amendment is to give these officers so many years of commissioned service.

Mr. MAAS. Exactly.

Mr. VINSON of Georgia. And not to charge against them the years they served as warrant officers and noncommissioned officers.

Mr. MAAS. It also included temporary commissions and Reserve commissions. There was never anything like it in the law before last year, and the whole purpose of it is to throw out a group of non-Naval Academy graduates for the benefit of some Naval Academy graduates who followed them. These men already were put back behind the class of 1919, but on top of that they want to throw them out 4 years sooner. It is simply a method of penalizing the World War officers who were not graduates of the Naval Academy.

They want to throw them out sooner to make more vacancies for that group of Naval Academy graduates. It is an unfair thing. These officers, particularly those who were in aviation, made naval-aviation history. They are the men who went out and pioneered; they created it, they taught the Naval Academy graduates how to fly. Now they are trying to penalize these World War veterans and throw them out 4 years sooner, at a time when we need them so badly as we do at the present.

I hope my amendment will be adopted and that we will permit these officers to serve the same length of time as graduates of the Naval Academy will be allowed to under this bill.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. VAN ZANDT. Unless the gentleman's amendment is adopted some of the aces and crack pilots of the Navy will be penalized because they were not graduates of the academy.

Mr. MAAS. Yes; they will be cut off from 4 years' additional service notwithstanding the fact that they are among the outstanding leaders in aviation. I want to give them the same treatment we give Naval Academy graduates. [Applause.]

Mr. VINSON of Georgia. Mr. Chairman, with all deference to my distinguished colleague on the committee, I cannot agree with him because I believe he is absolutely wrong in what he is seeking to accomplish.

He is doing an injustice to other officers while at the same time trying to help a group which he stated were non-Naval Academy graduates. He was rather adroit in his argument that we are throwing out enlisted pilots and putting in their places Naval Academy graduates. That is always the kind of argument that is made to get up sympathy for a certain proposition.

Mr. MAAS. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Minnesota.

Mr. MAAS. I would like to know what the gentleman means by the statement this will hurt any other officers. All officers will be retained.

Mr. VINSON of Georgia. Every officer and every naval enlisted man is entitled to be tried by the same yardstick. It gives these officers 4 years, 6 years, or 2 years longer in the service in their respective grade than the other officer.

Mr. MAAS. If the gentleman will yield further, if that is fair we ought to charge the 4 years that a Naval Academy graduate spends at the Naval Academy. That should be charged up to his 26 years.

Mr. VINSON of Georgia. By the amendment we have just adopted, officers who are fitted may stay in who have had 30 years' commissioned service or 26 years' commissioned service, or 28 years' commissioned service. Under the gentleman's amendment if a warrant officer were promoted to a commissioned officer, then he could count in length of service the time he served as a warrant officer.

We had hoped to make them all equal by counting his total service in the Navy and giving them all the same length of service. If you want to give these officers who have heretofore never had that privilege this additional time, if you do not want to count the time that they served, agree to his amendment and you will accomplish just that. Then you will have an officer serving 36 years or 34 years as against an officer who serves 30 years or 28 years.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. Suppose an enlisted man went to the Naval Academy, would his time as an enlisted man be counted against his service as an officer later on?

Mr. VINSON of Georgia. Not at all. May I read the law to you? Here is the section which the gentleman seeks to amend:

(d) Captains, commanders, and lieutenant commanders promoted to those grades by reason of adjudgment as fitted for promotion, and recommended by the report of a selection board, as approved by the President, for retention on the active list, may be continued on the active list of the line of the Navy until they shall have completed 30, 28, and 26 years, respectively, of commissioned service (with which commissioned service shall be included service as commissioned warrant officer, active commissioned service in the Naval Reserve Force, service as a midshipman after graduation from the Naval Academy, and service under a temporary commission in the Navy).

The gentleman proposes to exclude all of that service.

Mr. MAAS. If the whole purpose is to hold these people in, why throw them out?

Mr. VINSON of Georgia. We are not throwing them out.

Mr. MAAS. We are throwing them out 4 years sooner than we should.

Mr. VINSON of Georgia. He is kept in the same length of time—30, 28, or 26 years.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. MAAS].

The question was taken; and on a division (demanded by Mr. MAAS) there were—ayes 66, noes 44.

So the amendment was agreed to.

Mr. VINSON of Georgia. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia: On page 4, between lines 4 and 5, insert the following: "Section 12, add subsection (m), as follows:

"(m) Officers now serving or who shall hereafter serve as Chief of Naval Operations or as Commander in Chief, United States Fleet,

shall upon detachment from duty as Chief of Naval Operations or as commander in chief, United States Fleet, retain the rank of admiral and shall continue to receive the pay and allowances of a rear admiral of the upper half and the personal money allowance of an admiral. When such officers are 66 years old, they shall be retired by the President from active service."

Mr. VINSON of Georgia. Mr. Chairman, this amendment simply retains in service the officer who holds the position of commander in chief of the fleet until he is 66 years old. Under the law as it exists today, when a flag officer reaches the age of 64 he goes out. This retains in service also an officer of the rank or assignment of Chief of Naval Operations. In other words, as far as these two important positions in the Navy are concerned, when an officer reaches the age of 64 he goes out. Under my amendment, he will stay in until he is 66 years of age. This would mean the retention for at least 2 years longer of Admiral Leahy, as he happens to be Chief of Operations at the present time. It would apply to whoever succeeds him after he has served until he is 66 years of age. I submit a man who has physical fitness has not lost his usefulness to the Government when he reaches the age of 64 years. I am trying to keep these officers in these important positions until they are 66 years of age.

Mr. HOBBS. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Alabama.

Mr. HOBBS. I agree with the gentleman, and I am for his amendment. I simply wished to have him yield in order that I may ask him if he will not extend this same treatment to the captains, who now have no provision made for them?

Mr. VINSON of Georgia. I cannot agree to that, because it is a very different proposition.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The amendment was agreed to.

Mr. HOBBS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Page 7, line 10, of Public, No. 703, approved June 23, 1938, change the period to a colon and add: "*Provided further*, That captains who are not selected for promotion to the grade of rear admirals shall be, by the same board, adjudged either 'fitted' or 'not fitted' for promotion, and if adjudged 'fitted' for promotion shall be retired with the rank of rear admiral with retired pay computed as provided in subsection (b) of this section."

Mr. HOBBS. Mr. Chairman, this amendment, as I understand, will not cost the Government one dime. The pay of these officers will be the same whether they are called captains or admirals. This amendment simply means that a captain who under the present legislation is denied the privilege of having the stamp of approval of his fellow officers put upon his work of 30 years, who has gone up to the rank of captain, and who may not now be adjudged fitted for promotion, can have his qualifications determined and, if the stamp of approval of the selection board is put upon him and his work of 30 years in the Navy, he is retired without additional cost to the Government and with the rank of rear admiral. This is fair and it is reasonable.

I am in accord with the position taken by the distinguished chairman of the Committee on Naval Affairs with regard to this honor which we have just done these ranking admirals, and I submit the door of opportunity ought to be at least cracked for the benefit of captains in the Navy.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am glad to yield to the gentleman from Minnesota.

Mr. MAAS. I have a great deal of sympathy with what the gentleman is proposing; but does the gentleman realize that in the event of war all these captains who had failed to be selected as admirals would come back on the active list as admirals and have high fleet command?

Mr. HOBBS. I think I have taken everything into account. The adoption of this amendment will tend to do away with the injustice which is now applying to only two of the six or eight categories of officers in the Navy.

Mr. SUTPHIN. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. With pleasure I yield to the gentleman from New Jersey.

Mr. SUTPHIN. The gentleman is desirous of promoting captains to admirals. Why does he not go right down the line to ensigns and promote them all?

Mr. HOBBS. What is here proposed for captains is now done for most of them. The provision of the law now is that several grades shall be retired in the next higher grade.

Mr. SUTPHIN. With pay and allowances?

Mr. HOBBS. Yes.

Mr. VINSON of Georgia. Mr. Chairman, I rise in opposition to the amendment.

I sincerely trust, Mr. Chairman, the Committee will reject this amendment. The Committee on Naval Affairs made an investigation along the lines suggested by the gentleman from Alabama for a long time. What does this amendment do? It simply creates a special class of captains, and when they go out they are given the rank of rear admirals. After awhile you would have more admirals in the Navy than officers of any other rank. As was stated by the gentleman from Minnesota [Mr. MAAS], when these men were called back to active duty they would be called back with the rank of admiral, and you would have admirals in charge of admirals.

I certainly hope the Committee rejects this amendment.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Washington.

Mr. MAGNUSON. Is it not true that only last week certain admirals of the Navy testified we have too many admirals in the Navy today?

Mr. VINSON of Georgia. Something along that line was said.

I hope in deference to our colleague from Alabama that we will reject this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. HOBBS].

The amendment was rejected.

Mr. MAAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAAS: On page 4, after line 23, add a new paragraph, as follows:

"Section 13 of Public, No. 703, Seventy-fifth Congress, subsection (a), line 4, change the word 'eight' to 'nine.'"

Mr. MAAS. Mr. Chairman, the purpose of this amendment is simply to carry out the intention of the Congress in the bill passed last year which we found was never operative because of a decision of the Judge Advocate General which none of us had anticipated. The purpose is to apply the same test of selection to the flag rank as to all other ranks in the Navy.

Mr. VINSON of Georgia. Mr. Chairman, may the amendment be again reported?

The CHAIRMAN. Without objection, the amendment will be again reported.

There was no objection.

The Clerk again reported the Maas amendment.

Mr. VINSON of Georgia. Will the gentleman from Minnesota read the part of the law he is seeking to amend?

Mr. MAAS. I may tell the gentleman that it provides that in any one year, if the Secretary of the Navy finds there are to be less than eight vacancies among the rear admirals, he shall convene a board to select enough admirals to be retired to make the average of eight. I am proposing to make this figure nine because we discovered that with the figure set at eight there will probably never be any retirements of rear admirals, because the Judge Advocate General ruled—and I am not questioning his ruling—that the 8 or 9 days this bill was in effect last year included all the vacancies last year for the purpose of averaging with succeeding years, and there happened to be a great many vacancies last year. The result is that you always have the eight vacancies, and no admiral will ever be forced to retire, or probably not at least, under the provisions of this act.

Mr. VINSON of Georgia. Then the object and purpose of the gentleman's amendment is to force retirement in the rank of admirals?

Mr. MAAS. A very mild retirement provision, so as to subject admirals to the same conditions to which every other officer is subjected.

Mr. VINSON of Georgia. How many is it proposed to retire annually?

Mr. MAAS. Under my proposal they would have to maintain an average number of vacancies of nine a year. The principle is the same as we approved last year, except that the figure then was made eight, which simply is below the number that ever will force any retirements among admirals. I believe it is a good thing to have a little goad on the admirals so that when they get the two stars they cannot just sit back and feel that they are set for life.

Mr. VINSON of Georgia. As far as I am concerned, it is all right to have a selection in the rank of admiral, but I do not think it should be mandatory that a certain number go out each year.

Mr. MAAS. That is in the law now, except that the law states "eight," but the figure eight does not work. The Congress has adopted the principle involved in this amendment except that the figure we arrived at did not accomplish the intent of Congress. My amendment will accomplish it.

Mr. VINSON of Georgia. How many, under this amendment, will be forced out?

Mr. MAAS. It varies from year to year. Next year two will be forced out.

Mr. VINSON of Georgia. And the following year?

Mr. MAAS. The following year there will be a total of six, and then it drops down to one or two again.

Mr. VINSON of Georgia. Then, do I understand that by this amendment there will be a selection board of admirals to pass on admirals for retention and admirals that go out?

Mr. MAAS. The next amendment I have to offer will accomplish that. That amendment will provide for a board to retain admirals, while this provides that when there are not enough vacancies somebody moves out of the way.

Mr. VINSON of Georgia. Of course, the gentleman realizes that what he is doing is this: There is by law permitted to be 65 admirals, and he proposes by his amendment to have a group of admirals appointed by the Secretary to say how many of those 65 admirals shall stay in and which ones shall stay in and which ones shall go out.

Mr. MAAS. We are doing that now, Mr. Chairman.

Mr. VINSON of Georgia. And by that amendment he will cause more confusion and strife in the rank of admiral than ever occurred in any group before.

Mr. MAAS. No; this is just carrying into effect the law we have now. Why should there be one sacred rank in the Navy? I am not opposed to the admirals. I think we have the finest group of admirals in the world, and I want to keep them the finest group of admirals in the world, and that is why I want to have the same weeding-out process for admirals that we have for lieutenants, lieutenant commanders, and commanders and captains.

This does not involve any new principle of legislation at all. It simply provides that what the Congress intended last year shall be carried out, and I hope the amendment will be agreed to.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. MAGNUSON. Is this the same amendment the gentleman proposed in committee the other day?

Mr. MAAS. No; this is a different amendment.

Mr. MAGNUSON. That had relation to the retirement?

Mr. MASS. I intend to offer that following the disposition of this amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

Mr. MAAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAAS: Page 4, after line 23, insert a new paragraph, as follows:

"SEC. 15. The Secretary of the Navy each fiscal year shall appoint a board of five rear admirals of the upper half whose duty it shall be to report the names of all officers eligible for its consideration who, in its judgment, shall be retained on active duty. Any officer so considered and not recommended for retention by the report of such board, as approved by the President, shall be retired on June 30 of the fiscal year in which he completes 38 years of service, computed as hereafter provided, and shall thereafter receive 75 percent of the active-duty pay of a rear admiral of the upper half. The Secretary of the Navy shall furnish the board with the names of all rear admirals on the active list who have completed over 36 years and less than 38 years of service, counting commissioned service and service as a midshipman after graduation from the Naval Academy, but shall not furnish the name of any rear admiral who has previously been recommended for retention in accordance with this act. All officers whose names are furnished the board as herein provided shall be eligible for its consideration. The board shall conduct its proceedings and make its report in such form as may be prescribed by the Secretary of the Navy, with the approval of the President: *Provided*, That the provisions of this section shall not apply to the Marine Corps."

Mr. MAAS. The purpose of this amendment is to carry out the same principle. We have selection in every grade now from junior lieutenant on through to flag rank, where it stops. This amendment does not in itself force out any admiral, but it says that they shall be subject at a period during their career as an admiral to selection for retention.

If the board fails to recommend an officer for retention, he shall be retired. Every rear admiral may be recommended for retention, but today you have a situation where a captain once becoming an admiral cannot be touched. He stays on and on, regardless of fitness, until he is 64 years of age.

Sometimes selection boards make mistakes, and when they make a mistake in selecting a flag officer they are stuck with that mistake until that officer is 64 years of age under the present law. Under this proposed amendment all good admirals will be retained, but now and then an officer begins to slow up a little, when he gets to be around 60 or 62 years of age, and this will permit them not to recommend his retention. An officer may show himself to be undesirable, and this permits the Navy to have a method of taking him out of the active service when that situation does arise; also, it has the effect of being a stimulus to every admiral. It puts him under the same hazard and mental stimulus that every other officer is under.

Once a captain is selected to be an admiral, if he knows that nobody can touch him from then on, you know how it may affect him, and what he may do; but if he knows that he has to continue to be on his toes and continue to be human, because he is going to be subject to selection again, it will have the finest effect in the world upon our flag officers; and not only upon them but on every other grade, because then they all know they are going to be subject to the same test from the bottom to the top of the Navy and they know there will be no discrimination. If you want a flow of promotion, you must have it all the way from the bottom to the top.

Mr. VINSON of Georgia. Mr. Chairman, this amendment merely carries out the amendment already agreed to?

Mr. MAAS. Yes. To a large extent it has that purpose.

Mr. VINSON of Georgia. I have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

Mr. HOBBS. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. HOBBS: On page 3, after line 9, section 10, of the act approved June 23, 1938, Public, No. 703, Seventy-fifth Congress. Change subsection (b) to subsection (c) and insert a new subsection (b), as follows:

"(b) The report of the board shall include a statement of the reasons actuating the selection or promotion of every officer so selected, and also a statement of the reasons actuating the passing over of every officer not selected for promotion."

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS rose.

Mr. VINSON of Georgia. Mr. Chairman, does not the gentleman think his amendment should go one step further and make that confidential, except between the officers involved?

Mr. HOBBS. I considered that after the gentleman mentioned it to me, and I believe it is perfectly clear that it is

confidential in the same sense as is the report itself. In other words, it comes between the present subsections (a) and (b), both of which indicate the matter is to be treated somewhat confidentially. I hope the gentleman will not oppose this important and meritorious amendment.

Mr. VINSON of Georgia. Personally I have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

Mr. DITTER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DITTER: Page 3, after line 9, insert: "Strike out section 11 (a) of the act of June 23, 1938 (52 Stat. 944), and insert the following as section 11 (a):

" 'The names of officers designated by a board as best fitted for promotion and the names of officers adjudged by a board as fitted for promotion and approved by the President shall be placed upon the promotion list, and promotion to fill vacancies shall be made from officers of the next lower grade whose names appear as having been designated as best fitted for promotion on such promotion list in accordance with the date of their original commission in the Regular Navy.' "

Mr. DITTER. Mr. Chairman, the bill now before the House is of vital importance to the national-defense program. Plans have been projected and legislation enacted looking toward the increase of the Naval Establishment. Much has been said about the purchase of munitions and the machines of war. Little, if anything, has been said about the most important factor—men. This bill deals with men, with their fitness and with the recognition which should be accorded to the men of the Navy for the service which they render.

The selection system is not a new subject to many of us. We have contended for a long time that injustices and inequities which have prevailed should be corrected. Our efforts have been stubbornly resisted. In spite of widespread complaint, and even in spite of acknowledged abuses, there were those who attempted to defend the system and who opposed every move to correct the conditions which threatened the morale of the Navy.

An intelligent consideration of the proposals now before us require a reference to the conditions that have prevailed since the World War days. Prior to 1917 each class that graduated from the Naval Academy took its place in back of the class that had graduated immediately preceding it. For example, the class of 1915 followed the class of 1914, the class that graduated in 1916 followed the class that graduated in 1915. This was the regular way of inducting officers into the naval service. Congressional appointments to the Naval Academy were based upon the needs for officers in the Navy, and upon graduation from the Naval Academy, the graduates would fill the billets that were necessary in accordance with the naval program.

In 1916 under President Wilson the 1916 building program was launched. It is probable that the imminence of war prompted the launching of this program. At the same time that the building program was undertaken a larger class was entered in the Naval Academy in 1916 than any that had previously been enrolled. This class was destined to graduate as the largest class up to that time that had ever completed the course at the academy.

In 1917 war was declared. In that year and in the years 1918 and 1919 a large number of men from civil life found their way into the naval service and became officers during the emergency. They were not Naval Academy graduates. While the exact figures are not available, it is reasonably safe to say that more than 20,000 officers of this type were in the service at the close of the World War in 1918. The induction of this large group had its effect. It boosted in rank the officers then on the active list of the Regular Navy. For example, members of the class that graduated from the Naval Academy in 1914 became lieutenant commanders in 1918. Officers who graduated from the Naval Academy in 1917 became lieutenants in 1918. Officers were graduated from the Naval Academy in 1917 who were not normally due for graduation until 1918, with the result that in 1918 we find a group of officers labeled as lieutenants when, under ordinary circumstances, they would still have been midshipmen.

In 1920 it was decided that the opportunity should be afforded to a small percentage of the officers who had entered the Navy from civil life during the war period to continue in the service. Competitive examinations were held for those officers who were not graduates of the Naval Academy in order to ascertain those to whom the privilege should be given. This group of World War officers were assured that those who were successful and who were selected for permanent commissions would be certain of a career in the Navy.

It is interesting to note that a law at that time specifically stated that none of these officers should be retired involuntarily until they had served for a minimum of 10 years in the grade of lieutenant commander. A large number of World War officers competed in the examinations. When the results were finally announced there were approximately 800 officers passed upon as fitted in all respects and entitled to permanent commissions in the Regular Navy. Some of these men have continued in the service from that day on. They were men who responded when the need was the greatest. They were men who were prompted to offer their service solely because of an urgent call of duty. They were men in most instances whose induction into the service had little of the glamour attending a graduation exercise in the Naval Academy. Their induction was not a holiday occasion.

The first selection law for naval officers was enacted in 1916. Because of our entry into the World War the following year, the 1916 act was practically held in abeyance. An examination of the Navy list in 1920 is an interesting study. One finds, for instance, that the officers of the Navy were listed in accordance with seniority; that is, in 1915 exactly in the order in which they graduated and followed by the 1916, the 1917, and 1918 classes. The graduates of the Naval Academy in 1918 are followed by a group of World War officers, approximately 200 in number. The Naval Academy class of 1919 follows. After this class another group of World War officers appears, approximately 500 in number. Thereafter the class of 1920 from the Naval Academy takes its place, after which a few World War officers are found, the remainder of the World War group.

World War conditions and the building program of 1916 resulted in the induction of a larger number of officers from 1917 to 1924 than had ever been brought into the service before.

The Navy Register, dated June 1, 1934, shows that the number of officers that entered the service between 1917 and 1924 was larger than all the other officers in the Navy, that is, officers who were in the Navy before the war and officers who had come into the Navy after the war. This has been commonly referred to as the "hump." In an effort to eliminate the "hump," a selection law was passed in 1934 which extended selection down below the grade of lieutenant commander. Nothing of this kind had existed before in the Navy. The first group of officers to be affected by this legislation were the officers who had entered during the World War. This may have been accidental. It looks much as though it were by design. Prior to that time all the officers on reaching the top of the lieutenants' list were automatically promoted to the grade of lieutenant commander. But the 1934 law made drastic changes. The group of World War officers were subjected to selection, or, shall I say, to elimination. This selection or elimination process was carried out so drastically among the World War officer group that only 15 out of each 100 officers whose names appeared before the board were cited for promotion to the next higher rank. Contrast this, if you will, with the automatic promotion that the World War officers had a right to expect would continue. Careers went up in smoke.

It is safe to say that partial admission at least was made in 1934 that this elimination process was necessary to get rid of the "hump." Frantic efforts were made to justify the legislation. Every excuse, real and imaginary, was seized upon as a reason for the need for the legislation. The longer the

excuses continued and the louder they became the more grotesque they appeared. War games fell into second place as the high Navy command sought to defend the elimination process. Most fair-minded men admit today that grave injustices and irreparable harm were done as a result of the 1934 act. Fitted officers, capable officers, splendid officers, were eliminated that should have continued to give to the country the benefits of their training and experience.

Dissatisfaction was rampant throughout the officer personnel of the Navy. But in most instances officers were reluctant to venture an expression of opinion lest their indiscretions in this respect might be charged against them. It is known that appeals were made to the Navy Department. Congress heard the complaints. Demands were made and insisted upon that something must be done to correct the mistakes and overcome the objections to the legislation. Unsigned communications from naval officers in all parts of the country were received protesting against the provisions of the 1934 act. Not only those who were affected but those who would be affected in the future were apprehensive. They naturally wondered what their future would be. They saw officers with excellent records, who had served during the war and immediately after the war, involuntarily separated from the service. Officers with letters of commendation from superiors, officers with exemplary records, fell by the wayside. A feeling of insecurity permeated the whole service.

The demand for correction finally brought about some concessions. Hearings were held. The 1938 bill was enacted. It had some redeeming features. It had glaring defects. The one redeeming feature that I might comment on is the fact that it retained in the service for some years officers who would probably have been retired under the old law. While the shortcomings of the bill were recognized by many who have made a study of the problem, it was not until after it had been put into practice that the mistakes were acknowledged. The 1939 amendments are therefore before us.

I wish to direct the attention of the House at this time to one feature in the 1938 law, and which is not corrected by the amendment now before us, which certainly is untenable and unreasonable. It may surprise many of you to know that the class of 1910 becomes junior to the class of 1911. The 1917 and 1918 men—that is, the World War men—become junior to the Naval Academy graduates of 1919, but worst of all the World War officers who were commissioned in 1917, 1918, and 1919 were made junior to officers who had graduated from the Naval Academy in 1925. The result of this is that we find upon the Navy list today officers who were serving at sea as commissioned officers in the trying days of 1917 and 1918 now junior to officers who first went to sea in 1925. The demoralizing effect of such a condition is apparent to all. The amendment which I have offered is intended to correct this situation. The situation must be corrected if morale is to be maintained.

The purpose of the amendment which I have offered is to correct the injustices now visited upon the World War men. I have a most profound respect and regard for the chairman of the Naval Affairs Committee. He had charge of last year's bill. He is familiar with the provisions that affect adversely the World War men of the Navy. I believe he would like to correct the condition that exists. The World War men are behind the Naval Academy classes of 1918 and 1919 under existing law. If I am in error, I wish the chairman of the committee would correct me.

Mr. VINSON of Georgia. I will say to the gentleman that I am unable to comment as to the correctness of the gentleman's statement, because I do not have the information.

Mr. DITTER. Will not the gentleman be gracious enough to concur with me? I respect the gentleman's opinion. He knows the selection law from A to Z. He certainly knows what the provisions of this present bill are. If I were making an inaccurate statement, I am convinced the gentleman would challenge me. I therefore assume that I have the happy privilege of having his concurrence.

Mr. VINSON of Georgia. If some Member of the House were on his feet correcting every misstatement of every gentleman, someone would be on the floor all the time; so I am letting the gentleman make his statement in his own way.

Mr. DITTER. I paid my compliments to the gentleman. I do have a profound respect for his intimate knowledge of the dotting of every "i" and the crossing of every "t" in the present selection bill. If my statement with reference to the World War men were inaccurate, I know the gentleman would correct me.

Mr. VINSON of Georgia. I stated to the gentleman that I did not know, but I would assume his statement was correct.

Mr. DITTER. The same situation prevails with that group which came in in 1919; the same with 1920, 1921, 1922, 1923, and 1924. That group of officers is at the present time in back of the 1925 class from the Naval Academy. The purpose of my present amendment is to clear up those conditions.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. DITTER. I yield.

Mr. VINSON of Georgia. As I understood the gentleman's amendment in the section he has referred to, it relates to the promotion list—officers placed on the promotion list; is that correct?

Mr. DITTER. That is correct.

Mr. VINSON of Georgia. The gentleman's amendment proposes to place them from the date of their commissioned service instead of as the law now provides?

Mr. DITTER. That is all. In other words, to let them go along according to the date of their original commission in the Navy. In view of the gentleman's very gracious and generous treatment of the other amendments that have been offered, I feel confident he will do the same with this amendment.

Mr. VINSON of Georgia. I will say that I had not thought about any injustice ever having been done that group of officers. Of course, no one wants to do any injustice to officers who came in as a result of the war and received a commission. As far as I am concerned, pending further study following the enactment of the bill, I have no objection to the gentleman's amendment coming in, but I cannot say what will be the outcome of it after some study is made of the subject matter.

Mr. DITTER. Then I assume the gentleman will accept the suggested amendment?

Mr. VINSON of Georgia. For the time being, and let it go into the bill.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. DITTER].

The amendment was agreed to.

The CHAIRMAN. If there are no further amendments, the Committee will rise, under the terms of the resolution.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. JONES of Texas, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 4929) to amend the act of June 23, 1938 (52 Stat. 944), pursuant to House Resolution 170, he reported the same back with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1940—CONFERENCE REPORT

Mr. TAYLOR of Colorado, from the Committee on Appropriations, submitted a conference report and statement on the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes, for printing in the RECORD.

DETENTION OF CERTAIN ALIENS PENDING GRANT OF PASSPORTS

Mr. COLMER, from the Committee on Rules, submitted the following report (Rept. No. 498), to accompany House Resolution 175, which was referred to the House Calendar and ordered to be printed:

House Resolution 175

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 5643, a bill to invest the circuit courts of appeals of the United States with original and exclusive jurisdiction to review the order of detention of any alien ordered deported from the United States whose deportation or departure from the United States is not effectuated within 90 days after the date the warrant of deportation shall have become final; to authorize such detention orders in certain cases; to provide places for such detention; and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendments under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein an article which appeared in a Washington paper of today.

The SPEAKER. Without objection, it is so ordered.

AVIATION CADETS IN NAVAL AND MARINE CORPS RESERVES

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 171.

The Clerk read as follows:

House Resolution 171

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 5765, a bill to authorize commissioning aviation cadets in the Naval and Marine Corps Reserves upon completion of training, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendments under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DELANEY. Mr. Speaker, does the gentleman from Michigan desire any time on the rule?

Mr. MAPES. Mr. Speaker, I have no request for time, and there is no opposition to the rule on this side of the aisle.

Mr. DELANEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

Mr. VINSON of Georgia. Mr. Speaker, in view of the adoption of the rule I ask unanimous consent that the bill made in order thereby, H. R. 5765, to authorize commissioning aviation cadets in the Naval and Marine Corps Reserves upon completion of training, and for other purposes, may be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Naval Aviation Reserve Act of 1939."

SEC. 2. Aviation cadets may, if qualified after completion of training, be commissioned ensigns in the Naval Reserve or second lieutenants in the Marine Corps Reserve.

SEC. 3. Ensigns or second lieutenants commissioned pursuant to this act may, after 3 years of service as such and if found qualified after such examinations as the Secretary of the Navy may prescribe, be commissioned lieutenants (junior grade) in the Naval Reserve or first lieutenants in the Marine Corps Reserve, respectively: *Provided*, That the active duty of aviation cadets subsequent to completion of their active duty while undergoing training shall be counted as such service for the purposes of promotions authorized by this section.

SEC. 4. All members of a class of aviation cadets entering the naval service at approximately the same time shall be deemed, for all purposes of this act, to have commenced their commissioned service on the same date.

SEC. 5. Officers commissioned pursuant to this act may be employed on active duty in time of peace only during the 7-year period next following the completion of their duty as aviation cadets undergoing training, except that such officers may be ordered to active duty thereafter for the purpose of instructing and training members of the Naval Reserve and the Marine Corps Reserve.

SEC. 6. When officers, commissioned pursuant to this act, are released from active duty that has been continuous for a period of 4 or more years, including active duty both as aviation cadets and as commissioned officers, they shall be paid a lump sum of $500 in addition to any pay and allowances which they may otherwise be entitled to receive, except as hereinafter provided.

SEC. 7. Government life insurance issued in accordance with section 5 of the act of April 15, 1935 (34 U. S. C., 846), shall continue when an aviation cadet is commissioned pursuant to this act; the premiums thereon shall be deducted from the pay of the officers concerned and paid by the Secretary of the Navy to the Administrator of Veterans' Affairs. When released from active duty or discharged they shall have the option of continuing such insurance at their own expense.

SEC. 8. Aviation cadets, who have completed active training duty on the date of this act and who may be commissioned pursuant thereto, may elect, when so commissioned, to receive the pay and allowances authorized by section 2 of the act of April 15, 1935 (49 Stat. 157; 34 U. S. C. 843), for aviation cadets while on active duty not undergoing training in lieu of the pay and allowances authorized by section 7 of the Naval Reserve Act of 1938 (52 Stat. 1176; 34 U. S. C. 853e). In such case they shall be paid a lump sum of $1,000 upon the completion of 4 years' active duty, and a further lump sum of $500 upon release from active duty thereafter whenever occurring; and in such case the premiums on the Government life insurance shall continue to be paid as provided in section 5 of the act of April 15, 1935 (49 Stat. 157; 34 U. S. C. 846), until such persons have completed 4 years of active duty, including active duty both as aviation cadets and as commissioned officers; thereafter such premiums shall be deducted and paid as provided in section 7 of this act.

SEC. 9. Pay and allowances of officers commissioned pursuant to this act shall be paid from appropriations for "Pay, subsistence, and transportation of naval personnel" and "Pay, Marine Corps," except for those officers ordered to active duty pursuant to authority contained in the exception in section 5 of this act the pay and allowances of whom shall be paid from appropriations for "Naval Reserve" and "Pay, Marine Corps."

SEC. 10. No back pay or allowances shall be held to have accrued under this act prior to its enactment.

SEC. 11. When first commissioned pursuant to this act, officers shall be paid a uniform allowance of $150, provided they have not already received the uniform allowance of $150 authorized to be paid to aviation cadets upon their first assignment to duty after completion of training, and as provided in section 3 of the act of April 15, 1935 (49 Stat. 157; 34 U. S. C. 844).

SEC. 12. (a) Section 1 of the act of April 15, 1935 (49 Stat. 156; 34 U. S. C. 842), is hereby amended by deleting therefrom the last sentence.

(b) Section 3 of the act of April 15, 1935 (49 Stat. 157; 34 U. S. C. 844), is hereby amended by deleting therefrom the last sentence.

(c) Section 6 of the act of April 15, 1935 (49 Stat. 157; 34 U. S. C. 847), is hereby repealed.

(d) The first proviso of section 5 of the Naval Reserve Act of 1938 (52 Stat. 1176; 34 U. S. C. 853c) is hereby amended to read as follows: "*Provided*, That aviation cadets and officers commissioned pursuant to authority contained in the Naval Aviation Reserve Act of 1939 may be required to serve on active duty for a continuous period of 4 years from date of appointment as aviation cadets."

(e) Section 302 of the Naval Reserve Act of 1938 (52 Stat. 1180; 34 U. S. C. 855a) is hereby amended by changing the period at the end thereof to a colon and adding the following proviso: "*And*

provided further, That the provisions of this section shall not apply to officers commissioned pursuant to authority contained in the Naval Aviation Reserve Act of 1939."

With the following committee amendments:

Pages 3 and 4, strike out section 8 and insert in lieu thereof the following:

"SEC. 8. Aviation cadets who have completed active duty undergoing training on the date of approval of this act and who may be commissioned pursuant thereto shall, upon completion of 4 years' active duty, be paid a lump sum determined as $1,000 minus the excess of the pay and allowances received by them prior to the date of such completion of duty over the pay and allowances, with which shall be included Government paid insurance premiums, which they would have received as aviation cadets had they not been commissioned. No person shall be held to be indebted to the United States as a result of the provisions of this section. Payments authorized by this section shall be in addition to that authorized by section 6 of this act."

Pages 5 and 6, strike out lines 23, 24, and 25 on page 5 and down to and including line 4 on page 6 and insert in lieu thereof the following:

"SEC. 13. Section 10 of the Naval Reserve Act of 1938 (52 Stat. 1178; 34 U. S. C. 853h), shall be applicable to the procurement and training of aviation cadets and of officers of the Naval Reserve and Marine Corps Reserve commissioned pursuant to this act. The minimum numerical strength to be achieved in aviation officers of the Reserves is set at 6,000.

"SEC. 14. The Secretary of the Navy is hereby authorized and directed to appoint a board of officers of the Navy and Marine Corps to investigate and report upon all matters concerning the Regular and Reserve aviation personnel of the Navy and Marine Corps. The board shall make such recommendations, including recommendations regarding the enactment of permanent legislation, as it deems appropriate and justified concerning the subject matter herein referred to. The Secretary of the Navy is further directed to cause the report of the board herein authorized to be transmitted to the Speaker of the House of Representatives within 10 days of the beginning of the session of the Seventy-sixth Congress, commencing on or about January 3, 1940."

Mr. VINSON of Georgia. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, in this Congress the Naval Affairs Committee has brought in bills which have been enacted into law for the betterment of the Navy, for its increase to provide an adequate first line of defense for the Nation.

We have authorized the increase of the ships and the planes of the Navy, and we have changed the personnel laws so that we might avoid the wastage of qualified officers which was impending under the prior promotion law. Now this bill provides for another of the necessities of the Navy—a proper supply of experienced naval aviators.

It does not inaugurate a new system, but it extends and enlarges an existing system.

Four years ago, when it became apparent that enough officer aviators could not be obtained from the commissioned line of the Navy to man the increasing aviation forces of the fleet, the aviation cadet system was instituted. By this system young men of intelligence, education, and ambition could apply for aviation service in the Navy. On their volunteering they were checked for their adaptability to aviation by a brief 30 days' test training and after they had demonstrated satisfactory qualifications therein were sent to the Naval Air Station at Pensacola for a year's intensive course. On acceptance for this course at Pensacola they were required to sign up to serve for 4 years and were given the rank of aviation cadets. Upon graduation from the training course they were to serve in the fleet for the remainder of their 4 years and then to be discharged with a discharge payment of $1,500 in order to furnish them with a proper capital to begin their civil life. As aviation cadets they were in the Naval Reserve, and after the completion of their 4 years' service they were to be offered a commission as ensign in the Naval Reserve but were not to be continued on active duty therein.

The response to this opportunity by the young men of the Nation has been most gratifying. Many more applications have been received than could be accepted. Most of the aviation cadets who have been enrolled have been college graduates. They have made excellent naval aviators and their service in the fleet has supplied the deficiency in aviators which otherwise would have seriously hampered the development of naval aviation and would have weakened the preparedness of the Navy for emergency.

There are, in round numbers, about 1,000 of these cadets now—778 in active service after training and nearly 300 under training. The first year's class entering in 1935–36, after the inauguration of the system, is about to complete its 4 years, and, under the law, to be discharged.

On graduation from Pensacola they were competent flyers, but now after 3 years' service in the fleet they are experienced naval aviators, and with the expanding aviation forces of the Navy their services are of such value that adequate opportunity and inducement should be offered to them to continue.

This bill provides that opportunity and inducement. It recognizes their abilities and the value of their services by granting them a commission on graduation from Pensacola instead of awaiting the completion of their entire 4 years' service. It grants them a promotion at the end of this 4 years' service, and with this increased rank and pay permits them to serve 4 years longer. It does not require them to sign up for this additional 4 years, or for any part thereof, since they have discharged the obligation to the Government implied in their receipt of an extensive training course by their service of 3 years in the fleet; but we hope, and the Navy Department believes, that a large proportion of them will voluntarily extend their services beyond their obligated period.

There have been statements in the press that the Army and the Navy would outbid each other for aviation cadet material in order each the better to supply the needs of its expanded aviation branches. This is not, however, an attempt to outbid the Army, but simply duplicates the provisions of their recent laws with regard to aviation cadets. As in the Army, the Navy aviation cadet on graduating from his training is commissioned in the Reserve.

In both services a total period of active duty of 7 years after graduation is allowed. In both services a discharge payment at any time after 4 years' service of $500 is allowed. This payment is reduced from the old $1,500 allowed the aviation cadet, because now, with his commission received immediately after graduation, he will during his 3 years' active service receive considerably higher pay than before.

With these comments I think that the bill may be readily understood. To survey it rapidly, however:

Section 2 provides for the commissioning of aviation cadets on graduation from flight training at Pensacola or elsewhere.

Section 3 provides for their promotion in rank to the next higher grade after 3 years' active duty, and in a proviso accredits the active duty of present-day aviation cadets toward this 3 years in order that they may be on a par with subsequent appointees.

Section 4 is purely administrative and allows the graduation of a group at the same time, irrespective of minor differences due to illness or brief delay for one reason or another.

Section 5 limits the active service of these officers after training to 7 years, except that they may be employed thereafter to train other flyers of the Naval Reserve.

Section 6 provides for the $500 discharge payment after 4 years' active duty.

Section 7 requires the continuation of Government life insurance, now prepaid by the Government for the aviation cadet, but thereafter, because of their increased pay and allowances, to be paid for by the officers themselves.

Section 8 as amended makes a discount for those aviation cadets who are now about to complete their service and who may under the law anticipate a $1,500 discharge payment. Obviously, if they have but a few weeks or months yet to do on their 4 years' service, the increased pay and allowances which they would receive by virtue of their new commissioned status would not make up for the loss of $1,000 now that the discharge payment is reduced by the bill to $500. Consequently this section provides an appropriate method of computing the payment to see that they suffer no loss because of the enactment of the bill.

Section 9 makes an appropriate change in the allocation of the charges for these officers in the fleet from the Naval Reserve appropriation to the appropriation which is now responsible for the personnel of the operating Navy.

Sections 10, 11, and 12 are of minor nature and are explained fully in the report.

Section 13 assures that the requirement of the Naval Reserve Act that the Reserve shall be built up to strength by equal annual increments during the next 10 years is applicable also to this group of officers of the Naval Reserve. It sets a minimum goal at 6,000 Reserve aviators.

Section 14 requires an investigation and report on the aviation personnel situation of the Navy by the convening of the next Congress in order that any further recommendations for legislation which may develop after a further study may be available for the Congress.

I believe that enactment of this bill will represent a major benefit to the Navy in providing for sufficient skilled aviators properly to man its increasing aviation forces, and the committee earnestly recommends its enactment. [Applause.]

The SPEAKER. The question is on the committee amendments.

The committee amendments were agreed to.

Mr. VINSON of Georgia. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their own remarks on the bill just passed and also on the bill H. R. 4929.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio speech delivered last Saturday.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. Under the special order of the House heretofore made, the gentleman from Massachusetts [Mr. TREADWAY] is recognized for 20 minutes.

TRADE TREATIES

Mr. TREADWAY. Mr. Speaker, my remarks today are in part prompted by recent speeches made by the gentleman from Mississippi [Mr. RANKIN] and the gentleman from Arkansas [Mr. KITCHENS] in reference to my attitude toward the trade-treaty program and the tariff in general.

From time to time the House has listened to speeches made in defense of the trade-treaty program, in which its proponents have purported to answer the charges made against the program by myself and others.

In many instances these speeches in defense of the program had all the earmarks of having been prepared by the State Department's propaganda machine, which has been flooding the country with one-sided and frequently misleading information about the trade treaties and their effects.

It has been my observation that all those who have risen to the defense of the program have had some selfish interest in a particular treaty, which possibly has resulted to some advantage to an export product of their district. I except the gentleman from Mississippi from this category, because, as we all know, he is in a class by himself when it comes to the tariff.

Most Democrats regard the tariff as a local issue. They favor tariffs on the products of their own districts but are opposed to tariffs on anyone else's products. The gentleman from Mississippi is perfectly consistent—he is against tariffs on anything.

In the course of a number of speeches I have made on the subject of trade treaties I have referred to certain fundamental criticisms of the program. In all the replies that have been made to those speeches by trade-treaty proponents I have noted that they never try to answer any of the fundamental criticisms.

They take up certain minor points, which have no bearing on the real issues involved, and try to throw up a smoke screen which will distract attention from the basic objections to the program.

One of my purposes in addressing the House today is to set forth a few of these fundamental objections and to challenge the proponents of the trade-treaty program to answer them directly and without equivocation. Let me enumerate a few of these fundamental objections to the trade-treaty program which I have in mind:

FUNDAMENTAL OBJECTION NO. 1

The trade-treaty program involves an unconstitutional delegation of the tariff- and treaty-making powers of Congress by giving to the executive department discretionary legislative authority in reducing tariff duties and in entering into foreign trade treaties without Senate ratification.

If the Executive is not to be governed by any legislative rule or formula in making tariff concessions, the trade treaties should be subject to congressional approval.

And that has been a fundamental objection to the trade-treaty program from the start on the part of myself and others who think as I do on the subject. Inasmuch as the trade agreements involve the revenue, the House of Representatives should have a voice in their ratification, as well as the Senate.

FUNDAMENTAL OBJECTION NO. 2

By encouraging the importation of competitive foreign products, the trade-treaty program runs contrary to the basic purpose of foreign trade, which is to exchange our surplus products for the products of other lands which we need but do not produce ourselves.

That applies particularly at the present time to the recently negotiated treaty with Great Britain under which the rates on many articles have been changed—rates on products we can and do manufacture ourselves here in this country with American labor under American living conditions and an American scale of wages. Foreign articles are being brought into this country in direct competition with our own manufactured goods.

It is neither fair nor of any net benefit to this country to sacrifice certain industries and certain workers to the ravages of foreign competition in the mere hope of securing increased foreign markets for the products of some other American industry or group of workers.

The American market is the birthright of our own people, and they should be allowed to produce the goods consumed therein to the extent of their capacity to do so.

FUNDAMENTAL OBJECTION NO. 3

By permitting tariff reductions below the amount of duty necessary to offset foreign cost-of-production advantages, and thereby subjecting our home producers to unfair competition from the cheap products of other lands, the trade-treaty program drives our home producers out of business, takes jobs away from our workers, depresses our price structure, and undermines our American wage and living standards.

The rate structure under the Tariff Act of 1930 was built up not for the purpose of placing an embargo on foreign goods but only to equalize competitive conditions in the home market as between foreign and domestic producers. If any of the rates are too high or are inadequate, they can be adjusted under the so-called flexible tariff provisions after a finding by the Tariff Commission as to the amount of duty required to exactly offset the foreign cost-of-production advantage.

All we ask is the difference between the foreign cost of production, which is very low, and our own. I for one will stand back of the American producer, the American laborer, and American living conditions as against foreign competition. We ought to have a duty that will accomplish that.

FUNDAMENTAL OBJECTION NO. 4

Under the treaty program, the concessions which we make to a particular country in return for concessions from that country are extended generally to the whole world, save Germany alone, without requiring these other countries to give us reciprocal concessions in return, and despite the fact that in many instances such other countries actively discriminate against American products.

FUNDAMENTAL OBJECTION NO. 5

The negotiation of the trade treaties is carried on in an arbitrary and high-handed manner. The only opportunity American producers have to be heard on a proposed treaty is before its actual negotiation takes place, and then only before a "buffer" committee which has nothing whatever to do with the actual negotiations.

The terms of a treaty are never made known until after it has actually been signed by the President and thus been made binding on this country.

If that is the American method of writing laws, I would rather see some other system adopted.

Of course, many other objections to the present trade-treaty program could be raised, but I believe its proponents will have their hands full if they can satisfactorily answer the few that I have enumerated. I know these gentlemen will do me the honor of endeavoring to answer them, but whether they can do it satisfactorily or not remains to be seen when they either take the floor or ask to address the House for 1 minute and then extend their remarks and fill up a couple of pages in the RECORD.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. KNUTSON. I am sure the House will be interested in having the gentleman from Massachusetts tell the membership something about the effects the Cuban treaty has had upon Puerto Rico, as was testified to before the Ways and Means Committee several weeks ago by Gov. Blanton Winship and Dr. Gruening.

Mr. TREADWAY. That was a very interesting hearing that we had to which the gentleman from Minnesota refers, and it is a matter of record in the social-security hearings before the Ways and Means Committee.

I was very much astonished, and I am sure the gentleman from Minnesota was also, at the testimony given of the serious and deleterious effect of the trade-treaty program on Puerto Rico and its industries. If the gentleman cares to have it repeated, I shall be glad to extend my remarks in the RECORD by inserting some of the testimony given by officials of Puerto Rico.

Mr. KNUTSON. Especially as it affects pineapples and embroidery.

Mr. TREADWAY. Yes; I shall be very happy to insert that testimony.

Governor Winship testified as follows:

Mr. REED. You say that the wage and hour bill and the reciprocal-trade treaties have affected that industry.

Governor WINSHIP. Yes sir; that industry a year and a half ago was $21,000,000 a year. It has dropped to half that at the present time and is threatened with extinction.

Mr. REED. Will you tell us how it is adversely affected?

Governor WINSHIP. In this way: With reference to the tariffs, the reciprocal-trade agreement with Switzerland, for instance, in considering her needlework industry, was given a special tariff rate, and under the most-favored-nation clause the tariff concession on hand-made handkerchiefs was extended to Japan and China and every other country in which there are low wages. In discussing this problem some time ago before the Committee for Reciprocity Information that the State Department had convened, for the purpose of a hearing on that subject, I said to them, "Before you put into effect the Wages and Hours Act you ought to put something into effect that will protect these people who are going to work under the Wages and Hours Act and give them an opportunity to compete with the people on the other side."

Mr. REED. That is, the wage and hour legislation has thrown the wages to a higher point, so that they cannot compete with the other countries?

Governor WINSHIP. The Federal Wages and Hours Act proposed for Puerto Rico wages at a minimum of 25 cents an hour; the Swiss trade agreement, which extends to China and Japan, under the most-favored-nations clause, the right to come under the provisions of that agreement, brought products in from there that were made at 5 and 6 cents a day for labor, and we are required to pay 25 cents an hour.

Gentlemen, there may have been some great consideration on our part for poor China and all her troubles, and so forth, but at the present time Japan holds that very area that produces these goods, and Japan is getting the benefit of these Swiss agreement concessions at the present time. Importations have continued to come in on account of the fact that Japan is holding all of that area, and you know that Japan will make China pay "through the nose" for all those different things, and get the benefits that might otherwise have gone to the poor Chinese laborers over there.

Mr. REED. I assume that would be true, but I am just wondering if that is temporary, and if the war has relieved it to any extent.

Governor WINSHIP. The proposition is that day by day our needlework industry, and particularly our handkerchief industry, is growing smaller, and we are getting more and more people to feed down there, and this summer and next winter we are going to have six or seven hundred thousand people to look after, and we are trying to provide for them.

The following is from Dr. Gruening's testimony:

Mr. KNUTSON. Let me ask you this: Have any of the reciprocal-trade agreements we have made been felt in Puerto Rico?

Dr. GRUENING. Yes, sir; they have.

Mr. KNUTSON. Which one?

Dr. GRUENING. The Cuban treaty in particular; the British treaty and the Swiss treaty.

Mr. KNUTSON. I would be glad if you will give us a few details of that.

Dr. GRUENING. Puerto Rico had a flourishing pineapple industry and we were all very much pleased with this industry, because it had all the factors that a crop needed in Puerto Rico, uniquely so; it competed with no crop on the American mainland or Territorial market—it didn't even compete with the Hawaiian pineapple, which is of a different type and used for canning—Puerto Rico's was a crop of fresh pineapple and sold chiefly along the Atlantic seaboard. It had the second advantage that it was hurricane-proof. A crop like coffee, if a hurricane hits it, is not merely lost for that year but for several years—other crops are also injured by hurricanes, but pineapples are hurricane proof. It is a small man's crop. A fellow could go out and grow pineapples on half an acre or on 1 or 2 acres, so that it was desirable, both economically and socially. In the Cuban Treaty the differential was so lowered that the Puerto Rican pineapple industry is being put out of business.

I appeared before the Committee on Trade Agreements and made an emphatic protest against this differential and appealed to them that Puerto Rico's pineapple industry be protected in the revision of the Cuban agreement, but apparently they were determined to consider tropical products from the standpoint of benefiting Cuba. We don't know yet how this new pending agreement is coming out, but we are very fearful it will contain further discriminations against Puerto Rico.

The British treaty agreement lowered the tariff on coconuts from $2.50 to $5 a hundred. That was not a tremendous thing in appearance, but actually it means that the low-wage regions such as Jamaica and the Bahamas, and all the competing British islands in the Caribbean, can send in their coconuts at a price which the Puerto Ricans cannot meet.

The Swiss agreement made a reduction in needlework which very seriously injured the needlework industry. That is more or less academic now, because the wage and hour bill has completely flattened out the needlework industry. But it seems to me rather tragic that when we were casting about, making every effort to find some crop for Puerto Rico that would not be limited by quota, such as sugar is, not destroyed by hurricane, such as coffee, not destroyed by some other factor or by competition which they could not meet, such as the citrus-fruit competition of Florida and Texas, which naturally prevents Puerto Rico citrus fruits from amounting to much, with the high cost of transportation—we developed pineapples and found a crop that was supported and would have increasingly supported a great many thousands of people. Now it has been ruined by the Cuban Treaty.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore (Mr. ROMJUE). Does the gentleman from Massachusetts yield to the gentleman from Mississippi?

Mr. TREADWAY. I yield.

Mr. RANKIN. Is it a fact that the gentleman from Minnesota still owns a pineapple plantation in Haiti?

Mr. KNUTSON. The gentleman is mistaken.

Mr. TREADWAY. The gentleman has answered for himself, but in any event the gentleman from Minnesota is extremely familiar with the conditions that have existed in the islands even since he became a member of the Committee on Ways and Means succeeding his labors as chairman of the Committee on Insular Affairs.

Mr. KNUTSON. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Minnesota.

Mr. KNUTSON. The gentleman will recall the promises that were made back in 1932, and one of the first things that the new administration said they would do upon taking office would be to repeal the so-called iniquitous Smoot-Hawley bill.

Mr. TREADWAY. Yes.

Mr. KNUTSON. I notice no effort has been made to do so. The reason, I understand, is because they looked into it and found it would bring absolute chaos in this country were that done.

Mr. TREADWAY. Let me ask the gentleman if that is the only pledge made in the campaign of 1932 that has been forgotten since that time? All you have to do is to look at the platform of the Democratic Party at that time and put a zero mark after every item that appears there. [Applause.]

All we hear in reference to the tariff act is that the rates are too high, but no one brings in evidence to show the effect that they claim.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Our own Government paid the American holders of gold and gold certificates $20.67 an ounce. Since that time the Government has bought about $8,000,000,000 worth of foreign gold for which it paid $35 an ounce. While they do not believe in our protective tariff for American industry they certainly do believe in the policy of paying a subsidy and a high subsidy for foreign industries, do they not?

Mr. TREADWAY. Yes. Not only that, but they have put into effect that same policy again by legislation passed last week. They want to continue this beneficial treatment of foreign gold owners and foreign countries. They buy gold at a high price for our Government, to be stored down in the hills in the neighborhood of where the gentleman resides, and he knows what mighty little use it is put to down there. I do not believe he has seen much of it in circulation in his neighborhood. If he has, it has not percolated up here.

Mr. ROBSION of Kentucky. Not a dollar, and they are in bad shape all around that country.

Mr. TREADWAY. We are getting in worse shape all the time, not only on account of our gold purchases but on account of our silver purchases. I believe in paying a fair price for the things we purchase, but why pay double? Why does Uncle Sam have to pay practically double for that gold and newly mined silver?

Mr. KNUTSON. Uncle Sam paid double to the international bankers for their gold, too, but he did not do so to American citizens.

Mr. TREADWAY. What about silver?

Mr. KNUTSON. That is almost as bad.

Mr. TREADWAY. Mr. Speaker, I feel highly honored at the presence of the gentleman from Arkansas [Mr. KITCHENS] and the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Do not forget there are also three Republicans here.

Mr. TREADWAY. I do not need them. If as a result of my talk this afternoon I can convince two such men as the gentleman from Arkansas and the gentleman from Mississippi with reference to the demerits of the trade-treaty program, I would have considered my day as mighty well spent; but whether I can accomplish that purpose or not, I am going to keep hammering at this proposition, because it is an iniquitous law and ought to be taken off the statute books. I hope the gentlemen will come along with me.

Mr. MURRAY. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Wisconsin.

Mr. MURRAY. May I ask the gentleman this question: As long as our exports of agricultural products stand at 25 percent and the importations of agricultural products stand at 50 percent, we are justified, are we not, in saying that the farmer is being crucified on the altar of world commerce?

Mr. TREADWAY. That is another expression for one I used more than a year ago on the same general subject when I frequently referred in the course of my remarks to the fact that the farmer had been "sold down the river."

Mr. CRAWFORD. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Has the gentleman made any remarks with reference to the trading of cotton and its relationship to the provisions of that deal being contrary to the reciprocal-trade agreement program?

Mr. TREADWAY. I discussed that on another occasion. I am only dealing with a few fundamental objections to the trade-treaty program at the present time. Later on I shall take a few minutes of my time to bring up another subject matter. I am afraid I will not have time to go into that matter again.

Mr. ROBSION of Kentucky. We have heard much about the New Deal and up-to-date policies. I see we are now working on a proposition of barter.

Mr. TREADWAY. Yes.

Mr. ROBSION of Kentucky. I should like to know how new it is to the world to have to exchange goods for goods.

Mr. TREADWAY. It is not a new proposition. I made a few remarks on that subject a week or so ago which did not quite seem to satisfy some of our friends on the Democratic side, but I cannot be responsible for their viewpoint, you know.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. Certainly.

Mr. CRAWFORD. Going back to the question I raised a moment ago, does not the gentleman believe it would be sound for the Government, insofar as it is going to hold commodities, to reduce its long position on cotton and strengthen its short position on other commodities, even though this does run contrary to the reciprocal-trade agreement program? Does not the gentleman believe this would be a good policy for the Government to follow?

Mr. TREADWAY. I do; and if the gentleman is advocating it I shall be here to listen to the speech he will make on the subject.

Mr. CRAWFORD. I wish to say I am very much in favor of doing that very thing.

Mr. TREADWAY. I read only yesterday some comments on how liberal we are going to be toward cotton growers, paying them 2 cents a pound additional as a subsidy. The gentleman does not get an extra subsidy like that for his beet-sugar growers up in Michigan, does he?

Mr. CRAWFORD. Under the present sugar program there is a benefit which goes to the growers of sugar beets.

Mr. TREADWAY. But you are limited as to the quota you can have.

Mr. CRAWFORD. Oh, yes; very much limited. In other words, if they permitted stocks of sugar to pile up in the warehouses as cotton has piled up, and then in addition to giving soil conservation and special benefit payments, exported that sugar to other countries and at the same time furnished an additional subsidy to all growers, you would have a situation somewhat similar to what applies on cotton. It seems to me the administration is very sound in reducing its long position in cotton and strengthening its short position in other commodities, even though this does run contrary to the reciprocal-trade agreement program.

Mr. TREADWAY. If it runs contrary to the reciprocal-trade treaty program it certainly cannot be very agreeable to the Secretary of State, who is the father of the reciprocal-trade treaties.

Mr. CRAWFORD. I believe that is true; but it does show the difficulty the administration will continue to get into in attempting to administer the reciprocal-trade agreement program as heretofore followed.

Mr. TREADWAY. I do not believe the gentleman from Michigan or I will be very seriously affected with sorrow if they get in difficulties in administering that program.

Mr. CRAWFORD. I agree with the gentleman from Massachusetts.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I yield very briefly, as I wish to discuss another subject.

Mr. KNUTSON. Touching on the subject the gentleman mentioned a minute ago, it is my recollection that Colonel Batista returned to Cuba on the 28th of November and gave out an interview to the effect that the Cuban trade agreement had been renewed, whereas as late as December 1 the State Department told inquirers that the matter was just undergoing examination.

Mr. TREADWAY. There was just a little discrepancy. They got their wires crossed in some way.

Mr. KNUTSON. There was a discrepancy of about 3 days.

Mr. TREADWAY. Last Monday there appeared in the press a statement given out by the minority leader [Mr. MARTIN of Massachusetts] in which he outlined a suggested program for business recovery and reemployment. In my opinion it was an admirable program, and I am glad to endorse it.

One of the propositions laid down in this program was that there should be a special congressional committee appointed to study the effects of the trade-treaty program upon industry and agriculture. This suggestion is very timely, and I am today acting upon it by introducing a resolution for this purpose.

At the present time the trade-treaty program is entirely in the hands of the executive department. Despite the fact that Congress is charged, under the Constitution, with the full responsibility for fixing tariff rates, it has no say whatever as to any of the changes made under the trade treaties. There is no opportunity for ratification of the treaties by either branch of Congress.

Opposition to the treaty program has grown by leaps and bounds. The farmers of the country feel that they have been unjustly treated; and they have good ground for complaint.

Our manufacturers point to the difficulty of maintaining price and wage levels in the face of tariff reductions on competitive foreign products; and they have good ground for complaint.

Our workers feel that their jobs are being turned over to the cheap labor of Europe and the Orient; and they, too, have good cause for complaint.

Mr. HAWKS. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Wisconsin.

Mr. HAWKS. Can the gentleman tell me why the League of Women Voters of the United States should be so heartily in favor of the trade treaties?

Mr. TREADWAY. I cannot answer the gentleman's question?

Mr. HAWKS. Does the gentleman receive, as I do, long letters in defense of the trade treaties?

Mr. TREADWAY. Oh, yes.

Mr. HAWKS. From the League of Women Voters?

Mr. TREADWAY. I do not recall the source of them, but we certainly get plenty of them from various sources, and they are inspired.

Mr. RANKIN. Mr. Speaker, may we have order in the rear of the Hall? There is too much conversation back yonder on both sides of the aisle.

Mr. TREADWAY. I am delighted that the gentleman from Mississippi is eager to hear what I am saying.

Mr. RANKIN. The gentleman may say something directly, and if he does I should like to hear it.

Mr. TREADWAY. Of course, I am not to blame that the gentleman's skull is so impenetrable that it cannot be penetrated by facts and proof.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Ohio.

Mr. BENDER. The gentleman is making a fine statement and is saying a mouthful. I am sure some of our friends on the other side do not like to hear what is going into the RECORD and going to the people, who are getting some idea of why conditions are as bad as they are all over this country.

Mr. TREADWAY. I thank the gentleman for his statement.

As I previously stated, the gentleman from Massachusetts [Mr. MARTIN] in his program suggests an investigation of the trade treaties and their effects by a congressional committee. I have today introduced a concurrent resolution setting up a joint committee of 10 Members of the House and Senate to carry on such an investigation. Under the terms of my resolution there would be three Members of the majority and two of the minority representing each branch.

The committee would be directed to make a full and complete study of the trade treaties and their economic effect upon domestic agriculture, labor, and industry. It would be authorized to go into such other matters in connection therewith as to at least four members of the committee may seem relevant and advisable.

The authority conferred by the resolution would expire January 3, 1940, when the committee would be expected to make a report of its findings, together with such recommendations for amendatory legislation as it might see fit to make. Of course, I do not know what the attitude of the administration would be toward such an investigation, but if it has nothing to hide it should welcome the inquiry. [Applause.]

I make this statement with the full expectation that it will be criticized, but we are entitled in this body to the information, and if the executive branch of the Government has no reason to conceal things in connection with these treaties, they ought to welcome the investigation which my resolution proposes.

I believe that there are many Members on the Democratic side who would like to see such an investigation made. It is the duty and responsibility of the Congress to find out what is being done under the treaty program.

Mr. SANDAGER. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Rhode Island.

Mr. SANDAGER. I may say to the gentleman from Massachusetts that he might find out something about it if he would read some of the foreign newspapers. A newspaper from Calais, for instance, tells about the tremendous increase in their lace trade.

Mr. TREADWAY. To the detriment of the lace manufacturers in the gentleman's State.

Mr. SANDAGER. Eighty percent of their increased exports are to the United States.

Mr. TREADWAY. Mr. Speaker, the Congress owes it to itself as well as to the people to find out the real facts. The inquiry should not be a partisan one, and it should not be a whitewashing proposition. Ample opportunity should be given to all groups affected by the treaty program to come before the committee and present their views.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman.

Mr. HOUSTON. The gentleman has expressed himself as being opposed to the trade agreements.

Mr. TREADWAY. Very strenuously, from the day they were first suggested to the Congress, and I do not hesitate to say so.

Mr. HOUSTON. Will the gentleman tell us what the trade balance is at the present time, and in whose favor it is, and what it was when the present administration came into power?

Mr. TREADWAY. Well, how about the indebtedness that has been piled up under this administration?

Mr. HOUSTON. We are not talking about the N. R. A. or the indebtedness, but the trade treaties.

Mr. KNUTSON. Would it be proper for the gentleman to ask the gentleman from Kansas whether he wishes the item of munitions to be included?

Mr. HOUSTON. If we are going to talk about the C. C. C. camps or the organizations of that sort, that is another matter; but why not answer my question?

Mr. KNUTSON. Does the gentleman mean to include also the scrap iron shipped to Japan?

Mr. HOUSTON. I want to know what the trade balance is.

Mr. TREADWAY. I may say to the gentleman that the gentleman from Pennsylvania [Mr. RICH] provides a lot of information along that line for the benefit of the House almost daily, and if he were present I am sure he could inform the gentleman, because the gentleman from Pennsylvania is always interested in how we are going to get the money to pay the bills that are being run up.

Mr. SANDAGER. Mr. Speaker, will the gentleman yield further?

Mr. TREADWAY. I yield.

Mr. SANDAGER. Is it not a fact that after we started to plow cotton under, and corn and so on, that we had to import some of those raw commodities for our own people?

Mr. TREADWAY. That is the object of the plowing up process and the object of the trade treaties, to bring goods into this country in competition with the products of New England and the entire United States, including even the South.

Mr. CRAWFORD. If the gentleman from Massachusetts will permit, I may say to my friend from Kansas that we do not need to be in doubt about these figures at all. Within the last 48 hours I have obtained them from the Department of Commerce. They release such figures every month, and I may say that I was startled when I read the last report that came to my desk yesterday morning showing the decline of the countries operating under reciprocal-trade treaties.

Mr. HOUSTON. Was not the balance favorable to the United States by about $1,000,000,000?

[Here the gavel fell.]

Mr. TREADWAY. But not because of increased exports. Rather, exports declined last year over 1937, but imports declined to an even greater extent.

Mr. Speaker, I ask unanimous consent to extend my remarks and to include as a part of them a copy of the concurrent resolution to which I have referred and which I am now introducing.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The resolution referred to is as follows:

House Concurrent Resolution 20

Resolved by the House of Representatives (the Senate concurring), That there is hereby established a Joint Committee on Trade Agreements (hereinafter referred to as the committee), to be composed of 10 members as follows:

(1) Five members who are members of the Committee on Finance of the Senate, three from the majority and two from the minority party, to be appointed by the President of the Senate; and

(2) Five members who are members of the Committee on Ways and Means of the House of Representatives, three from the majority and two from the minority party, to be appointed by the Speaker of the House of Representatives.

SEC. 2. It shall be the duty of the committee—

(a) To make a full and complete study and investigation of the trade agreements entered into under the authority of the Reciprocal Tariff Act of 1934, as amended, with a view to determining (1) the economic effect of such trade agreements upon domestic agriculture, labor, and industry, and (2) such other matters in connection therewith as in the opinion of at least four members of the committee seem pertinent thereto.

(b) To report to the Congress not later than January 3, 1940, the result of its investigation, together with such recommendations for amendatory legislation as it shall see fit to make.

SEC. 3 (a) The committee shall meet and organize as soon as practicable after at least a majority of the members representing each branch of Congress shall have been appointed, and shall elect a chairman and a vice chairman from among its members, and shall have power to appoint and fix the compensation of a secretary and such experts and clerical, stenographic, and other assistants as it deems advisable. A vacancy on the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as the original selection.

(b) The committee is authorized to hold hearings and to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to have such printing and binding done, and to make such expenditures, as it deems advisable. The cost of stenographic services in reporting such hearings shall not be in excess of 25 cents per hundred words. Subpenas for witnesses shall be issued under the signature of the chairman or vice chairman.

(c) The committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies in the executive branch of the Government.

(d) The members of the committee shall serve without compensation for such service, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the committee.

(e) The expenses of the committee shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the chairman or vice chairman.

(f) All authority conferred by this resolution shall expire on January 3, 1940.

EXTENSION OF REMARKS

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. TABER. Mr. Speaker, I ask unanimous consent that after the conclusion of the special orders for today, I may be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Under special order, previously made, the Chair recognizes the gentleman from Massachusetts [Mr. CONNERY] for 15 minutes.

RADIO

Mr. CONNERY. Mr. Speaker, 2 weeks ago I called the attention of the House to the problem child of this administration, the Federal Communications Commission.

One of the outstanding necessities of our day, to my mind, is the elimination of monopolies. The Congress of the United States, by an almost unanimous vote at the last session, created a committee to investigate monopolies. During the past few weeks we have appropriated an additional sum of $600,000 to investigate monopolies. Yet there is no indication, so far as I can see, that the congressional Monopoly Investigating Committee has as yet recognized the fact that we have a problem child on our hands, namely, a radio monopoly with power and influence comparable to any monopoly which ever existed within our land.

It comes with poor grace for the Congress of the United States to preach that we are opposed to monopolies when we continue to permit a governmental agency, created and maintained through funds appropriated by the Congress, and the members of that agency, the Federal Communications Commission, who are representatives of the Congress, to create and sanction the continuance of the monopoly now existing in radio.

Radio grants or licenses are issued by the Federal Communications Commission with the limitation written into the law by the Congress that such licenses or grants shall be issued only when public interest, convenience, and necessity are served.

Surely, when those who hold such grants enter into contracts covering control of their facilities for periods in excess of the time for which the license is authorized by the Commission, whereby under such contracts control of the time of such station is granted or possessed by others located many miles away, it precludes the possibility of such radio station serving public interest, convenience, and necessity.

Some may say we have a Commission which, acting for the Congress of the United States under the powers delegated to it by the Congress, should and does prevent anyone other than the licensee operating the station. But I believe it would be fairer to say that were those controlling the Federal Communications Commission in reality representing the Congress of the United States or the people of the United States, or were these Commissioners free to act as their oath of office calls for, the complaints which I have just made would not exist.

However, facts are hard to get away from, and I venture to say to the Congress of the United States that when the Congress finally decides to have the long-needed congres-

sional investigation of the Federal Communications Commission and the radio monopoly they will find, first, that the two monopolistic networks now in reality control some 350 radio stations; second, that through this control, because of these illegal contracts which they hold, in many cases all of the time of such affiliated stations is being used for such purposes as the network alone sees fit; and, third, it is the network stations which receive the vast profits in radio from radio advertising.

The Communications Act of 1934 and the regulations issued under such act specifically provide that a grantee shall not turn over control of a radio station to another without the written approval of the Federal Communications Commission.

The records of this problem child fail to show wherein the Federal Communications Commission has granted such written approval.

Yet the Federal Communications Commission knows officially that the contracts which the radio stations affiliated with the networks are forced to sign actually do turn over the control of time and programs of affiliated radio stations to such use as the radio monopolists see fit to put them to.

It is my understanding that there are many, many stations which today not only have assigned all of their time to the monopolistic networks but even of the radio time they have retained for themselves on the network stations. Their records will show that only some 5 percent of the time of these stations is used for broadcasting matters of interest to the community in which the radio station is located.

Despite these flagrant violations of law and open evasion of the regulations of the Federal Communications Commission, we find the members of the Federal Communications Commission apparently dumb or blind to what their own records reveal.

There are many additional complaints that can be made of the apparent malfeasance in office of those who control this Commission. There are many abuses which the Congress will sooner or later have to investigate.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. MICHENER. The gentleman speaks of controlling the Commission. Who does control the Commission?

Mr. CONNERY. If the gentleman will refer back to the charges made during the last session of Congress before the Committee on Rules, when a resolution similar to the one which is now before the House, calling for an investigation of radio monopoly, was brought before that committee, together with the charges made there, it will be made clear to the gentleman.

Mr. MICHENER. I am in sympathy with the gentleman.

Mr. CONNERY. I thank the gentleman.

Mr. MICHENER. But I am rather surprised that he should state that this Commission is controlled by somebody, and by such control is prevented from doing its duty.

Mr. CONNERY. I think if the gentleman will permit me to proceed, he will find that I shall go into that more fully as I go on, and the facts I will disclose will cover the matter that the gentleman has in mind.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. Yes. I am pleased to yield to my friend from Kansas.

Mr. HOUSTON. What has been done with the Communications Commission to clean house?

Mr. CONNERY. Oh, the Communications Commission has gone through the movements of conducting a so-called investigation, but that has been going on for several months, and, of course, it will end in the usual whitewash, for how can the Commission sincerely and honestly investigate itself?

Mr. HOUSTON. The gentleman recalls that in the last independent offices appropriation bill the appropriation for that Commission was dispensed with entirely?

Mr. CONNERY. That is correct.

Mr. HOUSTON. Until they got through their housecleaning.

Mr. CONNERY. Yes.

Mr. HOUSTON. I am on that subcommittee, and I have never been called in to consider the appropriation for 1940.

Mr. CONNERY. Does not that action by the Appropriations Committee in itself show lack of confidence in that Commission?

Mr. HOUSTON. Yes.

Mr. PATRICK. Is not that suspension now in existence?

Mr. CONNERY. Does the gentleman mean this appropriation we have just been talking about?

Mr. PATRICK. Yes.

Mr. CONNERY. Nothing has been done about that. There has been no appropriation made by the Congress so far for the coming year. The Committee on Appropriations, when considering appropriations for all the independent agencies for the coming year in the independent offices appropriation bill, refused to take any action. Not one cent has been appropriated for the Federal Communications Commission for 1939–40 for the year starting July 1, 1939.

Mr. HOUSTON. Oh, the gentleman from Alabama seems to be confused about the appropriation. The appropriation to which I referred does not take effect until the fiscal year 1940.

Mr. CONNERY. No action has been taken either by the Committee or the House as yet with reference to the appropriation for the Federal Communications Commission for the fiscal year beginning July 1, 1939, and that in itself to me shows the great contempt in which the Federal Communications Commission is held by the Committee and by the House, if not by the entire Congress, especially in view of the fact that not one complaint was made and not one voice was raised on the floor regarding the failure of the Committee to make that appropriation.

Mr. HOUSTON. I am very much in favor of the gentleman's resolution for a thorough investigation. In my district we have a situation where for 20 months they have been considering a matter. One faction wants to move a radio station into another community, and neither the opposition nor the proponents can find out anything of what has been going on down here, and almost 2 years have elapsed from the time they made the application.

Mr. CONNERY. The gentleman is just stating another case. Similar complaints are almost innumerable.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. I do hope the gentleman will permit me to get on. I have very little time.

Mr. MICHENER. I hope this investigation will develop why Boake Carter was taken off the air.

Mr. CONNERY. Of course, I say frankly that I do not believe in censorship, but I do believe that a broadcaster given the privilege and the sole privilege of operating in a particular district should not himself be permitted to have his own views and editorial policies expressed over his station either by himself or through somebody subservient to him. I believe that is what the gentleman is hitting at.

It will interest the Members of the House to know that an important radio network recently so conducted its news and editorial policies, during a city election, that a very important Democratic newspaper, the Boston Post, editorially referred to the tactics used by these radio stations as the "hatchet men of the air."

Yet no action has been taken by the Federal Communications Commission, despite sworn charges that the stations referred to had contravened the law.

Incidentally, I want to say in answer to the question asked earlier by the gentleman from Michigan [Mr. MICHENER] in case I do not have an opportunity to reply to him later, what I was really hitting at was that the Federal Communications Commission, to all intents and purposes, evidently is controlled by the big monopolistic owners of these radio chains. That is your answer right there. These conditions would not exist if that were not so.

I say with all sincerity, Mr. Speaker, that the sooner we investigate this radio problem the less corruption we will be confronted with later, because corruption having existed in

this agency, I understand, since the early days of the control of radio by the Department of Commerce, it has grown like Banquo's ghost.

Records on file at the Federal Communications Commission will show that one of the dominant networks has, in its report to the Federal Communications Commission, openly charged off an average of $300,000 as an expenditure it made in acquiring the grants which they possess, or a total of about two and one-half millions of dollars.

Yet the Government receives nothing in the form of license fees for these invaluable franchises or grants from which a few had been enriched to the tune of many millions of dollars.

Mr. Speaker, there are today many indications of the gross mismanagement and abuse of trust on the part of those entrusted with control of large business enterprises. The CONGRESSIONAL RECORD contains innumerable indictments of the mismanagement and the misuse of the funds of the radio monopoly. As to the influence of those who own these companies in contrast with the influence of those who manage these companies, the next stockholders' meeting of the radio monopolists should indicate whether or not additional legislation is necessary in order to properly protect the interests of the many thousands of small investors.

To my mind and from what the CONGRESSIONAL RECORD shows, it may be necessary that we enact legislation wherein the small investors may or the Government shall delegate from the lists of such investors representatives to participate in the management and protection of these enterprises.

In the case of radio I can cite to you several cases where men occupy large influence in the management of these companies and yet have nothing invested in the stock of the companies in which they have a powerful voice.

The Columbia Broadcasting System, according to the CONGRESSIONAL RECORD and from data furnished by the Securities and Exchange Commission, invested a total of some $1,600,000 in cash and now possesses a property which, when listed on the New York Stock Exchange some months ago, I understand, had a value, according to such listing, of some $60,000,000.

In addition the records of the Federal Communications Commission, as the pages of the CONGRESSIONAL RECORD will show, reveal innumerable instances wherein prices of from 10 to 20 times the value of the physical assets were paid in the transfer of one license or grant from one to another.

Another instance well worth consideration of the Congress is the sale of station KNX, with a physical valuation of something less than $200,000, acquired by the Columbia Broadcasting System for a price approved by the Federal Communications Commission of $1,250,000.

An outstanding instance of trafficking in radio licenses with the approval of the Commission is one concerning a property wherein it was specifically stated that the physical assets were to be junked, leaving nothing but the franchise to be sold, was sold for some $85,000.

An investigation of these transactions, to my mind, is well worth consideration of the Income Tax Division of the Treasury Department.

Mr. MASSINGALE. Mr. Speaker, will the gentleman yield for a question?

Mr. CONNERY. I yield for a brief question.

Mr. MASSINGALE. I am not too familiar with this radio complication that the gentleman is talking about, but I just wanted to ask the gentleman if he has heard—and it is only rumor with me—of a recent entertainment that took place in some "hot spot" in New York City, where members of the Federal Communications Commission were present. They got into a drunken brawl, and in the brawl some woman was hurt—her arm twisted. I do not know whether it was the licensees who were giving the entertainment or whether it was members of the Federal Communications Commission, or who it was. I wanted to ask the gentleman if he knew about that?

Mr. CONNERY. I will say to the gentleman that I had heard that report; but not having verification, I did not intend to say anything about it.

[Here the gavel fell.]

Mr. MASSINGALE. Mr. Speaker, I ask unanimous consent that the gentleman be given 5 additional minutes.

The SPEAKER pro tempore (Mr. ROMJUE). Is there objection?

There was no objection.

Mr. MASSINGALE. My further observation was simply going to be this: I am not interested in the Federal Communications Commission. I have nothing against them and do not know much about what has been going on; but it just occurs to me as an ordinary citizen, disconnected with my membership in Congress, that no real investigation of good can be had by sending out men of that type to investigate a monopoly in the radio business or any other commission in this Government of ours.

Mr. CONNERY. If the report which the gentleman mentions is true, and I will admit that I heard that rumor, I heartily agree with the gentleman.

Mr. MASSINGALE. Does not the gentleman think that rumor ought to be followed up and an inquiry made to see whether or not it is true?

Mr. CONNERY. Absolutely. And I think probably some of these things, if true, would be brought out by a congressional investigation. If you will remember, I took the floor of the House last year and protested that the projected investigation of radio by the Federal Communications Commission itself was absolutely ridiculous. In other words, Congress was giving to the Federal Communications Commission, to an agency of the Government, the privilege of investigating themselves. What could that result in but a whitewash? Furthermore, the gentleman will remember that on the day the monopoly-investigating resolution was brought into this House we were told, in answer to a question which was asked on that day, that this monopoly-investigating committee would cover the subject of radio. But, to the best of my knowledge, to date it has not even mentioned the subject, let alone look into it.

Mr. MASSINGALE. I am sure the gentleman will agree with me; it would be similar, exactly, to an investigation of the Seventy-sixth Congress by appointing such men as the gentleman and myself and others to do the investigating of that Congress.

Mr. CONNERY. The gentleman is exactly right.

Mr. MASSINGALE. I think it is a serious matter and ought not be tolerated.

Mr. CONNERY. I thank the gentleman for his contribution.

Mr. Speaker, if I may go on and take advantage of the few minutes remaining, I would like to do so. I hope I am not holding up the gentleman from New York [Mr. TABER] too long.

I would like at this time to explore for the benefit of the Members of the House some of the many abuses of the Communications Act and the regulatory provisions of the Federal Communications Commission which have been permitted by the Commission in order that a few might profit at the expense of the many.

A few years ago some of the advertising element prevailed upon the Commission to issue a new form of license or grant for the use of so-called booster stations. A booster station is a grant in another community to a grantee already owning a radio station. A booster station is nothing but a series of wires and an amplifier transmitting the radio broadcasts from the mother station. The booster station provides practically no employment for those in the community wherein it is located. It does, however, succeed in diverting the advertising of that community from the local newspapers to these alleged radio stations.

The cost of operation of these booster stations is practically nil, and yet they serve the purpose of destroying the opportunities for expansion of newspapers owned by those who have invested their all in trying to properly represent and to reflect the views of their community.

In addition, these booster stations eliminate possibilities of employment in the publication of the newspapers with whom they most unfairly compete locally.

As an illustration of the unfair competition of the booster grants I have in mind, I cite such a booster station in my own

congressional district where those not residing in the district, having little or no community interest in the district, and by methods and means the less said about the better, have acquired a booster station wholly and solely for the purpose of dollar profits and apparently with no thought of serving local public interest, convenience, and necessity.

This condition I complain of is not confined alone to my district. It exists in many other communities throughout the country to the detriment of those who seek to serve public interest, convenience, and necessity, and who provide jobs for the residents of those communities.

Like many other very apparent irregularities which exist through the connivance and incompetency of the Federal Communications Commission, it is my understanding that these booster-station grants were issued originally on the theory of experimentation—experimentation, however, with the grantees permitted to exploit the field covered and to most unfairly compete commercially with those who were dependent upon local advertising for their support.

Some may ask if conditions at the Federal Communications Commission have not improved in the past year, and my answer is unreservedly "No." It is common knowledge to the Members of the House, and a short time ago they indicated that knowledge that something was rotten when they declined to appropriate any money in the regular appropriation bill for the continued maintenance of this alleged governmental agency.

Some have asked, "Why is it that the Chairman of the Commission seems so friendly to the monopolist networks?" and, of course, I have no personal knowledge of the relationship which exists between the representatives of the monopolistic networks and the Chairman and other members of the Commission. But it might be of interest for the Members of the House to read the news story appearing in the February 15 issue of the Washington Times-Herald, which news story brings out the fact that down in North Carolina, the home of Chairman McNinch, a life-insurance company held a radio franchise or grant.

I learn from this news story that this life-insurance company sought to improve its ability to serve the local community. It asked the Federal Communications Commission for the privilege of broadcasting more hours during the day. However, under the rules of the Commission, the National Broadcasting Co. was privileged to and did oppose this company securing additional hours to broadcast during the day.

It is my understanding from this story that station WPTF, owned by the Durham Life Insurance Co., found it necessary to secure the consent of the National Broadcasting Co. before it could be privileged by the Federal Communications Commission to broadcast longer hours. To secure the consent of the National Broadcasting Co., I understand, it was forced to give an option to the National Broadcasting Co. for the sale of its entire radio facilities, this option to be exercised at the will of the National Broadcasting Co.

For some 2 or 3 years I understand this option lay dormant. Reading between the lines of this story, I take it that some bright mind in the radio monopoly possibly decided to curry favor with the Chairman of the Commission, and they have exercised their option to buy this radio station over the protest of the present owners of the station.

The National Broadcasting Co. has brazenly and publicly admitted, according to this news story, that in the exercising of this option it intended to turn the operation over to, or at least have the license of this radio station in the name of, persons in North Carolina who are, in this story, referred to as close political allies of the Chairman of the Federal Communications Commission.

I question whether any person has any doubt but that such action will have, or should have, a tendency to influence the official acts of one entrusted with the regulation of communications, and surely the regulation of what in common knowledge is now a radio monopoly.

When the present Chairman of the Federal Communications Commission took office, with public knowledge that he was sent there to clean up the existing mess, he publicly stated that thereafter the affairs of the Commission would be conducted openly, comparable to well known glass bowl. The public's business would in reality be public. Yet it is my understanding that more secrecy surrounds their actions, except to the privileged few, than ever before; that more executive sessions have been held and less accomplished than ever before; that access to public records is virtually denied to everyone other than those who represent the radio monopolists.

One might well say that hypocrisy again prevails when one considers the Chairman's public utterances and compares such utterances with what is actually happening.

Mr. Speaker, permit me to say that a congressional investigation of the Federal Communications Commission and the radio monopoly will show that the Communications Act of 1934 is openly, flagrantly, and continually violated without any action or restraint on the part of the Federal Communications Commission. The law specifically requires the Commission to find that the licensee or grantee shall serve public interest, convenience, and necessity. Naturally those network officials residing in New York City, with no knowledge or interest in what constitutes public interest, convenience, and necessity in thousands of our communities throughout the United States, cannot know let alone serve as the Congress intended public interest, convenience, and necessity.

Mr. Speaker, many Members of the House seemingly overlook the interest which the American listening public has in the proper regulation of radio broadcasting. It is my understanding that official records reveal that Mr. John Q. Public has invested more than $2,000,000,000 in radio receiving sets while the total investment of radio broadcasters in 629 stations is less than $50,000,000.

With this investment of $50,000,000 plus possession of these invaluable grants from the Government, for which they pay nothing to the Government, their reported net profits last year, after paying all taxes, were some $18,000,000.

Surely, Mr. Speaker, with the radio monopoly about to unload upon an unsuspecting public television sets the value of which at this time, according to the newspapers, competent radio engineers question, is it not about time that the Congress, acting in the public interest, insisted upon a congressional investigation of the entire radio subject?

It will interest the Members of the House to know that in support of the charges I and others have laid before the House requesting a congressional investigation of this radio problem, a former general counsel of the Commission only recently placed before the Federal Communications Commission a request that an injunction be issued restraining the networks and their affiliated stations from a continuation of present contracts which are contrary to public interest.

In closing, Mr. Speaker, I sincerely trust that the Rules Committee, having in mind the many existing serious and undenied charges pertaining to the flagrant violations of law in connection with the administration, regulation, and operation of radio, will see fit to report the resolution which I have introduced calling for a congressional investigation of the radio problem, thereby giving to the Members of this House the opportunity to vote on this important measure. [Applause.]

[Here the gavel fell.]

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. JONES] is recognized for 20 minutes.

Mr. RANKIN. Mr. Speaker, on behalf of the gentleman from Texas [Mr. JONES], I ask unanimous consent that on tomorrow, after the disposition of matters on the Speaker's table and the legislative program and other special orders, he may address the House for 20 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EXTENSION OF REMARKS

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a statement by Albert J. Hutzler on the results of the reciprocal-trade agreements for 1938.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The SPEAKER pro tempore. Under special order, the gentleman from New York [Mr. TABER] is recognized for 10 minutes.

GOVERNMENT REORGANIZATION

Mr. TABER. Mr. Speaker, I have introduced in the House Concurrent Resolution No. 19, providing that the House does not favor the reorganization plan submitted by the President on yesterday.

The outstanding features of that proposal, to my mind, are these: There is a transfer to the Executive Office—that is, to the President's Office—of the Bureau of the Budget. This, to my mind, is proper. There is a transfer to the Executive Office of the Central Statistical Board, which is about to expire and will require renewal. It has been a complete failure in attempting to coordinate the statistical efforts of the Government. That is bad. There is also transferred to the Executive Office the National Resources Committee, which is about to expire and which has no legislative authority beyond a few months. The idea there begins of the Executive Office transferring activities that are about to expire and which have no permanence in with activities which are of a permanent character.

In the next set-up, the Federal Security Agency, in part II, certain regular activities of the Government, such as the United States Employment Service in the Department of Labor, the Office of Education in the Interior Department, the Public Health Service in the Treasury Department, and the Social Security Board, are the permanent activities which are transferred. Temporary activities, the N. Y. A. and the C. C. C., are transferred. One of these activities, the C. C. C., has about a year to run. The N. Y. A. has less than 2 months to run, and, without legislative action, will expire prior to the expiration of the 60 days which must elapse before such reorganization program can take effect.

The merging of relief activities with regular activities is absolutely ridiculous. It is demoralizing in every way. It will bring the level of the administration of permanent activities down to the level of those temporary relief activities which have been going on and which have been such a disgrace to the American Government for so long.

The third set-up is that of the Federal works agency, and here a new set-up is created having charge of regular activities consisting of the Bureau of Public Roads, the Public Buildings Branch of the Procurement Division, the Public Buildings Management Branch of the National Park Service; and with these are set up relief activities as follows: The W. P. A., the P. W. A., and the United States Housing Authority. W. P. A. will expire on the 30th of June. P. W. A. has already expired, except for carrying out things that were entered into prior to the 1st of January. The Housing Authority has already practically used up all of its authority to grant funds. The union of these activities in a works agency just means that our Bureau of Roads, our Procurement Division, and the Public Buildings Branch of the Park Service will be demoralized in efficiency of operation down to the level of the W. P. A., the P. W. A., and the Housing Authority. This is a serious thing, it is a demoralizing thing—it is something that absolutely should not be done.

Another feature is that the setting up of these things in what is a reorganization indicates an attempt at concentrated propaganda for the extension of those agencies so that something other than the merit of those agencies shall be used in the efforts that are made to extend them. I hope the membership of this House will give this thing careful study, and that when an opportunity to vote on it comes they will have in mind the destructive features of it, particularly so that they will not be led astray.

Someone has said that criticism of this kind of measure was not proper because that set-up in a reorganization plan could not under the reorganization bill extend the authority which these agencies already had. This, of course, is true; but it does not answer the criticism that the setting up of relief activities with permanent agencies of the Government is absolutely demoralizing and destructive to any kind of morale in any organization of the Government.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. CRAWFORD. It seems to me that it is just as demoralizing for the Chief Executive to bring a function of the Government which expires, say, within 30 days into a permanent function of the Government; in other words, thus attempting to coerce or dominate the legislative branch is continuing that expiring function at the end of the 60 days.

Mr. TABER. That is demoralizing; there is no question about it; decidedly demoralizing.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield further?

Mr. TABER. I yield.

Mr. CRAWFORD. Let us assume that a given activity is operated by a board—take the R. F. C., for instance, or the Home Loan Bank Board. The situation developed in one of our committees. After the board or the agency that is merged is brought under the influence of an administrator in charge of the new set-up and the administrator overrules the decision of the board that is in charge of those functions of government, wherein is the general welfare assisted? Is not the board put in a position where it may speak, may set forth its position, but, as a matter of fact, it cannot act contrary to the administrator?

Mr. TABER. There are two matters in connection with the lending situation that are very bad. The Federal loan agency is set up, and under this are placed the R. F. C., the Electric Farm and Home Authority, and half a dozen other lending agencies. Then in what seems to me to be an absolutely ridiculous way the two items that the gentleman from Michigan has just referred to—only I shall name them—the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation, are thrown under that agency.

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. The Federal Home Loan Bank Board is made up of representatives of the savings and loan associations, and their expense is covered in the most part by the savings and loan institutions themselves, just as the Federal Reserve bank is supported by the national banks and the member banks.

That, to my mind, should not be interfered with by a Federal lending agency. It should be permitted to represent those institutions and look after those institutions as it has in the few years of its existence. I do not feel that the Federal Savings and Loan Insurance Corporation should be under such lending agency. It seems to me an absolutely ridiculous and incongruous set-up and should not be there.

Mr. Speaker, I have called attention to the ridiculous character of some of these set-ups. I wish to call attention to one other thing.

This is an attempt to coerce and force the Congress to continue those agencies which are about to expire. The cost of continuing them—and, as I stated, many of them are ridiculous and should not be continued—will run anywhere from two to four billion dollars a year, and that $4,000,000,000 extra spending is about all the economy that is involved in the reorganization proposal.

Mr. BANKHEAD. Will the gentleman yield for a question?

Mr. TABER. Yes; I yield to the Speaker.

Mr. BANKHEAD. The gentleman complains that the law authorizing the Civilian Conservation Corps will soon expire unless renewed.

Mr. TABER. It has a little over a year to run, as I remember. I have not the exact date of its expiration.

Mr. BANKHEAD. Would the gentleman from New York vote for a bill today or tomorrow to end the activities of the Civilian Conservation Corps?

Mr. TABER. I would. I have always voted against that activity and against its continuance.

Mr. BANKHEAD. The gentleman would abolish the National Youth Administration?

Mr. TABER. I would. It is a terribly demoralizing outfit.

Mr. BANKHEAD. Does not the gentleman recognize, despite his argument about the effort that is being made, that in the ultimate the Congress of the United States has the right either to continue or abolish these agencies, and is it not, in the last analysis, a legislative and not an executive function about which the gentleman complains?

Mr. TABER. It is a legislative function. What I am complaining about is that the Executive is setting up in a reorganization plan and grouping in a certain way activities that at the present time have no legislative authority for their continuance at the time that the reorganization plan may become effective.

Mr. BANKHEAD. Will the gentleman yield for another question?

Mr. TABER. Yes.

Mr. BANKHEAD. Will the gentleman not be candid enough to admit that the functions of those agencies about which he complains being incorporated in this consolidation expire at a certain time, unless renewed by the Congress of the United States, and unless such renewal takes place, is it not a matter entirely beyond Executive discretion?

Mr. TABER. It is such a matter; but the fact they are grouped in advance of an extension of authorization by the Congress is going to be used as an argument to force the Congress to abdicate its legislative functions and its integrity in order to pass laws extending these activities.

Mr. RANKIN. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Mississippi.

Mr. RANKIN. Did I understand the gentleman to say he would vote to terminate the Electric Home and Farm Authority?

Mr. TABER. I did not mention the Electric Home and Farm Authority. I believe I would, though.

Mr. RANKIN. The gentleman would vote to terminate that agency?

Mr. TABER. I think I would.

Mr. MICHENER. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. MICHENER. I take it the gentleman's complaint is that the President should not propose to the Congress efficiency and economy in any plan of reorganization by including in that plan emergency agencies which we were assured by the President when they were enacted were emergency agencies only and which the Congress has not as yet had opportunity to determine whether or not the conduct of the agencies warrant their continuance?

Mr. TABER. That is exactly one of my arguments.

Mr. MICHENER. The Speaker of the House indicated very clearly——

Mr. BANKHEAD. The Representative from the Seventh District of Alabama.

Mr. MICHENER. The Speaker of the House, exercising his right as the Representative from the Seventh District of Alabama, indicated very clearly to the House that it was the purpose of the administration to make permanent these temporary agencies which he designated. That being the case, then we have a right to expect and should proceed with consideration on the theory that the administration is going to ask that these unusual emergency agencies, operating under emergency power, shall be made permanent. Am I right?

Mr. BANKHEAD. Will the gentleman from New York allow me to reply to the suggestion of the gentleman from Michigan?

Mr. TABER. I think the gentleman is entitled to that privilege.

Mr. BANKHEAD. The gentleman from Michigan has a great sense of imagination, which I have seen him often display upon the floor of the House. He has added to that quality this afternoon by undertaking to construe in the remarks I made, and in my inquiry of the gentleman from New York, an assertion upon my part that I now favored making the C. C. C. a permanent institution. On the contrary, I do not favor making it a permanent institution until we are satisfied that by temporary extension its usefulness has expired. I do not resent the imagination of the gentleman from Michigan, but I do deplore his undertaking to read into my statement conclusions which were not justified by the words which I uttered.

Mr. MICHENER. I apologize to the gentleman from Alabama if I have misinterpreted his meaning, and I am glad that he agrees with the gentleman from New York.

Mr. BANKHEAD. The Representative of the Seventh District of Alabama accepts the apology, and in no sense agrees with the gentleman from New York.

Mr. MICHENER. I am glad the gentleman from Alabama now understands what I said, and it would be unusual, indeed, if the gentleman from Alabama did agree with the gentleman from New York.

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. In connection with the message that was sent here by the Chief Executive in connection with the proposal of reorganization, I do not believe it amiss to call attention at this time to one paragraph of the message. You will recall that the so-called reorganization bill passed a month or so ago prohibited interference with the Civil Service Commission in any reorganization plan. May I call attention to this paragraph:

> Because of an exemption in the act, it is impossible to transfer to the Executive Office the administration of the third managerial function of the Government—that of personnel. However, I desire to inform the Congress that it is my purpose to name one of the administrative assistants to the President, authorized in the Reorganization Act of 1939, to serve as liaison agent of the White House on personnel management.

I do not know what that means. I gather that it means there is to be an attempt to control the personnel system directly from the White House office, either through the personnel divisions in the different departments and agencies or through the Civil Service Commission. I do want to call attention to the fact that this seems to be absolutely contrary to what was the expressed will of the Congress when it excepted that Commission from the Reorganization Act.

[Here the gavel fell.]

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 527. An act for the relief of J. J. Greenleaf; to the Committee on Claims.

S. 765. An act for the relief of Hugh McGuire; to the Committee on Claims.

S. 920. An act conferring jurisdiction upon the United States District Court for the District of Montana to hear, determine, and render judgment upon the claim of the estate of Joseph Mihelich; to the Committee on Claims.

S. 927. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Suncrest Orchards, Inc.; to the Committee on Claims.

S. 1092. An act for the relief of Sigvard C. Foro; to the Committee on Claims.

S. 1160. An act for the relief of Roland Hanson, a minor, and Dr. E. A. Julien; to the Committee on Claims.

S. 1372. An act for the relief of W. B. Tucker, Helen W. Tucker, Lonie Meadows, and Susie Meadows; to the Committee on Claims.

S. 1448. An act for the relief of Anna H. Rosa; to the Committee on Claims.

S. 1812. An act for the relief of A. E. Bostrom; to the Committee on Claims.

S. 2126. An act authorizing the Comptroller General of the United States to adjust and settle the claim of E. Devlin, Inc.; to the Committee on Claims.

S. J. Res. 11. Joint resolution directing the Comptroller General to readjust the account between the United States and the State of Vermont; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2061. An act for the relief of Ernest O. Robinette and others;

H. R. 2074. An act for the relief of Junius Alexander;

H. R. 2098. An act for the relief of Katherine Patterson;

H. R. 2320. An act to provide domiciliary care, medical, and hospital treatment, and burial benefits to certain veterans of the Spanish-American War, the Philippine Insurrection, and the Boxer Rebellion;

H. R. 3134. An act to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938; and

H. R. 4630. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1940, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 2061. An act for the relief of Ernest O. Robinette and others;

H. R. 2074. An act for the relief of Junius Alexander;

H. R. 2098. An act for the relief of Katherine Patterson;

H. R. 2320. An act to provide domiciliary care, medical, and hospital treatment, and burial benefits to certain veterans of the Spanish-American War, the Philippine Insurrection, and the Boxer Rebellion;

H. R. 3134. An act to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938; and

H. R. 4630. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1940, and for other purposes.

ADJOURNMENT

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, on last Monday I announced in this House the suicide of the Republican Party and suggested that the gentleman from Massachusetts [Mr. TREADWAY] was preparing a funeral oration which he would deliver probably sometime during the week. Having listened to that distinguished gentleman put on the finishing touch, I feel that the House should adjourn out of respect for the memory of that departed institution.

Therefore, Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 34 minutes p. m.) the House adjourned until tomorrow, Thursday, April 27, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet again Thursday, April 27, 1939, in the committee room, Capitol, for the purpose of continuing open hearings on the following bills and resolutions on the subject of neutrality: House Resolution 100, to prohibit the transfer, loan, or sale of arms or munitions (by Mrs. ROGERS of Massachusetts); House Joint Resolution 3, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States (by Mr. LUDLOW); House Joint Resolution 7, to implement the Kellogg-Briand Pact for World Peace (by Mr. GUYER of Kansas); House Joint Resolution 16, to prohibit the exportation of arms, ammunition, or implements or materials of war to any foreign country when the President finds a state of war to exist between or among two or more foreign states or between or among two or more opposing forces in the same foreign state (by Mr. KNUTSON); House Joint Resolution 42, providing for an embargo on scrap iron and pig iron under Public Resolution No. 27 of the Seventy-fifth Congress (by Mr. CRAWFORD); House Joint Resolution 44, to repeal the Neutrality Act (by Mr. FADDIS); House Joint Resolution 113, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States (by Mr. FISH); House Joint Resolution 226, to amend the Neutrality Act (by Mr. GEYER of California); House Joint Resolution 254, to keep the United States out of foreign wars, and to provide for the neutrality of the United States in the event of foreign wars (by Mr. FISH); House bill 79, to keep America out of war by repealing the so-called Neutrality Act of 1937 and by establishing and enforcing a policy of actual neutrality (by Mr. MAAS); House bill 163, to establish the neutrality of the United States (by Mr. LUDLOW); House bill 4232, to limit the traffic in war munitions, to promote peace, and for other purposes (by Mr. VOORHIS of California); House bill 5223, Peace Act of 1939 (by Mr. HENNINGS); House bill 5432, to prohibit the export of arms, ammunition, and implements and materials of war to Japan, to prohibit the transportation of arms, ammunition, implements, and materials of war by vessels of the United States for the use of Japan, to restrict travel by American citizens on Japanese ships, and otherwise to prevent private persons and corporations subject to the jurisdiction of the United States from rendering aid or support to the Japanese invasion of China (by Mr. COFFEE of Washington); House bill 5575, Peace Act of 1939 (by Mr. HENNINGS).

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Petroleum Subcommittee of the Committee on Interstate and Foreign Commerce at 2 p. m. Thursday, April 27, 1939. Business to be considered: Hearing on S. 1302, petroleum shipments.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Thursday, April 27, 1939, on H. R. 4983, to amend sections 712 and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisitioning of vessels.

On Thursday, May 4, 1939, at 10 a. m., on H. R. 4650, making electricians licensed officers.

COMMITTEE ON ROADS

(Tuesday, May 2, 1939)

The Committee on Roads will hold public hearings on Tuesday, May 2, 1939, at 10 a. m., in the Roads Committee room, 1011 New House Office Building (ground floor), on the following acts and bills:

S. 1109 and H. R. 3522, to amend the act entitled "An act to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes," by providing that funds available under such act may be used to match regular and secondary Federal-aid road funds.

S. 1985, to extend the time within which the States may cause toll bridges to be made free in order to qualify for aid under the act of August 14, 1937.

H. R. 4541, to provide for the completion of a part of the Lewis and Clark Highway between Kooskia, Idaho, and a point near Lolo, Mont.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads at 10 a. m. Tuesday, May 2, 1939, for the consideration of H. J. Res. 228, to declare certain papers and writings nonmailable,

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 a. m. Wednesday, May 3, and Thursday, May 4, 1939, on bills H. R. 3657, H. R. 5401, H. R. 5402, and H. R. 5403. These hearings will be public.

EXECUTIVE COMMUNICATIONS, ETC.

675. Under clause 2 of rule XXIV, a communication from the President of the United States, transmitting a supplemental estimate of appropriation and a proposed change in the text of the same appropriation for the Navy Department; this estimate involves an increase aggregating $31,621,000 in the estimates of appropriations for the Navy Department now contained in said Budget (H. Doc. No. 267), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 5129. A bill authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping; without amendment (Rept. No. 494). Referred to the Committee of the Whole House on the state of the Union.

Mr. CELLER: Committee on the Judiciary. H. R. 2567. A bill to provide that records certified by the Court of Claims to the Supreme Court, in response to writs of certiorari, may include material portions of the evidence, and for other purposes; without amendment (Rept. No. 495). Referred to the House Calendar.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 1819. A bill to amend section 92, title 2, of the Canal Zone Code, and for other purposes; with amendment (Rept. No. 496). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLMER: Committee on Rules. House Resolution 175. Resolution providing for the consideration of H. R. 5643; without amendment (Rept. No. 498). Referred to the House Calendar.

Mr. ELLIOTT: Committee on the Public Lands. H. R. 1790. A bill to authorize additions to the Sequoia National Forest, Calif., through exchanges under the act of March 20, 1922, or by proclamation or Executive order; without amendment (Rept. No. 499). Referred to the Committee of the Whole House on the state of the Union.

Mr. DIMOND: Committee on the Public Lands. H. R. 3695. A bill to validate settlement claims established on sections 16 and 36 within the area withdrawn for the Matanuska Settlement project in Alaska, and for other purposes; without amendment (Rept. No. 500). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 3959. A bill to authorize the Secretary of the Interior to dispose of recreational demonstration projects, and for other purposes; with amendment (Rept. No. 501). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on the Public Lands. H. R. 4097. A bill to authorize the use of certain facilities of national parks and national monuments for elementary-school purposes; with amendment (Rept. No. 502). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 5835. A bill to authorize the President to render closer and more effective the relationship between the American Republics; with amendment (Rept. No. 508). Referred to the Committee of the Whole House on the state of the Union.

Mr. MANSFIELD: Committee on Rivers and Harbors. H. R. 3223. A bill for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida; without amendment (Rept. No. 509). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WINTER: Committee on Claims. H. R. 2478. A bill for the relief of the Wisconsin Milling Co. and Wisconsin Telephone Co.; with amendment (Rept. No. 503). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. H. R. 3300. A bill for the relief of Grace Rouse; with amendment (Rept. No. 504). Referred to the Committee of the Whole House.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 5933. A bill for the relief of Frances Virginia McCloud; without amendment (Rept. No. 505). Referred to the Committee of the Whole House.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 5934. A bill for the relief of W. Elisabeth Beitz; without amendment (Rept. No. 506). Referred to the Committee of the Whole House.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 5935. A bill for the relief of Charlotte J. Gilbert; without amendment (Rept. No. 507). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 4566) granting an increase of pension to Dora Probst, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. POWERS:

H. R. 6016. A bill to provide for the advancement in rank of certain officers of the United States Army upon retirement; to the Committee on Military Affairs.

By Mr. ANGELL:

H. R. 6017. A bill to authorize the disposal of the Portland, Oreg., old courthouse building; to the Committee on Public Buildings and Grounds.

By Mr. BURDICK:

H. R. 6018. A bill to amend Public Law No. 383, Seventy-third Congress (48 Stat. L. 984), relating to Indians, by exempting from the provisions of such act any Indian tribe within the Mission Indian Agency, Riverside, Calif.; to the Committee on Indian Affairs.

By Mr. HARTER of Ohio:

H. R. 6019. A bill to create a new group within the Air Corps, Regular Army, with the designations of junior flight officer, flight officer, and senior flight officer; to the Committee on Military Affairs.

By Mr. MOTT:

H. R. 6020. A bill authorizing an emergency appropriation for the protection of property on Bayocean Peninsula and in Tillamook, Oreg.; to the Committee on Rivers and Harbors.

By Mr. HARTER of Ohio:

H. R. 6021. A bill to repeal the minimum-price limitation on sale of the Akron, Ohio, old post-office building and site; to the Committee on Public Buildings and Grounds.

By Mr. BURDICK:

H. J. Res. 276. Joint resolution to remove a monument now standing at the right of the east entrance to the National Capitol, representing the American Indian; to the Committee on the Library.

By Mr. IZAC:

H. J. Res. 277. Joint resolution authorizing the President to invite foreign countries to participate in the San Diego-Cabrillo Quadri-Centennial Celebration, to be held in 1942; to the Committee on Foreign Affairs.

By Mr. MERRITT:

H. J. Res. 278. Joint resolution to authorize the appropriation of an additional sum of $851,111.59 for Federal participation in the New York World's Fair, 1939; to the Committee on Foreign Affairs.

By Mr. TABER:

H. Con. Res. 19. Concurrent resolution opposing the No. I plan for reorganization; to the Select Committee on Government Organization.

By Mr. TREADWAY:

H. Con. Res. 20. Concurrent resolution creating a temporary Joint Committee on Trade Agreements; to the Committee on Rules.

By Mr. FULMER:

H. Res. 176. Resolution requesting the Secretary of Agriculture to transmit to the House of Representatives the views and recommendations of the Department of Agriculture as to a suggested plan for cotton crop insurance; to the Committee on Agriculture.

By Mr. HESS:

H. Res. 177. Resolution requesting the Secretary of War to present a plan for the consolidation of Army posts, camps, and stations; to the Committee on Military Affairs.

By Mr. SWEENEY:

H. Res. 178. Resolution authorizing the Postmaster General to issue a commemorative stamp in honor of the one hundredth anniversary of the birth of Henry George; to the Committee on the Post Office and Post Roads.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to consider their Assembly Joint Resolutions Nos. 18, 19, 20, 28, 29, and 36, with reference to flood control; to the Committee on Flood Control.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H. R. 6022. A bill for the relief of Florence May Hauskins; to the Committee on Claims.

H. R. 6023. A bill for the relief of William Rogers; to the Committee on Claims.

By Mr. ANGELL:

H. R. 6024. A bill for the relief of R. Thomas Carter; to the Committee on Claims.

By Mr. CASE of South Dakota:

H. R. 6025. A bill granting a pension to Daniel Webster; to the Committee on Invalid Pensions.

By Mr. LELAND M. FORD:

H. R. 6026. A bill authorizing the President of the United States to present, in the name of Congress, a Medal of Honor to John Walker; to the Committee on Military Affairs.

H. R. 6027. A bill for the relief of Squire Estes; to the Committee on Military Affairs.

H. R. 6028. A bill for the relief of Edward H. Scott; to the Committee on Military Affairs.

By Mr. GERLACH:

H. R. 6029. A bill granting an increase of pension to Celia Marion; to the Committee on Pensions.

By Mr. GILLIE:

H. R. 6030. A bill for the relief of Russell B. Hendrix; to the Committee on Claims.

By Mr. MAGNUSON:

H. R. 6031. A bill for the relief of Edwin Stamp; to the Committee on Claims.

By Mr. O'NEAL:

H. R. 6032. A bill granting a pension to Carrie W. Warren; to the Committee on Invalid Pensions.

By Mr. REED of New York:

H. R. 6033. A bill granting an increase of pension to Emma Gurney; to the Committee on Invalid Pensions.

By Mr. SIROVICH:

H. R. 6034. A bill for the relief of Mira Friedberg (Mira Dworecka); to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2740. By Mr. ANGELL: Petition of the executive board of the Oregon State Federation of Labor, asking for an appropriation of sufficient funds to insure the completion of the investigation already begun by the La Follette Civil Liberties Committee; to the Committee on Appropriations.

2741. By Mr. CLASON: Memorial of the General Court of Massachusetts, favoring legislation to increase the amounts of old-age assistance payable by the Federal Government to States and their political subdivisions; to the Committee on Ways and Means.

2742. By Mr. LUTHER A. JOHNSON: Memorial of Margaret Sowell Foster, of Corpus Christi, Tex., favoring legislation to reduce the interest rate on Home Owners' Loan Corporation loans from 5 to 3 percent, declare a 2-year moratorium on foreclosures, and give borrowers 30 instead of 15 years to pay off the principal; to the Committee on Banking and Currency.

2743. By Mr. MUNDT: Petition of certain Indian citizens, asking Congress to remove the statue at the east entrance to the Capitol showing an unfair representation of an Indian about to kill an innocent white woman with a child in her arms; to the Committee on the Library.

2744. By Mr. PFEIFER: Petition of the Women's International League for Peace and Freedom, Santa Barbara, Calif., favoring the Nye-Clark-Bone bill or continuance of the present Neutrality Act; to the Committee on Foreign Affairs.

2745. Also, petition of the Richmond Fireproof Door Co., Brooklyn, N. Y., favoring the passage of House bill 4223, to extend the benefits of the civil service to special-delivery messengers; to the Committee on the Civil Service.

2746. Also, petition of the Hartford Branch of the Women's International League for Peace and Freedom, Wethersfield, Conn., urging support of the Nye-Clark-Bone bill or retaining the present Neutrality Act; to the Committee on Foreign Affairs.

2747. By Mr. POLK: Petition of Walter M. Corrill and 43 other residents of Loveland, Ohio, expressing their opposition to any amendment of the Wagner Labor Act, other than those proposed by Senator ROBERT WAGNER; to the Committee on Labor.

2748. By Mr. WOLCOTT: Petition of George S. Schanck and 50 others of Oregon Township, Mich., to stop the advertising campaign for the sale of alcoholic beverages by press and radio; to the Committee on Interstate and Foreign Commerce.

SENATE

THURSDAY, APRIL 27, 1939

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Deepen and quicken in us, O God, the sense of Thy presence and companionship, that in the strength of it we may walk as children of light. Open wide the windows of our spirits and the doors of our hearts that we may receive and welcome Thee as the Guest and Master of our lives.

Take our lips and speak through them; kindle our minds with thoughts of Thee; set our wills on fire to do Thy will and to serve Thy children; open our eyes and show us here an invisible world far better than we have dreamed of.

Help us always to believe in the best that we know and the best that our hearts have hoped for, that so we may be delivered from all haste and dismay, with our daily lives set before us in the quiet light of eternity until, led by Thy spirit, we pass into the land of promise. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, April 25, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Hughes	Pepper
Andrews	Davis	Johnson, Calif.	Pittman
Ashurst	Donahey	Johnson, Colo.	Radcliffe
Austin	Downey	King	Reed
Bailey	Ellender	La Follette	Reynolds
Bankhead	Frazier	Lee	Schwartz
Barbour	George	Lodge	Schwellenbach
Barkley	Gerry	Logan	Sheppard
Bilbo	Gibson	Lucas	Slattery
Bone	Gillette	Lundeen	Smathers
Borah	Glass	McCarran	Thomas, Okla.
Bridges	Green	McKellar	Thomas, Utah
Brown	Guffey	McNary	Tobey
Bulow	Gurney	Maloney	Townsend
Burke	Hale	Mead	Truman
Byrnes	Harrison	Minton	Tydings
Capper	Hatch	Murray	Vandenberg
Caraway	Hayden	Neely	Wagner
Chavez	Herring	Norris	Walsh
Clark, Idaho	Hill	Nye	Wheeler
Clark, Mo.	Holman	O'Mahoney	White
Connally	Holt	Overton	Wiley

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is detained from the Senate because of illness.

The Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. MILLER], the Senator from Georgia [Mr. RUSSELL], the Senator from South Carolina [Mr. SMITH], and the Senator from Tennessee [Mr. STEWART] are absent on important public business.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE DURING ADJOURNMENT

Under authority of the order of the 25th instant,

On April 26, 1939, the following message was received by the Secretary of the Senate from the House of Representatives: That the House agreed to the amendment of the Senate to the bill (H. R. 3134) to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938; and that the House had passed the bill (S. 572) to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and to encourage, as far as possible, the further development of strategic and critical materials within the United States for common defense, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also communicated the intelligence that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 2061. An act for the relief of Ernest O. Robinette and others;

H. R. 2074. An act for the relief of Junius Alexander;

H. R. 2098. An act for the relief of Katherine Patterson;

H. R. 2320. An act to provide domiciliary care, medical and hospital treatment, and burial benefits to certain veterans of the Spanish-American War, the Philippine Insurrection, and the Boxer Rebellion;

H. R. 3134. An act to amend the act entitled "An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes," approved May 25, 1938; and

H. R. 4630. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1940, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 5287) relating to the importation of distilled spirits for consumption at the New York World's Fair, 1939, and the Golden Gate International Exposition of 1939, and to duties on certain articles to be exhibited at the New York World's Fair, 1939.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4929. An act to amend the act of June 23, 1938 (52 Stat. 944); and

H. R. 5765. An act to authorize commissioning aviation cadets in the Naval and Marine Corps Reserves upon completion of training, and for other purposes.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5287) relating to the importation of distilled spirits for consumption at the New York World's Fair, 1939, and the Golden Gate International Exposition for 1939, and to duties on certain articles to be exhibited at the New York World's Fair, 1939, and it was signed by the Vice President.

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF AGRICULTURE (S. DOC. NO. 69)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental estimate of appropriation, fiscal year 1940, for the Department of Agriculture, in the sum of $300,000, for extension work, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

REPORT OF FEDERAL HOUSING ADMINISTRATION

The VICE PRESIDENT laid before the Senate a letter from the Administrator of the Federal Housing Administration, transmitting, pursuant to law (in three parts), the fifth annual report of the operations of the Administration for the calendar year 1938, which, with the accompanying report, was referred to the Committee on Banking and Currency.

REPORT OF THE ARCHITECT OF THE CAPITOL (S. DOC. NO. 68)

The VICE PRESIDENT laid before the Senate a letter from the Architect of the Capitol, transmitting, pursuant to law, his annual report for the fiscal year ended June 30, 1938, which, with the accompanying report, was referred to the Committee on Public Buildings and Grounds, and ordered to be printed.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of Minnesota, which was referred to the Committee on Agriculture and Forestry:

Joint Resolution 26

The Legislature of the State of Minnesota in regular session assembled memorializes the Congress of the United States to grant relief from the existing treaties and laws regulating and controlling the production of sugar by the farmers of Minnesota, and calling attention to the prejudicial effects of such treaties and laws

Whereas by treaty the sugar producers of Cuba have been granted 50 percent of the sugar market of the United States, the insular possessions of the United States 26 percent, and the farmers of the United States but 24 percent of said domestic sugar market; and

Whereas in the State of Minnesota there are certain sections, notably the Red River Valley and the Chaska district and other districts in the State of Minnesota, where soil conditions will permit the production of sugar beets on thousands of acres of land in this State and will permit needed diversification in our agriculture, and

thousands of our farmers could find a profitable source of income, in addition to the furnishing of employment to a large number of our citizens who cannot now find employment; and

Whereas the said treaty with Cuba deprives the Minnesota farmer of an opportunity to make a living and enjoy the benefits of the markets of his own country; and

Whereas the Sugar Act of 1937 imposes burdens, restrictions, and requirements by its terms and as interpreted by the Agricultural Department of the United States, which constitute a hindrance and further disadvantage to the Minnesota farmer; and

Whereas we, as citizens of Minnesota, taxpayers of Minnesota, and citizens of the United States, feel that it should be the first purpose of the Congress of the United States to look after the people of our own country and not of any foreign country, and feel that the Congress of the United States should further examine said treaty and further examine the Sugar Act of 1937 and its prejudicial effect upon the beet-sugar producers of this State: Now, therefore, be it

Resolved by the Legislature of the State of Minnesota in regular session assembled, That we memorialize the Congress of the United States to grant relief from the said treaty referred to and the said act of Congress referred to, to the end that the farmers of the United States may be permitted to enlarge their production of sugar so that the farmers of the United States may enjoy to the fullest possible extent the market of the United States, and that the restrictive features of the said act of Congress referred to be repealed; be it further

Resolved, That the Secretary of State be directed to send certified copies of this resolution to Franklin D. Roosevelt, President of the United States; to the Honorable John Garner, President of the Senate of the United States; and the Honorable William B. Bankhead, Speaker of the House of Representatives of the United States; and two copies to the Secretary of Agriculture, Henry A. Wallace; and to Minnesota's Representatives in the House of Representatives and Senate of the United States.

The VICE PRESIDENT also laid before the Senate the following joint resolutions of the Legislature of Minnesota, which were referred to the Committee on Banking and Currency:

Joint Resolution 23

The Legislature of the State of Minnesota, in regular session assembled, memorialize the Congress of the United States to enact the Frazier-Lemke plan for Federal refinancing of farm mortgages

Whereas there has been introduced in the Congress of the United States at its present session the Frazier-Lemke plan for Federal refinancing of farm mortgages, which provides that farmers obtaining Federal loans can repay them over a period of 47 years, the loan to be repaid at the rate of 1½ percent per year, and bear interest at the rate of 1½ percent on the unpaid principal; and

Whereas existing loans would be refinanced on the basis of the present mortgage indebtedness, but in no case to exceed a fair valuation of the property, the program to be financed by the issuance of Federal Reserve notes; and

Whereas the Frazier-Lemke plan is the best and most just legislation that has been proposed to help the farm mortgage situation: Now, therefore, be it

Resolved by the Legislature of the State of Minnesota in regular session assembled, That we memorialize the Congress of the United States to enact at its present session the Frazier-Lemke plan for Federal refinancing of farm mortgages; be it further

Resolved, That the secretary of the State of Minnesota transmit copies of this resolution to the Senate and the House of Representatives of the United States.

Joint Resolution 25

Relating to deficiency judgments against borrowers from Federal land banks

Whereas since 1934 the Federal lending agencies engaged in lending money to farmers, the Federal land banks, and the Federal Farm Mortgage Corporation have foreclosed not less than 60,000 farm mortgages; and

Whereas these Federal lending agencies hold less than 40 percent of the total farm-mortgage debt of the country; and

Whereas in most of these foreclosures the farmer is not only dispossessed of his property but the mortgagee frequently obtains a judgment against the farmer, which permanently pauperizes him; and

Whereas this situation has created an emergency which calls for the special consideration of Congress and the immediate enactment of such legislation as will protect the farmer in his right to his home and bring an end to a system that makes a pauper of him: Now, therefore, be it

Resolved by the House of Representatives of the State of Minnesota in regular session assembled (the senate concurring), That we hereby memorialize Congress to enact Senate Joint Resolution No. 65, relating to deficiency judgments against borrowers from Federal land banks.

Joint Resolution 27

The Legislature of the State of Minnesota, in regular session assembled, memorialize Congress and the President of the United States to restore to Congress the right to fix and regulate the value of money under the Constitution

Whereas, with a national debt of the Federal Government and its political subdivisions of $70,000,000,000, carrying with it an annual interest burden of nearly $2,000,000,000, the Nation is so hopelessly sunk in its economic mire that a sound recovery is an utter impossibility without a drastic change in the Nation's monetary system and the fiscal policies pursued by our Government;

Whereas the Governor of the State of Minnesota and the Republican Party is pledged in its platform to restore this privilege to Congress: Now, therefore, be it

Resolved by the Legislature of the State of Minnesota in regular session assembled, That we urge upon Congress to pass such legislation and the President of the United States to support the same, providing that Congress exercise its duty and right under the Constitution to coin, issue, fix, and regulate money and that fiscal policies be adopted by which the Government shall finance all useful permanent public improvements by the issue of legal-tender currency instead of interest-bearing, tax-exempt bonds. And, furthermore, that the Government shall issue and lend, without interest, legal-tender currency to any of its political subdivisions for the purpose of financing necessary public improvements.

All currency so issued to be repaid and/or taxed back into the United States Treasury at a rate sufficiently large to prevent any abnormal inflation of the currency. Be it further

Resolved, That the secretary of state of Minnesota is hereby instructed to forward a copy of this resolution to the President of the Senate of the United States, the Speaker of the House of Representatives, and to each Representative and Senator from the State of Minnesota, and to the President of the United States.

The VICE PRESIDENT also laid before the Senate a resolution of the General Court of Massachusetts, favoring the enactment of legislation to increase the amounts of old-age assistance payable by the Government to States and their political subdivisions, which was referred to the Committee on Finance.

(See resolution printed in full when presented by Mr. WALSH on the 25th instant, p. 4714, CONGRESSIONAL RECORD.)

The VICE PRESIDENT also laid before the Senate the petition of Chester A. Shewalter, of Sparta, Wis., praying for the adoption of a pay-as-you-go financial program based upon the so-called Townsend plan, with amendments, for issuance of $130,000,000 in a stamp proposal on a $100 basis, which was referred to the Committee on Finance.

He also laid before the Senate petitions of sundry citizens of the United States, praying for the enactment of the so-called Wagner-Van Nuys-Capper antilynching bill, which were referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the Rotary Club of San Juan, P. R., protesting against the enactment of the so-called Ellender bill, being Senate bill 69, relating to sugar quotas, which was ordered to lie on the table.

Mr. HOLMAN presented a petition of 450 citizens of the State of Oregon praying for the placing of a restriction on credits and an embargo on the shipment of war materials to Japan, which was referred to the Committee on Foreign Relations.

Mr. CAPPER presented a resolution adopted by Gold Camp, No. 5930, Royal Neighbors of America, of Overbrook, Kans., protesting against the imposition of taxes upon fraternal societies, which was referred to the Committee on Finance.

He also presented a petition, numerously signed, of members of the Townsend Club of Buffalo, Kans., praying for the enactment of House bill 2, a general-welfare bill providing old-age assistance, which was referred to the Committee on Finance.

Mr. TYDINGS presented a resolution of the Building and Construction Trades Council of Western Maryland, in session at Cumberland, Md., favoring the cessation of encroachment on building and construction work in Cumberland, Md., and vicinity by the Works Progress Administration, which was referred to the Committee on Education and Labor.

He also presented a resolution of the Maryland Chapter, International Federation of Catholic Alumnae, favoring the return of the U. S. frigate *Constellation* to the port of Baltimore, Md., and the assignment of the frigate to a permanent berth at Fort McHenry, which was referred to the Committee on Naval Affairs.

Mr. VANDENBERG presented a petition of sundry citizens of the State of Michigan, praying for the enactment of legislation providing an average cost of production, plus a fair profit, for all products grown by the American farmer and

consumed within the United States, and also praying for the enactment of the so-called Frazier-Lemke farm refinancing bill, which was referred to the Committee on Finance.

He also presented petitions, numerously signed, of sundry citizens of the State of Michigan, praying for the enactment of neutrality legislation that will keep the United States clear of foreign entanglements and also keep the Nation out of foreign war, which were referred to the Committee on Foreign Relations.

AMENDMENT OF SOCIAL SECURITY ACT

Mr. HOLT presented a communication of Prosperity Camp, No. 2773, Royal Neighbors of America, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

At a recent meeting of Prosperity Camp, No. 2773, Royal Neighbors of America, a resolution was adopted to ask support in bringing about an amendment to the Federal Social Security Act in order that the camp would not be considered an employer and its paid officers considered as employees under this act.

It was stated that the offices held are nearly always honorary positions with the exception of a few and in these instances the compensation is so small that maintaining the record would probably cost more than the amount of tax paid to the Government.

(This resolution was signed by eight officers of the organization.)

THE ALASKA RAILROAD

Mr. TYDINGS. Mr. President, last year officials of Alaska asked for an investigation of the Alaska Railroad. Quite a long list of recommendations of needs was submitted. I am going to present the papers again and ask that they be referred to the Committee on Territories and Insular Affairs. If any member of the committee desires to have such an investigation, at the next meeting of the committee we will be glad to go into it.

The VICE PRESIDENT. Without objection, the papers presented by the Senator from Maryland will be received and referred to the Committee on Territories and Insular Affairs.

ADMISSION OF GERMAN REFUGEE CHILDREN

Mr. WAGNER. Mr. President, I ask unanimous consent to have inserted in the RECORD and appropriately referred a telegram from George Meany, president of the New York State Federation of Labor, in support of the bill to admit German refugee children, and editorials on the same subject from the following-named newspapers: New Orleans (La.) Times-Picayune, March 16, 1939; San Antonio (Tex.) Express, April 18, 1939; Jacksonville (Fla.) Journal, April 19, 1939; Cincinnati (Ohio) Enquirer, April 21, 1939; Philadelphia (Pa.) Evening Ledger, April 22, 1939; Philadelphia (Pa.) Record, April 25, 1939; and the New York Herald Tribune, April 25, 1939.

There being no objection, the telegram and editorials were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

ALBANY, N. Y., *April 25, 1939.*

Hon. ROBERT F. WAGNER,
United States Senator, Senate Office Building:

New York State Federation of Labor heartily endorses your humane bill to admit 20,000 German refugee children to this country during the next 2 years.

GEORGE MEANY, *President.*
JOHN M. O'HANLON, *Secretary-Treasurer.*

[From the New Orleans Times-Picayune of March 16, 1939]

ASYLUM FOR CHILD REFUGEES

For obvious and compelling reasons few Americans favor any general let-down of our immigration restrictions. For one thing, millions of our present population lack employment and it would be folly to increase our unemployed army by any wholesale admission of aliens. For another, there is taught in some overseas lands the dangerous doctrine that emigrants therefrom and their descendants must always owe allegiance to the land they left regardless of their obligations to the land in which they make their home. This curious cult makes potential traitors of aliens who migrate to the United States under its spell. It is making trouble for us even now.

Most Americans deeply sympathize, nevertheless, with the desperate plight of brutally oppressed minorities in sundry European countries. Among these unfortunates are thousands of little children. England has admitted some thousands of them. Belgium, France, Holland, and Sweden have granted refuge to other thousands. Kindly Americans have organized a nonsectarian committee for German refugee children, headed by Cardinal Mundelein, of Chicago, to rescue and care for some of these childish victims of despotism. This group, working in collaboration with the American Friends Service Commission, has guaranties of adequate financial backing to insure that refugee children admitted to this country will not become public charges and will be given comfortable homes and American education.

Congress now has before it the Wagner-Rogers bill, permitting admission to the United States during 1939 of 10,000 German children under the age of 14 years and of a similar number during 1940—or so many thereof as can be guaranteed adequate support in this country. Both factions of organized labor have endorsed the measure. Hundreds of prominent Americans of all religious creeds and political persuasions are giving it support.

Here is something the American people can do safely for the victims of cruelty and oppression overseas. The rescue of thousands of these little ones, some of them from Catholic, some of them from Jewish, and some of them from Protestant families, awaits the grant of permission by Congress. Their need of rescue is so urgent that Congress should pass the enabling bill promptly.

[From the San Antonio Express of April 18, 1939]

A HAVEN FOR CHILDREN WHO ARE CRUELLY SCOURGED

Perhaps the most tragic and appealing aspect of Nazi persecution in Central Europe is the plight of many thousand refugee children. Those innocent victims of savagery would be unable to fend for themselves even in a friendly country. As it is, any who shall survive the privation and cruelty to which they have been subjected will be exposed to antisocial influences there. They will grow up to be criminals, or else their minds—plastic at this stage of life—will be infused with doctrines that repress liberty and glorify violence and aggression.

These children are utterly helpless, as a rule. A soulless state has robbed their parents of homes, savings, and means of support. Many fathers and mothers have been forced to flee their homeland or have been thrown into prisons or concentration camps. Others have been killed or have died from the ordeal of persecution. The adult refugees fortunate enough to keep their families together can offer the children no hope. They are anxious to find homes for them in lands where they will have opportunity to grow into self-respecting free men and women.

Like other humanitarians, Americans cannot complacently ignore the inarticulate appeal of those refugee children who grope for succor in a man-made darkness. Many already have been taken in by overcrowded Holland, by France, Great Britain, and other nations where compassion is not a lost emotion.

The United States should do its share. The way is pointed by the Non-Sectarian Committee for German Refugee Children that, in collaboration with the American Friends Service Commission, has guaranteed sufficient financial support to insure against refugee children admitted here becoming public charges. Such civic leaders as Cardinal Mundelein, of Chicago; Mrs. Calvin Coolidge, of Northampton, Mass.; Governor Lehman, of New York; the Reverend Dr. Harry Emerson Fosdick, and many others, are aiding the movement, which is nonsectarian and nonpolitical. It is endorsed by the two greatest labor organizations in the country and by Protestants, Catholics, and Jews alike.

Because of the immigration laws, however, Congress must act before the refugee children may come to this country. To that end Senator ROBERT F. WAGNER, New York, and Representative EDITH NOURSE ROGERS, Massachusetts, are sponsoring legislation to permit 10,000 German-born refugee children, under 14 years old, to be brought into the United States during 1939, outside the quota limits; and a like number next year. Their admission is contingent upon assurance that homes can be found for them and that they will not become public charges.

That bill should be passed without delay so that suffering boys and girls can be given a helping hand as soon as possible. About half the children whom American humanitarians are endeavoring to aid are Jewish, the others are Protestants and Catholics who also have been touched by Nazi cruelty.

All should make good citizens. As the New York Times points out, their background is in their favor; they are alone in the world because their parents put obedience to conscience above obedience to tyranny. They would appreciate liberty and decent laws because they are not too young to understand what oppression means.

The people have made it clear that they desire to help refugee children. Let Congress consider American public sentiment—and perhaps the poet Masefield's words:

"Lord, give to men who are old and rougher
The things that little children suffer,
And let keep bright and undefiled
The young years of the little child."

[From the Jacksonville Journal of April 19, 1939]

AMERICA, THE REFUGE

Under no circumstances should enthusiasm for the Wagner-Rogers resolution in Congress be allowed to wane, and Jaxons can contribute, and should contribute their share by writing our Congressmen and Senators.

This measure provides for admission of 20,000 refugee children from Germany, children of every religion. The American Federation of Labor, Congress of Industrial Organizations, Herbert Hoover, Alfred Landon, and Mrs. Eleanor Roosevelt are among outstanding endorsers, and Jacksonville should not permit time to pass without expressing its endorsement of this humanitarian measure.

Reasons cited by Senator WAGNER at the time of his introduction of the bill, are most expressive and are sentiments that no doubt most everyone shares here, but which few so far have indicated. Senator WAGNER said:

"Millions of innocent and defenseless men, women, and children in Germany today, of every race and creed, are suffering from conditions which compel them to seek refuge in other lands. Our hearts go out especially to the children of tender years, who are the most pitiful and helpless sufferers. The admission of a limited number of these children into the United States would release them from the prospect of life without hope and without recourse, and enable them to grow up in an environment where the human spirit may survive and prosper.

"This resolution does not suspend existing quota restrictions on the immigration of adults. It merely authorizes the admission during a limited period of a limited number of refugee children, 14 years of age or under. This could readily be accomplished without their becoming public charges and without any danger of dislocating American industry or displacing American labor. Their admission would be predicated on satisfactory and voluntary undertakings by responsible American citizens or private organizations that adequate provision would be made for their maintenance and care, in homes of their own faiths.

"Thousands of American families have already expressed their willingness to take refugee children into their homes. Recently 49 of the outstanding Catholic and Protestant prelates of the United States, including His Eminence Cardinal Mundelein, joined in a statement urging our people 'to join together without regard to race, religion, or creed in offering refuge to children as a token of our sympathy and as a symbol of our faith in the ideals of human brotherhood.' Both branches of the labor movement have now joined in expressing sympathy for this objective.

"Such action by the United States would follow the precedent of England and Holland, which have given sanctuary to many of these unfortunate victims of persecution. It would constitute our most immediate and practical contribution to the cause of human freedom, to which we are inseverably bound by our institutions, our history, and our profoundest sentiments. I have every confidence that there will be prompt and wholehearted response throughout the country to this humanitarian plan, whereby the American people will give expression to their innermost cravings for liberty, justice, and international peace."

[From the Cincinnati Enquirer of April 21, 1939]

CHILDREN IN DISTRESS

It seems a little strange that it should be necessary to goad Congress into allowing the entry of some thousands of refugee children into the United States to save them from the frustration and humiliation of being outcasts. It would seem that American public opinion was clear enough, in respect to the crimes worked against children in Nazi Germany, to justify Congress in immediate action.

Yet there are sanctimonious voices being raised to bar the way against the rescue of a few thousand of these children. To receive them, we hear, would be to open the floodgates and invite millions of aliens to our shores. That is a fantastic distortion of the facts. This surely is not the voice of the America we all know and love. This surely is not the shabby result of a century and a half of freedom, of devotion to humanitarian ideals.

Senator ROBERT WAGNER and Representative EDITH ROGERS have introduced bills to admit 10,000 refugee children a year for 2 years—20,000 of the 100,000 children of various religious faiths who are denied any chance to grow up in a climate of tolerance.

These children would be under 14, would not be in economic competition with American workers, and would not become a charge on the public purse, and would be eligible for entry under the existing immigration laws.

Homes in this country are waiting for them. Charitable organizations of three great religious faiths are prepared to finance the transportation of the refugee children and place them, all without cost to the Government.

America for centuries has been the refuge of persecuted peoples. Its freedom has been great enough to encompass multitudes denied the right to live peacefully in despotic lands abroad. Unless the spirit of a free and generous American people has atrophied beyond recognition, Congress will be made to understand that there is room in this Nation of 130,000,000 for a few thousand more. Our condemnation of nazi-ism will be a mockery if we cannot open our doors for this small share of the innocent children made victims of a brutal persecution.

[From the Philadelphia Evening Ledger of April 22, 1939]

A PLEA FOR CHILDREN

Much more effective than most arguments for relaxing the immigration laws was the pleading of Helen Hayes before the Joint Congressional Committee on Immigration. Miss Hayes, whose name in private life is Mrs. Charles MacArthur, asked that this Nation assume a share of a world-wide responsibility to care for the orphaned and exiled children of Europe.

A resolution is before the committee which would permit 20,000 German refugee children, not over 14 years of age, to enter the United States regardless of quota restrictions. Half of them would come here next year, the other half in 1941.

Mrs. MacArthur spoke to the committee as a mother and as a mother who has herself adopted a child. She was pleading, in effect, that Uncle Sam should adopt some of the waifs and strays of Europe, pitiful little creatures who have no home and no place to go. Their plight is tragic, and civilization cannot ignore it. Other nations have offered a haven of refuge for them. They have found, too, that to care for these homeless children is no easy task.

But the alternative of leaving them to their fate is impossible in a presumably civilized world. There are objections to admitting any of them to the United States, but their desperate need and the claims of common humanity may outweigh them. These were the basis of Helen Hayes' plea for charity to children, innocent victims of war and racial hatreds in Europe.

[From the New York Herald Tribune of April 25, 1939]

THIS MUCH WE CAN DO

Probably few bills could be brought into Congress which would enlist the combined support of Mr. Herbert Hoover and Senator WAGNER, of A. F of L. and C. I. O. leaders, of Miss Helen Hayes, of Miss Dorothy Thompson, of religious leaders representing all the great faiths, of countless others representing every different kind of social and economic interest and political attitude. Yet, the Wagner bill to admit 20,000 German refugee children outside the quota restrictions has done so. We do not know whether our voice can add anything to those of the distinguished men and women who have given their earnest and active support to this measure; we doubt that any argument can speak more strongly than the natural promptings of the great mass of Americans in favor of this one humane gesture against all the enormous misery with which the new bigotry has filled the world. But it is a cause about which none would wish to remain silent, whether it needs support or not.

The opposition, such as it is, has scarcely opposed the bill itself; it has been obliged to fall back upon the old argument that if this measure is passed there will be "no logical reason" why further relaxation should not be made in the immigration laws until the whole structure is reduced to ruins. There are plenty of logical reasons, as a matter of fact, to prevent any such result, and it is idle to deal in such fantasy. But this is not a measure in which a cold logic either should or can rule. It is a gesture and, logically, it is an inadequate one at best. It is not throwing open the arms of the United States to succor all the distressed in the world, but it is for once a departure from the harsh and heartless rigidity of legalistic regulation with which the world is stifled in order to render some small aid to a small group of helpless children, victimized by a cruel age. This much, certainly, the United States can do.

[From the Philadelphia Record of April 25, 1939]

TWENTY THOUSAND HOMELESS CHILDREN AT THE DOOR

It is difficult to view the European situation today without wanting to do something about it. For many this natural desire seems to take the form of wanting to go to war to end fascism. But many others—the majority, we feel—believe that such a course would come dangerously close to compounding the evil.

Both those who believe that we should intervene in Europe and those who are against intervention can join in support of the Wagner-Rogers bill which will permit 20,000 refugee children from Germany to enter this country.

Here is an opportunity to express, in a practical way that harms no one, the humanitarian instincts called forth by Nazi persecution.

The Wagner-Rogers bill is neither a partisan nor a sectarian measure. Its chief sponsor is the Friends' Service Committee, which will have charge of selecting the children to enter and which will find the homes in which to place them. Already 5,000 offers to adopt the refugees have been received.

The supporters of the bill range from Herbert Hoover and Dorothy Thompson to the American Federation of Labor and the Congress of Industrial Organizations.

The refugees themselves are of all faiths and their families have fled from Germany for a variety of reasons. Catholics and Protestants have been persecuted in Germany as well as Jews. Many families have been forced to leave their fatherland for professing the political principles on which the United States rests.

That is why our Government took the lead in sponsoring the Evian conference for the evacuation of refugees. No country can absorb them all—but we can do our share.

Holland, Britain, the Scandinavian countries—all far more crowded than the United States—are cooperating in the plan. Twenty thousand children will make no appreciable difference in our population, nor will they create any special problem here.

The bill limits eligibility to children below 14 years old. That means they will receive an American education and will be influenced in their formative years by American home training.

If they bear with them throughout their lives a memory of what oppression has meant to their parents and themselves—so much the better for their value as future citizens of this democracy.

Waves of reaction have swept Europe before during the last 300 years. After every one of them the United States has been enriched

by a wave of refugees—who have contributed more than their share to the building up of this country.

The Wagner-Rogers bill is one measure upon which conservative, liberal, and radical; isolationist and interventionist; rich and poor can unite.

Mr. REYNOLDS presented three letters published in the Washington Post of April 26, together with an article, referring to the proposed admission of refugee children into the United States, which were referred to the Committee on Immigration and ordered to be printed in the Appendix of the RECORD.

PROPOSED COTTON EXPORT SUBSIDY—REQUEST FOR HEARING

Mr. GEORGE. Mr. President, I present a telegram which I have just received from the Cotton Manufacturers' Association of Georgia, asking for a public hearing before the subcommittee of the Committee on Appropriations in charge of the Agricultural appropriation bill on the proposed export subsidy so far as it relates to cotton. I ask that the telegram be inserted in the RECORD and referred to the Committee on Appropriations.

There being no objection, the telegram was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

ATLANTA, GA.

Hon. WALTER F. GEORGE,
United States Senate, Washington, D. C.:

Numerous telephone calls and telegrams which I am receiving from textile millmen throughout Georgia indicate widespread apprehension over cotton export subsidy proposal. It is inconceivable that the Senate will proceed with consideration of this legislation without receiving the views of those whose business will be so seriously affected by this unsound plan. It will really amount to a subsidy for foreign cotton manufacturers who have already taken away our export markets and who are now flooding this country with cotton goods produced by labor whose wages are far below the statutory standards required of American mills. The cotton mills are the farmer's best customers and they employ more than 60,000 workers in Georgia alone. Therefore, I respectfully urge that you insist upon a public hearing in order that our industry may point out the dangers inherent in this proposal.

COTTON MANUFACTURERS ASSOCIATION OF GEORGIA,
T. M. FORBES, *Secretary.*

REPORTS OF COMMITTEES

Mr. ELLENDER, from the Committee on Claims, to which was referred the bill (H. R. 875) for the relief of Okie May Fegley, reported it with an amendment and submitted a report (No. 326) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 2061) for the relief of William Hillock, reported it with an amendment and submitted a report (No. 327) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 1894. A bill for the relief of Ivan Charles Grace (Rept. No. 328); and

S. 1895. A bill for the relief of Maria Enriquez, Crisanta, Anselmo, Agustin, and Irineo de los Reyes (Rept. No. 329).

Mr. TOWNSEND also, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 1301. A bill for the relief of John J. Trimble (Rept. No. 330); and

H. R. 2529. A bill for the relief of W. F. Towson (Rept. No. 331).

Mr. HUGHES, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 1905. A bill for the relief of Elizabeth E. Burke (Rept. No. 332); and

S. 2179. A bill for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department (Rept. No. 333).

Mr. HUGHES also, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 68. A bill for the relief of the San Francisco Mountain Scenic Boulevard Co. (Rept. No. 334); and

S. 2056. A bill for the relief of N. F. Clower and Elijah Williams (Rept. No. 335).

Mr. JOHNSON of Colorado, from the Committee on Military Affairs, to which was referred the bill (S. 648) for the relief of Francis Gerrity, reported it without amendment and submitted a report (No. 336) thereon.

FLORIDA SHIP CANAL—REPORT OF COMMERCE COMMITTEE

Mr. SHEPPARD. From the Committee on Commerce I report back the bill (S. 1100) for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida, without recommendation, and I ask that it be placed on the calendar.

The VICE PRESIDENT. The bill will be received and placed on the calendar.

INTERIOR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. HAYDEN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 13, 18, 21, 22, 23, 25, 26, 30, 31, 44, 47, 54, 60, 61, 66, and 67.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 8, 10, 11, 15, 24, 29, 35, 36, 37, 38, 39, 40, 45, 56, 57, 59, 63, 65, 70, 71, 72, 73, 74, and 75, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$290,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$42,370"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$56,050"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$292,550"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$83,420"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$300,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$46,250"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"Deschutes project, Oregon, $400,000;".

And the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$925,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$527,000"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,495,760"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$4,500,000"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,350,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 9, 14, 16, 19, 20, 27, 28, 32, 33, 34, 41, 46, 48, 49, 50, 51, 52, 53, 55, 64, 76, and 77.

CARL HAYDEN,
KENNETH MCKELLAR,
ELMER THOMAS,
ALVA B. ADAMS,
GERALD P. NYE,
Managers on the part of the Senate.
EDWARD T. TAYLOR,
JED JOHNSON,
J. G. SCRUGHAM,
JAMES M. FITZPATRICK,
CHAS. H. LEAVY,
ALBERT E. CARTER,
Managers on the part of the House.

Mr. HAYDEN. I ask for the immediate consideration of the report.

The report was considered, and agreed to.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills:

On April 21, 1939:

S. 518. An act to provide for the further development of cooperative agricultural extension work.

On April 26, 1939:

S. 828. An act to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. McKELLAR:

S. 2245. A bill to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign countries; and

S. 2246. A bill to amend section 194 of an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909 (35 Stat. L. 1088); to the Committee on Post Offices and Post Roads.

By Mr. CLARK of Missouri:

S. 2247. A bill to authorize credits to taxpayers against the 1937 tax under title IX of the Social Security Act for contributions to State unemployment funds for the year 1937; to the Committee on Finance.

By Mr. FRAZIER:

S. 2248. A bill to authorize the exchange of certain lands in States which were granted lands for the support of schools when such States were admitted into the Union; to the Committee on Public Lands and Surveys.

By Mr. SMATHERS:

S. 2249. A bill for the relief of Berthel Christopher; to the Committee on Claims.

By Mr. CHAVEZ:

S. 2250. A bill for the relief of Joseph F. Tondre; to the Committee on Claims.

S. 2251. A bill to authorize the construction and operation of a radio-broadcasting station designed to promote friendly relations among the nations of the Western Hemisphere; to the Committee on Foreign Relations.

By Mr. BRIDGES:

S. 2252. A bill for the relief of Louis Simons; to the Committee on Claims.

S. 2253. A bill for the relief of John Riedle; to the Committee on Naval Affairs.

S. 2254. A bill granting a pension to Joseph Dion; and

S. 2255. A bill granting a pension to Marie H. Isabelle; to the Committee on Pensions.

By Mr. MURRAY:

S. 2256. A bill to promote the general welfare by enabling the several States to make more adequate provision for compensation for the disability or death of workers from silicosis or other dust diseases, by providing for cooperation with the several States, and for other purposes; to the Committee on Education and Labor.

By Mr. GURNEY:

S. 2257. A bill authorizing the construction of a new veterans' hospital and diagnostic center in the First Congressional District of the State of South Dakota; to the Committee on Finance.

By Mr. BAILEY:

S. 2258. A bill to establish a Coast Guard Reserve to be composed of owners of motorboats and yachts; and

S. 2259. A bill to amend laws for preventing collisions of vessels, to regulate equipment of certain motorboats on the navigable waters of the United States, and for other purposes; to the Committee on Commerce.

By Mr. MALONEY:

S. 2260. A bill for the relief of Matilda Benson; to the Committee on Military Affairs.

By Mr. THOMAS of Oklahoma:

S. 2261 (by request). A bill for the relief of the Western or Old Settler Cherokees, and for other purposes; to the Committee on Indian Affairs.

By Mr. BYRNES:

S. 2262. A bill to provide for a change in the time for holding court at Rock Hill and Spartanburg, S. C.; to the Committee on the Judiciary.

By Mr. WALSH:

S. 2263. A bill granting a pension to Timothy C. Toler; to the Committee on Pensions.

S. 2264. A bill for the relief of Frank P. Hoyt; and

S. 2265. A bill for the relief of William D. Ellison; to the Committee on Military Affairs.

By Mr. NEELY:

S. 2266. A bill granting an increase of pension to Mary G. Rodeheaver; to the Committee on Pensions.

By Mr. WILEY:

S. 2267. A bill to amend the Internal Revenue Code with respect to the tax on employers of eight or more, and for other purposes; to the Committee on Finance.

(Mr. WILEY also introduced Senate Joint Resolution 121, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. DONAHEY:

S. J. Res. 122. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the settlement of the city of Gallipolis, Ohio; to the Committee on the Library.

(Mr. PITTMAN introduced Senate Joint Resolution 123, which was referred to the Committee on Foreign Relations, and appears under a separate heading.)

BARTER OF SURPLUS AMERICAN BUTTER AND CHEESE

Mr. WILEY. I introduce a joint resolution and ask that it be read.

The VICE PRESIDENT. Without objection, the joint resolution will be read.

The joint resolution (S. J. Res. 121) authorizing the President to enter into a barter agreement with the Government of Great Britain for the exchange of surplus United States butter and cheese for certain materials essential for national defense, was read the first time by its title, the second time at length, and referred to the Committee on Finance, as follows:

Whereas the marketing of butter and cheese in the United States has been disrupted as a result of the existence of surplus quantities of butter and cheese; and

Whereas the Federal Government has, through the Federal Surplus Commodities Corporation, been conducting a program designed to remove surplus quantities of agricultural commodities from market; and

Whereas such program to be most effective should be so conducted that the surplus quantities thus removed will not be so used as to affect the normal market for such commodities for domestic consumption; and

Whereas shipment of such surplus quantities to foreign countries would prevent them from affecting the normal markets for such commodities for domestic consumption; and

Whereas it appears that there is a deficiency in the quantities of butter and cheese available for market in Great Britain; and

Whereas Great Britain has a surplus of certain materials essential to national defense and of which American supplies are inadequate; and

Whereas it is probable that Great Britain would be willing to enter into an agreement with the United States for the barter of such materials for surplus American butter and cheese: Therefore be it

Resolved, etc., That the President is authorized and requested to carry on negotiations with the Government of Great Britain, in such manner as he may deem appropriate, for the purpose of determining whether or not the Government of Great Britain is willing to enter into a barter agreement with the Government of the United States for the exchange of quantities of surplus United States butter and cheese for quantities of strategic materials which Great Britain may have available for barter. If the President finds that he is able to enter into a satisfactory barter agreement with the Government of Great Britain, he is authorized to enter into such an agreement providing for the exchange of such quantities of butter and cheese as the United States may be able to purchase with any sum not in excess of $10,000,000.

SEC. 2. Upon the consummation of any agreement under the provisions of the first section of this act, the President shall notify the Federal Surplus Commodities Corporation with respect to the quantities and specifications of the butter and cheese which will be required for the purpose of carrying out the provisions of such agreement, and the Corporation shall then proceed to purchase such butter and cheese in such manner as to remove surplus butter and cheese from the United States markets but not to increase unreasonably the price of butter and cheese consumed by domestic consumers. The Federal Surplus Commodities Corporation shall arrange for the packing of such butter and cheese and for its transportation and delivery to such place of shipment as the President may designate.

SEC. 3. The President is authorized to enter into contracts, through such executive departments or agencies of the United States as he may deem appropriate, for any transoceanic shipment of such butter and cheese which may be necessary under the terms of such agreement.

SEC. 4. The strategic materials acquired by the United States under the terms of such agreement shall be allocated by the President to such of the executive departments and agencies of the United States as he may designate. The executive departments and agencies to which such materials are allocated shall take possession of them at such time and place as the President may designate and shall store them and maintain them in storage as reserve stocks to be used only in the event the President declares that a national emergency justifying the use of such reserve stocks exists.

SEC. 5. As used in this joint resolution, the term "strategic materials" means articles, commodities, materials, or supplies which are essential for the national defense and which are not produced in the United States or are not produced in the United States in sufficient quantities to meet the needs of the United States for such articles, commodities, materials, or supplies for national defense purposes.

SEC. 6. There are hereby authorized to be appropriated (1) such sums not in excess of $10,000,000 as may be necessary to enable the Federal Surplus Commodities Corporation to purchase any butter and cheese which it may be required to purchase under the provisions of this joint resolution, and (2) such additional sums as may be necessary to enable the President to carry out the provisions of this joint resolution. Such additional sums may be allocated by the President to any of the executive departments or agencies of the United States, and may be expended without regard to any other provisions of law relating to the expenditure of public funds.

TREATY VIOLATION

Mr. PITTMAN. I introduce a joint resolution for appropriate reference. As it deals with a subject in which the Senate has a great deal of interest I ask that it be printed in the RECORD.

There being no objection, the joint resolution (S. J. Res. 123) relative to violation of a treaty, was read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Resolved, etc., That the President is authorized to place restrictions upon trade and commerce between the United States and any state, a party to the treaty (nine-power pact) between the United States, Belgium, the British Empire, China, France, Italy, Japan, The Netherlands, and Portugal, regarding principles and policies to be followed in matters concerning China, signed at Washington, February 6, 1922, when he shall adjudge and decree that such state is endangering the lives of our citizens or depriving them of their legal rights and privileges through the commission of acts or through failure to perform acts in violation of the express provisions and guarantees in said treaty: *Provided*, That this act shall not authorize any restrictions upon exports of agricultural products of the United States or possessions over which it has sovereignty, and: *Provided further*, That in the enforcement of the provisions of this act there shall be no discrimination between states, parties to said treaty, who are equally violators thereof.

SEC. 2. Such restrictions may be imposed by the President from time to time through embargoes upon the export and import of certain commodities, articles, and materials, and by restrictions upon monetary exchange and credits specifically limited and defined in proclamations made by the President.

It is the intent of Congress that the authority herein granted shall be exercised to the extent only as may be considered necessary in the protection of the lives of our citizens and their rights and privileges guaranteed under said treaty, and not until after the President has made every reasonable effort to induce said State to comply with the terms of said treaty as affecting the lives of our citizens and their rights and privileges.

SEC. 3. That the President shall not have authority to impose any of the restrictions provided for in this act or to issue any proclamations relative thereto, except as provided in section 5, until 10 days after he shall have submitted to both branches of Congress while in session the proclamation he intends to make relative to such restrictions, accompanied by a full report of the facts, evidence, and diplomatic correspondence bearing upon the necessity for his intended action.

SEC. 4. The President shall carry out the provisions of this act through proclamations which shall have the force of law and through appropriate and consistent rules and regulations that he may from time to time promulgate.

SEC. 5. When a proclamation has been made under the provisions of this act and thereafter the President finds that said violations of said treaty have ceased, or when the President determines further enforcement of the provisions of the act are unnecessary to secure the safety of the lives of our citizens and the protection of their said rights and privileges, then he shall so proclaim, and thereupon and thereafter all former proclamations shall be deemed repealed, and all acts and things done under such proclamations shall also be deemed to be repealed and shall be of no further force and effect. The President may from time to time, by proclamation annul or modify any restrictions theretofore imposed.

SEC. 6. This act shall terminate on the 1st day of May 1940, and all proclamations issued thereunder and all acts and things done by virtue of said proclamations shall upon said date be deemed repealed and cease to have force and effect.

TAX ON EMPLOYERS—AMENDMENT OF SOCIAL SECURITY ACT

Mr. WILEY. Mr. President, in introducing a bill for the amendment of the social security law I should like to speak very briefly on an obvious misapplication of the social security law as it is applied to organizations such as chambers of commerce and trade organizations.

The intention of the Social Security Act regarding employers subject to the pay-roll tax under title IX seems quite apparent. In 1935, when the Social Security Act became law, it provided for two sets of pay-roll taxes. There was the tax on employers and employees for the Federal plan of insurance for old age, and there was the 3-percent tax on pay rolls of employers of eight or more persons.

Title XI of the act, which defines the meaning of words used in the act was clarified by the insertion of the following definition of an employee:

> The term "employee" includes an officer of a corporation (sec. 1101 (a) (6)).

It is obvious that these pay-roll taxes were to extend to the salaries of officers of a corporation, whatever their function and however large their compensation. All of this meant that the pay-roll tax in connection with old-age insurance was to be paid upon the first $3,000 of the salary paid to any officer of a corporation subject to the provisions as to old-age insurance. The 3-percent tax was to be paid upon the entire salary of any officer of a corporation which would be required to pay a tax because it had eight or more employees.

The Bureau of Internal Revenue on May 24, 1937, without a hearing, published a ruling that honorary officers of a corporation who received no compensation were, under the definition of the act, to be considered as "employees." That, of course, meant that they were to be counted with the paid employees to make up the eight or more "employees" necessary to place a corporation within the provisions of the 3-percent tax.

Since that time every small chamber of commerce and every small trade association with fewer paid employees than eight has been heckled with demands for payment of the 3-percent tax—not only for the current year, but also for 1936 and each following year. The law set the tax at 1 percent in 1936, 2 percent in 1937, and 3 percent since then. All the demands for this tax have been based on the ruling in 1937 which concerned honorary officers.

This was the beginning of the assumption that if uncompensated honorary officers are to be counted as "employees," then there should be counted as "employees" any active officers who receive no compensation.

After several years there was finally a reconsideration of the ruling of 1937. On February 4, 1939, the Bureau of Internal Revenue issued a new decision, in which they admitted the error made in 1937. In the decision of 1939 it was determined that an honorary officer may not in any real sense be regarded as an officer within the contemplation of section 1101 (a) (6). Unfortunately, however, the decision of 1939 in no way modified the error caused by the ruling of 1937 as it related to active officers who receive no compensation for their services.

In view of these facts, it is apparent that there must be an amendment to the Social Security Act to correct the wrong that is being done to organizations which were not intended to be included within the 3-percent tax provision.

Certainly the nature and noncommercial purpose of these organizations have been recognized for years as is evidenced by their exemption from the Federal income tax.

I introduce for reference to the proper committee a bill providing for amendment of the Internal Revenue Code with respect to the tax on employers of eight or more persons.

The VICE PRESIDENT. The bill will be received and appropriately referred.

(See Senate bill 2267, introduced by Mr. WILEY, which was referred to the Committee on Finance, and appears under its appropriate heading.)

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on Naval Affairs:

H. R. 4929. An act to amend the act of June 23, 1938 (52 Stat. 944); and

H. R. 5765. An act to authorize commissioning aviation cadets in the Naval and Marine Corps Reserves upon completion of training, and for other purposes.

CANCELATION OF CHARGES UNDER A RIVER AND HARBOR ACT—AMENDMENT

Mr. MALONEY submitted an amendment intended to be proposed by him to the bill (S. 485) providing for the cancelation of certain charges under section 20 of the River and Harbor Act of March 3, 1899, which was referred to the Committee on Commerce and ordered to be printed.

PUBLIC WORKS AGENCY—AMENDMENT

Mr. BARBOUR submitted an amendment intended to be proposed by him to the amendment intended to be proposed by Mr. VANDENBERG (for himself, Mr. BARBOUR, and Mr. TAFT) to the bill (S. 2202) to establish a Public Works Agency, which was ordered to lie on the table and to be printed.

AMENDMENTS TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. BARBOUR submitted an amendment proposing to increase the stated appropriation for the control and eradication of the diseases of tuberculosis and paratuberculosis of animals, avian tuberculosis, and Bang's disease of cattle, from $7,175,000 to $9,800,000, and also to increase the total appropriation, Salaries and Expenses, Bureau of Animal Industry, from $15,493,312 to $18,118,312, intended to be proposed by him to House bill 5269, the Agricultural Department appropriation bill, 1940, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. PEPPER submitted an amendment intended to be proposed by him to House bill 5269, the Agricultural Department appropriation bill, 1940, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 50, line 5, to strike out "$407,500" and insert in lieu thereof "$427,500"; and in the same line, to strike out "$15,000" and insert in lieu thereof "$25,000", so as to read:

Agricultural chemical investigations: For conducting the investigations contemplated by the act of May 15, 1862 (5 U. S. C. 511, 512), relating to the application of chemistry to agriculture; for the biological, chemical, physical, microscopical, and technological investigation of foods, feeds, drugs, plant and animal products, and substances used in the manufacture thereof; for investigations of the physiological effects and for the pharmacological testing of such products and of insecticides; for the investigation and development of methods for the manufacture of sugars, sugar sirups, and starches and the utilization of new agricultural materials for such purposes; for the technological investigation of the utilization of fruits and vegetables and for frozen pack investigations; for the investigation of chemicals for the control of noxious weeds and plants; and to cooperate with associations and scientific societies in the development of methods of analysis, $427,500, of which amount not to exceed $25,000 shall be available for the construction and equipment of an addition to the United States Citrus Products Laboratory, Winter Haven, Fla.

COMMITTEE SERVICE

On motion of Mr. BARKLEY, and by unanimous consent, it was

Ordered, That Mr. CLARK of Missouri be excused from further service on the Committee on Military Affairs and assigned to service on the Committee on Foreign Relations;

That Mr. VAN NUYS be appointed chairman of the Committee on Expenditures in the Executive Departments;

That Mr. GUFFEY be excused from further service on the Committee on Commerce;

That Mr. LUCAS be assigned to service on the Committee on Rules; and

That Mr. SLATTERY be assigned to service on the Committee on Commerce, the Committee on the District of Columbia, the Committee on Military Affairs, and the Committee on Pensions.

ADDRESS BY THE PRESIDENT ON CHILDREN IN A DEMOCRACY

[Mr. WAGNER asked and obtained leave to have printed in the RECORD the address delivered by the President of the United States on Wednesday, April 26, 1939, in connection with the White House Conference on Children in a Democracy, which appears in the Appendix.]

ADDRESS BY SENATOR LOGAN ON ONE HUNDRED AND TWENTIETH ANNIVERSARY OF FOUNDING OF INDEPENDENT ORDER OF ODD FELLOWS, AND LETTER FROM THE PRESIDENT

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD a radio address delivered by Senator LOGAN and a letter of greetings written by President Roosevelt on the occasion of the one hundred and twentieth anniversary of the founding of the Independent Order of Odd Fellows on American soil, which appear in the Appendix.]

FOREIGN RELATIONS—ADDRESS BY SENATOR TAFT

[Mr. NYE asked and obtained leave to have printed in the RECORD a radio address delivered by Senator TAFT on Tuesday, April 25, 1939, on the subject Foreign Relations—Congress or the President? which appears in the Appendix.]

ADDRESS BY SECRETARY OF STATE HULL AT ANNUAL RED CROSS CONVENTION

[Mr. MCKELLAR asked and obtained leave to have printed in the RECORD the address of Secretary of State Cordell Hull delivered at the convention dinner held in connection with the annual Red Cross convention, at the Mayflower Hotel, Washington, D. C., April 25, 1939, which appears in the Appendix.]

TRADE AGREEMENTS AND FOREIGN TRADE—ADDRESS BY LYNN R. EDMINSTER

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address delivered by Lynn R. Edminster, Special Assistant to the Secretary of State, before the Cook County (Ill.) League of Women Voters at the Palmer House, Chicago, Ill., Saturday, April 22, 1939, on the subject Labor's Stake In Trade Agreements and Foreign Trade, which appears in the Appendix]

THE STATES—AT THE CROSS ROADS—ADDRESS BY HON. HENRY EPSTEIN

[Mr. AUSTIN asked and obtained leave to have printed in the RECORD an address entitled "The States—At the Cross Roads" delivered by the Honorable Henry Epstein, solicitor general of the State of New York, at the annual convention of the National Association of Attorneys General in Cleveland, Ohio, July 25, 1938, which appears in the Appendix.]

THE GOOD EARTH—EDITORIAL FROM NEW YORK TIMES

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an editorial from the New York Times of Tuesday, April 25, 1939, entitled "The Good Earth," which appears in the Appendix.]

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolution:

On April 20, 1939:

S. 829. An act to authorize alterations and repairs to certain naval vessels, and for other purposes; and

S. 911. An act for the relief of Roscoe C. Prescott, Howard Joslyn, Arthur E. Tuttle, and Robert J. Toulouse.

On April 24, 1939:

S. 518. An act to provide for the further development of cooperative agricultural extension work; and

S. 1574. An act to authorize the attendance of the Marine Band at the National Encampment of the Grand Army of the Republic to be held at Pittsburgh, Pa., from August 27 to September 1, inclusive, 1939.

On April 26, 1939:

S. 828. An act to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy; and

S. J. Res. 90. Joint resolution to amend the joint resolution approved June 16, 1938, entitled "Joint resolution to create a Temporary National Economic Committee."

CALL OF CALENDAR DISPENSED WITH

The VICE PRESIDENT. The routine morning business is concluded. The consideration of bills on the calendar under rule VIII is in order.

Mr. BARKLEY. I ask unanimous consent that the calling of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none.

THE GOLDEN SPIKE CELEBRATION

Mr. BURKE. Mr. President, at 11:30 a. m. on yesterday, Wednesday, April 26, 1939, at the White House, a key was pushed by President Roosevelt. Halfway across the continent, at Omaha, Nebr., that act of the Chief Executive resulted in opening a 4-day celebration of Golden Spike Days. This festival marks the seventieth anniversary of an event of unusual significance, for it was in 1869 that the steel bands stretching westward from the Missouri River across the wide expanse of prairie were joined with those that had crept eastward from the edge of the blue waters of the Pacific. The first transcontinental railroad, long a dream, had become a reality.

A golden spike was driven to mark completion of the great undertaking. That spike today is on exhibition in Omaha as a symbol of the consummation of one of the great achievements of history. The War between the States, which had but shortly before been fought to a conclusion, made certain that this Union was to be indissoluble. The successful construction of the Union Pacific Railroad, despite hostile Indians, the scorching heat of arid plains, and the almost impassable mountain ranges, demonstrated that this was to be one nation from coast to coast. It was an epoch in man's struggle to conquer space.

Ten years before, Abraham Lincoln and Maj. Gen. Grenville M. Dodge had stood together on the bluffs across the river from Omaha. Looking to the west as far as the eye could see, Lincoln marked the outline of the railroad that was to run from that terminus. In 1862 both Houses of Congress enacted legislation to aid in the construction of the road. Ground was broken toward the end of the following year. Neither Civil War, the frailties of human nature, nor obstacles that would have daunted the spirits of ordinary men, were sufficient to check the onward movement of this most useful instrumentality in man's progress.

Today the Union Pacific has few peers and no superiors among our great railway systems. Its many thousands of employees constitute one great family. The motto of all, from highest to the most lowly, is service of the best quality.

The country through which the Union Pacific makes its way from Omaha to the coast has witnessed a marvelous transformation. Only a beginning has been made. It is a fertile land, but it has one great need—water. The hardy pioneers who struggled to wring from the soil a decent living for their families, and who were so often frustrated by drought, would gaze with wonder on the stupendous dams that impound all available water to supply the needs of irrigation projects. Sections that were properly classed as part of the Great American Desert have been changed into garden spots. There is much yet to be done. Worthy sons of the original settlers are moving forward to greater accomplishments.

Thanks to the genius of Cecil DeMille, we of this day, and all future generations, have the glorious opportunity of viewing upon the screen, in dramatic and historically accurate presentation, the story of this record-breaking accomplishment. The world premiere picture, Union Pacific, is, in its way, as great a wonder as the building of the railroad itself. To our children, and to us who watch the drama unfold before our eyes, it cannot fail to bring a quickening of the pulse. We have a heritage for which our fathers endured every form of hardship. It is ours to preserve.

The significant celebration taking place this week in Omaha and the showing over the country of this picture, destined to rank as one of the greatest productions of all time, will do much to unify our people. For that reason, I have welcomed this opportunity to call these unique events to the consideration of the Senate.

AMENDMENT OF NATIONAL HOUSING ACT

Mr. BANKHEAD. Mr. President, I move that the Senate proceed to the consideration of House bill 5324, to amend the National Housing Act, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from Alabama.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and to insert:

That subsections (a) and (b) of section 2 of the National Housing Act, as amended, are amended to read as follows:

"SEC. 2. (a) The Administrator is authorized and empowered upon such terms and conditions as he may prescribe, to insure banks, trust companies, personal finance companies, mortgage companies, building and loan associations, installment lending companies, and other such financial institutions, which the Administrator finds to be qualified by experience or facilities and approves as eligible for credit insurance, against losses which they may sustain as a result of loans and advances of credit, and purchases of obligations representing loans and advances of credit, made by them on and after July 1, 1939, and prior to July 1, 1941, or such earlier date as the President may fix by proclamation upon his determination that there no longer exists any necessity for such insurance in order to make ample credit available, for the purpose of financing alterations, repairs, and improvements upon or in connection with existing structures, and the building of new structures, upon urban, suburban, or rural real property (including the restoration, rehabilitation, rebuilding, and replacement of such improvements which have been damaged or destroyed by earthquake, conflagration, tornado, cyclone, flood, or other catastrophe), by the owners thereof or by lessees of such real property under a lease expiring not less than 6 months after the maturity of the loan or advance of credit. In no case shall the insurance granted by the Administrator under this section to any such financial institution on loans, advances of credit, and purchases made by such financial institution for such purposes on and after July 1, 1939, exceed 10 percent of the total amount of such loans, advances of credit, and purchases. The total liability which may be outstanding at any time plus the amount of claims paid in respect of all insurance heretofore and hereafter granted under this section and section 6, as amended, less the amount collected from insurance premiums and deposited in the Treasury of the United States under the provisions of subsection (f) of this section, shall not exceed in the aggregate $100,000,000.

"(b) No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it (1) if the amount of such loan, advance of credit, or purchase exceeds $2,500; or (2) if such obligation has a maturity in excess of 3 years and 32 days, unless such loan, advance of credit, or purchase is for the purpose of financing the construction of a new structure for use in whole or in part for residential or agricultural purposes; or (3) unless the obligation bears such interest, has such maturity, and contains such other terms, conditions, and restrictions as the Administrator shall prescribe in order to make credit available for the purposes of this title."

SEC. 2. Section 2 of such act, as amended, is further amended by adding at the end thereof the following new subsections:

"(f) The Administrator shall fix a premium charge for the insurance hereafter granted under this title, and in the case of any obligation representing any loan, advance of credit, or purchase, such premium charge shall be an amount equivalent to one-half of 1 percent per annum of the net proceeds of such loan, advance of credit, or purchase, for the term of such obligation, and such premium charge shall be payable in advance by the financial institution and shall be paid at such time and in such manner as may be prescribed by the Administrator. The moneys derived from such premium charges shall be deposited in an account in the Treasury of the United States, which account shall be available for defraying the operating expenses of the Federal Housing Administration under this title, and any amounts in such account which are not needed for such purpose may be used for the payment of claims in connection with the insurance granted under this title.

"(g) The Administrator is authorized and directed to make such rules and regulations as may be necessary to carry out the provisions of this title."

SEC. 3. Section 6 of such act, as amended, is hereby repealed.

SEC. 4. The provisions of sections 1, 2, and 3 of this act shall take effect on July 1, 1939.

SEC. 5. Section 203 (a) of the National Housing Act, as amended, is amended to read as follows:

"(a) The Administrator is authorized, upon application by the mortgagee, to insure as hereinafter provided any mortgage offered to him which is eligible for insurance as hereinafter provided, and, upon such terms as the Administrator may prescribe, to make commitments for the insuring of such mortgages prior to the date of their execution or disbursement thereon: *Provided*, That the aggregate amount of principal obligations of all mortgages insured under this title and outstanding at any one time shall not exceed $3,000,000,000, except that with the approval of the President such aggregate amount may be increased to not to exceed $4,000,000,000: *Provided further*, That the aggregate amounts of principal obligations of all mortgages that cover property the construction of which was completed more than 1 year prior to the date of the application for insurance, and that are insured under this title after the effective date of this amendment and outstanding at any one time, shall not exceed 25 percent of the total amount of the principal obligations of mortgages with respect to which insurance may be granted under this title after such effective date: *Provided further*, That after July 1, 1941, no mortgages shall be insured that cover property the construction of which was completed more than 1 year prior to the date of the application for insurance, except mortgages that cover property which has been previously covered by a mortgage insured by the Administrator."

SEC. 6. Paragraph (3) of section 203 (b) of such act, as amended, is amended by striking out "July 1, 1939" and inserting in lieu thereof "July 1, 1941."

SEC. 7. Section 203 of such act, as amended, is further amended by adding at the end thereof the following new subsections:

"(e) Any contract of insurance heretofore or hereafter executed by the Administrator under this title shall be conclusive evidence of the eligibility of the mortgage for insurance, and the validity of any contract of insurance so executed shall be incontestable in the hands of an approved mortgagee from the date of the execution of such contract, except for fraud or misrepresentation on the part of such approved mortgagee.

"(f) No mortgage which in whole or in part refinances a then existing mortgage shall be insured under this section unless the mortgagor files with the application his certificate to the Administrator that prior to the making of the application the mortgagor applied to the holder of such existing mortgage for such refinancing and that, after reasonable opportunity such holder failed or refused to make a loan of a like amount and on as favorable terms as those of the loan secured by the mortgage offered for insurance after taking into account amortization provisions, commission, interest rate, mortgage insurance premium, and costs to the mortgagor for legal services, appraisal fees, title expenses, and similar charges."

SEC. 8. The last sentence of section 204 (a) of such act, as amended, is amended to read as follows: "For the purpose of this subsection, the value of the mortgage shall be determined, in accordance with rules and regulations prescribed by the Administrator, by adding to the amount of the original principal obligation of the mortgage which was unpaid on the date of the institution of foreclosure proceedings, or on the date of the acquisition of the property after default other than by foreclosure, the amount of all payments which have been made by the mortgagee for taxes, ground rents, and water rates, which are liens prior to the mortgage, special assessments which are noted on the application for insurance or which become liens after the insurance of the mortgage, insurance on the mortgaged property, and any mortgage insurance premiums paid after either of such dates, and by deducting from such total amount any amount received on account of the mortgage after either of such dates, and any amount received as rent or other income from the property, less reasonable expenses incurred in handling the property, after either of such dates: *Provided*, That with respect to mortgages which are accepted for insurance prior to July 1, 1941, under section 203 (b) (2) (B) of this act, and which are foreclosed before there shall have been paid on account of the principal obligation of the mortgage a sum equal to 10 percent of the appraised value of the property as of the date the mortgage was accepted for insurance, there may be included in the debentures issued by the Administrator, on account of foreclosure costs actually paid by the mortgagee and approved by the Administrator an amount not in excess of 2 percent of the unpaid principal of the mortgage as of the date of the institution of foreclosure proceedings, but in no event in excess of $75."

SEC. 9. Section 204 (g) of such act, as amended, is amended by adding at the end thereof the following new sentence: "The power to convey and to execute in the name of the Administrator deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real property or any interest therein heretofore or hereafter acquired by the Administrator pursuant to the provisions of this act, may be exercised by the Administrator or by any Assistant Administrator appointed by him, without the execution of any express delegation of power or power of attorney: *Provided*, That nothing in this subsection shall be construed to prevent the Administrator from delegating such power by order or by power of attorney, in his discretion, to any officer, agent, or employee he may appoint."

SEC. 10. The last sentence of section 205 (b) of such act, as amended, is amended by inserting after "expenses incurred" the words "prior to July 1, 1939."

SEC. 11. The first sentence of section 207 (c) of such act, as amended, is amended to read as follows:

"(c) To be eligible for insurance under this section a mortgage on any property or project shall involve a principal obligation in an amount—

"(1) Not to exceed $5,000,000; and

"(2) Not to exceed 80 percent of the amount which the Administrator estimates will be the value of the property or project when the proposed improvements are completed: *Provided*, That such mortgage shall not in any event exceed the amount which the Administrator estimates will be the cost of the completed physical improvements on the property or project, exclusive of public utilities and streets, organization expenses and miscellaneous charges, during or incidental to construction; and

"(3) Not to exceed $1,350 per room for such part of such property or project as may be attributable to dwelling use.

The mortgage shall provide for complete amortization by periodic payments within such term as the Administrator shall prescribe, and shall bear interest (exclusive of premium charges for insurance) at not to exceed 4½ percent per annum on the amount of the principal obligation outstanding at any time."

SEC. 12. Title II of the National Housing Act, as amended, is further amended by adding at the end thereof the following new section:

"LABOR STANDARDS

"SEC. 212. (a) The Administrator shall not insure under section 207 or section 210 of this title, pursuant to any commitment to insure made subsequent to the date this section takes effect, a mortgage which covers property on which there is or is to be located a dwelling or dwellings, construction of which was commenced subsequent to the effective date of this section, unless the principal contractor files a certificate or certificates (at such times, in course of construction or otherwise, as the Administrator may prescribe) certifying that the laborers and mechanics employed in the construction of the dwelling or dwellings involved have been paid not less than the wages prevailing in the locality for work of a similar nature, as determined by the Secretary of Labor.

"(b) The Administrator is authorized to make such rules and regulations as may be necessary to carry out the provisions of this section.

"(c) There is hereby authorized to be appropriated for the remainder of the fiscal year ending June 30, 1939, and for each fiscal year thereafter, a sum sufficient to meet all necessary expenses of the Department of Labor in making the determinations provided for in subsection (a)."

SEC. 13. The last sentence of section 301 (b) of such act, as amended, is amended to read as follows: "If the Administrator is of the opinion that the establishment of such an association is desirable to provide a market for mortgages insured under title II and is in the public interest, that the incorporators transmitting the articles of association are responsible persons, and that such articles of association are satisfactory in all respects, he may issue or cause to be issued to such incorporators a certificate of approval, and the association shall become, as of the date of issuance of such certificate, a body corporate by the name set forth in its articles of association."

SEC. 14. Paragraph (4) of section 301 (c) of such act, as amended, is amended to read as follows:

"(4) To conduct its business in any State of the United States, or in the District of Columbia, Alaska, Hawaii, or Puerto Rico, and to have one or more offices in such State, or in the District of Columbia, Alaska, Hawaii, or Puerto Rico, one of which offices shall be designated at the time of organization as its principal office."

Mr. BROWN. Mr. President, I shall make a very brief general statement concerning the operations of the Federal Housing Administration. Then, as the bill is read, the Senator from Alabama [Mr. BANKHEAD] and the Senator from New York [Mr. WAGNER] and I will be pleased to answer any questions that may be asked concerning the amendments which have been proposed by the committee.

As all Senators know, this bill is merely an amendment and extension of the Federal housing plan. Five years of operation of the F. H. A. have conclusively proved that the Federal Government and business can cooperate to their mutual advantage. All kinds of plans are now being submitted in Congress to improve the relationship between business and Government in order further to stimulate our economic recovery; but here is a Government agency that is

actually cooperating with business and producing the desired stimulant. Billions of dollars have poured into the construction industry, into the railroads, the factories, mines, and lumber camps—profits to millions of stockholders who have invested in these industries, and wages for our workers. It is estimated that approximately 767,000,000 man-hours of work, at an average wage of $1 per hour, resulted last year from F. H. A. operations, 253,000,000 man-hours in construction work on the building site, and 514,000,000 man-hours off the site in the production of raw materials, in their fabrication, and in their transportation. All of this has resulted at a net appropriated expense to the Government during the past 5 years of only $49,000,000, a very small sum; a figure which includes operating expenses and unrecovered claims paid under title I, and all expenses of title II paid by allocation of funds from R. F. C.

The F. H. A. does not lend or grant any Government money. It is set up on sound insurance principles, and, like an insurance company, it is permitted to charge a premium to cover expenses and probable future losses. During the early years of the F. H. A. system, the premium income was insufficient to pay expenses; but now the F. H. A.'s current income from its mortgage insurance approximates the current expenses and losses on this major activity. During the current fiscal year the F. H. A. will pay approximately $7,500,000 of expenses out of its own premium income. The balance of $5,500,000, part of which is to cover title I expenses—that is, small houses and improvement loans—for which we formerly provided no premiums, is being paid out of R. F. C. funds. The balance of this year's income of about $6,000,000 will be added to the F. H. A. reserves for payment of future losses. The reserve funds, starting out with an original appropriation from Congress of only $10,000,000, now amount to approximately $24,000,000.

As the premiums on mortgages insured in the previous years are received each year, and as the premiums for new insurance are added, this income will continue to mount; and eventually the F. H. A. should be able to pay all the expenses of the mortgage-insurance system and set up adequate reserves for all future losses.

We are known all over the world as a nation of home owners; and every one of us knows to what extent you or I or any one of our neighbors will go in order to keep from losing our homes by foreclosure. Our people will deprive themselves of almost everything to keep their little homes intact.

When 1933 came, following a 4-year depression, and we authorized the organization of the H. O. L. C. to relieve the great distress of our home owners, we thought we had seen the worst possible demoralization of our mortgage credit structure. At that time the H. O. L. C. took over 15 percent of our total urban small-home mortgage debt. Since that time the H. O. L. C. have averaged a loss of 15 percent on the mortgages that they have had subsequently to foreclose and sell. This may be the worst collapse that this country will ever witness. I am not predicting, but let me tell you that mortgagees could, if necessary, foreclose and transfer to the F. H. A. 30 percent, or twice the proportion of mortgages that the H. O. L. C. refinanced. The F. H. A. could sustain that same average loss on the sale of each of these foreclosed properties that the H. O. L. C. has sustained, and pay every dollar of these losses out of its own premium and appraisal fee income. In other words, the F. H. A. can go through a real-estate collapse of twice the proportions of the 1929–33 collapse and have a sufficient income to cover all of its losses.

Here is a Government agency that is doing more at present than any other to stimulate the durable goods industry—without which, all economists agree, our national economy cannot be made lasting—at what should eventually prove to be an insignificant cost to the Government. It is private capital—private capital being invested by prospective home owners and being lent by banks, building and loan associations, and insurance companies—that is bringing about this great revival in the employment in the building and allied trades. The Government is merely making it safe for our lending institutions to make these loans by providing a medium for them to pool their risks on a Nation-wide scale. It is doing what any private credit insurance company would do for profit if it had sufficient capital and prestige to start with. This is the most effective and workable Government-business cooperative medium yet devised, and one the results of which have already been conclusively demonstrated.

F. H. A. facilities are available to any qualified lending institution in the country. That the lending institutions are availing themselves of this Government cooperation is attested by the following F. H. A. records: Under title I, which covers the insurance of repair and disaster loans, since the amendments of 1938, 3,187 banks have made loans, 135 building and loan associations, and 128 other institutions—a total of 3,450 institutions. Under title II, which covers mortgage insurance, 3,402 banks, 1,062 building and loan associations, 185 insurance companies, and 246 other institutions, or a total of 4,895 lending institutions, made insured-mortgage loans in 1938.

As everyone knows, the F. H. A. is not a political issue. Public opinion and the press are urging that we renew the life of the expiring sections of the National Housing Act. One of the leading Republican newspapers, the New York Herald Tribune, and the leading financial daily of the country, the Wall Street Journal, have during the past few months insistently urged that the Congress take immediate action to extend expiring sections of the act and to increase the authorized amount of mortgage insurance, so that builders of homes may be assured that favorable financing terms will be available in sufficient amount when the houses are completed. They point out that long strides have been made in the recovery of residential construction—from 54,000 units in 1933 to 346,000 in 1938. They point out that it would be extremely dangerous to the public interest to interfere at present in any way with the financing mechanism we have set up under the National Housing Act. This is not any issue of politics; it is sound economics and practical cooperation between business and Government.

I now desire to make a statement of the general results of F. H. A. operations.

SMALL-HOME MORTGAGES (TITLE II, SEC. 203)

In general, it may be said that during the period of F. H. A. operations the home-mortgage insurance system has accomplished the following results: (1) It has established the single, high percentage loan value, lone-term amortized mortgage as the standard form of home financing; (2) it has relegated the second mortgage to the background; (3) it has reduced home mortgage interest rates to the lowest point ever attained throughout the country; (4) it has provided for a regional inflow of home-mortgage funds to areas where these funds were most needed; (5) it has given the home mortgage superior investment qualities from the point of view of the lending institutions; (6) it has improved home mortgage lending practices through the F. H. A. underwriting organization and through its emphasis on the borrower's ability to pay, the character of the neighborhood, and the quality of design and construction; (7) it has stimulated activity in construction, employment, and business generally; (8) it has raised standards for the layout, design, and construction of low-priced homes, and discouraged jerry building; (9) it has made home ownership more practical, safer, and more economical for the average family.

RENTAL HOUSING PROJECTS (TITLE II, SECS. 207 AND 210)

The insurance of mortgages on large-scale rental housing projects is the only method of financing yet devised to replace the now disgraced and defunct guaranteed realty bond issues which were prevalent in the 1920's. The complete collapse of the realty bond market, and the publicity given to the malpractices indulged in in the financing of apartment houses make it appear doubtful that the guaranteed realty bond will ever be able to regain public favor.

The system of financing of large-scale rental projects under section 207 of the act is based upon an entirely different theory than that underlying the old pattern of first-, second-, and third-mortgage bonds. The new single mortgage financing, although for a higher percentage—maximum

of 80 percent—of value, rests primarily on the earning capacity of the project. Sponsors must receive their profits from a long series of operations rather than from the "milking" of new properties, which was the customary practice under the old system. Sponsors under the old system skimmed all the profits out of the property while it was new and expenses were small, without setting up proper reserves for replacements, and in many cases without providing for any amortization of the mortgage indebtedness. After the cream was all skimmed off and expenses began to mount, the project was then dumped into the hands of the financing institutions. The F. H. A. system, on the other hand, has strict regulations as to the provision of adequate reserves, and definitely limits the dividends which the sponsors may withdraw during the period that the mortgage is outstanding.

In addition to providing a much more conservative method of financing of apartment houses in place of the guaranteed realty bond, and pointing the way to a revival of the large-scale residential construction program, the rental housing mortgage insurance program has also been instrumental in: (1) Demonstrating the soundness of rental projects planned and financed with a view to gradual amortization of the mortgage and steady returns on the equity investment over a period of years; (2) rendering obsolete, by force of example, the type of rental project planned primarily to make a showing in the first year or two of operation, but with little or no regard to longer range factors; (3) developing attractive examples of well-planned dwellings, with open surroundings, built to be rented at the outset to families with small incomes, and affording a striking contrast to the dreary, ill-arranged, and closely crowded quarters usually built in the past for the low-rental market.

MODERNIZATION AND REPAIR LOANS (TITLE I)

Title I was enacted as emergency legislation to stimulate employment in the building trades until such a time as the entire residential construction industry should be again placed on its feet. That this has been accomplished is evidenced by the fact that 1,833,185 property improvement loans insured by the F. H. A. have been used to improve dwellings inhabited by more than 6,500,000 persons, and to provide betterments for more than 200,000 farm, business, and institutional properties.

GENERAL COMMENTS—ESTIMATED AMOUNT OF EMPLOYMENT

All in all, the 4½ years' credit insurance activities have created employment for millions of workers, and have thereby reduced the burden on the Public Treasury for relief, contributed to improved living standards, and made home ownership easier and more secure.

Based on the volume of mortgages insured under title II and the notes insured under title I, it is estimated that approximately 767,000,000 man-hours of employment in the building and allied trades were created during 1938 as a result of F. H. A. operations. Of this amount, approximately 253,000,000 man-hours were employed directly on the site. This estimate is based on the volume of business transacted by the F. H. A. under each of the titles, and on the assumption that 35 percent of the cost of construction is spent on labor on the site, and that the average wage paid was $1 per hour.

The number of man-hours estimated to have been employed on the site during 1938 as a result of title I operations was 76,000,000, resulting from section 203, 160,000,000 man-hours, and from sections 207 and 210, 17,000,000 man-hours.

Based on the Department of Labor studies that approximately 2½ hours are spent off the site for each hour on the site in the construction of new houses, and on an arbitrary assumption that 1 hour is spent off the site for each hour spent on the site in the repair of properties, it is estimated that approximately 514,000,000 man-hours resulted off the site. The man-hours off the site consist of employment in the production of raw material, in the fabrication and in the transportation of the finished building material to each of the respective building sites.

All this has been accomplished by the constructive use of private credit, at relatively little cost to the Government, and has put men, money, and organizations to work in producing better housing that the American people so urgently need.

Mr. President, in my judgment, the greatest contribution the F. H. A. has made has been in bringing down the rates of interest charged those who build new homes. I think it would be fair to say that the average rate was somewhere around 7 percent before the F. H. A. came into the market. Now it cannot exceed 5 percent, and in the larger centers, such as New York, Chicago, Detroit, and Cleveland, the rate is down to as low as 4¼ percent.

Secondly, the F. H. A. affects a field of unemployed capital which has not heretofore been used in building construction; that is, the tremendously large cash balances which exist in the banks, large and small, throughout the country. By the use of F. H. A. insurance the banks are able to make loans upon paper eligible for rediscount at the Federal Reserve banks on favorable terms.

Mr. President, this is all I shall have to say on the general propositions covered by the bill. I shall be very pleased, as the bill is read by sections, to answer any questions Senators may ask concerning it.

Mr. LODGE. Mr. President, I should like to ask the Senator from Michigan a question about the bill. Does the bill make provision for payment of wages at prevailing rates on construction covered by the terms of the bill?

Mr. BROWN. The committee considered that matter very carefully. There were three proposals before the committee. One was to apply the prevailing-wage principle to all titles of the bill; the second was to eliminate it entirely—that is the existing status, as the Senator knows—and, third, to provide that the prevailing wage should apply to the construction of houses upon which loans of $16,000 or more were made, and to all large-scale apartment-house construction. At the present time, historically speaking, the prevailing wage applies, through the efforts of the union organizations themselves, to about 60 percent of construction on properties insured by the F. H. A. Under the amendment reported by the committee, I am informed by the F. H. A. statisticians the prevailing-wage policy will apply to between 80 and 90 percent of all construction.

Mr. LODGE. I thank the Senator for his very illuminating statement. Two years ago I sought to have this principle incorporated in the housing measure then before the Senate and met with very substantial opposition. In fact, it was stated that if the principle were embodied in the law it would make it unworkable. I am, therefore, very much gratified to find that the principle has been admitted and that the provisions which the Senator from Michigan describes cover the overwhelming part of the work.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

Mr. KING. Mr. President, apropos the question just propounded by the Senator from Massachusetts, I wish to inquire—and this is not a critical observation—upon what basis it is conceived to be proper for the F. H. A. to determine the hours of labor and the rates of wages to be paid. As I understand, the F. H. A. merely guarantees mortgages which may be placed.

Mr. BROWN. Mr. President, the Government is a contingent endorser upon the obligations of home builders.

Mr. KING. But if A desires to purchase a house, and makes satisfactory arrangements with a bank to obtain $5,000, provided there is a guaranty by the F. H. A., is there an obligation resting upon the F. H. A. to become a party to the contract which is made with the bank and determine the details under which the loan shall be made?

Mr. BROWN. I wish to make it clear to the distinguished Senator from Utah that this principle does not apply to title I, which covers the small houses, or modernization; it does not apply to the class of loans made on houses which cost $20,000 or less. It is mainly applicable in the large industrial cities of the country. The theory is that if the help of the Government is the vital factor—and it is—in enabling the builder of the small house to get a loan, since the Government comes in and takes the risk, a reasonable standard of wages should be required of the builder who applies to the Government for aid. That is the theory back of it.

I will say to the Senator that I was one of those who voted against the Lodge amendment last year. I consider that the proposal drafted by the Senator from New York [Mr. WAGNER], the Senator from Connecticut [Mr. DANAHER], and myself as a subcommittee, the compromise that was accepted by the committee, is a reasonable and fair compromise of a difficult problem.

The House passed a bill which did not contain the prevailing-wage provision. If the pending bill is passed, the prevailing wage will apply to the types of construction I have outlined to the Senator. The bill does not impose a "closed shop," I wish the Senator to know. It is not a case of insisting that union labor shall be required, but that the prevailing wage in the locality shall be paid on the large-scale projects. It seems to me that that is a reasonable and fair requirement when the Government is attempting to bring about a high standard of wages throughout the construction industries. I have become convinced since last year that it is a desirable thing to do.

Mr. KING. May I inquire of the Senator if experience thus far has demonstrated the wisdom of the Government furnishing this guaranty with respect to the construction of large apartment houses or hotels or buildings of similar character? It seems to me if the Government is to become a banker or fountain of credit in connection with the construction of houses, it should rather stimulate home ownership than furnish money for the construction of large apartment houses, hotels, and structures of like character.

Mr. BROWN. I will say to the Senator that the rents that may be charged by those who build the large-scale projects are so limited by the provisions, not only of existing law but of the amendment proposed by the pending bill, that no large profits can possibly be made out of the contemplated construction. I think it is just as vital to provide good housing in the larger cities of the country as it is in the smaller localities, and we reach a class of people by the large-scale housing proposal that could not be helped if they had to construct individual houses for themselves.

Mr. KING. Has the F. H. A. furnished any statistics showing the number and character of obligations incurred in the construction of hotels, apartment houses, and so forth?

Mr. BROWN. There are no hotels covered by this proposal at all. It covers solely apartment houses. Up to date the total amount is not very large. It is $83,000,000.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BARKLEY. I think the total number of the larger projects undertaken under this law throughout the country is not to exceed 100.

Mr. BROWN. One hundred million dollars?

Mr. BARKLEY. One hundred projects.

Mr. BROWN. Yes; one hundred projects, costing $83,000,000.

Mr. KING. And what is the experience with respect to the loans or guaranty for the larger units?

Mr. BROWN. So far there has not been 1 cent of loss, but, of course, to be perfectly fair, it is not likely there would be any loss in the early stages, because the houses are new. But, as I said in my general statement, there could be a loss of around 30 percent and still the insurance fund would be sound.

Mr. KING. Before the Senator concludes I wish he would explain why the recommendation made by the President on November 29, 1937, has not been observed. The recommendation is as follows:

> In connection with these changes, I would suggest that the Congress eventually limit the insurance of mortgages to housing on which the application for mortgage insurance is approved prior to the beginning of construction.

Has that recommendation been observed?

Mr. BROWN. I will say to the Senator that I think that is generally the present policy of the F. H. A.

Mr. KING. I may say that Mr. McDonald stated in his testimony on November 30, 1937, as follows:

> We desire to eliminate that (old financing). After July 1, 1939, F. H. A. will drop out of existing construction, except houses which it has previously insured and of which it may be in possession or have to accept after foreclosure.

Mr. BROWN. I think a great majority of the Committee on Banking and Currency agreed with that view at the time the hearings were opened. I myself was very strongly of that opinion, and I think 16 of the 20 members of the committee also held that view. But we became convinced that the mortgage market itself might be seriously affected if we took F. H. A. entirely out of existing construction; and I myself offered an amendment, which was amended somewhat and eventually accepted, providing that not more than 25 percent of the remaining authorization—by "remaining authorization," I mean the total of insurance that may be granted—could be used to insure mortgages on existing construction. So only that amount may be so used. As a matter of practice the total amount used to refinance existing mortgages up to this time is about 12 percent.

Let me say to the Senator from Utah that that is a stabilizing factor in the mortgage market. It is desirable from this standpoint. When a man wants to build a new house, to step up a little bit higher in his standard of living, he has to sell his old house in order to aid in the financing of the new house, and in that case it is necessary that he should apply to the F. H. A. for a loan on his old house in order that he may sell it on favorable terms to a purchaser. In that respect it is somewhat similar to the automobile business. But we have carefully limited it to 25 percent of the remaining authorization available for insurance.

Mr. KING. Does the Senator believe that the making of loans to owners of houses which have already been constructed will militate against activities in the construction of new houses, and make the Federal Government really a broker, as well as a loaning agency, to deal with houses which are already constructed? My understanding of the purpose of the F. H. A. was to induce the construction of homes, particularly for those persons of modest means; it was not to insure old properties and to become a lending agency for carrying old obligations. It seems to me the purpose for which the F. H. A. was organized, namely, as I have indicated, to aid in building residences because there was a shortage of homes, is disregarded, and the F. H. A. is to be converted into a purchasing agency of thousands or perhaps tens of thousands of old houses in a general real-estate and brokerage organization.

Mr. BROWN. Let me say first that the standards which the F. H. A. requires for loans of that kind are so high that the danger of loss is very slight. Secondly, I want the Senator to see that by restricting the funds which may be so used to 25 percent of the remaining funds available—whereas heretofore 100 percent of those funds were available for insurance of existing mortgages—we have made a very great improvement in the law under the theory which the Senator expounds. I think the new measure is very much better than the present law; but I believe that, in order to have some influence upon the interest rates which are charged people throughout the country—and the Senator knows that we are in a period of very low interest rates—we ought to do something toward keeping such rates down to somewhere around 5 percent, and the Government is a factor in that situation.

With reference to the suggestion that the mortgages would be taken from building and loan associations, insurance companies, and banks, I remind the Senator that an amendment adopted by the House which is known as the Spence amendment, having been offered by Representative SPENCE, of Kentucky, requires that before the mortgage on an existing house may be insured by F. H. A., there must be a showing made that the person cannot refinance the mortgage through the agency which has heretofore financed it. That provision would prevent the unloading of these mortgages on the Government by building and loan associations, insurance companies, and so on, and would prevent the borrowers from transferring them to the Government. If the borrower can get reasonably favorable terms the F. H. A. cannot refinance the existing mortgage.

Mr. KING. I inquire of the Senator whether or not it would be refinanced if the owner, when he got rid of his old house, did not contemplate constructing a new one through the F. H. A.?

Mr. BROWN. It is possible; cases of that kind exist; but that is merely a sort of a governor which we endeavor to place upon the matter of interest rates. We do not want to go back to the 7-percent interest rate, and I think by cutting it down to 5 percent or 4½ percent we are doing a very good thing for the country, and we are employing idle funds of financial institutions that otherwise would not be risked in that manner.

Mr. KING. It seems to me that under the plan which the Senator has just explained the Government is becoming a conduit through which will be discharged obligations upon old houses, and the owners of old houses who will get rid of them by unloading them upon the Federal Government at such values as may be determined by the F. H. A.

Mr. BROWN. I do not share the Senator's apprehension at all, because the standards of the F. H. A., which it requires and sets down as a basis upon which the mortgages are made, are so high that I have no fear as to that particular problem. The record up to date in that respect reassures me that the F. H. A. is an institution whose losses will be very slight if any.

Mr. KING. It seems to me, Mr. President, that in view of the changed attitude, as I understand, of the F. H. A. from the position which it occupied when first established, we are now providing for the Federal Government to bail out the obligations of persons upon their homes and real estate, when they cannot, perhaps, obtain loans from other organizations or financial agencies. The F. H. A. may ultimately be in the unsatisfactory position occupied by the H. O. L. C. which bailed out worthless paper and took over thousands of properties which were of little or no value. This resulted, as I am informed, in a loss of at least 25 percent of the three or four billion dollars of Federal funds supplied by the Federal Government.

Mr. BROWN. As the Senator remembers, in the case of the H. O. L. C., the mortgage had to be a distress mortgage. It had to be in default. No investigation was made into the ability of the mortgagors to pay their mortgages. The F. H. A. on the other hand will not take a mortgage in default. It will not take a mortgage unless it can examine into the earning power and the wages received by the mortgagor and be reasonably sure that he will be able to pay. Of course, the F. H. A. does not insure on the same basis, as to security and valuation, on which the H. O. L. C. did. The H. O. L. C. Act was an emergency measure. I do not think the F. H. A. Act is an emergency measure. With about $1,800,000,000 of insurance, the loss to date has been $174,000, which is very inconsequential.

Mr. KING. Mr. President, I think the Senator has answered my questions, but——

Mr. BROWN. I wish to say that, in addition there is a $22,000,000 reserve fund which has not been touched.

Mr. KING. It seems to me that the Senator is ignoring what is so palpable, namely, that there are perhaps 4,000 organizations which deal in real estate transactions and extend credit to owners of all forms of real estate. These organizations are in a position to extend credit to owners of real estate, to aid in the building of homes and apartment houses. The Federal Government is becoming the money lender, the private banker, the source of credit, for private enterprises, and in so doing is competing with many forms of private endeavor. It seems to me that we are entering a field which was not contemplated when the original F. H. A. Act was enacted, and that the F. H. A. is becoming a purchaser or insurer of all sorts of property, including homes, some of which were erected many, many years ago.

Mr. BROWN. Assume that the Senator is correct, will he not give the Banking and Currency Committee credit for eliminating 75 percent of the evil which he thinks he sees? I do not think it is an evil, but, under the proposed legislation, we would be in a very much better position than we are under the existing law.

Mr. KING. Undoubtedly, the committee now wears a bright crown by reason of that achievement; but I think it would be a little brighter and more vivid if the committee had gone to the extent of 100 percent.

Mr. BROWN. I have argued with the Senator, and I do not think either of us can further enlighten the other. However, after hearing fully from the Home Owners' Loan Corporation head, Mr. Fahey, who took the same position the Senator takes, from many real-estate experts, many building and loan association representatives, and from the F. H. A. authorities themselves, it was the considered judgment of the committee that we ought to continue to do a little of this type of financing in order to keep interest rates down, and in order to tap resources in a great many banks in small towns and in large cities, which can make eligible loans. I mean eligible in the sense of converting them into cash at the Federal Reserve bank in case of necessity. When we started the discussion not every member of the committee, but the senior Senator from Connecticut [Mr. MALONEY], the junior Senator from Connecticut [Mr. DANAHER], the Senator from Alabama [Mr. BANKHEAD], myself, and many others—the majority of the committee—felt as does the Senator. All I can say is that we became convinced; we changed our minds on the subject, and decided that we ought to limit the amount of insurance considerably; but that we ought not to eliminate it entirely. Every Senator was not so convinced, but the great majority of the committee was. All I can say to the Senator is that it seems to me that the proposed legislation represents the opinions of those of us on the committee who have been with the problem since its origin. I was on the House committee when the original bill was introduced. Nearly all the Senators to whom I have referred have had long experience with the problem. We have come to the general conclusion that it is best to continue some insurance of existing construction.

Mr. KING. I desire to pay the Senator a compliment by stating that any measure which receives his earnest support has gone a long way toward its goal.

Mr. BROWN. I thank the Senator very much.

Mr. KING. I should like to ask another question. Is it not a fact that the F. H. A. still has approximately $1,300,000,000 of available capital, or authorized capital?

Mr. BROWN. Does the Senator mean under existing law?

Mr. KING. Yes.

Mr. BROWN. I think the Senator is very nearly correct. I read Mr. McDonald's testimony this morning. His estimate was that by July of 1940 the $3,000,000,000 would be used up. As the Senator knows, we have added $1,000,000,000 which may be used if the President thinks the necessity requires it. Again, I will say to the Senator that the original proposal was that the amount should be increased to $6,000,000,000. We reduced that amount to an outside limit of $4,000,000,000, the last billion of which may be used only if the President thinks it should be used. Again I say that I think we did a pretty good job.

Mr. KING. I appreciate that action of the committee. I think the recommendation of Mr. McDonald and his organization for a $6,000,000,000 authorization should not be granted. As I read this recommendation, it seemed to me that back of it was the purpose to make the F. H. A. a permanent institution. If it could obtain $6,000,000,000 by turning it over year in and year out, it could be made a permament organization, to that degree upsetting, if I may be permitted the language of the street, the activities of legitimate banking institutions, lending agencies, and building and loan organizations, which for many years have supplied billions of dollars to the housing industry and have furnished homes to millions of people. It seems to me that the demand for $6,000,000,000 is unwarranted. Having now reduced the amount to $1,000,000,000 in excess of the $3,000,000,000, and still having $1,300,000,000 available, I believe we might wait until 1940 to see whether or not the experiences up to that time justify any further increase of the capital. Undoubtedly changes will occur, and it would be well to wait until 1940 to see whether the experiences up to that time warrant further augmentation of the capital.

Mr. BROWN. The present proposal fixes the date at July 1, 1941. The Congress which will convene in January of 1941 probably should take up the problem at that time; and it seems to me that we ought not to be concerned with

it in 1940. That was the general idea back of extending the authorization to the full $3,000,000,000, with $1,000,000,000 more if the President should desire to use it. Again I say to the Senator that the result was a compromise of conflicting views, and I think a fairly reasonable one.

Mr. KING. I do not agree with the conclusion of the committee. I think that at this time we ought not to increase the capital or change the law except in a few particulars which would improve it. May I ask what disposition was made of the authority which was at one time granted to make loans for internal improvements in houses?

Mr. BROWN. Title I is the title to which the Senator refers. That was the small housing and modernization provision.

Mr. KING. I was asking about the provisions of title I, under which loans were made for electric lights and other fixtures and improvements within the house. Is it proposed to continue that authority?

Mr. BROWN. Nothing of that kind may be done under the present law. I think the modernization would refer pretty generally to what we call fixtures. By "fixtures" I mean the installation of a furnace or other heating plant, or the installation of a new bathroom. However, it does not apply to washing machines, refrigerators, sewing machines, or movables of that character. The basis for a loan is an improvement to the real estate rather than personal property and movables which may be brought in and taken out.

Mr. KING. What has been the experience of the F. H. A. with respect to loans upon movables and fixtures?

Mr. BROWN. Not very good.

Mr. KING. The reason I make the inquiry is that many complaints have come to me that persons who sold so-called fixtures and improvements filed liens on the property; and there has been controversy and litigation growing out of such transactions, resulting in losses to the F. H. A. and, of course, to the Government.

Mr. BROWN. That not only is out of the amendments which are pending in the Senate, but it has not been in the law for over a year; it is not in the existing law.

I wish to advise the Senator as to another improvement we made to title I. We have imposed a one-half of 1 percent insurance premium on the lending institutions, the banks, the building and loan associations, which will further reduce the losses. We do not know whether or not that rate will take care of all of them, but we did not want to go too far and make it 1 percent because we feared it might discourage loans. However, we have so written the statute that that burden falls on the financial institutions and not on the borrower.

Mr. KING. My recollection is that the hearings on the bill disclosed that the losses for these so-called modernization improvement loans amount to some twelve or fifteen million dollars. If we are to rewrite the law or adopt amendments to the existing law, we should eliminate entirely the provisions which have caused so much controversy and litigation and which have resulted in loss to the Government.

Mr. President, I have indicated some objections to the bill under consideration and have adverted to the fact that it seems to me that an attempt is being made to perpetuate the F. H. A. Conceding that its accomplishments call for commendation, there is no reason for increasing its capacity and prolonging its period of existence beyond the original plan.

We have discovered that agencies created for temporary purposes claim immortality and by legislation attempt to secure an indefinite prolongation of their lives. Indeed, many Federal organizations not only have their lives prolonged but the field of their activities greatly enlarged. Bureaus are always greedy for power, and we frequently find organizations of rather limited extent expanding until they assume very large and in some cases very dangerous proportions.

The F. H. A., as I have indicated, has more than a billion dollars available, and when that is expended, if it is deemed wise by Congress, and Congress will meet again in January, further additions to its capacity may be made.

The indebtedness of the Government has reached not only stupendous proportions, but, as many believe, alarming proportions, and notwithstanding the billions of dollars of indebtedness, Congress, as I have upon many occasions stated, is recklessly making further expenditures. There seems to be no limit upon the demands which are being made upon the Federal Treasury. These demands ignore the fact that notwithstanding the heavy taxes, the deficits are increasing and will soon reach the high mark of $25,000,000,000, and the direct appropriations between $10,000,000,000 and $12,000,000,000, and the authorizations several billion dollars more.

The Federal Government is becoming a huge banking and credit agency, and when credit is extended to corporations or railroads, or for agricultural purposes, demands are made that the Federal Government supply credit to individuals and to every form of private enterprise. There must be a change in the policy of the Federal Government. If not, its credit will soon be greatly impaired and it will be unable to meet the demands which are being made upon it and the obligations which it has incurred.

Mr. KING subsequently said: Mr. President, I intended, when I had the floor speaking upon House bill 5324, to amend the National Housing Act and for other purposes, to ask permission to have inserted in the RECORD, as a part of my remarks, a statement presented by the United States Build- and Loan League. In offering the statement it is not with the intention of endorsing all of the statements contained therein, but for the consideration of the Senate.

The PRESIDING OFFICER. Without objection, the matter referred to by the Senator from Utah will be printed in the RECORD, as requested by him.

The statement referred to is as follows:

On behalf of the building, savings, and loan associations of the United States, we wish to record our opposition to sections 2 and 3 of H. R. 3232 and S. 1097, which proposes to amend title II of the National Housing Act.

These associations loaned approximately $900,000,000 on home mortgages in 1937 and $800,000,000 in 1938.[1] Admittedly, about 10 percent of this volume has been made on the F. H. A. plan. Much of this 10 percent has been done reluctantly and has been forced by the extensive use of Government funds (drawn from R. F. C.) to promote the F. H. A. plan and by the 80- and 90-percent loans which borrowers could secure by that means. Savings and loan associations have successfully competed with both the 9.7 percent interest charges on F. H. A. title I loans and the 5½-percent cost to the borrower of title II loans.

Our basic objection to section 2 of H. R. 3232 and S. 1097 is that our thousands of community institutions are being hampered and injured in their activities by foreign lenders and direct Government purchases of F. H. A. insured mortgages. If it is desirable to encourage and strengthen private businesses in individual communities, the activities of the F. H. A. in insuring mortgages on existing property should be terminated on July 1, as now provided in the statute. We raise no question regarding the insurance of mortgages for new construction, because we feel it is better to assist and subsidize employment than to provide relief for unemployment. Promotional subsidies and ultimate losses on the part of the Government are possibly justified in creating new housing, but cannot be justified by activities which merely raid the portfolios of existing private institutions and use Government credit to endorse existing private debts.

That these associations operate in every urban community of the United States is well known to every Member of Congress. It is also well known that they encourage the development of a program of thrift, as well as a sound plan for the promotion of home ownership. It is a serious question for the Government to encourage the raiding of their portfolios and promote activities which injure them, with little compensating public benefit. These institutions are local, private community enterprises, organized and operated by the people in their respective communities to promote thrift and home ownership. They lend substantially all of the savings invested in them by some 6,000,000 people on home mortgages, upon a plan which has been considered fair and favorable to the borrower and which has been adopted by the F. H. A.

Attached are two tables, the first showing the number, assets, membership, and distribution of savings-and-loan associations, and the second reproducing the official 1937–38 loan volume statistics of these associations.

The wisdom or necessity for the employment of an additional $3,000,000,000 of Government credit at this time to endorse the notes of individual debtors is highly debatable, and we believe the proposal should be given the most serious scrutiny by the Congress. After more than 4 years of operation of title II, the F. H. A. has

[1] See official Government figures, Federal Home Loan Bank Review for February 1939, page 159.

insured, and is committed to insure, mortgages totaling $1,650,000,000, of which approximately one-half was insurance of existing mortgages, and therefore did not promote employment or new housing.[1] It mainly encouraged and facilitated a brokerage system of selling mortgages to foreign lenders and to the Government in competition with local private savings institutions. The present revolving authorization, of which a billion and one-third remains, plus repayments, should be quite adequate to continue F. H. A. activities in the new-construction field. A further authorization to enable them to continue the refinancing of existing debts we believe to be an unnecessary use of Government credit.

Section 2, in rewriting section 203 (a) of the present National Housing Act, proposes that it will be the permanent policy of the Government to insure mortgages on existing construction. The present act reads: "After July 1, 1939, no mortgages shall be insured except mortgages approved prior to construction." The new language proposes to eliminate entirely this restriction.

ARGUMENTS AGAINST SECTION 2 AND FOR RETENTION OF PRESENT LANGUAGE

1. Increasing the authorization of amount which may be insured from three billion to six billion doubles the authorized liability or obligation of the Government on these private debts. The Government guaranty or endorsement runs solely to the benefit of private financial institutions, principally commercial banks and trust companies.

2. The President of the United States, in his message to Congress on November 29, 1937, suggested that the Government cease endorsing or guaranteeing mortgages on existing construction in the following language:

"In connection with these changes, I would suggest that the Congress eventually limit the insurance of mortgages to housing on which the application for mortgage insurance is approved prior to the beginning of construction."

F. H. A. Administrator Stewart McDonald, testifying before the House Banking and Currency Committee, November 30, 1937, further said as follows:

"We desire to eliminate that (old financing). After July 1, 1939, F. H. A. will drop out of existing construction, except houses which it has previously insured and of which it may be in possession or have to accept after foreclosure * * *."

Making the insurance of refinancing loans a matter of permanent policy is thus contrary to the stated intention of the President and of the Federal Housing Administration itself the last time it requested further aid from Congress.

3. The Government may be justified in assuming substantial risks in connection with mortgages on new construction because stimulating new construction increases employment in the building trades and in the building-material industries. There is no such compensating advantage in the case of other loans. Insuring these loans merely provides a device for what is virtually direct Government lending through the Reconstruction Finance Mortgage Co. or the Federal National Mortgage Association operated by the R. F. C. It further encourages the holding of mortgages on homes not by local institutions designed to foster home ownership but rather by distant investors largely in the eastern capital markets who have no interest in working out community home ownership problems in the event of another financial crisis. It encourages foreclosure by arbitrary rules in contrast to the ability of a local institution to help the home owner in distress work out his problems.

The present authorized $3,000,000,000 would be adequate, at least for a long period of time, if F. H. A. operations were confined to new construction. Continuing these refinancing operations at a time when ample credit is available for them in every community is the only reason for increasing the liability of the Government to $6,000,000,000 with its attendant possible loss.

4. The theory of the F. H. A. was to encourage private capital and avoid Government outlays or direct Government loans. A substantial portion of the loans insured by the F. H. A. are being purchased outright by the R. F. C. and by the Federal National Mortgage Association operated by it. This amounts to direct Government lending in competition with existing institutions.

It is further unsound because mortgages are being made and sold to the Government which prudent and experienced private lenders do not consider safe risks for savings funds nor sound transactions for the borrowers. The whole real-estate field is being endangered with the conditions which brought on the great real-estate crash in the late twenties, namely, excessive loans, too small equities, and accompanying policies and practices which inevitably multiply the difficulties of home owners and others in a future depression.

Section 3 adds the words "or assigned" so that mortgages may be originated by brokers or others not approved mortgagees and may be insured upon assignment to an approved mortgagee. This renders the field wide open to the individual, real-estate man, or small operator who cannot qualify.

[1] For figures on insurance operations as of December 31, 1938, see vol. III, No. 8, p. 17, February 1939 Portfolio, published by the Federal Housing Administration. In fact, only a billion and one-third of the present $3,000,000,000 authorization has been used, because these figures indicate only $1,363,000,000 of premium-paying mortgages and $281,000,000 of outstanding commitments, a portion of which may become premium-paying mortgages and thus increase the total of the authorization used, and a portion of which may expire.

ARGUMENTS AGAINST SECTION 3

One of two theories must be chosen by those responsible for home-financing policies in the United States. Are we to encourage and develop community institutions, such as savings banks, savings, building and loan associations, and the like, or shall the mortgages be made by individuals, builders, or developers, regardless of their financial strength and responsibility, and sold to the Government or foreign financial concerns? The system of community institutions, reinvesting community savings and capital in the community, stood the test best in the recent depression, and is the most logical and most American, and least paternalistic policy and procedure. Some of our people think that it is a serious matter to open up the making of these loans to an unlimited group of individuals, firms, or dealers who do not have adequate capital or the responsibility of supervised financial institutions.

Section 3 throws this principle aside and eliminates the concept of community and institutional responsibility by encouraging a mortgage brokerage or buying and selling system in the home financing activities of the Nation.

Section 5 is a combination section with section 3, which protects the buyer of insured mortgages from any fraud or misrepresentation practiced upon the home owner or borrower in order to expedite the trafficking in mortgage loans. This incontestability provision protects only the approved mortgagee, not the Government nor the mortgagor.

Section 4, by dropping out the words "until July 1, 1939," authorizes the indefinite continuation of the 25-year term loans.

Many do not believe that 25-year amortization is in the interest of either the borrower or the lender and would prefer to see the amortization limit 20 years. Even this length of amortization should be confined to the more permanent and durable construction.

There are no objections to other items in the bill, from the point of view of building, savings and loan associations.

The United States Building and Loan League represents over 4,000 individual institutions and 47 affiliated State organizations, and includes in its membership over 80 percent of the assets of the community thrift and home financing institutions of the savings and loan type.

Number, membership, assets, and distribution of savings, building and loan associations, and cooperative banks

States	Number of associations	Number of members	Amount of assets
Alabama	38	13,370	$12,669,545
Arizona	3	1,331	1,928,721
Arkansas	45	9,593	12,758,929
California	103	254,584	292,961,489
Colorado	61	31,505	28,794,732
Connecticut	52	35,329	31,054,272
Delaware	43	14,900	12,414,227
District of Columbia	28	129,780	120,614,000
Florida	94	22,148	35,226,829
Georgia	66	21,149	20,419,091
Idaho	13	8,308	6,948,295
Illinois	762	342,007	339,936,726
Indiana	274	157,468	155,581,310
Iowa	100	45,086	40,912,617
Kansas	149	116,012	75,712,085
Kentucky	175	112,303	105,016,884
Louisiana	82	104,405	89,084,412
Maine	42	24,461	23,133,403
Maryland	[1]903	213,588	158,831,441
Massachusetts	215	400,000	476,192,315
Michigan	82	95,615	113,569,586
Minnesota	78	48,102	50,640,864
Mississippi	46	7,023	8,306,487
Missouri	221	178,063	127,893,004
Montana	23	19,211	11,163,518
Nebraska	92	87,401	71,277,197
Nevada	5	1,140	952,464
New Hampshire	30	17,551	16,948,198
New Jersey	1,423	585,395	702,361,056
New Mexico	21	4,228	4,796,318
New York	384	510,048	378,500,589
North Carolina	183	105,384	75,814,904
North Dakota	23	9,747	10,395,601
Ohio	724	1,306,800	810,598,232
Oklahoma	73	38,626	59,070,690
Oregon	37	27,042	25,011,766
Pennsylvania	2,157	527,617	506,705,236
Rhode Island	9	49,651	36,108,140
South Carolina	74	17,426	19,300,348
South Dakota	19	6,805	4,579,686
Tennessee	45	15,179	19,586,758
Texas	176	59,475	83,716,153
Utah	21	26,430	26,496,754
Vermont	14	6,408	5,549,281
Virginia	98	46,117	44,258,237
Washington	70	142,222	52,742,091
West Virginia	69	29,541	26,507,001
Wisconsin	202	179,907	187,134,735
Wyoming	14	4,683	5,381,184
Hawaii	10	22,550	6,003,453
Alaska	1	56	95,975
Total	9,702	6,233,019	5,711,658,410

[1] Estimated.

Source: Seventy-sixth Annual Report of the Comptroller of the Currency, year ended Oct. 31, 1938, p. 167.

Estimated volume of new loans by all savings and loan associations in 1937 and 1938, classified according to purpose and type of association

[Amounts are shown in thousands of dollars]

Period	Purpose of loans					Total loans	Type of association		
	Mortgage loans on homes				Loans for all other purposes		Federals	State members	Nonmembers
	Construction	Home purchase	Refinancing	Reconditioning					
1937	224,102	326,629	180,804	62,143	92,901	886,579	307,278	379,286	210,015
December	15,281	20,167	12,677	4,175	7,796	60,096	20,038	24,522	15,536
1938	220,458	265,485	160,167	58,623	93,263	797,996	286,899	333,470	177,627
January	12,572	14,896	11,234	3,409	6,891	49,102	16,781	20,879	11,442
February	11,669	16,117	11,293	3,662	7,352	50,093	17,520	22,073	10,500
March	16,648	21,056	14,391	4,953	8,170	65,218	23,356	27,835	14,027
April	17,710	25,494	15,772	5,683	8,648	73,307	26,107	30,238	16,962
May	19,400	24,123	15,281	5,416	8,059	72,279	24,721	31,196	16,362
June	19,892	25,636	13,885	5,211	8,443	73,067	26,310	30,350	16,407
July	19,096	21,924	13,194	5,397	8,028	67,639	23,823	28,973	14,843
August	22,575	23,833	14,701	5,528	8,072	74,709	26,858	29,506	18,345
September	21,018	25,698	12,416	4,791	7,724	71,647	25,650	29,255	16,742
October	22,099	24,677	12,913	5,727	7,515	72,931	26,534	30,546	15,851
November	18,627	21,205	12,182	4,821	7,235	64,070	24,220	26,115	13,735
December	19,152	20,826	12,805	4,025	7,126	63,934	25,019	26,504	12,411

Source: Federal Home Loan Bank Review, February 1939.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee in the nature of a substitute for the bill.

Mr. BAILEY. Mr. President——

Mr. BROWN. Mr. President, I agreed to yield next to the Senator from North Carolina, and now do so.

Mr. BAILEY. I greatly admire, Mr. President, the courage of the Senator from Utah [Mr. KING], but I think any effort now attempted to resist money lending by the United States Government is utterly futile.

Mr. KING. I agree with the Senator.

Mr. BAILEY. I do not intend to resist this proposed legislation. The fact is that this Republic has gone into the money-lending business. It started in gradually under the conception of an emergency. Now we are going where any democracy must go whenever it starts into money-lending business; we are in the position of having to go all the way. That is "equality under the law." What we have here now is just another step by way of enlargement.

We complain of the banks for not lending, but there is no bank on earth that can compete with the United States Government as a money lender. We complain of the building and loan associations, but the building and loan associations cannot compete with the great Government of the United States, which not only has the power to tax and control but also the power to issue money—and it is issuing money—and the unlimited power, as some think, although I do not think so, to borrow money. Having gone as far as we have gone, we may as well make up our minds that we must go the rest of the way and lend to anybody and everybody on any pretext.

This is a democracy; we have opened the doors of the Treasury to the democracy. This is a self-government, a people's government, and we must lend the people such money as they ask for, on such security as they require, and at such rates as they demand or answer to them at the polls for "the deeds done in the body" of the United States Senate. There is no question what our answer will be.

The proposition we have here now—and this is what I wish to address my question to—is that we shall not only lend a man more money on a building project than any bank on earth would lend or any lawyer would lend for a client, but we shall lend a man money to build a house and then lend him money on the increased value of the land created by the loan. I do not know what safeguards are going to be put around that proposal. I will agree that the land goes up in value, but I maintain that any lender ought to be protected by an equity resting in the borrower. What is the equity here? I wish to understand that clearly.

I know what is going on in my State from the correspondence which I receive. I can borrow under this act $100,000 to build an apartment house. I put that loan on the land. I get the land, say, for $10,000, and I have the land value lifted up to $30,000. That becomes my security notwithstanding that the lender of the money makes that possible. Then, under the system, the Government collects the rent for a period of years; the property is paid for; and ultimately I get the property. That is a very fine speculation for me. I do not even have to become personally responsible. Say I am worth $25,000. I can create a little corporation that is worth nothing, and operate with the F. H. A. through that. So Uncle Sam not only lends the money but also "holds the bag." I wonder that everybody on earth is not engaging in this business. Many persons in my State are doing so. The proposition is to speculate on the credit of the United States, the speculator risking nothing himself—that is a fine speculation—taking the chance at the end of a period of years of getting title to a property worth $100,000 without risk. I inquire if the opportunity is available to United States Senators?

Mr. BROWN. I think it is.

Mr. BAILEY. Very well; I am glad to hear it. That is some more "equality under the law." As I take it, the Members of the other House likewise may enjoy the privilege.

Mr. President, that is what we have come to in our money-lending policy in this country; but I am not resisting it. Facilis descensus Averni. Let us go.

Mr. BROWN. Mr. President, I hope the Senator from North Carolina will maintain his powers of resistance. I think they are very valuable to the Senate, to the Congress, and to the country. I should be very sorry if I learned that the Senator from North Carolina had been beaten into submission and was not going to continue his resistance to what he thinks are wrongful policies of the Government, because I think he has made very valuable contributions in that respect.

Mr. BAILEY. Yes; I would resist further but for the parable that is brought to us from history of the king who undertook to beat back the waves of the sea. He has been put down as a fool, I understand, ever since. We are dealing now with the waves of the sea of democracy, and having found a way to the Treasury of the United States they will never be turned back until that Treasury is bankrupt and the people are ruined as a consequence. No, I shall not resist.

Mr. BROWN. Mr. President, I wish to say just a few things suggested to me by the Senator's statement. In the first place, of course, he recognizes, I am sure—and yet his language might be susceptible of another construction—that the Government itself makes no loans whatsoever under this bill. If we are sinning in that respect, I think the Federal Housing Authority is the least sinner of any of the

Government institutions. I think the Senator puts his finger on the strongest point of resistance rather than the weakest one.

Mr. BAILEY. But does not the Government guarantee the loans?

Mr. BROWN. The Government guarantees the loans——

Mr. BAILEY. Then, what is the difference?

Mr. BROWN. But it has an insurance premium, it has reserves, and adopts a policy which, so far, has resulted in but infinitesimal losses.

Mr. BAILEY. Yes, but now the Government is a guarantor. My point is it guarantees my loan and lets me out. I can tomorrow under this measure borrow a hundred thousand dollars, putting up just a little money, buy the land, and then have the land valued at twice what I paid for it in order to lift the amount guaranteed by the Government. I take it that that is perfectly clear. The Government does lend the money in the sense that there is not an institution on earth that would advance it except upon dependence and reliance upon the Government guaranty. There cannot be any doubt about that.

I ask my friend, the distinguished Senator from Michigan, a question. I wish to know what is the protection as against valuing the land not at the purchase price paid by the borrower but at the increased speculative value added by the expenditure of the guaranteed money of the United States upon the property? I should like to know about that. I understand that the other House passed an amendment undertaking to limit the loan, so far as land is concerned, to the purchase price, but here we propose to let a man buy land for $10,000 and then borrow $15,000 on it because a house is to be erected on it.

Mr. BROWN. The Senator could not do that under the Senate committee amendment.

Mr. BAILEY. Will the Senator tell me just what I could do under that amendment?

Mr. BROWN. I will try to make that matter clear to the Senator. The Senator is referring to the so-called Cochran amendment, which was adopted by the House. We adopted in the Senate committee an amendment which we think is an improvement on the Cochran amendment, and made it a little more specific in its language, so that there can be no doubt as to what it means.

Under our amendment the mortgage may not in any circumstances exceed the cost of the improvements on the land, the completed structure. The borrower must not only put in his land—and the valuation of his land may not be included in the mortgage itself—but he must put in the sewerage; he must put in the water; he must put in all of the outside incidental improvements before he may borrow money. Then the mortgage is limited not only to 80 percent of the total value of the completed structure but also to 100 percent of the structure that is built upon the property.

Does that seem to meet the Senator's objection?

Mr. BAILEY. I am not objecting. I said I am going to vote for the measure, but I wish to know what safeguards there are. That is not a safeguard, to be sure.

I am speaking here in the presence of men who have had banking experience and business experience. I am sure the Senator from Michigan has had such experience. Any lawyer who loaned money on that basis probably would be disbarred. Any bank that loaned money on that basis would be closed by the Comptroller of the Currency. Any individual who loaned money on that basis would be put in the asylum, or have a guardian appointed for him; but our democracy must do it; and I am for it.

That is my position.

Mr. BARKLEY and Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER (Mr. MEAD in the chair). Does the Senator from Michigan yield; and if so, to whom?

Mr. BROWN. I yield first to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, following the answer of the Senator from Michigan to the Senator from North Carolina, not only is the value of the land not considered in determining the amount of the loan, but the land and all the improvements upon it must be free of encumbrance. Otherwise the applicant is not eligible for a loan. But, while the value of the land does not enter into the determination of how much money may be loaned, the mortgage applies not only to the improvements but to the land itself.

Mr. BROWN. There are two limitations: 80 percent of the combined value of the land and buildings, and not to exceed the cost of the bare structure itself, exclusive of all of the sewerage, street improvements, and outside improvements to the land.

Mr. BARKLEY. That is it. So that if the land cost $20,000 and the improvements cost $100,000, provided the 100-percent mortgage on the improvements was no greater than 80 percent of the total value, that amount might be obtained; but the mortgage would be against the whole $120,000 worth of property, assuming that there has been no speculative increase in its value.

Mr. BROWN. That is correct.

Mr. BARKLEY. There could not be any speculative increase in the value of the structure itself, because that is determined; and even if there is a speculative increase in the value of the land, it is not considered in determining how much money may be loaned upon it. If, however, there is any increase in the value of the land, it makes even more sure the value of the property upon which the mortgage is taken.

Mr. BROWN. Mr. President, there can be no question that the construction of a large apartment-house building on a piece of real estate increases the value of the real estate. The history of the F. H. A. has demonstrated that fact in many instances, particularly that of Colonial Village, Va., where the increase in price per foot was very great, and so ascertained, estimated, and made the basis of a loan by an insurance company, a private corporation that has taken the property out of the F. H. A.

It should be said further, in fairness to the Federal Housing Administration, that the amendment known as section 11, on page 18 of the bill, writes into the law a policy which the F. H. A. themselves adopted some time ago; and we have now made that a part of the statute itself.

Mr. ADAMS and Mr. DANAHER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield; and if so, to whom?

Mr. BROWN. I yield to the Senator from Colorado.

Mr. ADAMS. No; I desire to take the floor when the Senator has concluded.

Mr. BROWN. I promised to yield to the Senator from Connecticut [Mr. DANAHER] for a question, and I yield to him at this time if the Senator from Colorado wishes the floor in his own right.

Mr. ADAMS. If the Senator from Michigan controls the floor——

Mr. BROWN. I feel, in courtesy to the Senator from Connecticut, that I should yield to Senators who have asked me to do so before I yield the floor.

Mr. ADAMS. Certainly.

Mr. DANAHER. Mr. President, I thank the Senator for his courtesy; but, since I know the purpose of the Senator from Colorado, I yield to him.

Mr. BROWN. I yield the floor.

Mr. ADAMS. Mr. President, one item arose in the colloquy between the Senator from Utah [Mr. KING] and the Senator from Michigan [Mr. BROWN] as to which I had a somewhat different interpretation of the facts. I assume that the statement of the Senator from Michigan was correct, but I think there is a different interpretation. That is as to the percentage of the loans that have been and may be made upon existing structures.

Personally, I had the initial impression that no loans should be made upon existing structures. In recognition of the careful study of the Senator from Michigan, the Senator from Connecticut, and some others, I have rather submerged and subordinated my judgment on that matter to their studies. I have not changed my mind, but I have subordinated my views. As I get the figures now, however, instead of making the available loans upon existing structures very

small, we are providing that hereafter the F. H. A. may loan 25 percent of the unloaned amount.

Mr. BROWN. I thought I stated that very clearly.

Mr. ADAMS. I understood the Senator to say that only about 12 percent had been loaned. I simply am going to try to translate the statement into figures.

Mr. BROWN. I think I am right about that. The total amount that has been so far loaned to refinance existing mortgages is 12 percent. I have a letter here to that effect from Mr. McDonald.

Mr. ADAMS. My recollection of the statement made was that when the F. H. A. commenced loaning, something over 70 percent was loaned upon existing structures, and that that amount had been reduced until they were now loaning about 32 percent.

Mr. BROWN. If the Senator will permit me, I should like to read into the RECORD a letter dated April 17, from Stewart McDonald, the Administrator.

Mr. ADAMS. Certainly.

Mr. BROWN. It reads:

DEAR SENATOR BROWN: Since seeing you the other day I have checked up, and find only 12 percent of F. H. A. mortgages insured were for refinancing existing mortgages on old construction, as distinguished from new homes or new purchases of existing homes.

I then, at the hearing, asked him:

Is this 12 percent in dollars, or in total number of houses?

And he replied, and I noted on the letter:

This is 12 percent in dollars.

Mr. ADAMS. I think the figures can be reconciled. The 12 percent is refinancing of existing mortgages, while the larger amount includes all loans guaranteed which are upon existing structures, whether they are new loans or refinancing. I know that under the figures in the amendment, the gentleman who was at the hearing representing the Federal Housing Administration said there was no difference between the limitation of 35 percent as originally put in and the limitation which we put in of 25 percent; that that would permit loaning, roughly, 35 percent in the aggregate. In other words, 25 percent of the amount to be available will run toward $500,000,000.

I am going along with the Senator, but I do not want the Senator from Utah [Mr. KING] to get the wrong idea.

Mr. KING. I think the Senator from Utah agrees with the Senator from Colorado.

Mr. BROWN. I think we ought to define what we are talking about. There are two classes of existing construction loans. One class, which the Senator from Utah and I were talking about, consists of loans on houses which are not the basis of a resale and the construction of a new house.

Mr. ADAMS. What I am getting at is, until the Senator had persuaded me, I was opposed to all loans upon existing structures. In other words, I felt that the purpose of the act was to stimulate employment and new construction. As I say, I am subordinating my own judgment to that of those who have studied the matter; but I have a small amendment on the subject. Under the section as now proposed, which has been discussed by the Senator from North Carolina [Mr. BAILEY], it is provided—to put it in the inverse way—that up to 100 percent of the cost of the improvements on the ground may be loaned.

Mr. BAILEY. Mr. President, will the Senator let me interrupt him for the purpose of making that statement yet more emphatic?

Mr. ADAMS. I yield.

Mr. BAILEY. As the amendment is drawn, I may borrow the full amount of my expenditure for a structure, 100 percent, and I am enabled to do that by having the land which I bought valued so high that it lifts the percentage of the money expended to 100 percent.

I desire now to ask the Senator from Colorado a question. I think he has been a banker.

Mr. ADAMS. No; I have not.

Mr. BAILEY. I know the Senator has been a lawyer, and I know he is a very able one. Has not that sort of lending been described in this country, up until the past 2 or 3 years, as a shoestring operation? I borrow on a shoestring on the Government guaranty.

Mr. ADAMS. Yes; that is the term employed in the western section of the country.

Mr. BAILEY. It was the same thing that produced the Florida boom. It was the same thing that produced the speculation on the stock exchange. A shoestring operation is an operation without much personal responsibility. The only person responsible in this case is the Government of the United States, meaning those who may have to pay the taxes in the long run. I say "may." I doubt whether they ever will. The Government is now operating without taxes. That is, it is spending $3,300,000,000 which is not reflected in taxes; and that is where we are deceiving ourselves. It is a fool's paradise. It is as a bankrupt living prosperously on borrowed money. I have seen men do it, but I have never known one to escape the consequences. That is the shoestring operation.

The wonder to me is, and I am now assuming the attitude of a promoter and an advertiser, that every shoestring operator who went to wreck in Florida, or into the mountains of western North Carolina, when undiscovered mountain lots were being sold for $500 for a 50-foot front, and every promoter who brought the utilities into the disgrace into which they were brought, and others from the time of the organization of the corporation to induce the American people to speculate in German marks, of which we sometimes hear, are not rushing into this opportunity? Are we not substituting Uncle Sam as the money lender and the easy mark? I will not say from what source that valuable phrase just now came. Are we not substituting Uncle Sam for precisely those victims, whose ruin produced the consequences from which we have been trying to emerge? I believe we come around now to the point where we say that the hair of the dog is good for the bite, provided the hair is obtained from the back of Uncle Sam. I think that is to what we have come.

I am not protesting. It is not to be resisted. When the United States Government went into the business of lending money, every man of ordinary common sense ought to have known that he would have to go the whole way, because this is a democracy. We cannot lend to the railroads without lending to the man with a little home. We cannot lend to the insurance companies without lending to the humble fellow. We cannot lend to the farmer without lending to the worker. We cannot lend to the businessman and not lend to the speculator. This is a democracy, and we have equal protection of the laws and equal rights under the laws.

The only thing for this country to do now is to do what it is doing—go the whole way as rapidly as possible and learn the lesson and start over—and that is what it is going to do.

Mr. KING. Amen.

Mr. ADAMS. Mr. President, what interested me was, as I have stated, that there was a provision in the bill which under certain conditions—and I do not attempt to define the mathematical conditions—would permit a loan of 100 percent of the cost of a structure. It seemed to me that that ought not to be permitted. I know that the members of the subcommittee have no intention that that shall be done; they do not feel that that will result. They feel that the 80-percent clause will protect against that.

I propose to offer an amendment which will merely provide, in line 22 on page 18, that after the word "exceed" the words "90 percent of" shall be inserted, so that it will read:

That such mortgage shall not in any event exceed 90 percent of the amount which the Administrator estimates will be the cost of the completed physical improvements.

If Senators on the subcommittee who have persuaded us about the situation say to us that they would not be in favor of the Government lending over 90 percent of the cost of a structure, it seems to me the wise thing is to write that into the bill. It seems to me it sounds desperately

bad to say that if I own a piece of ground and erect a structure on it I can borrow a hundred percent of what goes into the structure, with the exception of the utility costs and street costs. I am offering the amendment. I may say that it was offered in the committee and was defeated by a margin of one vote. A majority of those who heard the matter discussed voted for the amendment. There were two absentee votes cast, very properly, and in good, capable hands, which turned the scale and defeated the amendment.

Mr. KING. It was defeated by proxy.

Mr. ADAMS. The votes were absolutely properly cast. It was merely a case of those of us who were arguing not having a chance to appeal to the absent Senators.

Mr. President, I submit the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 18, line 22, after the word "exceed", it is proposed to insert the words "90 percent of."

Mr. BROWN. Mr. President, I presume we should take the amendment up when we reach the proper place in the bill for its consideration. There are several other matters to be considered.

Mr. ADAMS. I understand that, but the preceding presiding officer merely said that the question was on the committee amendment, as if they were to be voted on as a whole. This is an amendment to the committee amendment.

Mr. BROWN. I think we ought to consider the committee amendment, and take this amendment up when we reach the proper point in the bill.

Mr. ADAMS. Mr. President, this matter has been discussed, and this particular paragraph has been discussed, and I think I shall ask to have the amendment disposed of at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado to the amendment of the committee.

Mr. BROWN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Hughes	Pepper
Andrews	Davis	Johnson, Calif.	Pittman
Ashurst	Donahey	Johnson, Colo.	Radcliffe
Austin	Downey	King	Reed
Bailey	Ellender	La Follette	Reynolds
Bankhead	Frazier	Lee	Schwartz
Barbour	George	Lodge	Schwellenbach
Barkley	Gerry	Logan	Sheppard
Bilbo	Gibson	Lucas	Slattery
Bone	Gillette	Lundeen	Smathers
Borah	Glass	McCarran	Thomas, Okla.
Bridges	Green	McKellar	Thomas, Utah
Brown	Guffey	McNary	Tobey
Bulow	Gurney	Maloney	Townsend
Burke	Hale	Mead	Truman
Byrnes	Harrison	Minton	Tydings
Capper	Hatch	Murray	Vandenberg
Caraway	Hayden	Neely	Wagner
Chavez	Herring	Norris	Walsh
Clark, Idaho	Hill	Nye	Wheeler
Clark, Mo.	Holman	O'Mahoney	White
Connally	Holt	Overton	Wiley

The PRESIDING OFFICER. Eighty-eight Senators have answered to their names. A quorum is present.

Mr. BROWN. Mr. President, I desire to say a few words in regard to the Adams amendment. If we are to adhere to the policy of the National Housing Act, that is, 80 percent insured mortgages, we should defeat the Adams amendment. As a matter of fact, the outside limit of the insurance will probably be between 76 percent and 77 percent, because, as appears in the latter part of subsection 2, on page 18, not only must the landowner have his land free and clear of all encumbrances but he must undertake and build the public utilities, the streets; he must undertake the organization expenses and the other miscellaneous charges incidental to the construction. The result of the adoption of the Adams amendment would be practically to cut the loaning power of the F. H. A.—to use that term, and everyone knows what I mean—down to 66 or 67 percent, instead of 77 percent, as is the situation today.

What was the purpose of the F. H. A.? It was to eliminate the evil which existed in the construction industry of having a second and third mortgage in back of a first mortgage. We wanted to bring about such a situation that there would be one mortgage, and that mortgage adequately protected, based upon a careful estimate of the land value. As was apparent from my discussion with the Senator from Utah, every attempt we have made in the bill further to limit the amount the F. H. A. may loan seems to meet with opposition. The Senator from Colorado and the Senator from Utah wish to go further than we did. The bill is a great improvement over the present law. Under the present law, as a matter of absolute legal authority, the F. H. A. could loan 110 or 120 percent on the value of the building, but we cut them down to a mortgage that cannot exceed the value of the building itself, exclusive of all the outside improvements.

Mr. President, what would be the situation in a city such as New York, the city of Indianapolis, or the city of Detroit, where the cost of the land is a very much greater factor than it is in a place such as Colonial Village, in nearby Virginia, where the cost of the land is only a small proportion of the total amount borrowed? I think that in a great many instances in the future the F. H. A. will assist in the construction of apartment houses closer to the centers of cities. Suppose the cost of the land in Providence, R. I., is one-third of the total cost of the structure, and suppose, then, that we are limited to 90 percent of the value of the buildings. We are getting down then pretty close to a 50 percent or 55 percent mortgage. The amendment would have a very crippling effect in the large cities of the country where the evils we seek to remedy by the bill are the greatest.

We have gone a part of the distance. We have cut down considerably the F. H. A.'s authority and power under existing law. I think we have gone far enough.

The bill before us is to a great extent for the benefit of the large cities. I, myself, opposed the amendment in the committee, because I believed that there were many times when the value of the land was a very material factor in the value of the mortgage. Under the bill 20 percent of the value must be in the land. I can readily visualize situations where 35 percent of the value of the property would be in the land as distinguished from the building.

Therefore, I urge upon Senators the defeat of the amendment because of its crippling effect in the larger cities of the country.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. WAGNER. I agree with the statement of the Senator from Michigan, and I am afraid that if the amendment were adopted the activities of the F. H. A., which have had so salutary an effect in our larger communities, which have stimulated construction and increased employment to an unexpected extent, would be entirely crippled. One of two things would happen. Either we would go back to the old days before F. H. A. came into the field, when in order to finance such structures it was necessary to put a first, second, and sometimes a third mortgage on the property, which ended in exploitation, scandal, and also in the end arrested construction. Either that would happen or there would be no construction at all.

Mr. BROWN. I think the Senator is absolutely correct.

Mr. WAGNER. I wish to give a very conservative illustration of how it might affect construction in the cities. Assume that the land value is $20,000, the buildings are worth $60,000, and the utilities, streets, and improvements to the land other than the buildings are worth $5,000. That would mean the total appraised value or estimated value would be $85,000. Eighty percent of that valuation would be $68,000. However, since we have the limitation——

Mr. BROWN. The Adams amendment?

Mr. WAGNER. No; the committee amendment which is in the bill. Under that amendment we could not lend more than $60,000, because that is the cost of the buildings. So

we reduce by $8,000 the amount which would be available under the present law.

Mr. BROWN. That is correct.

Mr. WAGNER. However, if we should adopt the Adams amendment, the $60,000 mortgage would have to be further reduced to $54,000. Thus we would have a mortgage of only 64 percent of the value of the property.

Mr. BROWN. That condition very well illustrates the argument I made that the situation in the large cities would be such that the mortgages would be from 60 to 65 or 68 percent instead of 80 percent or 77 percent as they now are.

Mr. WAGNER. Which we have discovered is not sufficient to stimulate construction.

Mr. BAILEY. Mr. President, while the Senator from New York is on the floor, may I ask him a question?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from North Carolina?

Mr. BROWN. I yield.

Mr. BAILEY. The Senator from New York said that if we should adopt the amendment offered by the Senator from Colorado [Mr. ADAMS], which is a very moderate amendment, limiting the loan to 90 percent in place of 100 percent, we should have to go back to the time when people built under first, second, and third mortgages. That was a pretty bad time, was it not?

Mr. WAGNER. Yes; and the F. H. A. has so cleaned up that situation and done away with it that banks in New York and other large centers are now lending money at 4¼ percent with the F. H. A. insurance, whereas previously they were charging 6 percent plus bonuses.

Mr. BAILEY. However, the banks are not lending on the property.

Mr. WAGNER. So we have reduced the interest, as the Senator from Michigan has so ably said. One of the desirable effects of the F. H. A. has been to reduce interest rates all over the country from 7, 8, or 9 percent down to a reasonable rate, as low as 4¼ percent in some instances. I very much fear that the amendment would seriously impede or impair activities, particularly in the large cities, so that the construction which we need, both from the standpoint of unemployment and from the standpoint of shortage of dwellings would be curtailed.

Mr. BAILEY. Mr. President, the banks are not lending money on the property. They are lending money on the guaranty of the Government of the United States. That is the answer. However, that is not the point of my inquiry. The Senator made the remark that we would have to go back to the time when, in many instances, there were first, second, and third mortgages. It was a very bad time. It was a terrible time for those who had the second and third mortgages. They lost. Now it is calmly proposed that Uncle Sam shall take the first, second, and third mortgages. That is the proposal.

That is all I have to say.

Mr. BROWN. I should like the attention of the Senator from North Carolina [Mr. BAILEY] for just a moment. In his statement a few minutes ago, the Senator instanced the price of land on the misty mountain tops of North Carolina, some of which was not there, in Florida, and along the Gulf coast. Does not the Senator recognize that we have had a tremendous deflation in real-estate values between that time and the present?

In New York, or in Raleigh, N. C., the city where the Senator lives, 80 percent of the present value of a completed structure, inclusive of the land, is very different from an 80-percent mortgage, or even a 50-percent mortgage in those communities back in the boom days of real estate. In other words, there has been a tremendous reduction in the value of real estate. We are today in a deflated real-estate condition, and, in my judgment, the mortgages referred to are much more safe than were 50- or 60-percent mortgages back in the time to which the Senator from North Carolina refers.

Mr. BAILEY. Mr. President, I wish to correct the Senator. I did not say the land in western North Carolina did not exist. I am sure it is there. I do not know what became of those who bought it. Probably they have passed out of the picture; but the land is there. I said the land was undiscovered. It was. People bought the lots and then went to find them, and they could not find them.

As to the deflation of values, we all recognize that values in this country did go up. I think they were what we would call inflated values. That statement applies to stocks as well as to real estate. Why did the values go up? Mainly on account of shoestring operations and irresponsible credit. Everybody got into the speculation. There was a speculative madness at the expense of improvident individuals. We are now proposing a speculative madness at the expense of the American Republic. That is the only difference.

Mr. BROWN. I will say to the Senator that the difference is that today's 80 percent F. H. A. mortgages are based upon deflated values. When loans were made upon properties in Florida, western North Carolina, Michigan, and New York, they were based upon the inflated values of that time. We are now basing our mortgages on a value which, in my judgment, is below the real, natural value of the land. Mortgages were then based upon an inflated value, which was away above the value of today.

Mr. BAILEY. I agree with the Senator that present values are much less than they were in 1927, 1928, and 1929. Of course, it is a little safer to lend money on the lower values than it was to lend it on the higher values. However, we cannot get around the fact that no man, no government can lend 100 percent of the cost of a building without taking the entire risk. One hundred percent means the entire risk. The borrower will receive the money from the American taxpayers. That is where we assume he will get it. However, nobody believes it. That reality never comes home to us. We are simply asking in the Adams amendment that the borrower take the risk to the extent of 10 percent of the cost of the structure. A man who is not willing to do that is not entitled to credit from anybody. The man who will not put up 10 percent would not lend money on that basis. If the Senator from Michigan ever loaned money on that basis, he would be driven out of the bank and probably put in the penitentiary for doing so. Bankers have been put in the penitentiary for doing less. A guardian who ever did such a thing for a ward would be discharged by the court of chancery. Yet we say it is all right.

I am not objecting. That is the democratic way of doing things. That is the democratic money-lending policy. I am not talking about a political party. I am simply saying that when a democracy goes into the money-lending business it must go all the way and lend 100 percent. If next year we are asked to lend 110 percent, we shall have to lend 110 percent; and if we asked to reduce the interest rate to 2 percent, we shall have to do that. We are in a democracy and we are accountable in the elections.

Mr. BROWN. On that point, the Senator knows that repeatedly we have been asked for a rate of 2 or 3 percent on Home Owners' Loan mortgages. We have not granted such requests.

Mr. BAILEY. We came down to 3 percent on agricultural loans.

Mr. BROWN. The Senator fails to point out that in addition to the limitation which we have written into the bill, which he must admit is much better than the present law——

Mr. BAILEY. I agree that we are making some progress.

Mr. BROWN. In addition, we have a practical limitation of 76 or 77 percent. The total mortgage cannot exceed 80 percent of the value of the entire property when completed, from which must be deducted the 3 or 4 percent represented by the cost of sewerage, water, and the other public-utility improvements.

Mr. BAILEY. The value of the entire property includes the estimated value of the property due to the improvements put on by the money of the Government. That fact opens the door and lets us go just as far as we please. Again——

Mr. WAGNER. Mr. President, may I ask the Senator a question?

Mr. BAILEY. Let me finish my sentence. Again I am saying that a few years later, when we are asked to reduce the interest rate, we cannot resist that request; and if we do it for one we must do it for all. I am making the point that when a representative democracy such as this goes into the money-lending business, we shall find ourselves absolutely unable to resist the demands made upon us. We must go the whole length.

I now yield to the Senator.

Mr. WAGNER. I was going to ask the Senator whether or not it is his view that there ought to be a rigid rule applied to every lending institution in the country which lends money upon mortgages, that, irrespective of the value of the land, the loan can never exceed 90 percent of the value of the improvements less the cost of the improvements which have been mentioned, such as lighting and other matters.

Mr. BAILEY. Not only would I say that but I will speak from personal experience for a moment. I was once on the investment committee of a savings bank. I never saw the hour when I dared violate my trust as a director and lend to anybody without personal responsibility and safe collateral. The present proposal is to lend 90 percent of the cost of a structure and then increase the value of the land by reason of the improvement, so that the effect is a loan of 100 percent on the value of the structure. No banker in America can do it. No building and loan association can do it. No guardian can do it. No insurance company can do it, but Uncle Sam can do it, because this is a democracy and we have to do what the people ask us to do.

Mr. BROWN. Uncle Sam's record in that respect, I will say to the Senator, is very good. On loans under title I, the small house and modernization title, which the F. H. A. has itself felt that we ought not continue but which the public thinks we should continue, the loss to date on the loans made last year—and of course, it will be a little greater hereafter, for it must be remembered that the loans under title I are for an average of 33 months—has been six one-hundredths of 1 percent, which is almost infinitesimal.

Mr. BAILEY. Mr. President, that statement calls for one more remark. The Senator is flattering himself that up to now we have lost very little money. Let me remind the Senator that we have just begun. I will make a prediction. We are at present in a depression. Every chart in America is pointing downward; every commodity price is going downward; the income of the Government is going down and going down very fast, despite the highest taxes ever levied in this country as a consequence of the present depression, which we are modifying and ameliorating by fictitious operations in the way of money lending and money borrowing.

When this depression culminates, I predict that Uncle Sam will find amongst his greatest losses the losses from these guaranteed loans. The value of these properties will go down. I am speaking from memory, but the last time I read the statistics regarding the operations of the H. O. L. C. the United States Government had already been forced to foreclose 200,000 different properties. Well, that is just the beginning. We are in an artificial situation; we have boosted ourselves up by the distribution of $3,300,000,000 more per year than we have collected. That is the average for the last 6 years, and the total for 6 years is $20,000,000,000. Our deficit this year is already in the neighborhood of $3,000,000,000, and everyone agrees that it will reach three and a half billion dollars; and it will be the ninth deficit in a row.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BAILEY. I will yield in a moment. Senators who think that we are getting along all right are merely deluded by their own self-deception. This country is not getting along all right; it is headed for the rocks just so surely as any bankrupt ever was so headed who deceives himself by borrowing money. The case of the United States today is nothing but the case of a badly embarrassed man who fools himself by going around and getting hold of $10,000 from somebody and having a big party and pretending that he is well off. The country is in the most wretched condition.

Take cotton. The cotton situation in the whole history of the country was never so bad as it is today. Cotton is selling today for less than it was when the first A. A. A. bill was passed. Do not forget that. And wheat is, too, and corn is, too. Yet we hear talk of prosperity.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BAILEY. I yield to the Senator from New York.

Mr. WAGNER. I am anxious to ascertain the Senator's attitude. Does the Senator feel that the Government should not have made any of the loans which it has made to the agricultural industry, to the cotton growers, the wheat growers, the tobacco growers and others, but that it should have just let things go; or was that a different case?

Mr. BAILEY. I think there was a time when a certain amount of emergency lending was necessary. That recalls to my mind a very interesting hour here in the United States Senate. In the spring of 1932, when all of us felt that we were on the edge of the precipice or standing on the edge in the hole of the bottom of the depression, President Hoover called upon Congress to erect the Reconstruction Finance Corporation. That was for the purpose of lending money to the railroads, to banking institutions, and to building and loan associations. My friend here says "also to insurance companies," but insurance companies did not borrow. The argument was that unless we protected the price of the bonds of the railroads, the insurance companies, having a great many of those bonds, would suffer. That is the extent that the insurance companies were involved.

I debated that in my mind at that time. I am answering the question of the Senator from New York. I was extremely reluctant to vote for that legislation. There were then here Senators who have great reputations now for being liberal, one of whom has been promoted to the highest position in the Government short of one or two, who said they could not vote for a measure so radical as that, and I was accused of radicalism and liberalism because I said that in that great emergency I was willing that my Government should extend such aid as might be necessary to save this Republic from collapse. I said at the same time that I knew it was setting a precedent that would give me trouble the remainder of my course in the United States Senate, but I also said that when the time should come to resist demands based upon that precedent, and to get out of the emergency and to go back to private self-reliance and private enterprise I hoped that I would be the man to have the courage to do that. So I have resisted the tide, to some extent, since.

I think we should make a very great distinction between the extraordinary efforts of the Government to save its people in an intense emergency from callapse and the duty of the Government to abandon the emergency methods and go back to self-reliance and private enterprise. At the rate we are going, we are turning the Government over to every borrower and every beggar. I do not think we can stop loans, and I am not resisting. I simply say that what we did in the name of emergency ought not to become the fixed policy.

Mr. President, you were not in the Senate at that time, but other Senators will bear me out in the statement I am about to make. The Senator who sat in the seat where the majority leader now sits—and I honor his memory—was the Democratic leader—that Democratic leader said to me in the cloakroom, "BAILEY, I hope you can find your way to vote for this measure.' It had come from President Hoover and many Democrats were against it. I said, "I do not see it very easily; it is very difficult." He said, "I am informed that unless this measure passes by 12 o'clock tonight"—and it will be remembered how earnestly we labored to pass it by midnight that night; we sat long in a night session—"unless we pass it by 12 o'clock tonight, 500 banks will close in New York State tomorrow morning at 9 o'clock." I have never before told that. It can be told now, because the danger has passed. I will say to the Senator from New York that if that were the situation now, if there were a great emergency like that, and my vote for anything would save this country from collapse, there is no telling how far I would go, nor how

severely I would be rebuked for my radicalism by men who would subsequently be promoted for being "liberals."

I do not regret my action, under all the circumstances, but I do deeply regret that the emergency argument is used now and the Congress does not seem to have the capacity to resist the demands for more and more and more and more, until at this moment we are all witnesses to the fact that the Congress has gone beyond the President's Budget, and, while our revenue for the year is not likely to be more than five and a half billion dollars, the appropriations of the present session of Congress at this moment threaten to reach the point of $11,000,000,000 and are certain to reach the point of $10,500,000,000. That means, Mr. President, that we have lost all sense of restraint; that means, Mr. President, that we have lost all sense of perspective; that means, Mr. President, that we are yielding and yielding and yielding and are unwilling to face the inevitable consequence that at the end of the road, not far off, is national bankruptcy. That in itself is not half so bad, not half so much to be resisted and abhorred, as the ruin which will be visited upon millions of innocent Americans who have trusted us with their fate, with their welfare, and with their rights. That, Mr. President, is all I have to say.

Mr. PEPPER. Mr. President, I thought there were some measures which this administration had enacted of which there was almost universal approval; for example, the C. C. C. and the R. F. C. I thought the F. H. A. surely would fall in that category, because it afforded public aid in furtherance of private effort. I thought all of us agreed that it was a laudable objective to aid the people of the United States to have better homes; and I thought everyone was happy about the fact that in the Federal Housing Administration the Government was merely stimulating, assisting, and encouraging private enterprise.

We have now had enough experience with this act to see what its effects have been. That experience indicates that at the present time there are over one and a quarter billion dollars of F. H. A. mortgage insurance in effect and in force in this country, and that the total losses which have been sustained by the Federal Housing Administration in the entire period of its existence amount to only $160,708, or one one-hundredth of 1 percent of the amount insured; and to take care of that meager loss there is a reserve fund of $24,000,000, contributed not by the Government but by the persons who were the beneficiaries of the insurance plan, as a reserve against losses which might occur. The reserve fund is $24,000,000 and the total losses are only $160,000.

Mr. President, if that has not been a success, it seems to me it would be difficult to point out an agency which has had a successful operation.

I knew it was not necessary that those facts be reiterated, because the able junior Senator from Michigan [Mr. BROWN] has already presented them, if not literally, in substance. I merely want to add that there has been a difference of opinion among Members of Congress as to the way in which the Government may contribute most reasonably, properly, and helpfully to recovery in this country.

There are some of us who are even willing to put into effect a program of public works of large enough scope to give employment to every employable man and woman in the country, and think that would be a desirable objective for the Nation to pursue, and I hope at some time we may yet come to it. But I surely cannot understand the argument of anybody who would want to retard the progress and the development of home building in this country by an agency which has had such a successful experience as has the Federal Housing Administration. I believe that if the R. F. C. and the Federal Housing Administration were even to liberalize their activities, the good they would do in the increase of the national income and the enlargement of the national assets would far outweigh and overbalance any relatively small losses which an expansion of their plans might possibly involve.

So instead of diminishing the powers and the facilities for aid which may be rendered by an agency like this, which acts through private enterprise, why can we not enlarge their scope, so that we may perhaps reduce the amount of money we spend for W. P. A. and public-works programs which do not go through the channels of private enterprise?

I think if the R. F. C. were liberalized in operation, and their losses, now negligible, were increased a small amount only, and even if the F. H. A. had small losses—they have not had any losses so far, taking into consideration their reserve—the aid that this program would give through private enterprise to the country, not to speak of the assets that the country would enjoy in having millions of its citizens in better homes, would be so salutary that it seems to me it would commend itself to the membership of the Congress.

So, if, in the past, we have insured loans not to exceed 90 percent of the value of the security offered in the case of small loans, and up to 80 percent in the case of larger loans, and if we have not had any losses under that liberal plan, why should we at this time, with that salutary record and favorable experience behind us, want to hamstring this useful agency by more restrictions? Hence, I hope, in the interest of a sound recovery, this amendment will not be adopted.

Mr. WHEELER. Mr. President, I shall have to leave the Chamber in a few minutes. I wish to inquire of the Senator who has charge of the bill whether anything contained in the bill will prevent the write-ups that are being made on some of the properties on which money is being loaned.

Mr. BROWN. That is the precise subject we are discussing.

Mr. WHEELER. Let me say that the fact has been called to my attention that at present an individual may buy a piece of property, say, for $10,000, and turn it over to a corporation which will write up its value to $100,000, and the corporation perhaps will turn it over to somebody else and have still another write-up—the very thing we have often condemned upon the floor of the Senate in connection with other matters. Anybody who has had anything to do with opposing the practices of public utilities knows that the one thing we oppose above all others is the write-ups which take place among the utilities and railroads and all the other industries which are subject to the supervision of regulatory bodies. Now we find, as a matter of fact, that the Government is permitting that sort of thing to be done with the loans it is making to speculators. That is what is happening, as a matter of fact, in some instances. A speculator buys a piece of property for a small sum, and then writes up its value in some instances, I am told, as much as 10 times what he bought it for, and then obtains a Government loan on it.

Mr. BROWN. The Senator does not mean that that has happened in the F. H. A.

Mr. WHEELER. That is exactly what I mean. It has happened in the F. H. A.

Mr. BROWN. I really do not think that is a fact.

Mr. WHEELER. I happen to know that it is a fact. There is not any question about it. I have talked to some of the authorities in the F. H. A., and called their attention to it, and they admitted that it had been done and was being done in several instances to which I specifically called their attention. I do not want to go into specific cases, but I happen to know of specific instances in which that has been done. Let me say to the Senator, if he has any question about it, that if he will ask the head of the F. H. A., he will tell the Senator that that has been done.

Mr. BROWN. I will say to the Senator from Montana that as I recall the testimony before the Banking and Currency Committee, the most extreme case we had was the so-called St. Louis, Mo., case, which gave rise to the Cochran amendment, as I understand.

Mr. WHEELER. That is not the only case of the kind.

Mr. BROWN. I understand that the write-up in that instance was by no means what the Senator says—10 times the original value of the property.

Mr. WHEELER. Perhaps it was an exaggeration to say "10 times"; but let me say to the Senator that what I have described happened not only in that one particular case but

in other cases, because I called the attention of the F. H. A. officials to some other cases, and they admitted that it was done. In how many cases it has been done, I do not know; but I know that in two or three instances, to which I called the attention of the F. H. A. authorities, it did take place.

Mr. BROWN. We may differ as to the facts, but the amendment provides that no mortgage may exceed in amount the value of the building which is constructed upon the real estate. Also, it may not exceed 80 percent of the total value of the land and the building. The evil which the Senator sees and refers to is overcome by the committee amendment to the bill.

Mr. WHEELER. What is the amendment?

Mr. BROWN. It provides that in no instance may the amount of the mortgage exceed the estimated cost of the buildings constructed upon the property, which I think would prevent any such thing as has been mentioned by the Senator from Montana.

Mr. WHEELER. Why should there not be a further limitation? Instead of saying that we will loan the full cost of the building, why should not the loan be limited to a certain percentage of the cost of the building? Of course, I appreciate that there is an argument on the other side, and that when a piece of property is bought, and a building is constructed on it, the ground itself may become more valuable because of the fact that the building is constructed on it.

Mr. BROWN. That point is overcome by the amendment. The value of the land itself is one limitation. The second limitation, which we have written in, is the value of the improvements.

Mr. WHEELER. The Senator from Michigan knows, as a matter of fact, and the Senator from Nebraska [Mr. NORRIS] and other Senators who have investigated utility operations know, that when we went into that subject before the Committee on Interstate Commerce, and when we went into some of the railroad operations, the one thing that we harped on and denounced above all others was the write-ups by the utilities. They have always come in and said, "When we bought the property for $10,000 and wrote it up to $100,000, or when we bought it for $100,000 and wrote it up to several million dollars, that was perfectly justified because of the fact that after we bought the property we made improvements to it." I say to the Senator from Michigan that if that sort of thing is permitted by a Government agency like the F. H. A., the Senator cannot ever stand on the floor of the Senate after that and criticize utilities for doing the very thing we permit this agency to do.

Mr. BROWN. The Senator realizes that this amendment prevents anything of that kind.

Mr. WHEELER. I am not sure that it does. What we are doing is simply saying that the Government is going to loan the full value of the building. I do not think it should be done. I do not think I ought to be able, as a private citizen, to go to the Government and say, "Here is a building that is going to cost $100,000," and borrow the whole $100,000 from the Government. I do not believe it is justified, I do not think it is right, and I do not think we can sustain that kind of a proposal.

I am perfectly willing to have the Government make loans upon real estate; but I do not believe it is right to have our Government loan to real-estate fakers or promoters $100,000 on a building which is to cost $100,000. When that is being done, the little fellow is not being helped at all. It is a lot of real-estate promoters who are being helped. The little home owner is not being helped, but a lot of fake real-estate promoters are being helped. That is what has been going on with the F. H. A. There is no one here who can say that that is not true.

Mr. BROWN. The Senator grossly exaggerates.

Mr. WHEELER. No; I am not exaggerating.

Mr. BROWN. He exaggerates when he states that the F. H. A. was created and is being operated for the benefit of real-estate fakers. I do not think the Senator means that. Ninety percent of the F. H. A. guaranties does not in any way relate to the large apartment house construction. Only 10 percent is applicable to that. I deny that that 10 percent has gone to people whom the Senator can characterize as "real-estate fakers." Consider the situation in Colonial Village, Va., which was criticized by some. Yet that development has been taken over by a private insurance corporation on a much more favorable basis than that granted by the Federal Housing Administration.

Mr. WHEELER. Very well. I say that there have been promotion schemes, and I repeat, there have been promotion schemes by real-estate promoters and real-estate fakers for the very purpose I have designated on this floor. How many of them there are I do not know. But we should not permit it in our legislation, whether it is 10 percent, or 1 percent——

Mr. BROWN. Or 30 percent.

Mr. WHEELER. Or 30 percent, or whatever it is.

Mr. BROWN. It is just a question of where we are to draw the line. Some say it should be 90 percent. We say a hundred percent. The Senator's argument would lead us to such a situation that it would not be in excess of 50 percent.

Mr. WHEELER. It ought to be more than 50 percent, but I do not think it ought to be a hundred percent. As a matter of fact, I do not think it ought to be over 80 percent. I cannot see any reason in the world why, if I wish to erect an apartment house, I should be able to go to the Government and borrow more than 80 percent of the value of the apartment I am building.

Mr. BROWN. Of course, the Senator means guarantee.

Mr. WHEELER. Yes; to guarantee more than 80 percent. I do not think it is the right thing for the Government to do that.

Mr. BROWN. In addition to that, we have a limitation of 80 percent of the total value of the completed project.

Mr. WHEELER. Yes. I think it should not be more than 80 percent of the property actually being erected. I think, if that is provided, we are being very generous to the apartment-house builders and the real-estate promoters.

Mr. BROWN. I again say to the Senator that in the Committee on Banking and Currency we have made an effort to correct the situation to which the Senator has referred. This measure is a great improvement over existing law. I think the Senator ought to give us some credit for that.

Mr. WHEELER. I am glad to hear that some of the evils which have been going on are to be corrected.

Mr. BROWN. We think we have gone as far as we should in that respect. If the Adams amendment is adopted, we will have such a situation in the larger cities of the country—New York, Detroit, Chicago, and such places—that the mortgages may be 60-percent mortgages or 55-percent mortgages.

Many years ago, in the National Housing Act, we adopted an 80-percent policy in connection with projects of the kind we are discussing, and that has been the law up to the present time. We now impose a further limitation, so that the amount of the mortgage cannot exceed the value of the bare improvement itself, exclusive of water, exclusive of all the public utilities that are necessary to be brought in, and exclusive of the value of the land itself.

The Senator will admit that, in building an apartment house, let us say, somewhat close to Central Park, in the city of New York, the value of the land might conceivably be 50 percent of the total value of the whole structure. Those proposing to build such an apartment, who are entitled to some consideration, could not possibly come within the limitations of the pending measure if we adopted the Adams amendment.

Mr. WHEELER. After all, the Senator is speaking of an apartment house being built in the city of New York, or an apartment house being built in the city of Chicago, or in some other city. Should the Government of the United States, as a matter of fact, guarantee loans for that sort of thing?

Mr. BROWN. The Senator should remember that only 10 percent of the money goes in that way. Ninety percent of it is used otherwise.

Mr. WHEELER. I do not care whether it is 10 percent or what it is; I question the wisdom of the Government of the United States making that kind of loans at all. If it is to make that kind of loans, then I think that we should put a pretty strict regulation on it.

Mr. BROWN. We do.

Mr. WHEELER. I do not think that has been done in the past. It is not helping the little fellow. I have been one of those who have gone along with the making of loans to home owners, for the building of homes, and that sort of thing, but I do not wish to go along in just helping those who are promoting apartment-house projects in the cities. That is not of any benefit to the little fellow; it is not of any benefit to the worker.

Mr. BROWN. Does the Senator think it is of no benefit to the little fellow if the man who is unable to build a home, even a $2,500 home, as is provided for in this measure, could, as a taxpayer and a citizen of the United States, have the advantage of the lower rentals he would have to pay in these limited-dividend apartment houses?

Mr. WHEELER. I do not think he gets any such advantage. As a matter of fact, I do not think that in many of the instances the home owners are getting any benefit from the erection of more apartment houses in the big cities. I do not think that is helping the little home owner or the man who has to pay rent.

Mr. BROWN. I differ with the Senator. I think it does benefit the little home owner.

Mr. WHEELER. I do not agree with the Senator with reference to that.

I was interested in what the Senator from North Carolina stated about loans to the R. F. C. I happen to be one of those who stood on the floor of the Senate when the R. F. C. bill was before us and spoke against it and voted against it. I never have regretted that I was one of the few who voted against it.

I stated then that when we started making loans to railroads and started making loans to banks we could not resist making loans to everyone who came asking for loans out of the Public Treasury. I stated then that we should let the banks and insurance companies and the railroads which could not stand up go into the hands of receivers. If we had done that at that time, in my judgment we would have been on the upward road. But beginning with the Hoover administration, with the depression, we have sought to maintain the debt structures of the private industries of this country, and the railroads today are no better off. The Senator from Connecticut stood on the floor of the Senate and stated, "If you pass this bill, the smoke will be coming out of the chimneys, and this is going to bring prosperity." In the Committee on Interstate Commerce we are considering legislation at this time dealing with the railroad problem, and the testimony before the committee is that one-third of the railroads are in bankruptcy and another third on the verge of bankruptcy, notwithstanding the fact that the Government of the United States has poured out millions on millions of dollars to save them from bankruptcy; and we are still in identically the same condition in which we previously were.

Mr. BROWN. The Senator knows that I am what might be called something of a "middle-of-the-roader." I agree with much the Senator from Montana says, and with some of the things the Senator from North Carolina has said. But both Senators are attacking a bill which, in my judgment, is the least of our sins in this respect.

Mr. WHEELER. I am not attacking the bill.

Mr. BROWN. The Federal Housing Administration has done a good job. They have not put their hands into the Treasury of the United States and taken out anything to lend to people. By assuming some of the risk they are merely encouraging banks and other financial institutions throughout the United States to make the loans.

Mr. WHEELER. Let me call the Senator's attention to a misinterpretation. I am not one of those who are attacking the bill. I am merely saying, with reference to loans to the people who are building apartment houses, or guaranteeing the loans, that we should not go to the extent the Senator from Michigan thinks we should go. I am criticizing the Federal Housing Administration because they let fellows make write-ups, and then take them into consideration when they guarantee the loans.

Mr. BROWN. I think those cases have been very small and inconsequential.

Mr. ADAMS. Mr. President, just one word. There are some members on the floor now who were not present when this matter first came up.

The amendment of the committee provides that the Federal Housing Administration may guarantee a loan of 80 percent of the completed value of a property, which includes the write-up of the land. To get to the point of the Senator from Montana, I know of a particular instance not a thousand miles from here of a large apartment house being built on land purchased for about a thousand dollars an acre, which was written up to over $10,000 an acre. There were 40 or 50 acres. In other words, there was a write-up of from $400,000 to $500,000.

The amendment which the committee submits contains a provision which, stated in the inverse way, is that the administration may lend 100 percent of the cost of the improvements on the ground, providing they do not exceed 80 percent of the total cost, including the write-up. In other words, if I own a piece of vacant property, my own property, I can come in and, under some conditions, borrow 100 percent of the cost of the structure I put on it.

The amendment I have offered provides that the F. H. A. may not guarantee a loan of over 90 percent, on the theory that the owner of the property ought to be willing to put into the cost at least 10 percent of his own money.

It does not seem to me to be a great demand on the part of the Government. If the 80-percent provision will not permit loaning 100 percent or 90 percent, the 90-percent provision will not in any way impair the function. In the amendment we are not dealing with the building of homes. We are dealing with what the Senator from Michigan says represents perhaps 10 percent of the activities in dollars. That is approximately correct, is it not?

Mr. BROWN. That is correct.

Mr. ADAMS. We are dealing with the large enterprises, the speculative enterprises, the building of great apartment houses, which, as we have seen in this neighborhood, perhaps contain 1,200, 1,300, or 1,400 apartments, built for speculative purposes and not for the purpose of homes of the owners.

Mr. LEE. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. LEE. Am I to understand, then, that the provision of the committee amendment would not allow a prospective home owner to borrow 100 percent on the construction of his home? As the committee amendment stands now, could the home owner borrow only 90 percent?

Mr. ADAMS. The home owner is dealt with in a different section.

Mr. BROWN. He can borrow 90 percent of the total value,

Mr. ADAMS. The amendment applies only to the 10 percent to which the Senator from Michigan referred.

Mr. BROWN. Yes; the large apartment-house construction.

Mr. LEE. And the builder can borrow 100 percent of the value of the structure.

Mr. BROWN. On a multiple dwelling or large apartment house.

Mr. ADAMS. The section of the original act which it is proposed to amend contains this sentence at the end, which does not seem to be included in the language as it comes from the committee:

> No mortgage shall be accepted for insurance under this section or section 210 unless the Administrator finds that the property or project, with respect to which the mortgage is executed, is economically sound.

That requirement seems to have been eliminated. It may be in some other place, but it is not in this section.

Mr. BROWN. I may say to the Senator that what he says appears at first glance from reading the bill to be a fact, but

it is not a fact, because the sentence the Senator read is in existing law, which is not changed.

Mr. ADAMS. The section is rewritten. The bill provides that the first sentence of section 207, as amended, is amended to read as follows——

Mr. BROWN. The second and third sentences in the section are not amended or changed in any way.

Mr. ADAMS. I refer to subdivision (c) in section 11.

Mr. BROWN. I will say to the Senator that section 11 amends the first sentence of section 207 (c), but it does not in any way change the second or third sentences, which remain in the law as it now is.

Mr. ADAMS. I think that is correct.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. LUCAS. I should like to know how the committee amendment changes the existing law.

Mr. ADAMS. The existing law provides that—

To be eligible for insurance under this section, a mortgage on any property or project shall involve a principal obligation in an amount not to exceed $5,000,000 and not to exceed 80 percent of the amount which the Administrator estimates will be the value of the property or project when the proposed improvements are completed, and such part thereof as may be attributable to dwelling use shall not exceed $1,350 per room.

The section which we are seeking to amend was added on the theory, perhaps, of constituting a limitation.

The following proviso appears in paragraph (2) of section II of the amendment:

Provided, That such mortgage shall not in any event exceed the amount which the Administrator estimates will be the cost of the completed physical improvements on the property or project * * *.

It seems to authorize a 100-percent loan under the guise of a limitation. The implication is that if we say, "You cannot loan more than 100 percent," that you can loan up to 100 percent, if it comes within the 80-percent limitation as to completed value together with the land.

Mr. LUCAS. How long have we been operating under that provision?

Mr. ADAMS. I think in the neighborhood of 2 years.

Mr. BROWN. Mr. President, I did not hear the Senator.

Mr. LUCAS. How long have we been operating under that provision?

Mr. BROWN. Which provision?

Mr. LUCAS. The existing law.

Mr. BROWN. Five years.

Mr. LUCAS. What is the theory back of the change?

Mr. BROWN. The theory back of the change is that we wanted to prevent a loan in an amount greater than the value of the structure itself, exclusive of the land or public utility improvements to the land, such as electricity, gas, sewerage, water, streets. As the Senator, I think, is seeking to find, this is a further limitation that is not in existing law and prevents any write-up of the land value to permit a mortgage in excess of the cost of the structure.

Mr. LUCAS. That was a regulation heretofore.

Mr. BROWN. Yes.

Mr. LUCAS. Then, if I understand correctly, it is the Senator's opinion that the amendment reported by the committee strengthens the basic law and does not take anything from it?

Mr. BROWN. Yes; it is considerably strengthened.

Mr. ADAMS. The limitation does not go far enough. The limitation limits the loan to the cost of the improvements.

Mr. BROWN. But it is an improvement over existing law.

Mr. ADAMS. Yes, indeed; I think it is an improvement over existing law.

Mr. LUCAS. And the Senator's amendment, as I understand, would extend the limitation.

Mr. ADAMS. It would extend the limitation, so that if I owned property I could not have my borrowings guaranteed to exceed 90 percent, rather than the 100 percent which the measure would permit.

While at the present time we have been guaranteeing loans on new structures under prosperous conditions, they run over a long period of time. Those of us at least with experience in smaller communities know that there is a depreciation in values as the years run on, and it is my sincere judgment that even under the provision which I am seeking to insert, the Government by its guaranty will lose from 10 to 20 percent of the amount which it guarantees. In other words, I think we are in for a loss running into the hundreds of millions of dollars. I am willing to go quite a long way, but I am anxious to put some limit on the loans.

Mr. BROWN. The Senator realizes that this is an amortized loan; that as payments are made through the years upon the loan the principal is gradually reduced, and therefore the risk becomes less and less, and the security becomes what bankers call a more seasoned security, after several years of the total period have run than it previously was.

Mr. ADAMS. Unfortunately, the security becomes less and less also, and sometimes the shrinking of the security proceeds more rapidly than the amortization of the loan. I am perfectly willing to see the Government stimulate construction and take some loss, but I think, as the committee reported, the loss is going to be something more than the Government ought to be asked to carry, and that the individual should be asked to put in a part of the cost of his speculative structure.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. BARKLEY. I wish to ask the Senator a question. In the last Congress we amended the Housing Act so as to make possible the guaranty up to 90 percent instead of 80 percent which had previously been the law.

Mr. BROWN. On the $6,000 houses.

Mr. BARKLEY. Yes, that is true. As this measure is brought in it permits a 100-percent loan on the value of the improvements put on the property, and in assessing the value of the property on which the loan can be obtained, the lot is not taken into consideration, but is taken into consideration and included in the mortgage.

If the Senator's amendment limiting the loan to 90 percent of the improvements instead of 100 percent should be agreed to, would it not be possible that we would not only reduce the total amount of the loan available from 90 percent to 80 percent, but even in some cases below 80 percent, which was always the maximum provided in the law originally upon which a loan might be obtained? Would not that in many cases result?

Mr. ADAMS. Mr. President, we are doing one thing fundamentally, as the Senator from Michigan has said. We are reducing interest rates. We are helping the borrower get lower interest rates by the guaranty. We are raising the percent on the loan which may be guaranteed up to 80 percent. In the past history of the United States generally 80-percent mortgages have proven to be unsound. I venture to say that 90 percent of the 80-percent mortgages have been confronted with defaults. So when we go up to 80 percent we are up in the danger line, and we are materially reducing the interest rates. So it seems to me that we are going too far. I will say to the leader that we ought not to permit a man to borrow the whole cost of his improvements and not carry a little more of the loan, especially in the case of large projects where the investment is speculative for the purpose of profit and not for the purpose of providing the investor with a home.

Mr. BARKLEY. I would agree with the Senator from Colorado if the basis upon which the amount of money to be loaned is founded should include the value of the lot itself upon which there may be a speculative increase. We are avoiding that result by providing that in fixing the amount to be loaned the original property, unimproved, shall not be considered at all.

Mr. ADAMS. There are two phases of this paragraph. The first is that the loan may not exceed 80 percent of the value of the property when it is completed, including the value of the real estate with such improvements as may be made by the structure. There is an 80-percent limitation. It is also provided that in no event shall the loan be more

than 100 percent of the cost of the improvements. What I am picturing is an instance in which acreage property of little value is bought, and then, for all practical purposes, the owner borrows the full cost both of the lots and of the improvements.

The Senator from New York [Mr. WAGNER] naturally thinks in terms of high city values. Having been a country boy, I cannot help thinking in terms of the wider places, where real-estate values are lower. I think it is thoroughly unfair to the Government to apply the situation described to land of lower value, such as suburban land.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. WAGNER. The Senator is now imposing a limitation which will affect properties in the larger communities, where the land values are higher, as well as in the communities to which he refers, where land values are lower.

Mr. ADAMS. If I may interrupt the Senator for a moment, I look upon myself as a sort of attorney for the United States. That is my job. I say that if there is one situation which is all right, and another which is all wrong, those who come in to make the loans ought to correct the situation which is wrong. Instead of doing good at the expense of another, let the amendment be written so as to protect the city situation, and not outrage the Government in the other places.

Mr. WAGNER. In the area to which the Senator refers, there may very well be many situations in which the land would represent less than 20 percent of the value of the land and the building. However, in the larger communities such as New York, Chicago, and other cities, there is rarely a case in which the value of the land is less than 20 percent of the value of the entire project; and in those cases the Senator makes an absolutely rigid rule that a builder can never obtain a loan higher than 60 or 65 percent.

The Senator would discriminate against the builders in large cities. I think the law ought to be universally fair. We ought not to discriminate. The proposed limitation is a discrimination against the sound builders in large communities. I will say to the Senator that some very large projects have been completed under F. H. A. loans. They are sound projects. I do not agree with the prediction which the Senator made, that 80-percent loans are so dangerous that at some time or other the Government will lose a tremendous sum of money. I think such loans on an amortized basis are very sound. They are safer than the old loans under first, second, and third mortgages, when it was possible to borrow up to 90 or 95 percent of the value.

I think there is another danger. Under section 210 a builder may engage in building a large number of small houses which he will afterward sell individually to the workers who can buy $5,000 or $6,000 homes. If this limitation is placed upon the builder who builds 20 or 30 of such houses, he may never be able to build them; and to that extent we shall be depriving the small-home owner, whom we all want to help and have helped under the act, of the opportunity to buy a house, which otherwise he could not purchase.

The experience in other countries which have adopted the system of 80- and 90-percent loans has been very favorable. In England, which I myself had a chance to visit, the 90-percent loan for the small-home owner has been developed, and the experience is extraordinary. There are no losses at all to the Government. The Government does not merely guarantee loans. It actually makes the loans, and the experience has been most favorable.

Speaking of the small-home owner who buys a house for $6,000 or less, we have actually insured more than $878,000,000 worth of such new houses. I am afraid the amendment——

Mr. ADAMS. Such houses are not involved in the amendment.

Mr. WAGNER. They may be. If a builder, under section 210, builds a number of houses as one project, and then divides them and sells them, they will be affected. If a builder cannot obtain a loan on an 80-percent basis, he will not undertake the building of such houses. That is the only way in which the small-home owner in the larger communities can purchase a house. Only very rarely does a worker himself build such a house. He buys from one who has undertaken to build 20 or 30 or 40 homes, and afterward the homes are individually sold to the workers. We are likely to cripple that enterprise.

Mr. ADAMS. Will the Senator allow me to resume for just a moment, to answer him? I do not mean to take him off his feet.

Mr. WAGNER. Certainly.

Mr. ADAMS. There is a provision for partial releases. Assuming that there is a project for the building of small houses, the individual house may be released from the general mortgage, and the home owner may borrow 90 percent. We are not in any way impairing the right to a 90-percent loan on the part of the home owner, even though his house is built for him by some large contractor.

Mr. WAGNER. In New York and other communities the larger builders erect 30 or 40 houses at a time, because it is more efficient for them to build in that manner. Some of them are beautiful homes. The builder must obtain a loan. Under the restrictive amendment of the Senator, I am afraid he could not obtain a loan greater than 60 percent of the value of the enterprise. Therefore, he would not undertake it, and the small-home owner could not buy his house afterward. That is what I am afraid of. I am really concerned.

Mr. BROWN. The builder builds the homes with the idea of selling them to individual home owners, to persons who are attempting to obtain a little better structure in which to live.

Mr. WAGNER. Exactly. The home owner afterward obtains a 90-percent loan. However, in our larger municipalities the enterprise must be begun as a large undertaking. The amendment of the Senator from Colorado would absolutely cripple such activities. Otherwise I should not resist the amendment.

Mr. ADAMS. Mr. President, I am very sympathetic toward contractors in New York and elsewhere who feel that they ought not to be asked to put up 20 percent of the investment. However——

Mr. WAGNER. I do not think that is an accurate statement. May I correct the Senator? The Senator says the builder should put up 20 percent of the investment. That theory assumes that the land in the larger cities represents less than 15 percent of the value of the entire project.

Mr. ADAMS. Oh, no.

Mr. WAGNER. I cannot think of a case in New York City in which the real value of the land is less than 20 to 30 percent of the value of the entire project.

Mr. ADAMS. Under the very paragraph we are considering the builder could insure up to 80 percent. There is no limitation on the land with its increased value by reason of the improvements. He can now insure up to 80 percent. I am not complaining about that. I think I know what the consequences will be; but I think the builder in New York should be willing to put up 20 percent of the investment, and I do not think he ought to be permitted to borrow the whole cost of the structure which he puts on the ground.

Mr. BROWN. Mr. President, the Senator realizes, of course, that there are also write-downs as well as write-ups. The statute requires that the Federal Housing Administrator shall value the land. All we are doing is permitting the F. H. A. to make a valuation on the land involved. So far as I can see, that valuation has been an honest valuation throughout this entire administration.

Mr. ADAMS. I am not complaining. I have just one thing to say over again. I do not believe that a man who builds a house should have a loan granted by the Government for every dollar put into the improvements.

SEVERAL SENATORS. Vote! Vote!

Mr. PEPPER. Mr. President, we have talked about speculative builders. I wonder if Senators are aware of the fact that the Administrator, by administrative regulation, has

provided that not until the loans are paid shall the builder have the right to draw more than 6-percent dividends from the property. Therefore the enterprise cannot be speculative enough to offer the usual profits of speculative building.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. ADAMS] to the committee amendment.

Mr. KING. Mr. President, I ask the Chair to lay before the Senate a message from the President of the United States, which I understand is on the desk.

Mr. BARKLEY. Let us first dispose of the pending amendment.

Mr. KING. I will withhold the request.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. ADAMS] to the committee amendment.

The amendment to the amendment was rejected.

Mr. BARKLEY. Mr. President, I had hoped that we might dispose of the bill promptly so as to have laid before the Senate an important message from the President.

Mr. KING. There will be some further debate. Let us have the message of the President.

Mr. BROWN. I do not think there is any other controversial matter in the bill. I should like to have the committee amendment submitted, and if there is further debate, I am agreeable to postponing it.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 5324) was read the third time and passed.

The title was amended so as to read: "An act to amend certain sections of the National Housing Act."

Mr. WAGNER. I move that the Senate insist upon its amendment, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. MEAD in the chair) appointed Mr. WAGNER, Mr. BANKHEAD, Mr. BROWN, and Mr. DANAHER conferees on the part of the Senate.

STREAM-POLLUTION CONTROL

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 78, Senate bill 685, the so-called stream-pollution bill.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 685) to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to the consideration of the bill.

UNEMPLOYMENT AND WORK RELIEF (H. DOC. NO. 270)

Mr. BARKLEY. I ask that the Chair lay before the Senate a message from the President of the United States.

The PRESIDING OFFICER. The Chair lays before the Senate a message from the President of the United States which will be read.

The legislative clerk read as follows:

To the Congress of the United States:

Six years ago this Nation was confronted with a situation calling for rapid and decisive action. Millions of workers were already jobless; their number was increasing, and the economic structure was threatened with collapse. In this crisis the vast reserves of the Federal Government were promptly made available, and emergency assistance was provided for all classes of the population who were in distress.

Since that time we have moved along a broad front to make permanent provision to meet various phases of the problem of unemployment and need. The Social Security Act provides aid for the aged, the blind, and for dependent children. Unemployment compensation, intended to tide workers over from one job to another, furnishes protection against short-term unemployment of the intermittent variety. Public works have employed many persons.

But there has been, and still is, a vast number of unemployed workers for whom some other protection must be provided.

It is very important to remember that the fundamental decision which was made in connection with the problem of providing for the needy able-bodied unemployed was whether provision should be made through the medium of work or a dole. I have on numerous occasions expressed my conviction that the proper solution was work, but I desire to take this opportunity to reaffirm my conviction in that regard.

In fact for 6 years it has been the definite national policy to give work to the needy unemployed who are able to work instead of handing out charity to them in the form of food.

It is admitted that the cost per individual of a work program is higher than that of a dole. However, I firmly believe that the advantages which accrue from the maintenance of the morale and self-respect of the worker and the creation of permanent public assets fully justify this increased cost, and that the adoption of the dole as the solution of this problem would be disastrous.

When those who talk glibly and without much information about cutting the cost of relief are pinned down to facts, they are obliged to admit that they can offer only two alternative plans—to cut down the number of needy persons receiving relief or to cut the per capita work payments; or, in other words, make a definite beginning toward the substitution of a dole for work.

It is these same individuals who, picking out a handful of instances in the administration of a huge undertaking, seek to delude the people of this country into the belief that the minor exception is the rule. Let any one of these critics undertake the job of administration himself. That is a challenge which will be avoided but not answered.

There is wide discussion at the present time of various proposals for handling unemployment relief through a system of grants of Federal funds to States with various matching requirements. I believe that such a system has as many disadvantages as there are local political units in the Nation. If grants to States are used for direct relief, we have all the disadvantageous features of the dole which I have previously described. If, on the other hand, such grants are to be used to finance locally conducted work programs, inefficiency and confusion through lack of coordination and uniformity are bound to result. Under either the dole or local work programs the administrative cost will inevitably be much larger than under a federally operated work program.

Furthermore, I am of the opinion that the adoption of a system of direct grants of Federal funds to States would result in the creation of pressure groups striving to increase the amount of such grants, which would bring about a demand for increased appropriations which both the present Congress and future Congresses would find it extremely difficult to resist.

In my message of April 14, 1938, I recommended to the Congress a series of measures designed to check the deflationary processes and the failure of consumers' demand which were occurring at that time. Since the adoption by the Congress of the recovery program outlined in that message, the index of industrial production has increased more than one-quarter. The national income, which amounted to $62,000,000,000 in 1938, is now running at a rate which should increase it to $67,000,000,000 in 1939. This I regard as all-important, because as stated in my message of last April, I believe that if the national income can be increased to $80,000,000,000 our whole economic picture will greatly improve and the problem of unemployment will become much less acute. However, I wish to

repeat what I said at that time: I do not believe that this increase in national income can be brought about solely by the expenditure of public funds for relief and recovery purposes.

From the standpoint of private employment, the economic situation has greatly improved. Employment declined steadily and drastically from 1929 to 1932. Improvement began in 1933, and by the early fall of 1937 almost 10,000,000 more persons had jobs than were employed during the month when this administration took office. Average nonagricultural employment during 1937 was within 1,000,000 of the annual average for 1929. After a temporary setback last year, we are now regaining the lost ground. There is every reason to believe that average employment during 1939 will be well in excess of that for 1938. I wish to stress the point that when the situation is viewed in terms of employment, the losses sustained from 1929 to 1932 had practically been wiped out by 1937.

We have found, however, that in spite of substantial recovery as indicated by the amount of employment, the volume of unemployment continues at high levels. This is due in large measure to two factors. The first of these is that the net increase in the labor supply, due to the growth of the working population, is in excess of 500,000 workers annually.

The second prime factor in this picture is the increasing output of the individual worker. At the recovery peak in 1937, when industrial production was at approximately the 1929 level, there were still about 8,000,000 unemployed. From this and subsequent experience, it is apparent that comparatively high levels of production mean substantially less employment than formerly.

In any consideration of the problem of unemployment relief it must be borne in mind that the program adopted to meet it must be envisioned to extend over a considerable period of time. The reason for this is that this Nation, in common with the entire world, is undergoing a process of readjustment, particularly in connection with the production and distribution of goods. Until our economic machinery can be realined to meet present-day conditions, the problem of unemployment will persist and the measures adopted to deal with it must, therefore, be carefully thought out and their operation planned to extend well into the future.

In determining the numbers of persons for whom work on a Federal program should be provided, it is necessary to consider the number of needy able-bodied unemployed. The total unemployment estimates for the Nation run to very large totals, but it must be remembered that these totals cover all persons who desire a job and include many who do not actually have to have a job. In other words, there are in all the unemployment estimates large numbers of persons who can sustain themselves either by reason of private resources or because they can be supported within the family group to which they belong. It is, of course, to be desired that industry should expand to such a degree as to provide employment for all who desire it, but in meeting the problem of need within the limits of the funds which can reasonably be made available for the purpose, the emphasis must necessarily be placed upon the number of unemployed individuals who are actually in need of wages in order to secure the necessities of life.

For the current fiscal year the Congress has provided for the Works Progress Administration appropriations totaling approximately $2,250,000,000. With these funds the Works Progress Administration has provided employment for a maximum of 3,350,000 persons and is currently employing approximately 2,800,000. The average employment provided for the fiscal year will be approximately 3,000,000 persons.

In my Budget message of January 3, 1939, I stated that "Supplemental estimates of appropriations will be submitted to meet the requirements of the Works Progress Administration, the National Youth Administration, and the Farm Security Administration for the fiscal year 1940," and that $1,750,000,000 was the amount estimated for expenditure by these three agencies. I feel that this amount plus such balances of the appropriation for the current year as remain unobligated on June 30, 1939, should cover not only all obligations to be incurred by these agencies during the fiscal year 1940 but the necessary administrative expenses connected therewith which may be incurred by the General Accounting Office, the Civil Aeronautics Authority, the Treasury, and the United States Employees' Compensation Commission, including compensation payments.

For the fiscal year 1940 I recommend, therefore, that the specific sum of $1,477,000,000 be provided for the Works Progress Administration together with any balances of the appropriation for the current year which may remain unobligated on June 30, 1939. This represents a reduction of one-third below the amount provided in the current fiscal year and will permit the employment of slightly more than an average of 2,000,000 persons during the 12 months beginning July 1, 1939. Barring unforeseen and unpredictable developments, we are justified in expecting an upward trend in the volume of employment between now and June 30, 1940, and the sum just named represents my judgment as to the amount that should be provided on the basis of that expectation.

After a review of the accomplishments of jobless workers employed on Works Progress Administration projects, I am impressed with what can be achieved through a program that not only provides jobs for distressed workers but also stimulates purchasing power and tends to induce further recovery. I commend to your attention the miles of roads and streets that have been built, the number of bridges and public buildings that have been constructed, and the worthwhile accomplishments in the fields of education, recreation, sanitation and health, and conservation and flood control. Notwithstanding these accomplishments there is a vast amount of worth-while work remaining to be done. Expenditures in these fields represent permanent, tangible additions to our national wealth.

It is my opinion that the operations of the Works Progress Administration during the next fiscal year should be carried on much as at present but with the reduction that will be possible because of expected increases in private employment and a consequent decline in the need for work relief. Organizational changes which I expect to be made under the authority granted in the recent Reorganization Act will, I anticipate, make possible important economies resulting from the coordination of the operations of various Federal agencies which are engaged in the carrying out of projects.

I wish to state, with emphasis, since the opposite view is frequently expressed, that the program of the Works Progress Administration should, as at present, include some projects of the nonconstruction type to meet the needs of those unemployed workers whose training is such that they are not adapted to employment on construction projects. The provision of work for those people at occupations which will conserve their skills is of prime importance, and the emphasis placed upon construction projects should not obscure the necessity for this portion of the program.

A committee of the House of Representatives, under the authority of an enabling resolution, is now conducting an investigation of the Works Progress Administration. I sincerely hope that this investigation will be guided along constructive lines, and if this is done I feel sure that its outcome will be to demonstrate the wisdom of the measures which have been adopted to meet the needs of the unemployed. In discussions of the projects of the Works Progress Administration there is a tendency to enlarge upon criticism of a few isolated projects to an extent which obscures the real character and value of the program as a whole. In an undertaking of this size there are inevitably individual instances which may be subject to criticism, but when the criticism of a very small fraction of the work being carried on is magnified to such an extent as to obscure the great good that is being achieved on the whole, all sense of proportion and relative value is lost.

In my message to the Congress of January 5, 1939, I suggested that a study be made of the methods by which funds

appropriated to the Works Progress Administration should be distributed. Any formula that may be devised for this purpose and written into legislation should take in account not only the factor of population, but also the constantly changing economic and unemployment conditions in various sections of the country. Allocations should be made on the basis of jobs to be provided and not on the local basis of funds to be distributed. Furthermore, the formula should not be too rigid and should permit a substantial amount of administrative discretion in order to provide sufficient flexibility to meet special situations and relief crises.

The matter of the contributions of sponsors to Works Progress Administration projects has been satisfactorily covered by the provisions of the Emergency Relief Appropriation Act of 1938, which placed a limit upon the amount of Federal funds that can be used for purposes other than the payment of wages. I suggest a continuation of this practice rather than the imposition of a percentage basis on which sponsors would be required to participate. With an appropriation made available for an entire fiscal year, negotiations with sponsors can be conducted upon a much more satisfactory basis, and it can be confidently expected that the proportion of sponsors' contributions will be appreciably increased. The complications which have arisen during the current fiscal year from the fact that three separate appropriations have been made to finance the operations of the Works Progress Administration have militated against efficiency of operation and made it difficult to secure the fullest financial participation of sponsors on projects.

The Congress has recently made provisions against improper political activity on the part of persons connected with the work-relief program—provisions affecting not only Federal employees, but all persons who may be in a position to bring improper pressure to bear. Such legislation was recommended in my message of January 5, 1939, and has my hearty endorsement. However, insofar as the administrative employees of the Works Progress Administration and of the other agencies connected with the work-relief program are concerned, I believe that the political provisions just mentioned would be more constructive, and their enforcement would be simpler, if the Congress would place such employees within the classified civil service.

The greatest single resource of this country is its youth, and no progressive government can afford to ignore the needs of its future citizens for adequate schooling and for that useful work which establishes them as a part of its economy. To ignore this need is to undermine the very basis of democracy which requires the constant renewal of its vitality through the absorption of its young people.

The National Youth Administration, as an entity now within the Works Progress Administration, has during the past 4 years developed a program which has proved its effectiveness in meeting this need. Its program is primarily one of work, work to enable needy students to secure an education, and work to enable unemployed needy young people who are out of school to make use of their capacities for public benefit and so in turn to earn a wage and acquire that work experience so essential to future effective employment. The National Youth Administration has supplemented its work program with other services directed toward increasing the effectiveness of young people as workers and securing their placement in regular employment.

It is my belief that we should now give official recognition to the fact that the needs of youth are different from those of unemployed older workers. I further believe that, based on the demonstrated ability of its program to meet these needs at low cost, and our knowledge of the wide and still unmet need among young people for its services, Congress should provide for an expansion of its activities.

For the National Youth Administration I am requesting an appropriation of $125,000,000 for the fiscal year 1940, together with the unobligated balances on June 30, 1939, of the appropriation to that Administration for the current fiscal year.

I am requesting further that the National Youth Administration be established as a separate agency to continue and expand its program for assisting needy young people. This will not increase existing overhead.

While the amount which I am recommending will not meet all the needs of all our young people, it will mean that education, training, work experience, and help toward private employment can be extended to many needy young people who are now eagerly waiting to take their place in our society as responsible workers and citizens.

It has been the function of the Farm Security Administration to provide assistance for hundreds of thousands of destitute and low-income farm families through supervised loans and guidance in sound farming practices, through adjustment of farmers' debts, and, where necessary, by direct subsistence grants. This program has kept thousands of farmers off relief and has enabled them, largely through their own efforts, to become self-supporting American citizens and to assume their rightful place in rural life. Aside from the further development of camps for migratory farm laborers, construction under the resettlement program will have been completed by the close of the current fiscal year, although in a few instances it may be necessary to provide funds for land development work.

For the foregoing activities of the Farm Security Administration I recommend an appropriation of $123,000,000 for the fiscal year 1940, together with such balances of the current appropriation as may remain unobligated on June 30, 1939.

Owing to the language of the Emergency Relief Appropriation Acts, for the last 2 years it has been necessary to use funds allocated to or appropriated to the Department of Agriculture to provide for relief for Indians which come under the jurisdiction of the Department of the Interior. I feel that it would be preferable to have these funds appropriated directly to the Department primarily responsible for the welfare of the Indians.

In view of the foregoing I recommend an appropriation of $1,350,000 for the Indian Service for the fiscal year 1940 to be available for the continuation of Indian rehabilitation and relief projects, including necessary administrative expenses.

For the following agencies for administrative expenses incident to carrying out the purposes for which the foregoing appropriations have been requested, I recommend the amounts indicated:

(1) Civil Aeronautics Authority		$250,000
(2) General Accounting Office		5,225,000
(3) Treasury Department:		
(a) Procurement Division	$5,200,000	
(b) Division of Disbursements	2,500,000	
(c) Office of the Treasurer	675,000	
(d) Secret Service	250,000	
(e) Division of Accounts and Deposits	6,000,000	
(f) Public Health Service	300,000	
		14,925,000
(4) U. S. Employees' Compensation Commission		5,250,000

The funds recommended for appropriation to the United States Employees' Compensation Commission are sufficient to provide for the reimbursement of Federal hospitals for hospitalization of persons paid from relief appropriations in the same manner as they are now reimbursed for the hospitalization of other Federal employees paid from regular appropriations. I feel that the necessary authority to make such payments should be included in this year's legislation.

I request also that in connection with the foregoing appropriations, as in the past, provision be made to continue the work of the National Emergency Council, the National Resources Committee, and the rural-rehabilitation program of the Puerto Rican Reconstruction Administration. For this purpose I recommend the following appropriations for the fiscal year 1940:

(1) National Emergency Council	$1,500,000
(2) National Resources Committee	990,000
(3) Puerto Rico Reconstruction Administration	10,000,000

In order that the agencies concerned may have an opportunity to formulate definite plans for the next fiscal year

it is desirable that the necessary legislation be enacted at as early a date as possible and that the funds be made available on the passage of this legislation.

It may be of interest to the Congress to know that through the Department of State we have received many assertions that there are few unemployed persons in the nations which have accepted totalitarian forms of government.

In those nations private employment takes care of a smaller proportion of their employable citizens than private employment does in the United States.

This means that government employment is responsible for the care of a larger portion of the employable population than in this country, creating in fact a government employment system, based in great part on the manufacture of munitions, which costs far more than our system.

The principal difference is that in the nations to which I refer, this employment is called employment, whereas in the United States it is called relief.

Actually, our system of work relief is relatively far cheaper than the other method and as at present constituted does take care of the great majority of the needy unemployed who are able to work.

I trust that the people will not be deceived by the terminology and will not assume that the totalitarian methods of government are more effective than our own.

The system which we have favored in the United States during the past 6 years is by no means perfect. It can be improved, but not at the expense of substituting the dole for work relief, nor by turning the management of works projects back to the sole care of the many thousands of local governments. It will be said by history, after much political smoke has cleared away, that the Federal Government's handling of work relief has been one of our most efficient administrative accomplishments.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 27, 1939.*

The PRESIDING OFFICER. The message, with the accompanying papers, will be printed and referred to the Committee on Appropriations.

Mr. LODGE. Mr. President, I note with considerable gratification that in this message the President comes out in support of distributing funds to the States by a formula. I quote:

> Any formula that may be devised for this purpose and written into legislation should take in account not only the factor of population but also the constantly changing economic and unemployment conditions in various sections of the country. Allocations should be made on the basis of jobs to be provided and not on the local basis of funds to be distributed.

As a member of the Special Committee on Unemployment and Relief, I may say that those of us in the minority have constantly contended for a formula in the allocation of the funds. Last year a motion to that effect was defeated in the Senate by a vote of 56 to 17. This year the formula was not only recommended but all members of the minority of the committee signed a report recommending allocation of the benefits on the basis of jobs to be provided. The language which the President uses in this message is virtually verbatim the language which we used in our report.

It would indeed be gratifying to think that the President had read the minority views of the Republican members of the Committee on Unemployment and Relief, but whether he has or has not it is certainly a great thing for the country that he has come out in support of them.

Mr. HATCH. Mr. President, I am a member of the majority of the committee, and I wish to say that the majority members of the committee have steadfastly and at all times held out for the adoption of a formula for the allocation of the funds. I think that is correct, without question.

There has been some difference from time to time between the majority members and the minority members as to the formula which should be agreed upon, but never at any time have the majority members of the committee had any opposition to a formula. Under the leadership of the chairman of the committee, the Senator from South Carolina [Mr. BYRNES], we have been most strenuous in our efforts not only to adopt a formula, but to find out what would be a proper formula, which is no small task or undertaking, I am sure all Senators who have given any thought or study to the question will agree.

I also wish to make a remark about the message of the President in general, with which I may say I am in wholehearted sympathy and accord. I call attention to the fact that in the message the President has pointed out the decrease in the amount of money necessary to be appropriated for the coming year, thus carrying out the very principles for which not only the President of the United States but for which the Democratic majority in the Congress have always argued and contended, that necessary and proper as the work has been, as beneficial as it has been for the country, the time must come when we will have to reduce expenditures. That time can only come, in the view and opinion of many of us, when our national income rises correspondingly. The President wisely points out the rise in national income which is taking place.

I am sure I will be pardoned for making a brief reference to the part of the message of the President, which I now read, not only because I heartily approve of it, but because there is pending in the other branch of the Congress a bill which deals with the subject the President now discusses:

> The Congress has recently made provisions against improper political activity on the part of persons connected with the work-relief program—provisions affecting not only Federal employees, but all persons who may be in a position to bring improper pressure to bear. Such legislation was recommended in my message of January 5, 1939, and has my hearty endorsement.

I am reminded now that at the time those amendments were being discussed on the floor the leader on this side asked if the amendment covered the features of the President's message in January of this year. The President's message says:

> Such legislation was recommended and has my hearty endorsement.

The bill to which I referred as pending in the other House of the Congress makes those provisions of law to which the President refers permanent legislation, and if they are enacted it will not be necessary to incorporate them each year in the appropriation bills. But for the benefit of the Committee on Appropriations I ask, in line with the President's suggestion, that in the new bill those provisions which were contained in the bill written this spring be rewritten.

Mr. BARKLEY. Mr. President, in this connection, and in connection with the remarks of the Senator from Massachusetts [Mr. LODGE], I may say that in the bill now on the calendar, which came from the Committee on Unemployment and Relief, of which the Senator from South Carolina [Mr. BYRNES] is chairman, there is a section providing a formula for the allocation of funds appropriated for relief purposes. The question of how to distribute these funds has been before Congress when each appropriation has been under consideration.

It is not an easy matter to devise an exact formula which will do justice to all the States. What we are all trying to do is to provide relief from unemployment, and there are some States in the Union where the unemployment situation may not be reflected in any sort of census which may be taken. That is true particularly of agricultural States. Unemployment in the rural sections is not always reflected by the unemployment records in the cities of those States, because it is not so easy for a man in a rural section to walk or ride a few blocks to find an employment office, or a W. P. A. certifying agent, where he may register as unemployed.

The committee in considering that question, and I think the Congress in considering it must decide whether a formula which is based purely on some unemployment census in the States would work equitably and justly among all the States. So, in order to arrive at what seemed to be a fair compromise, the Byrnes bill reported from the Committee on Unemployment and Relief provides a formula,

one half of the amount to be distributed according to population, and the other half according to unemployment.

In dealing with this question, we have attempted to arrive at a formula, and by splitting the fund in two parts, and basing its allocation one half on population and the other half on unemployment, according to the records of unemployment, the committee felt that that would work out a just formula for consideration as nearly as was possible.

It would not be fair to base the allocation entirely on population, because, it seems to me, that would not recognize sufficiently certain States which may or may not have a proportion of population relative to the population of the whole country. To base it entirely upon unemployment might be an injustice to some other States where the unemployed are not registered in any office recognized by the Government.

If any fairer or more just formula can be devised, I am certainly ready to accept it. But the committee from which this bill came was not able to work out a different formula, one which they thought would be fairer to all the States in proportion both to population and to unemployment.

When the matter comes before the Senate again, either in a substantive bill or in a bill making appropriations for next year's relief work, I am sure the Senate and the House together will be able to work out a just and equitable formula, insofar as that can be done.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. DANAHER. As I understood the Senator's explanation with reference to the previous comment of the Senator from Massachusetts, the Senator from Kentucky said that one of the objects of the committee was to be fair to the States. I think I quote him correctly.

Mr. BARKLEY. I meant to all of them, yes; so far as possible.

Mr. DANAHER. As I apprehend the problem of unemployment as a national one, if we are to be fair to the States in the matter of distribution, it would seem to me that fairness might depend, in that aspect of it, on the basis of the contributions by the States pro rata toward the cost of meeting such a national problem. I fail to see the logic in the explanation offered by the senior Senator from Kentucky, and it would seem to me that in any attempt to reach a fair formula in that particular we ought very properly to ascertain the extent of unemployment by States, and return relief administration to the States on a Federal grants-in-aid basis.

Mr. BARKLEY. Neither the President's message nor the remarks of the Senator from Massachusetts were based on any proposition involving contributions of the States to relief, or upon the question of the Federal Government putting up money and turning it over to the States to be expended by them. I was directing my remarks to the question of the formula. Whatever may be the requirement as to local contribution, it seems to me that would have no material effect on the formula by which the Federal Government would distribute its contributions.

I may say frankly to the Senator, while I am on my feet, inasmuch as he has injected the question, that I would not be in favor of the Federal Government putting up the money for relief, and then, without any strings upon it or any control over it, either as to personnel or type of project, turn it over to local authorities exclusively for administration.

Mr. DANAHER. Of course, Mr. President, my comment was based upon the Senator using as a touchstone, or test of his logic, fairness to the States in the matter of allotments and the matter of the quota.

Mr. BARKLEY. The Senator, as I understand, advocates turning the control back to the States. I do not know whether he means that the States shall put up the amount of money necessary to carry on relief or works projects, but he seems to wish to put upon the Government the lion's share of the contribution, but let the States control.

Mr. DANAHER. The problem is a national one. If we allot money when the Byrnes bill or any other bill comes along and raises the question, it seems to me it must be done logically and fairly to meet the job situation, or the amount and extent of unemployment per State. On no other basis can it logically be able to operate.

Mr. BARKLEY. But the formula cannot be worked out on a basis of how much a State is to be required to put up in order that the Federal Government will put up anything.

Mr. DANAHER. Of course not, Mr. President.

Mr. BARKLEY. So my remarks had no relation to that matter. We were talking about the formula under which the Government would contribute.

Mr. DANAHER. The Senator will remember that he had undertaken to find this formula in terms of being fair to the States. That is the only reason I was impelled to comment.

Mr. BARKLEY. Of course, the question of being fair to the States does not necessarily revolve around how much the States will be required to put up. I imagine no State will complain of unfairness if the Federal Government puts up the larger portion of the amount to be spent on public projects. The only situation I can imagine in which a State would complain of unfairness would be that the Federal Government required it to put up more than it could put up, or that it thought it ought to, in view of the fact that unemployment is a national question.

Mr. KING. Mr. President, I came into the Senate a moment ago and heard a discussion between the leader and my friend upon the other side, the Senator from Connecticut [Mr. DANAHER]. What I wish to say is not pertinent to the bill under discussion, but it seems to me it is pertinent to the discussion in which the two distinguished Senators to whom I referred have just been engaged. I think that the proper way of handling the relief situation has not as yet been adopted. It seems to me that the American people are rapidly coming to the point of considering that they are wards of the Federal Government. They want the Federal Government to take care of the unemployed. They appeal to the Federal Government for large contributions for housing and for practically every activity which belongs within the realm of private endeavor.

Some months ago I introduced a measure which I conceived to be of merit in dealing with the question of unemployment. I beg the Senate's indulgence for a few moments while I speak of it. The bill provides for allocation of funds to the States to provide relief and work relief. It provides:

That the President is hereby authorized to allocate to the States in the manner hereinafter provided any sums appropriated by the Congress for the purpose of enabling the States to meet the burdens of unemployment and to provide relief and work relief (including relief and work relief extended to needy young persons who have been unable to obtain employment or who would be unable to continue their education without assistance from the States).

The Governor of the State, in order to obtain the allocation which the President is authorized to make, would have to pursue the following course:

SEC. 2. (a) The Governor of any State may from time to time make application to the President for an allocation to his State of funds from any such sums. Any such application shall be in such form and shall contain such information as may, from time to time, be prescribed by the President, and shall be accompanied by a certificate signed by the Governor certifying—

(1) that such State is unable to meet the burdens of depression and unemployment and to supply the necessary means to prevent distress among its needy unemployed citizens and residents;

(2) that such State has made every practicable effort to meet its unemployment demands and to provide relief and work relief for its citizens and residents;

(3) detailed information with respect to the provisions that have been made by such State and its political subdivisions for relief and work relief and in relieving unemployment;

(4) the reasons why such State and its political subdivisions are unable to meet the demands and needs for relief within such State;

(5) that such State has set up a nonpartisan organization for the purpose of administering State relief; that such nonpartisan organization shall administer any funds that may be allocated to such State under this act; and that such organization has been and is efficiently operated and is so organized as to expend properly any funds that may be provided either by such State or under this act; and

(6) the purposes for which any funds that may be allocated to such State under this act shall be utilized and how such funds shall be disbursed.

In other words, the responsibility would rest upon the States to take care of the unemployed; and if a Governor, upon honor, certified that his State had so great a burden that it could not properly care for its responsibility, then, if he had set up such an organization as indicated, nonpartisan in character, and provided meritorious projects, he could then appeal to the Federal Government—that is, to the President—for relief. The bill provides:

(b) Upon receipt of any such application and certificate filed on behalf of a State, the President shall make such investigation as he may deem appropriate with respect to the facts set forth in such application and certificate. If, upon completion of such investigation, the President determines that an allocation of funds should be made pursuant to such application, he shall determine the amount of funds which should be so allocated and shall allocate such amount of funds to such State. The President shall then certify to the Governor of such State and to the Secretary of the Treasury the amount of such allocation. Thereafter, upon request of the Governor, the funds so allocated to such State shall be paid by the Secretary of the Treasury to such agency or agencies of such State or political subdivisions thereof as the Governor may designate, and at such times and in such amounts as the Governor may request.

SEC. 3. The President is authorized to appoint, without regard to the provisions of the civil-service laws, such officers and employees as he may deem necessary to enable him to carry out the provisions of this act.

There are other provisions, but they are all dependent upon the ones to which I have referred.

Mr. President, it seems to me that if we should adopt a plan of that character the States and the people within the States would more and more appreciate the fact that the responsibility rests upon the States; that they have problems which they may not devolve exclusively upon the Federal Government. Under the terms of the bill, after such agencies have been established in the States adequate to meet the situation, and the President is satisfied with the facts presented, then he may make such allocation of such funds as Congress may appropriate to meet the situation.

I believe that a measure of that kind would work a great reform and relieve us of many of the unpleasant experiences through which we have gone in the past.

TRANSCONTINENTAL TOLL ROADS AND FREE HIGHWAY DEVELOPMENT

Mr. BARKLEY. Mr. President, a while ago I had the floor to discuss briefly the unfinished business, and I yielded in order that a message from the President could be laid before the Senate. I understand the President has sent two other messages to the Senate, and I ask that they now be laid before the Senate.

The PRESIDING OFFICER. The Chair lays before the Senate a message from the President of the United States, which will be read.

The Chief Clerk read as follows:

To the Congress of the United States:

I transmit herewith a letter from the Secretary of Agriculture, concurred in by the Secretary of War, enclosing a report of the Bureau of Public Roads, United States Department of Agriculture, on the feasibility of a system of transcontinental toll roads and a master plan for free highway development.

The report, prepared at the request of the Congress, is the first complete assembly of data on the use being made of our national highway network. It points definitely to the corrective measures of greatest urgency and shows that existing improvements may be fully utilized in meeting ultimate highway needs.

It emphasizes the need of a special system of direct interregional highways, with all necessary connections through and around cities, designed to meet the requirements of the national defense and the needs of a growing peacetime traffic of longer range.

It shows that there is need for superhighways, but makes it clear that this need exists only where there is congestion on the existing roads, and mainly in metropolitan areas. Improved facilities, need for the solution of city street congestion, are shown to occupy a fundamental place in the general replanning of the cities indicated as necessary in the report Our Cities, issued in September 1937 by the National Resources Committee.

The report also points definitely to difficulties of right-of-way acquisition as obstacles to a proper development of both rural highways and city streets and makes important and useful recommendations for dealing with these difficulties.

I call the special attention of the Congress to the discussion of the principle of "excess taking" of land for highways. I lay great emphasis on this because by adopting the principle of "excess taking" of land the ultimate cost to the Government of a great national system of highways will be greatly reduced.

For instance, we all know that it is largely a matter of chance if a new highway is located through one man's land and misses another man's land a few miles away. Yet the man who by good fortune sells a narrow right-of-way for a new highway makes, in most cases, a handsome profit through the increase in value of all of the rest of his land. That represents an unearned increment of profit—a profit which comes to a mere handful of lucky citizens and which is denied to the vast majority.

Under the exercise of the principle of "excess taking" of land the Government, which puts up the cost of the highway, buys a wide strip on each side of the highway itself, uses it for the rental of concessions and sells it off over a period of years to home builders and others who wish to live near a main artery of travel. Thus the Government gets the unearned increment and reimburses itself in large part for the building of the road.

In its full discussion of the whole highway problem and the wealth of exact data it supplies, the report indicates the broad outlines of what might be regarded as a master plan for the development of all of the highway and street facilities of the Nation.

I recommend the report for the consideration of the Congress as a basis for needed action to solve our highway problems.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 27, 1939.*

[NOTE.—Report accompanied similar message to the House of Representatives.]

The PRESIDING OFFICER. The message with the accompanying papers will be referred to the Committee on Post Offices and Post Roads.

INTERTERRITORIAL FREIGHT-RATE PROBLEM—SURVEY BY THE T. V. A.

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Interstate Commerce:

To the Congress of the United States:

Herewith I submit a survey entitled "Supplemental Phases of the Interterritorial Freight-Rate Problem of the United States," which survey was conducted by the Board of Directors of the Tennessee Valley Authority, pursuant to Executive Order No. 6161 (June 8, 1933), by which are delegated to it certain powers granted to me by sections 22 and 23 of the Tennessee Valley Authority Act of 1933.

I am, also, herewith submitting a letter from the Tennessee Valley Authority, dated the 6th day of February 1939, forwarding the aforesaid survey to me, explaining its relation to the initial report on this subject submitted to the Congress on June 7, 1937, and published as House Document No. 264 (75th Cong., 1st sess.). This letter also restates the views of the Authority on the effects upon our national economy of the regional freight-rate discrimination disclosed in the two reports, and urges the adoption of appropriate legislation to eliminate this discrimination.

I invite the attention of the Congress to the suggestion, contained in the Authority's letter, that the report, with its accompanying tables and charts, be published as an official document.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 27, 1939.*

PUBLIC-SCHOOL BUILDING, FORT PECK RESERVATION, WOLF POINT, MONT.—VETO MESSAGE (S. DOC. NO. 70)

The PRESIDING OFFICER (Mr. SMATHERS in the chair) laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Indian Affairs and ordered to be printed:

To the United States Senate:

I am returning herewith without my approval enrolled bill S. 961, to authorize an appropriation of $50,000 for cooperation with the public-school board at Wolf Point, Mont., for completing the construction, extension, equipment, and improvement of a public-school building to be available to Indian children of the Fort Peck Indian Reservation, Mont.

The Second Deficiency Appropriation Act, fiscal year 1935, approved on August 12, 1935 (49 Stat. 571), included $50,000 for cooperation with the public-school board at Wolf Point in the construction or improvement of a public-school building to be available to Indian children of the Fort Peck Indian Reservation. Although this sum is to be recouped by the United States over a period of 30 years, it is my view that the extension of further financial assistance to the school district for the construction or improvement of school buildings would not be justified. It appears that, at the close of the fiscal year 1938, the district had on hand the sum of $27,000. This would indicate that it is not in a serious condition financially.

I am informed that there are 940 white children and 280 Indian children in the district; that is, one-third of the children living in the district are Indians. Somewhat less than one-fourth of the number enrolled in the Wolf Point public schools are Indians. The Department of the Interior is paying tuition for the 160 Indian children enrolled and, if a good attendance of Indian children is maintained, the district can earn something over $16,700 through tuition payments.

For the foregoing reasons, I am compelled to withhold approval of the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 27, 1939.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes, and that the House had receded from its disagreement to the amendments of the Senate numbered 34 and 36 to the bill, and concurred therein each with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5219) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 17, 19, and 20 to the bill, and concurred therein, and that the House receded from its disagreement to the amendment of the Senate numbered 12 to the bill and concurred therein with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a joint resolution (H. J. Res. 279) making supplemental appropriations for printing and binding and stationery for the Treasury Department for the fiscal year ending June 30, 1939, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 279) making supplemental appropriations for printing and binding and stationery for the Treasury Department for the fiscal year ending June 30, 1939, was read twice by its title and referred to the Committee on Appropriations.

STREAM POLLUTION CONTROL

The Senate resumed the consideration of the bill (S. 685) to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes.

Mr. BARKLEY. Mr. President, I desire to make a very brief statement with reference to the bill which has been made the unfinished business of the Senate. I will say at the outset that I hope we may dispose of the bill this afternoon. If we do, it is my purpose to move an adjournment until Monday.

The bill under consideration deals with stream pollution. We all realize that as population has increased, and our industrial development has been concentrated along our navigable—and in some cases nonnavigable—waterways, the question of protecting the health and the lives of the people has become in some communities very important and acute.

I do not wish publicly to name any sections of the country or any cities, although they were referred to in the hearings. However, in certain communities in the United States, by reason of the pollution of water either by cities or by manufacturing plants, the water has become a menace to the health and life of the people. In some communities the public-health authorities have been on the verge of condemning the water supply because of its impurity. Various State health authorities have attempted to deal with the question, and in many cases have dealt with it in considerable degree, but not adequately.

In nearly all the States where there are navigable streams, or streams which flow into navigable rivers, or into harbors or bodies of water of any sort, the health authorities have been giving their attention to methods by which the supply of water might be kept pure in order not to endanger the lives and health of the people.

Moreover, as our population has increased and our industrial development has been concentrated, the public authorities in the States, counties, and cities have been compelled, as a matter of self-defense, to give attention to these problems and try to work out a solution.

I dare say that no industrial plant in America would deliberately, and with malice or premeditation, pollute the supply of water to be consumed by the people. I dare say no municipality in the country would deliberately do so; and yet the conditions are such that innocently, and without any such intention, probably due to lack of suitable precautions taken in advance, and in many cases inability for financial and other reasons to install the necessary purification devices, a condition has grown up under which it has become necessary for Congress to take note of the problem and deal with it.

This problem has been before Congress for a number of years. Hearings have been had before the appropriate committees of the House and Senate. In the previous Congress I introduced a bill in the Senate—and a companion bill was introduced in the House—undertaking to make a beginning in working out the solution of the question of stream pollution. The bill passed both House and Senate almost unanimously, and went to the White House. It was vetoed by the President on the sole ground that the bill did not provide that the appropriation authorized should go through the Budget Director. So for purely budgetary reasons the President vetoed the measure and sent it back to the Congress. I have reintroduced the bill practically as it was passed by the two Houses, eliminating the objectionable part which brought about the President's veto.

The bill sets up in the Public Health Service what is called a Division of Stream Pollution. It authorizes the Division of Stream Pollution, under the direction of the

Surgeon General and in cooperation with the Chief of Engineers of the Army, to make a survey and investigation of stream pollution throughout the country, and to work out a plan in cooperation with the States and communities. The Division of Stream Pollution is to be made up largely of sanitary engineer officers in the Public Health Service. As I say, the bill sets up a Division of Stream Pollution, and authorizes the Surgeon General and the Division of Stream Pollution to investigate conditions, work out plans and submit them to Congress, and cooperate with the health officers of all States, counties, and municipalities in a voluntary effort to clean up the unclean conditions which exist in certain of our streams out of which the people take their drinking water and the water which they use for all purposes.

The bill also gives the consent of Congress to the formation of compacts among States for the purpose of making their own arrangements and entering into their own agreements to bring about the purification of streams which are subject to conditions which may endanger the public health and life.

The bill provides for reports to be made to Congress. It also provides that cities and municipalities which, through their sewerage systems or otherwise, are emptying into navigable streams or their tributaries unclean matter which is conducive to injury to health and life, shall be eligible for what are called grants-in-aid and loans to enable them to carry out purification projects.

It also makes eligible for loans and grants-in-aid certain persons or corporations engaged in the manufacture of commodities of any sort on the banks of streams or upon their tributaries whose operations result in unclean conditions. In other words, the bill proposes to begin a plan of cooperation between the Federal Government and States, counties, cities, and private industries in an effort to rectify the conditions which I have described.

There is no opposition anywhere to making this effort. No one, I think, would take the position that we ought not to make a beginning in cleaning up the streams, because it is, of course, inconsistent for us, as a nation, to undertake to improve health conditions, to undertake to improve housing conditions, to undertake to set in motion those governmental activities which may contribute to what we have always been pleased to call "life, liberty, and the pursuit of happiness," if we are not willing, in the light of new conditions which we confront, from time to time to take the steps that are necessary to effectuate those purposes and to protect the people against their loss. The only difference of opinion, Mr. President, among those who advocate taking the step is as to the method to be adopted in doing so, and the length to which we ought to go in the initial step to bring about correction of stream-pollution conditions.

The bill which I have introduced, and which was passed by the Senate in the last Congress, as I have said, is a voluntary measure; there is no compulsion about it. I feel, as many of those, I believe most of those, who advocate legislation along this line feel, that in taking the first step we ought to take it cautiously; we ought to take it by way of cooperation between the Federal Government and the local governments and local industries, and then, if, after we have taken that step and have brought about as great a degree of purification and correction of this condition as is possible under the cooperative method, it is found necessary to adopt more drastic means in order to accomplish the result. Congress, of course, will be here to adopt those means as the need may be revealed.

After this bill was introduced and after it was reported unanimously by the subcommittee of the Committee on Commerce and reported unanimously by the Committee on Commerce to the Senate and put on the calendar, the Senator from Missouri [Mr. CLARK] introduced a bill dealing with the same subject, but dealing with it differently. He proposes to make the enforcement agency the Corps of Engineers of the United States Army. I may say that both bills provide for the creation of stream-pollution districts throughout the country and set up boards for that purpose; but the bill introduced by the Senator from Missouri provides that the Federal Government may institute injunction proceedings to compel a city or town or county or a private industry immediately to inaugurate the necessary proceedings and reforms in its set-up to bring about a cessation of the conditions which cause stream pollution. Those of us who advocate the voluntary method feel that throughout the country there are probably hundreds of communities, and it may be hundreds of private industries, that did not by design or premeditation set about to pollute the streams. They have been innocent so far as the violation of any law is concerned; they have not desired to bring about conditions that would endanger life and health. It has been one of those things which, like Topsy, just grew up.

It seems to me that to bring about as the first step the possibility of the Federal Government going into the Federal courts and enjoining a county, or a city, or even an industry that is not physically or financially able immediately to clean up its situation without first attempting to bring about the necessary cooperation by voluntary means, is taking too drastic a step at the beginning, and that it ought not to be done.

Mr. DANAHER. Mr. President——

The PRESIDING OFFICER (Mr. SMATHERS in the chair). Does the Senator from Kentucky yield to the Senator from Connecticut?

Mr. BARKLEY. I yield.

Mr. DANAHER. Does the Senator apprehend that the interstate compact feature requires the consent of Congress?

Mr. BARKLEY. Congress in this bill is giving its consent to the States to enter into such compacts. I imagine that it would be necessary, where a navigable stream forms a boundary between two States, for the States involved—certainly it would be desirable, at least, for them—to enter into a compact in order that arrangements might be worked out in an amicable way and with justice to both States. I understand that already in the East there is an understanding, or a working agreement, between the State of New York and the State of New Jersey, dealing with the East River and the Hudson River and other streams in the vicinity of the metropolis of the Nation. I do not know whether or not that answers the Senator's question, but I think it is desirable that provision be carried in the bill whereby Congress gives its consent to States to enter into compacts. The mere entering into compacts shows on the part of the States good faith and a desire to work out the matter locally, not through compulsion but through cooperation.

Mr. DANAHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield further to the Senator from Connecticut?

Mr. BARKLEY. I yield.

Mr. DANAHER. If the Senator will pardon a further interruption, I have in mind that there has been for several years the Ohio River compact which has at least seven signatories, and I think additional States have been added this year. Does the Senator happen to know whether or not the Ohio River compact has had the approval of Congress?

Mr. BARKLEY. I cannot offhand say; I do not recall that it has been submitted to Congress; I do not pretend to be accurate about that; but I have no recollection with reference to it.

Mr. DANAHER. Mr. President, may I further ask if the Senator is aware that representatives of four States and the District of Columbia have met within the last month to contemplate and arrange for an interstate compact affecting the Potomac River?

Mr. BARKLEY. Yes; I have noticed that negotiations have been proceeding dealing with the Potomac River.

Mr. DANAHER. So, we come back specifically, then, to my original question, if the States may legally enter into compacts among ourselves for the correction of this problem, wherein does the Senator apprehend that the consent of Congress is required?

Mr. BARKLEY. Of course, as the Senator knows, the consent of Congress has always been understood to be required in order that the States may enter into compacts.

Sometimes such compacts are submitted to Congress for ratification after they are entered into. There is now pending, I believe, before the Congress a compact between certain New England States that affects the distribution of power growing out of power dams. That compact has never been ratified. Sometimes Congress gives its consent in advance. Whether such advance consent precludes the necessity of bringing it back to Congress for ratification may be open to question; but I think that certainly where a compact among States would affect navigable rivers, over which the United States has jurisdiction, it would require the consent of Congress in order that the compact might become effective.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Illinois?

Mr. BARKLEY. I yield.

Mr. LUCAS. That is the very question I was about to discuss with the Senator from Kentucky. I ask him whether or not the bill which he has introduced and which is now pending before the Senate requires congressional approval after a compact has been entered into by and between various States?

Mr. BARKLEY. I do not think it does require a compact to be brought back to the Congress. I will refer to the section.

Mr. LUCAS. I should like to ask a further question, whether or not there is anything in the bill which would, in any wise, tend to interfere with navigation in connection with the provisions seeking to prevent or control stream pollution along the various rivers?

Mr. BARKLEY. There is nothing in this proposed legislation, I will say to the Senator from Illinois, that in any way impairs the jurisdiction of the Congress over the regulation of navigation of the various streams. It does authorize the Surgeon General to cooperate with the Chief of the Corps of Engineers of the Army in working out plans by which stream pollution devices shall be installed, but it is not contemplated that any such devices will interfere with navigation and, if they should do so, there is nothing in the bill which would in any way take away from Congress or from the Federal Government, or the Corps of Engineers, under acts of Congress, the right to regulate such matters insofar as navigation is concerned.

Mr. LUCAS. Mr. President, the only question I have in mind is the right of Congress ultimately to approve State compacts. It strikes me that it is the better part of wisdom, when we delegate the power, in the first instance for the States to enter into compacts whether the control of stream pollution or any other matter affecting the rights of the States, and that then it is a pretty safe practice for the States to submit such compacts to the Congress in order that Congress may ascertain what they have done, and approve the action taken.

Mr. BARKLEY. I will read the section. It is very brief:

(c) The consent of the Congress is hereby given to two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative effort and mutual assistance for the prevention and abatement of water pollution and the enforcement of their respective laws relating thereto, and to establish such agencies, joint or otherwise, as they may deem desirable for making effective such agreements and compacts.

That provision does not require that the compacts shall be brought back to Congress; but it does provide that the compacts shall not in any way be in violation of any act of Congress. Of course, that presupposes any future act as well as any act in the past, because under the Constitution Congress always retains its right to regulate commerce, which means the regulation of the means of commerce, including our navigable streams.

So far as I am personally concerned, I should have no objection to requiring that the compacts be brought back to Congress for ratification; but such a provision was omitted because it did not seem of sufficient importance to justify the possible delay involved in bringing about these compacts, which really are to deal with the cooperative efforts of the States in enforcing their own laws on the subject of sanitation as well as the prevention of stream pollution.

Mr. LUCAS. But if I correctly understand the matter, one section of the bill provides that the Army engineers shall work in conjunction with the engineers of the various States, and that the compacts must have the approval of the Army engineers before they can be made effective.

Mr. BARKLEY. Of course, that would be true if they affected navigation. If a compact did not affect navigation—for instance, if it dealt with a device located on some nonnavigable tributary of a navigable stream—while, of course, the Chief of Engineers would be consulted in regard to the possibility of any such device built on a nonnavigable tributary affecting the navigation of the stream into which it might flow, it is hardly conceivable that in working out these stream-purification devices the navigation of a navigable river would be in any way interfered with.

Mr. DANAHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Connecticut?

Mr. BARKLEY. I yield, unless the Senator from Illinois desires to ask further questions.

Mr. LUCAS. No; that is all I desire to ask the Senator from Kentucky.

In conclusion, if I may make one further observation, I will say that, having lived in the Illinois Valley all my life, and having personally witnessed some of the things that have happened to plant, vegetable, and fish life in the Illinois River as a result of the pollution of the streams, it strikes me that the bill introduced by the Senator from Kentucky is a most meritorious one. I merely wanted to discuss with him primarily the question of compacts between the States because I still think, as I said at first, that it is the best practice to leave nothing to the States in the beginning that the Congress of the United States might not ultimately approve.

Mr. BARKLEY. In that connection, I will say to the Senator that section 2 of the bill provides that the Division of Stream Pollution—

Shall, after careful investigation, and in cooperation with the Chief of Engineers of the War Department, other Federal agencies, and the agencies of the several States authorized by law or duly designated to deal with water pollution, and in cooperation with the municipalities and industries involved, prepare comprehensive plans for eliminating or reducing the pollution and improving the sanitary condition of the navigable waters of the United States and streams tributary thereto—

And so forth. They are required to cooperate with the Chief of Engineers of the War Department.

Mr. DANAHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Connecticut?

Mr. BARKLEY. I do.

Mr. DANAHER. As bearing upon the question of the Senator from Illinois and the reply of the Senator from Kentucky, I should like the Senator's permission to read into the RECORD at this point a provision from article I, section 10 of the Constitution:

No State shall, without the consent of Congress * * * enter into any agreement or compact with another State.

That quotation, of course, excises the irrelevant language.

Mr. BARKLEY. Yes; that is true. I think the Constitutional Convention had in view the possibility that at some time in the future States might undertake to enter into agreements that might very materially affect the power of the Federal Government itself, and in that very article they provided against such agreements.

Mr. DANAHER. Since a great part of the core of this bill finds me in complete agreement with its purpose, but I differ from the Senator from Kentucky as a matter of principle in other particulars, I have asked permission to interject into the RECORD at this point that particular reference, for later use.

I thank the Senator for his courtesy.

Mr. BARKLEY. Mr. President, that is all I wish to say. That, in brief, explains the bill. I think Senators understand it. For the time being, I yield the floor.

Mr. DANAHER. Mr. President, at the time Senate bill 685 was first called up I submitted an amendment and asked that it lie on the table. The amendment has been printed, and I ask that it be read at this time.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 4, it is proposed to strike out lines 7 to 25, inclusive.

On page 5, it is proposed to strike out lines 1 to 19, inclusive.

On page 5, it is proposed to strike out lines 20 to 25, inclusive, and all of pages 6, 7, 8, and 9 down to and including line 22 on page 10.

On page 12, it is proposed to strike out lines 1 to 14, inclusive.

Mr. DANAHER. Mr. President, insofar as the bill introduced by the Senator from Kentucky undertakes to create a Division of Water Pollution and inject it into the United States Public Health Service, there can be no slightest objection. Insofar as it would conform to our general understanding of centralizing a bureau as a clearing house, so to speak, for information as to water-pollution-control methods, such a division would be of eminent value.

There is no question that the division should encourage cooperative activities among the several States looking to the eradication of water pollution. It seems to me there can be no quarrel with the objective of granting permission in advance for States to enter into interstate compacts. I believe the leading feature of the bill is the largest and the most eminently worth-while contribution of this particular measure, in that in advance it encourages the States to enter into interstate compacts looking to pollution control.

There surely is no objection to section 3 nor to section 4 of the bill as drawn.

When, however, we get into the idea of grants-in-aid from the United States Treasury to the several States, or even to persons, to corporations, to mining concerns and the like, we are entering into a brand-new field. If we are to undertake to make grants-in-aid from the United States Treasury to these individuals, if you choose, who pollute the waters and then come to the United States Treasury and ask for appropriations to rid the waters of the pollution which they themselves have brought about, it seems to me we shall have gone a long way outside the scope of what we have hitherto known as proper governmental activity. It seems to me that once we undertake to make grants-in-aid, the next step will be that we shall be annually expected to keep up the water-pollution treatment that is undertaken pursuant to this Division of Water Pollution Control.

Mr. KING. Mr. President, will the Senator yield?

Mr. DANAHER. I yield to the Senator from Utah.

Mr. KING. I am not very familiar with the bill, not being a member of the committee which considered it. Does the Senator contend that the bill would require the States or the Federal Government to make grants to the States to aid in the removal of pollution which, for instance, a manufacturer in the Senator's State might pour into a stream? Would the Federal Government have to make a grant-in-aid of removal from a stream of the pollution caused by the Senator's mill, for instance?

Mr. DANAHER. Yes, Mr. President, or by any person. The bill does not have in it the element of compulsion, as the Senator understands; but on page 5 of the bill, line 9, we find in section 6 this language:

> Such grants-in-aid or loans shall be made upon such terms and conditions as the President upon the recommendation of the Secretary of the Treasury may prescribe.

Does that answer the Senator's question?

Mr. BARKLEY. Mr. President——

Mr. KING. Then it would mean, for instance—if I may be pardoned for alluding to the Senator's mill—that if the Senator's mill should pour pollution into a stream, he could then apply to the Federal Government for a grant to help remove the pollution, and if the President should approve of that grant it would be made, and the Federal Treasury would be called upon to appropriate money for the purpose of aiding in the removal of the pollution?

Mr. DANAHER. Not only that, Mr. President; but if my mill has not yet begun to cause any pollution, if I am merely going to build a mill which may cause pollution, I may apply, even in advance of building the mill, for a grant-in-aid to eliminate the pollution which my mill will cause if I have one.

Mr. BARKLEY. Mr. President——

Mr. DANAHER. I yield to the Senator from Kentucky.

Mr. BARKLEY. I do not want to interrupt the Senator; but, of course, the Senator agrees that there is no compulsion to make the loans. The bill simply provides that these municipalities and persons shall be eligible.

Mr. DANAHER. That is true.

Mr. BARKLEY. And, if a loan is made, it is to be made according to the terms fixed by the Secretary of the Treasury. I am sure, however, that the Senator from Connecticut, as well as the Senator from Utah, realize that there are many concerns as well as municipalities in the country which did not start out for the purpose of polluting streams or destroying life or injuring health, but, as a matter of fact, they have done it. They have done it because of the character of the products which they turn out.

This is not primarily a bill to help a city from a financial standpoint, or to help a person or a corporation from a financial standpoint. This is a public-health measure. It is based upon the theory that there may be many such communities, municipal and otherwise, and many such persons, including corporations, that are not financially able to install the necessary devices or plants or purification machinery to protect the public from the consumption of polluted water. In such cases it is the theory of the bill that the public health and the public welfare are so intimately involved that the Government of the United States, after investigating each particular case on its merits, would be justified in advancing money for this purpose, not for the benefit of the corporation or the city but for the benefit of the public in the community. It is purely upon that basis that loans and grants-in-aid are provided for.

Mr. DANAHER. Mr. President, the explanation offered by the Senator from Kentucky is adequate insofar as it goes. I quite realize that the mere fact that there is a bill on the calendar and that there will be approval by the Secretary of the Treasury, does not mean that the individual or corporation will get the money, for there still will have to be an appropriation. It is stated in the bill that the grants-in-aid shall be made upon such terms and conditions as the President shall provide. In his memorandum of disapproval of last year's bill the President stated:

> This bill provides for the legislative assumption of responsibilities of the executive branch, and, therefore, runs counter to the fundamental concept of our budget system that the planning of work programs of the executive agencies and their presentation to Congress in the form of estimates of appropriation is a duty imposed upon the Chief Executive and not one for exercise by the legislative branch.

If we have reached the point where the funds to be allocated are not to be under the control of the legislative branch with reference to their relation to the Budget as a whole, it seems to me that it is well nigh time that we looked further into the bill.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. BARKLEY. Of course, the Senator realizes that the President's fundamental objection was that the appropriations authorized in the bill did not have to go through the Budget Bureau, as all other estimates have to go through the Budget Bureau. That has been corrected, because under the bill as now drawn they must go through the Bureau of the Budget and a Budget estimate is required. That was a technical objection, of which I make no complaint, and I have, of

course, accepted the attitude of the President and have attempted to correct the defect. But that does not go to the fundamental question, because the President made no objection to the appropriation. He did not veto the bill because it authorized the Secretary of the Treasury to make loans and grants under certain conditions when investigations justified them. He objected merely because of the route the appropriation would take after it was recommended.

Mr. DANAHER. Does not the Senator apprehend that when the President says the duty is imposed upon the Chief Executive and is not one for exercise by the legislative branch, he indicates the extent to which the planning of these additional programs should be approved?

Mr. BARKLEY. I think the President was referring to the Budget law, which requires that all estimates shall come from the Bureau of the Budget, and that primarily, of course, it is an executive function to estimate through the Budget properly the amounts which will be appropriated for any purpose by the Congress. I think that is the proper interpretation of the President's language.

Mr. DANAHER. Mr. President, I send to the desk a copy of the President's memorandum of disapproval of the bill last year, and ask unanimous consent that it be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM OF DISAPPROVAL

I have withheld my approval of H. R. 2711, "An act to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes."

This bill authorizes the appropriation of $300,000 for administrative expenses of the Division of Water Pollution Control, $700,000 for expenditures by State health authorities for the preparation of project requests, and in addition, such amounts as may be necessary for loans and grants-in-aid of States, municipalities, public bodies, or individuals to carry out projects for treatment works to prevent water pollution.

I appreciate the importance of the results sought to be accomplished by the legislation, and I fully approved the establishment of a Division of Water Pollution Control in the Public Health Service. This bill, however, provides for the direct presentation, through the Secretary of the Treasury, of the recommendations of the Surgeon General for the authorization by Congress of specific projects to be carried on under the loan or grant-in-aid provisions of the bill, without any opportunity for review by the Chief Executive.

Thus this bill provides for the legislative assumption of responsibilities of the executive branch, and, therefore, runs counter to the fundamental concept of our budget system that the planning of work programs of the executive agencies and their presentation to Congress in the form of estimates of appropriation is a duty imposed upon the Chief Executive and not one for exercise by the legislative branch.

I am convinced that appropriations for projects of this character should be based upon estimates submitted in the annual Budget. Only in this way can the merit of such projects be considered in their proper relation to the merits of other projects of a similar nature, and all of these projects be then considered in their relation to the needs of the other Government activities that are presented for incorporation in the annual Budgets.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 25, 1938.*

Mr. DANAHER. Mr. President, the further objection to this grant-in-aid provision arises from another feature which seems to me worthy of the attention of the Senate.

The National Resources Board, to which the President referred in his message to the Congress on February 16, 1939, estimates that there can be no quick and easy solution of these problems, and that the cost will be approximately $2,000,000,000. That, of course, covers a period of from 10 to 20 years.

There is nothing to indicate what projects are to be recognized as of prime importance, and there is nothing to indicate—quite the contrary—that the one the Senator and I might think was most pressing would not even be approved at all.

On page 8 of the bill we find provision that the Board shall recommend the order of sequence of priority. For instance, it is estimated that more than 1,000,000,000 gallons of sewage are deposited into the navigable waters about New York City every day. That means that more than a million tons of solids are deposited in the waters of New York Harbor and environs of New York City every day, and the United States Government today is cleaning it out, dredging the harbor all the time. If the Government has the power and the right to undertake to control the navigable waters of the United States, and such a constant menace to health as has been referred to has been in existence all these years, it would seem to me that we might very properly ask ourselves just exactly where to go with this program.

I believe that the proper way to approach it is for the lower riparian owner in any given State, who is on a stream which is being polluted by an upper owner, to bring suit and avail himself of his remedy in court. The law courts exist, and adequate remedies are provided.

The State of New Jersey was sued by the State of New York in the United States Supreme Court about 20 years ago, and the United States of America intervened in the case, and, as a result, there was constructed at Passaic an intercepting sewer which ran all down the east coast of New Jersey to divert sewage from the navigable waters of the United States.

The State of Kentucky has a remedy against the State of Pennsylvania. The State of Ohio has a remedy against the State of Pennsylvania. There is no question in the world that the lower riparian owner, if someone is constantly committing a nuisance, has the right to have the nuisance abated in the courts of our land, without asking the United States Government to contribute in any sense toward the removal of the pollution which is put into the waters by the States themselves.

In the report of the committee on the bill, submitted by the senior Senator from North Carolina [Mr. BAILEY], we find this statement, and perhaps it is revealing:

At a time when the Federal Government is spending, it is well to encourage legislation which will direct this spending along wise and useful lines.

That, I take it, Mr. President, is the keynote of the attempt to inject the United States Treasury into the grant-in-aid provision for removing pollution in States when the States themselves cause the pollution. I believe the amendments, every one of which is directed, as already reported, to the removal of the grant-in-aid feature, ought to prevail. I believe that creating a central division for a clearing house of information in the United States Public Health Service is an admirable provision, and there will be available under the bill a million dollars a year, approximately, for the purposes of ascertainment of the extent and plans and scope of the project thereafter. I believe that this new division, once we create it, can bring in next year an outline of its plan and what it wants to do. It can thereupon ask the Congress appropriately to direct its attention, rather than leave to Budget control, if you choose, to the Executive if you choose, the decision in relation to the whole amount of the appropriations for the coming year, and the projects which we will approve, and thereafter we will have something to say as to where the money is to go, and whether by way of grants-in-aid, or otherwise.

Mr. BARKLEY. Just a word, Mr. President, in reply to the Senator from Connecticut.

Of course, if every community in the United States and every industry in the United States had on hand a surplus amount of money in their treasuries sufficient to enable them to do all these things, I would not insist that there be any provision for a loan or grant to any of them. But certainly there is no more worthy purpose for which the Federal Government could lend its money, which is to be paid back, except as far as the grants are concerned, than to protect and provide for the health of the American people. The people on the various streams are helpless insofar as controlling the flow of water is concerned. The people in Louisville, or Cincinnati, or Cairo, Ill., or Huntington, W. Va., have no power to control what occurs to the water above them. They have no power to control the floods which sweep down on them. Yet the Federal Government

is undertaking to protect them against the floods, and they have just as little power to control the pollution which goes into the streams above those cities as they have to control the floods.

If they need assistance, not only in protecting themselves from what comes from above, but to protect those below from what they innocently do, if they need help, certainly it is a modest provision that not more than 33⅓ percent of the cost of the entire project shall be contributed by the Government of the United States.

Extending the assistance may mean the difference between being able to do the job and not to do it, and it will always be within the control of Congress. Only Congress appropriates the money.

This is merely an authorization. I know it is stated that when an authorization is made, it is usually followed by an appropriation. But we have a pretty alert and active watchdog of the Treasury in the Committee on Appropriations of the United States Senate, and unless that committee recommends an appropriation, or the Senate overrules it if it does not recommend an appropriation, to carry out the provisions of the proposed legislation, there would never be any assistance rendered cities, States, counties, or industries. Inasmuch as the amount available is always within the control of Congress, and inasmuch as there are many communities which can never even begin a purification program unless they receive assistance, it seems to me that there is no more worthy object toward which we might make loans and grants than in enabling our people to protect themselves against the insidious impurities of which they have no knowledge, and which can only be discovered after the people have contracted some disease and have called in a physician, or until the health authorities in the communities have condemned the water which the people are consuming.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. DANAHER. Of course, the Senator must be aware of the fact that I am deeply sympathetic with the objective he seeks. I am.

Mr. BARKLEY. Yes, I know; but the Senator is not willing to authorize this modest appropriation to help bring it about.

Mr. DANAHER. Mr. President, as a matter of principle, is it not the fact and is it not the law that the State of Kentucky, if we choose to take that State, to which the Senator has adverted, has a right of action in the United States Supreme Court against an up-river State which is polluting a river?

Mr. BARKLEY. I should not like to pass categorically upon that question with a curbstone opinion. I am not certain that the State of Kentucky or the State of Missouri can bring suit against the State of Pennsylvania, for instance, because some coal operator in the State of Pennsylvania has allowed some deleterious matter to run into a nonnavigable stream, which finally runs into the Monongahela, and from the Monongahela into the Ohio, and then finally down into the Mississippi.

Mr. DANAHER. It therefore necessarily brings us to this ultimate point in logic, that if what is provided by the bill is voluntary, if there be no compulsory feature, stream pollution cannot be eliminated anyway.

Mr. BARKLEY. We can at least try the cooperative method; we can at least try the spirit of cooperation, both from an official and sanitary standpoint, as well as from the standpoint of finance. We can at least start out by making an effort to bring to communities the assistance of the Federal Government in the matter of investigation, and the influence of its great health department upon the local communities to help clarify these situations. Not only that, but we can make a modest effort to help them financially to carry out whatever plan they may ultimately agree upon.

For that reason I hope that the amendment of the Senator will be disagreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut [Mr. DANAHER].

Mr. HOLMAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll and was interrupted by——

Mr. HOLMAN. Mr. President, I ask unanimous consent to withdraw the suggestion of the absence of a quorum.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? The Chair hears none, and the order for the roll call is rescinded.

The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. DANAHER].

The amendment was rejected.

Mr. CLARK of Missouri obtained the floor.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. MALONEY. Mr. President, I have an amendment which I should like to offer, if it is in order to do so now, before the Senator from Missouri offers a substitute for the bill.

The Senator from Kentucky [Mr. BARKLEY] has agreed to accept my amendment. I have also taken the liberty of speaking to the Senator from Missouri [Mr. CLARK], who would have no objection to accepting my amendment if his amendment in the nature of a substitute should be agreed to.

I send to the desk an amendment which I ask to have stated.

The LEGISLATIVE CLERK. On page 3, line 18, after "Sec. 3", it is proposed to insert "(a)"; and on page 3, after line 25, it is proposed to insert the following new subsection, as follows:

(b) The Division, upon the request of any municipality, shall make a periodic test of the water at any bathing beach within the limits of such municipality, and shall make a report to such municipality as promptly as possible with respect to the existence of water pollution at such bathing beach and shall make definite recommendations for the correction and elimination of any deleterious conditions which are found to exist.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut [Mr. MALONEY].

The amendment was agreed to.

Mr. CLARK of Missouri. Mr. President, I offer an amendment in the nature of a substitute for the entire bill. I move to strike out all after the enacting clause and to insert certain language, which I send to the desk and ask to have read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and in lieu thereof to insert the following:

There is hereby created in the Army Engineer Corps a Division of Water Pollution Control (hereinafter referred to as the Division). The Division shall be in charge of a commissioned officer in the Army Engineer Corps detailed by the Chief of Engineers, whose duties it shall be to administer the provisions of this act.

SEC. 2. (a) The Division shall, after careful investigation and in cooperation with the Surgeon General of the United States Public Health Service, the Chief of the United States Biological Survey, the Commissioner of Fisheries, and the Chief of the United States Forest Service, which four shall constitute an advisory committee, perform the duties imposed upon it by this act and shall make such rules and regulations as may be necessary for carrying out its provisions.

(b) The Division is authorized to appoint and fix the compensation of such officers and employees, and to make such expenditures, as may be necessary for carrying out its functions under this act.

(c) The Division shall make a full report to Congress at the beginning of each regular session of the administration of the functions with which it is charged.

COOPERATION WITH STATE AGENCIES

SEC. 3. (a) The Division shall cooperate with agencies of the several States authorized or designated by State law to deal with water pollution with a view to—

(1) Coordinating the activities of the several States relating to the prevention and abatement of water pollution;

(2) Encouraging the enactment of uniform State laws relating to water pollution;

(3) Encouraging compacts between the several States for the prevention and abatement of water pollution; and

(4) Making such studies, surveys, and experiments as may be necessary to determine the need for, and to devise methods for carrying out, preventive and corrective measures relating to water pollution in the several States.

(b) For the purposes of this section the Division is authorized—

(1) To make available to State agencies the results of such surveys, studies, and experiments conducted by it and by other agencies, public and private;

(2) To collect and disseminate information with reference to water pollution and its prevention and correction;

(3) To assign experts in its employ, or, with the approval of the head of the department or agency concerned, in the employ of any other department or agency of the Government, to assist and advise State agencies without charge to such State agencies;

(4) To recommend or arrange loans for the construction of sewage-disposal plants or works for the treatment of trade wastes, as hereinafter provided; and

(5) To furnish such other assistance to State agencies as may be authorized by law.

INTERSTATE COMPACTS

SEC. 4. The consent of Congress is hereby given to two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative effort and mutual assistance for the prevention and abatement of water pollution and the enforcement of their respective laws relating thereto, and to establish such agencies, joint or otherwise, as they may deem desirable for making effective such agreements and compacts.

STUDIES AND SURVEYS

SEC. 5. The Division shall make or cause to be made such studies, surveys, and experiments relating to water pollution and its prevention and abatement as it deems necessary. Insofar as practicable in making such studies, surveys, and experiments the Division shall make use of information gained from any similar studies, surveys, or experiments which are available to the Division and, with the consent of the head of the department or agency concerned, shall designate employees of any other department or agency of the United States to perform functions in connection therewith.

ESTABLISHMENT OF SANITARY WATER DISTRICTS

SEC. 6. (a) As soon as practicable, the Division shall classify the navigable waters of the continental United States into districts to be known as sanitary water districts. The Division shall fix and define the boundaries of each such district and may from time to time alter such boundaries. The areas of such districts shall, insofar as practicable, conform to the areas of watersheds not wholly contained within the boundaries of one State.

(b) The Division shall fix standards of purity in each such district for the navigable waters thereof; shall establish minimum requirements as to the treatment of polluting material before it is discharged into such waters; and shall promulgate regulations governing the discharge of any matter or materials directly or indirectly into such waters.

DISTRICT BOARDS

SEC. 7. (a) In each sanitary water district there shall be a district board. The number of members of each such board, and the method of selection or appointment and terms of office shall be fixed by the Division in its discretion except that there shall be at least one representative from State health departments or other State agencies charged wih control of pollution, State fish and game agencies, State departments of agriculture and State departments of labor embraced within the district, and one representative of industry and one representative of municipalities on the board: *Provided further*, That all members of the district board shall be bona fide residents of the district. Each district board shall have not less than 5 nor more than 21 members: *Provided further*, That wherever any two or more States have heretofore or may hereafter enter into any compact for the prevention or abatement of stream pollution and providing an agency to enforce the provisions of the compact, said agency shall be designated the district board of that particular waterahed.

(b) It shall be the duty of each district board—

(1) To prevent by voluntary methods insofar as practicable the pollution of waters within the district;

(2) To investigate the desirability of making loans or grants in such districts for the construction of sewage-disposal plants and works for the treatment of trade and municipal wastes and to recommend the making of such loans or grants to the Division; and

(3) To institute proceedings for the prevention and abatement of water pollution in such district: *Provided*, That where a duly constituted State agency or interstate compact with authority to enforce the provisions of this act is in existence that action by the district board will be taken only after such existing authorities have been given an opportunity to act and, after due notice, have failed to do so.

LOANS AND GRANTS

SEC. 8. The Division is authorized to make loans or grants, or both, to States and political subdivisions and municipalities thereof, and to make loans to persons or corporations for the construction, enlargement, or improvement of sewage-disposal plants and plants or works for the treatment of trade wastes, subject to review and approval by the President or other overlying agency authorized by Congress. Such loans and grants shall be made upon such terms and conditions as the Division shall prescribe, subject to the following limitations:

(1) Loans or grants shall be made only upon the request or recommendation of a State agency or the district board of a sanitary water district.

(2) No grant shall be made in respect to any project of an amount in excess of 50 percent of the reasonable cost of such project.

INJUNCTION PROCEEDINGS FOR THE ABATEMENT OF POLLUTION

SEC. 9. Pursuant to the powers of the United States to regulate interstate commerce and navigation; to extend, change, and amend the admiralty and maritime law; to give due effect to the migratory bird treaties; and to protect the fisheries, including the anadromous fish, Congress hereby declares the discharge or deposit, directly or indirectly, of any waste, except the normal discharge of sewage from toilets of boats or from the galley sink drains or the normal amount of oil that may be discharged from the exhaust pipe of a motorboat, or other substance, whether in a solid, gaseous, or liquid state, into any of the navigable waters of the United States, in violation of regulations promulgated by the Division, if such waste or other substance is or may be injurious to human health or to any form of life, including aquatic life, or to migratory birds as defined in the migratory bird treaty of August 16, 1916, and , 1937, or impairs in any manner the utility of such waters for navigation purposes, to be against the public policy of the United States and to be a public and common nuisance. An action to prevent or abate any such nuisance may be brought in the name of the United States by any United States attorney, and it shall be the duty of such attorneys to bring such an action when requested to do so by the Division or the district board of a sanitary water district: *Provided*, That when a duly constituted State agency or interstate compact with authority to enforce the provisions of this act is in existence, action by the Federal authority will be taken only after such existing authorities have been given an opportunity to act and, after due notice, have failed to do so. Such action shall be brought as an action in equity and may be brought in any court of the United States having jurisdiction to hear and determine equity cases.

MISCELLANEOUS

SEC. 10. Nothing contained in this act shall be construed to limit in any manner the rights of any person or public body to bring actions for damages on account of the pollution of any waters or for the abatement of such pollution.

SEC. 11. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions and purposes of this act, not to exceed $1,000,000 per annum.

SEC. 12. All provisions of this act applicable to the States shall also be applicable to the District of Columbia.

SEC. 13. This act may be cited as the Water Pollution Act.

Mr. CLARK of Missouri. Mr. President, the difference between the bill introduced by the Senator from Kentucky [Mr. BARKLEY] and the bill introduced by myself is simply the difference between making a gesture at the eradication of stream pollution and the actual accomplishment of that purpose.

One of the most remarkable proposals in all the history of the United States is now presented by the bill of the Senator from Kentucky in its present form, because it provides for putting the question of the eradication of stream pollution, which is essentially an engineering project, under the Social Security Board. In view of the President's recent order putting the Public Health Service under the Social Security Board, if the bill introduced by the Senator from Kentucky becomes a law we may look forward to having one of the long-haired social workers from the Social Security Board go out to pass upon the engineering problem of the eradication of stream pollution in the navigable streams of the United States.

Mr. President, everything that has been done in this country—and it has been done with limited authority—in the direction of stream-pollution control has been done by the Corps of Engineers of the United States Army. The theory of imposing this responsibility and authority on the Corps of Engineers is that the control of our navigable streams, for purposes of navigation, power, and flood control, has been increasingly recognized during the years as a Federal problem. If the control of our navigable streams for flood-control purposes and for navigation purposes is a Federal problem, it would seem to follow inevitably that the responsibility for freeing those streams from pollution, both for the health of the people in the communities along the banks

of those streams and for the preservation and restoration of our natural wildlife, is also a Federal problem.

The bill which I have introduced as a substitute proceeds upon that theory. It does not provide for having an authority set up to go around and slap people on the wrist and urge them to cease polluting streams to the danger of health, life, and property. It sets up machinery by which every effort will be made by the Corps of Engineers of the United States Army, which is charged with responsibility for the management of those streams at the present time, to bring about the abolition of the condition. However, when a small percentage of industrial concerns or municipalities refuse to cooperate in the general effort to cleanse the streams, the bill vests in that authority the assertion of a Federal right to go into a court of competent jurisdiction and declare such practices a nuisance.

Mr. President, I am perfectly frank to say that it seems to me it would be better for no bill at all to pass than to have the bill proposed by the Senator from Kentucky enacted into law, deluding the people of the United States for a longer period into the belief that something has been accomplished, when as a matter of fact the very text of the bill itself shows that nothing would be accomplished. We should be delaying action for an additional period of years, and spending in the futile gesture of wrist slapping more money than would be expended under the measure which I propose for full authority to enforce the law and eradicate the condition.

Mr. President, I send to the desk a letter from the Acting Secretary of War upon the subject of the bill introduced by the Senator from Kentucky, which I ask to have read.

The PRESIDING OFFICER (Mr. GREEN in the chair). Without objection, the letter will be read.

The legislative clerk read as follows:

WAR DEPARTMENT,
Washington, March 31, 1939.

In reply refer to E. D.
7235-997.

Hon. JOSIAH W. BAILEY,
Chairman, Committee on Commerce, United States Senate.

DEAR SENATOR BAILEY: The Department acknowledges your letter of January 19, 1939, referring for the views of the Department S. 685, Seventy-sixth Congress, first session, to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes.

The bill provides for the creation of a Division of Water Pollution Control in the United States Public Health Service to make investigations in cooperation with other Federal agencies, and authorized State agencies, and prepare a comprehensive plan for eliminating or reducing the pollution and improving the sanitary condition of the navigable waters of the United States and streams tributary thereto. It contains other provisions necessary to carry out the purposes of the bill and authorizes annual appropriations beginning with the fiscal year ending June 30, 1940, for administration expenses and for expenditures necessary in the promotion, investigation, surveys, and studies in the prevention and control of water pollution. It also provides that States, municipalities, or other public bodies discharging untreated or inadequately treated sewage or wastes into navigable waters of the United States or streams tributary thereto, and any person discharging, or building works which will discharge untreated or inadequately treated sewage or waste, are declared eligible for Federal aid in the construction of necessary treatment works, in accordance with plans approved by the respective State Health Authority and the Surgeon General.

The bill is essentially similar to H. R. 2711, Seventy-fifth Congress, first session. In its report on that bill the Department pointed out that the enactment of general legislation for the control of water pollution might well be deferred until a comprehensive survey had been completed of a major stream in which pollution conditions are acute so that a considered plan for the control and abatement of pollution might be based upon the detailed information with respect to existing conditions developed in such a survey.

Congress, in the River and Harbor Act approved August 26, 1937, authorized and directed the Secretary of War to make such a survey of the Ohio River and its tributaries. It further directed that the survey be completed as soon as practicable after the passage of that act, and that the Secretary of War report the results thereof to Congress, together with such recommendations for remedial legislation as he deems advisable.

In the prosecution of investigations and works of improvement of rivers, harbors, and other waterways, and for flood control and allied purposes, under the direction of the Secretary of War and the supervision of the Chief of Engineers, the Department operates through 45 districts, the boundaries of which conform to watersheds, and cover the continental United States. This organization now administers the provisions of the Oil Pollution Act of 1924, which prohibits the discharge of oil from vessels into the coastal navigable waters of the United States, and section 13 of the River and Harbor Act approved March 3, 1899, which prohibits the discharge or deposit of any refuse matter of any kind or description other than that flowing from streets or sewers in a liquid state into any navigable water of the United States or into any tributary of any navigable water. Through this organization the Department has investigated and reported to Congress the extent of pollution of navigable and nonnavigable waters of the United States which endanger or interfere with navigation or commerce or fisheries, and, as a result of a recent survey, the number and description of Federal institutions and establishments depositing raw untreated sewage into such waters. As stated above, it is now engaged in a pollution study of the Ohio River.

The Department desires to point out that the proposed legislation would assign certain of these functions to another Department. Whether this is deemed necessary at this time and whether the enactment of any further Federal legislation is desirable prior to the receipt of the report and recommendations of the Secretary of War as called for in the act of Congress approved August 26, 1937, are left to the wisdom of Congress.

This proposed report was submitted to the Bureau of the Budget, which advises that S. 685 would not be, but that H. R. 4314 would be, in accord with the program of the President.

Sincerely yours,

LOUIS JOHNSON,
Acting Secretary of War.

Mr. CLARK of Missouri. Mr. President, so far as the recommendations of the Bureau of the Budget are concerned, the bill now pending before the Senate—Senate bill 685—and the substitute I have offered are on exactly the same footing. Both have been disapproved by the Bureau of the Budget. The substitute, however, contains an absolute limit on the authorization of appropriations, while the measure introduced by the Senator from Kentucky contains, on top of the authorization for appropriations, the authorization of a system of loans and grants which may run into an incalculable sum.

The difference between the two bills may be further amplified by the statement that the substitute provides for the exercise of the authority of the United States Government through courts of competent jurisdiction for the purpose of preventing these common nuisances, while the bill introduced by the Senator from Kentucky consists of a proposal to establish loans and grants to pay persons not to commit nuisances on the navigable streams of the United States.

I repeat that I believe the passage of the measure of the Senator from Kentucky would delay the solution of this problem rather than hasten it, while in the meantime costing the people of the United States very large sums of money not fully set out in the terms of the bill.

Mr. President, the Committee on Commerce, in considering these bills, heard the testimony of Colonel Lee, of the Corps of Engineers of the United States Army, who unquestionably has done more than any other man or combination of men in the United States for the eradication of stream pollution. Formerly he was assigned to the Delaware River district, in Pennsylvania and Delaware. He now is assigned to an almost equally important area on the Pacific coast. In the Delaware and Schuylkill Valleys, partly by negotiation, partly by argument, and partly by the threat of using section 13 of the River and Harbor Act of 1899 and the provision of the Oil Pollution Act of 1924, Colonel Lee brought about a substantial cooperation on the part of nearly all the industrial agencies which were polluting the streams in those two valleys.

In the case of the Schuylkill, what was formerly one of the most beautiful rivers in the United States, it had been practically ruined by mine discharges and discharges from industrial plants. In that instance Colonel Lee was able to bring about very substantial reforms by the mere threat of using the provisions of these two Federal acts, neither one of which was sufficiently explicit to give him any great means of coercion.

The substitute merely provides for giving the authority set up against stream pollution some power to act against the small proportion of industrial concerns or municipalities or mine owners who are not willing to cooperate to eradicate this condition.

Another thing is very much to be considered in determining the question of what bureau of the Government should exercise this authority. The Corps of Engineers of the United States Army, of course, is thoroughly familiar with all the conditions having to do with the navigable rivers and harbors of the United States. They are a corps of technicians who understand engineering problems. It has been demonstrated that the Corps of Engineers of the United States Army have been able very much to hasten and facilitate the cooperation of mine owners and industrial plants by putting at their disposal the services of one of the finest technical branches of the Government. In most cases it has been demonstrated that utilization of the services of this fine corps of technicians has enabled the persons who have been polluting the streams to handle the disposal of waste without loss, and in many cases at an absolute profit. The Corps of Engineers treated the problem as an engineering one; and to say that such results could be attained by turning over to the Social Security Board, forsooth, the solution of this very important problem, seems to me to be one of the most ridiculous propositions ever presented to Congress.

Mr. Altmeyer is a fine man. On social-security problems I have the greatest respect for his opinion and his recommendations. But to talk about turning over to the Social Security Board, which is now the superior of the Public Health Service, the enforcement and administration of an effort to eliminate stream pollution in the United States seems to me to be absolutely preposterous.

Therefore, Mr. President, I repeat that in my opinion it would be better to enact no bill at all than to enact a bill spending a great deal of money without any means of enforcement, without any machinery set up actually to accomplish any tangible results.

Mr. DANAHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Connecticut?

Mr. CLARK of Missouri. I do.

Mr. DANAHER. The Senator states that we are to spend a great deal of money. Does not the Senator understand that the bill, as introduced by the Senator from Kentucky, does not contemplate spending any money until the Congress appropriates it?

Mr. CLARK of Missouri. Mr. President, of course that is true of any bill. Certainly the Committee on Commerce, which reported the pending bill, would have no authority whatever to report an appropriation. Nobody contends that they would. Nevertheless, the bill is an authorization for the appropriation of a great deal of money; and it means setting our feet into a path which must inevitably lead to the expenditure of an unlimited sum of money.

Mr. DANAHER. Mr. President, will the Senator further yield?

Mr. CLARK of Missouri. I yield to the Senator from Connecticut.

Mr. DANAHER. Does the Senator realize that the National Resources Committee, upon which the President's message to us in February was based, estimates an annual cost of $225,000,000 for mine and engineering wastes alone? Did the Senator see that figure?

Mr. CLARK of Missouri. Mr. President, I must confess that I have not been particularly familiar with the activities of that unofficial governmental agency. I am not familiar with any act of Congress setting up such a governmental agency, and I am not particularly familiar with their reports.

Mr. DANAHER. Mr. President, I thank the Senator from Missouri for his comment. I merely wish to direct his attention to the statement of a Senator who spoke earlier, and who indicated that the huge sum of money to which the Senator has referred might never be spent, at least not in the way that was indicated by the Senator from Missouri.

Mr. CLARK of Missouri. I would be willing to vote for and to advocate a very liberal appropriation, as a matter of fact one much more liberal than that authorized in my own bill, if a measure could be passed which would accomplish the purpose for which both of these measures are ostensibly designed. My objection to the bill of the Senator from Kentucky is that under it an unnamed sum of money would be spent, which would not accomplish, and would not hold out any real hope of accomplishing the purpose desired. If it would accomplish the purpose I would be willing to vote to spend a very large sum of money in the interest of the preservation of the health and the natural resources of the Nation.

Mr. President, I do not desire unduly to delay the Senate. I stated to the Senator from Kentucky that I did not desire to detain the Senate on this matter; but, in view of the importance of the measure, I think we should have a quorum to vote on the proposal when the vote is taken.

Mr. BARKLEY. Mr. President, of course I desire to reply briefly to the Senator from Missouri on the substitute, but I do not wish to keep the Senate in session later than Senators desire to remain. I have no objection to the matter going over.

Mr. CLARK of Missouri. Let me make a suggestion to the Senator from Kentucky, and ask him if it is agreeable. So far as I am concerned, I have no desire whatever to delay a vote. I would be perfectly willing to have the Senator from Kentucky occupy such time of the Senate as he desires to, and then to enter into any sort of an agreement whatever as to when a vote shall be taken. I should like to have a quorum when a vote is taken.

Mr. BARKLEY. I have no objection to the Senator having a quorum called; but if the matter is to go over, I do not care to occupy the time of the Senate this afternoon, and I would rather wait until we resume consideration of the bill at a later time.

Mr. CLARK of Missouri. I have no desire to delay a vote, but I should like to have a quorum present.

Mr. ADAMS. Mr. President, before an adjournment is taken, I have a conference report I should like to have acted on.

Mr. BARKLEY. I am going to make it possible for the Senator to bring that up, if the Senator will permit.

Under the circumstances I have no desire to keep the Senate in session any later, and inasmuch as the calendar is pretty well cleaned up and there is nothing of any great importance looming up for consideration on Monday, I am disposed to let the pending matter go over until Monday.

In view of these circumstances, I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until 12 o'clock on Monday next, and that in the meantime the Vice President be authorized to sign bills and resolutions ready for his signature, that committees be authorized to make reports on bills, resolutions, or nominations, and that the Secretary of the Senate be authorized to receive messages from the House of Representatives.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HOLMAN. Mr. President, I desire to speak on the pending bill, but I will defer my remarks until Monday.

SECOND DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. ADAMS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5219) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 10.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 9, 11, 13, 15, 16, 18, 21, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, and 50, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,186,195"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree

to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In line 3 of the matter inserted by said amendment after the word "for" insert the words "completion of"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$450,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 12, 17, 19, and 20.

ALVA B. ADAMS,
CARTER GLASS,
CARL HAYDEN,
JAMES F. BYRNES,
JOHN G. TOWNSEND, Jr.,
Managers on the part of the Senate.

EDWARD T. TAYLOR,
C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
THOMAS S. MCMILLAN,
J. BUELL SNYDER,
EMMET O'NEAL,
GEO. W. JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
W. P. LAMBERTSON,
J. W. DITTER,
Managers on the part of the House.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 5219, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES,
April 27, 1939.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 17, 19, and 20 to the bill (H. R. 5219) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, and concur therein; and

That the House recede from its disagreement to the amendment of the Senate numbered 12 to said bill and concur therein with the following amendments:

In line 22 of the matter inserted by said Senate engrossed amendment, strike out all after "$100:" down to and including "thereof:" in line 26; and in such matter strike out the respective proposed sums of "$600,000", "$120,000", and "$480,000" and insert in lieu thereof, respectively, the sums "$120,000", "$24,000", and "$96,000".

Mr. ADAMS. I move that the Senate concur in the amendments of the House to the amendment of the Senate numbered 12.

The motion was agreed to.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. GREEN in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

Mr. HILL, from the Committee on Commerce, reported favorably the nomination of Edward P. Warner, of Connecticut, to be a member of the Civil Aeronautics Authority for the remainder of the term expiring December 31, 1940, vice Edward J. Noble.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

DIPLOMATIC SERVICE

The legislative clerk read the nomination of Alexander W. Weddell, of Virginia, to be Ambassador Extraordinary and Plenipotentiary to Spain.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

ADJOURNMENT TO MONDAY

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate adjourn until Monday, under the order previously entered.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, May 1, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 27, 1939

TENNESSEE VALLEY AUTHORITY

Harcourt Alexander Morgan, of Tennessee, to be a member of the Board of Directors of the Tennessee Valley Authority for the term expiring 9 years after May 18, 1939. (Reappointment.)

UNITED STATES DISTRICT JUDGE

Harry J. Lemley, of Arkansas, to be United States district judge for the eastern and western districts of Arkansas, to fill a position created by the act of Congress of May 31, 1938.

UNITED STATES ATTORNEY

Joseph T. Votava, of Nebraska, to be United States attorney for the district of Nebraska. (Mr. Votava is now serving in this office under an appointment which expired April 5, 1939.)

APPOINTMENTS IN THE REGULAR ARMY

Brig. Gen. George Catlett Marshall, Deputy Chief of Staff, to be general, while holding office as Chief of Staff of the Army, with rank from September 1, 1939, under the provisions of an act of Congress approved February 23, 1929, vice Maj. Gen. Malin Craig, Chief of Staff, to be retired on August 31, 1939.

Col. James Carre Magee, Medical Corps, to be the Surgeon General, with the rank of major general, for a period of 4 years from date of acceptance, with rank from June 1, 1939, vice Maj. Gen. Charles R. Reynolds, the Surgeon General, whose term of office expires May 31, 1939.

APPOINTMENTS TO TEMPORARY RANK IN THE AIR CORPS IN THE REGULAR ARMY

Lt. Col. Clinton Warden Russell, Air Corps, to be colonel from May 1, 1939.

Maj. Gilbert Taylor Collar, Air Corps, to be lieutenant colonel, vice Lt. Col. Clinton W. Russell, Air Corps, nominated for appointment as temporary colonel, Air Corps.

Capt. Thomas Dresser White, Air Corps, to be major, vice Maj. Gilbert T. Collar, Air Corps, nominated for appointment as temporary lieutenant colonel, Air Corps.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO ADJUTANT GENERAL'S DEPARTMENT

Maj. George Frye Herbert, Infantry, with rank from October 1, 1938.

TO QUARTERMASTER CORPS

Maj. Lawrence Lofton Cobb, Infantry, with rank from December 1, 1938.

TO INFANTRY

Lt. Col. Lewis King Underhill, Judge Advocate General's Department, with rank from August 1, 1935.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 27, 1939

AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY

Alexander W. Weddell to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain.

POSTMASTERS

NEW YORK

Thomas J. O'Brien, Sauquoit.

TEXAS

John R. Killgore, Rosebud.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 27, 1939

The House met at 12 o'clock noon.

Rev. Clarence H. Corkran, pastor of Douglas Memorial Methodist Church, offered the following prayer:

O Thou that doth inhabit eternity, our Father and our God, we pause at this moment to give Thee thanks for all the blessings which Thou hast so richly bestowed upon us in the past and to invoke Thy favor this day. Be Thou with us as we take up the duties of a new day. Let Thy wisdom and understanding fill our hearts and minds. Be Thou our constant guide and inspiration. Make known to us the full force of Thy rule of life—the Golden Rule—and enable us to practice it fully. Give direction; give assurance; and, above all, an abiding faith, so that in the hour of defeat, as well as in the hour of victory, we may be steadfast in our allegiance to Him who is the Saviour of the world. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4133. An act for the relief of Joseph N. Thiele.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On April 20, 1939:

H. R. 136. An act to authorize contingent expenditures, United States Coast Guard Academy;

H. R. 534. An act for the relief of Hallie H. Woods;

H. R. 590. An act for the relief of Macey N. Bevan;

H. R. 2056. An act for the relief of the Shipowners & Merchants Towboat Co., Ltd.;

H. R. 2064. An act for the relief of Allen L. Abshier, Verne G. Adams, Oliver D. Chattin, William K. Heath, and Harry B. Jennings;

H. R. 2595. An act conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co.;

H. R. 3946. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1939 Reunion at Trinidad, Colo., August 22, 23, 24, and 25, 1939, and for other purposes; and

H. J. Res. 224. Joint resolution to authorize the painting of the signing of the Constitution for placement in the Capitol Building.

On April 24, 1939:

H. R. 3655. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931.

On April 25, 1939:

H. R. 4278. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes.

On April 26, 1939:

H. R. 899. An act to provide for the establishment of a Coast Guard station on the east coast of the Keweenaw Peninsula, Mich.;

H. R. 1661. An act granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Marshall Street, Youngstown, Ohio;

H. R. 1776. An act to provide for the assignment of medical officers of the Public Health Service for duty on vessels of the Coast and Geodetic Survey, and for other purposes;

H. R. 1962. An act granting the consent of Congress to the city of Youngstown, Ohio, to construct, maintain, and operate a free highway bridge across the Mahoning River at or near Cedar Street, Youngstown, Ohio;

H. R. 2073. An act to allow credit in the accounts of certain former disbursing officers of the Veterans' Administration, and for other purposes;

H. R. 2635. An act granting the consent of Congress to Westmoreland County, in the State of Pennsylvania, to construct, maintain, and operate a free highway intercounty bridge and approaches across the Allegheny River connecting Valley Camp in Westmoreland County and East Deer Township in Allegheny County, to connect State Highway Routes Nos. 28 and 56;

H. R. 2661. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.;

H. R. 3225. An act authorizing the Department of Highways of the State of Ohio to construct, maintain, and operate a free highway bridge across the Ottawa River at or near the city of Toledo, State of Ohio;

H. R. 3234. An act to provide for the completion of the Navy and Marine Memorial;

H. R. 3418. An act granting the consent of Congress to the Highway Department of Davidson County, of the State of Tennessee, to construct a bridge across Cumberland River, at a point approximately 1¾ miles below Clees Ferry, connecting a belt-line highway in Davidson County, State of Tennessee, known as the Old Hickory Boulevard;

H. R. 3589. An act granting the consent of Congress to the State Highway Commission of North Carolina to construct, maintain, and operate a free highway bridge across Waccamaw River between Old Dock and Ash, N. C.;

H. R. 4243. An act granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River at or near Peru, Ind.;

H. R. 4432. An act granting the consent of Congress to the city of Warren, Ohio, to construct, maintain, and operate a free footbridge over Mahoning River near Stiles Street NW., Warren, Ohio;

H. R. 4527. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Rock Island, Ill., to a place at or near the city of Davenport, Iowa;

H. R. 4630. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1940, and for other purposes; and

H. R. 4830. An act to amend the act approved April 27, 1937, entitled "An act to simplify accounting."

EXTENSION OF REMARKS

Mr. MICHAEL J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein some remarks made by Monsignor Robert F. Keegan at the White House conference on children.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from New York [Mr. CURLEY] may have permission to revise and extend his own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Under the practice of the House, the Chair will recognize a request by the gentleman from Ohio to proceed for 1 minute.

Is there objection to the request of the gentleman from Ohio to address the House for 1 minute?

There was no objection.

REPRESENTATIVE ROBERT CROSSER

Mr. SWEENEY. Mr. Speaker, I rise on this occasion to call to the attention of the House of Representatives the fact that this year 1939 marks the twenty-fifth anniversary of public service as a Member of Congress of the United States of our distinguished colleague the gentleman from Ohio, the Honorable ROBERT CROSSER. I am sure I voice the sentiments of the membership of this body on both sides of the aisle when I publicly extend to him and in your name the congratulations of this entire body. [Applause.]

Few men enjoy the privilege of serving a quarter of a century in the Congress of the United States. During all these years our friend has demonstrated that he is a firm believer in democracy in all the true sense of the word. He has been a champion of the rights of labor and he has been publicly acclaimed by many of his admirers throughout the Nation as a "friend of man."

I pay to ROBERT CROSSER this personal tribute, based upon my acquaintance with him for many, many years and my association with him for the past 8 years as a colleague in the Congress of the United States. I never knew an individual who excelled him in his liberalism, his philosophy of life, and his deep concern for the welfare of his country and his fellow men.

Mr. Speaker, to commemorate the silver jubilee of his services as a Member of Congress of the United States there gathered in the city of Cleveland in the evening of April 22 over 1,000 men and women to attend a testimonial banquet in honor of Mr. CROSSER. The toastmaster on this occasion was his lifelong friend, a veteran newspaperman of Cleveland, the distinguished and nationally known Jack Raper. The mayor of the city of Cleveland, the Honorable Harold Burton, paid to Mr. CROSSER this tribute:

He has outlived his critics. Today he is beyond criticism.

[Applause.]

The occasion was graced by the presence of the beloved majority leader of the House of Representatives, the Honorable SAM RAYBURN, who paid an extraordinary tribute to his friend and associate of many years in the Congress. The speaker for the railroad labor executive associations was Mr. D. B. Robertson, president, Brotherhood of Locomotive Firemen and Enginemen. He told of Mr. CROSSER'S sponsorship of legislation affecting the railroad workers of America. Congressman MICHAEL KIRWAN, Congressman CHESTER BOLTON, and Congressman GEORGE BENDER, all from Ohio, honored Mr. CROSSER by their presence; also honoring him were the former United States Senator from Ohio, Robert J. Bulkley; Judge Charles M. Hay, of St. Louis; and former Congressman Edward Keating, now editor of Labor.

Hundreds of telegrams and congratulatory messages came to Mr. CROSSER from all parts of the United States and Canada from those who were unable to be present. The President of the United States, the Speaker of the House of Representatives, the Vice President of the United States, the senior Senator from Ohio, the chairman of the Democratic National Committee, Congressman JOHN DINGELL, and Congressman CARL MAPES all sent messages expressing splendid tribute to Mr. CROSSER. I append herewith the messages referred to, together with the splendid tribute paid to Mr. CROSSER by Mr. D. B. Robertson, and also the tribute of the Honorable SAM RAYBURN.

Responding to the eulogies paid him, Mr. CROSSER delivered what is considered by many of his friends who were present one of the finest speeches ever delivered by him during his entire public career. So his many friends in Congress and throughout the Nation may have the opportunity to read this speech, I insert Mr. CROSSER'S response to the tributes of his friends, together with an editorial which appeared in the Cleveland Plain Dealer under date of April 24, 1939, paying tribute to ROBERT CROSSER. This editorial is unique and it comes from a newspaper which consistently, with few exceptions, fought Mr. CROSSER in every campaign in which he engaged for election as a Member of the House of Representatives. I also include an editorial from the Cleveland Press under date of April 21, 1939, paying a similar tribute to Mr. CROSSER.

THE WHITE HOUSE,
Washington, D. C., March 24, 1939.

Hon. ROBERT CROSSER, M. C.,
Cleveland, Ohio.

MY DEAR CONGRESSMAN CROSSER: I regret that I was unable to accept the invitation to attend in person the dinner to be given in Cleveland in your honor and in recognition of your completion of 25 years of public service as a Member of Congress.

Although I cannot be present it gives me great pleasure to be associated with those who are gathering in your honor. Your able and conscientious service has made lovers of the liberal cause your debtors and I wish for your long years of health and happiness.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

THE SPEAKER'S ROOM,
HOUSE OF REPRESENTATIVES,
Washington, D. C., March 22, 1939.

Mr. ROY C. SCOTT,
Committee Chairman,
Hotel Hollenden, Cleveland, Ohio.

MY DEAR SIR: I have received and most deeply appreciate your cordial invitation to attend the testimonial dinner to be given in honor of Representative CROSSER in Cleveland on Saturday afternoon, April 22 next. I very deeply regret that on account of my official duties here in Washington it will not be possible for me to attend.

Please allow me to say that I have been associated with BOB CROSSER for a great many years in the House of Representatives and I have seen hundreds of men come and go in and out of this body, but I can say with all candor and sincerity that I have never been associated with anyone in the House for whom I had a higher respect and admiration than Mr. CROSSER. He is a man of fine mental attainments, of incorruptible integrity, and has great influence with his associates.

He deserves everlasting praise from all labor organizations for the constant zeal and ability with which he has represented the interests of labor in the House of Representatives. I hold for him an abiding affection.

Wishing you a very fine occasion, and again expressing my deep regret that I cannot be with you, I am,

Very sincerely yours,

W. B. BANKHEAD.

THE VICE PRESIDENT'S CHAMBER,
Washington, April 3, 1939.

Mr. ROY C. SCOTT,
Committee Chairman, Robert Crosser Testimonial Dinner,
Cleveland, Ohio.

DEAR MR. SCOTT: I am grateful to you and your committee for the invitation extended me to attend the testimonial dinner in honor of Congressman ROBERT CROSSER, to be held in Cleveland the evening of April 22. I regret exceedingly that I cannot be with you.

I have had the privilege of association with Congressman CROSSER for a quarter of a century, the greater part of that time as his colleague in the House of Representatives. He is a big-brained, big-hearted American, who has served his district, State, and Nation efficiently and faithfully. It is a source of personal pleasure that his friends are tendering this deserved tribute of esteem and respect.

Very sincerely yours,

JOHN N. GARNER.

UNITED STATES SENATE,
COMMITTEE ON INTERSTATE COMMERCE,
April 22, 1939.

Mr. ROY C. SCOTT,
Committee Chairman, Robert Crosser Testimonial Dinner,
The Hotel Hollenden, Cleveland, Ohio.

MY DEAR MR. SCOTT: I have before me your invitation to attend the testimonial dinner in honor of Congressman ROBERT CROSSER. I held off answering this letter, hoping that I might be able to attend, but I find it impossible, as my work is so heavy at this time that every minute is necessary.

In 1912 Congressman CROSSER and myself were members of the Fourth Ohio Constitutional Convention. It was my good luck to be his seat mate in this memorable convention, and this convention will probably be the last ever to be held in Ohio because the people now have an easy method of amending their constitution in the adoption of I. and R.

BOB CROSSER led, not only in this fight but in a great many progressive fights in behalf of the people as well. BOB CROSSER and I have been firm friends from the time we were seat mates until the present time. He is "just folks." He will tell you that to live with, serve, and love "folks" has been the greatest blessing in his life of public service. He will also tell you that "folks" will solve all public questions correctly if they understand them. Yes; and he will tell you that "mother, home, and country" is the sweetest trinity locked in the hearts of "just folks."

One of the most worth-while things in life is to make friends and deserve to keep them. I yield to no man in my love and respect for BOB CROSSER—a man with whom one dares to be himself.

To BOB CROSSER and his legion of friends surrounding him tonight, I extend sincere regards and best wishes.

Sincerely yours,

VIC DONAHEY.

WASHINGTON, D. C., *April 22, 1939.*

CHAIRMAN,
Testimonial Dinner to Hon. Robert Crosser,
Hotel Hollenden, Cleveland, Ohio:

Please extend my hearty congratulations to BOB CROSSER on his completion of 25 years of distinguished public service. He has been a faithful official and a loyal Democrat. I hope he carries on for at least another quarter of a century.

JAMES A. FARLEY.

WASHINGTON, D. C., *April 22, 1939.*

ROY C. SCOTT,
Active Chairman, Committee on Arrangements, Crosser Testimonial Dinner, Hollenden Hotel, Cleveland, Ohio:

I am disappointed indeed because of my inability to be with you on this occasion. To pay tribute publicly to my esteemed friend and colleague, BOB CROSSER, would have been in accordance with my plans and wishes. However, the people of Cleveland, and particularly those of BOB CROSSER's district, know him so well that anything which I might say could scarcely add any luster to his good name and accomplishments. Therefore, please tender to the honor guest an expression of my high regard and very best wishes, and may he serve his constituency for many years to come.

JOHN D. DINGELL,
Member of Congress.

WASHINGTON, D. C., *April 22, 1939.*

HON. SAM RAYBURN,
Care Hotel Hollenden, Cleveland, Ohio:

I wish you would congratulate BOB CROSSER for me on the fine and deserved testimonial which his friends are giving him tonight. He has had a long and distinguished service in Congress. With you I have prized his friendship over the years and greatly admire him for his character and for what he is as well as for his record of patriotic unselfish and valuable public service.

CARL E. MAPES,
Member of Congress.

GALT, ONTARIO, *April 22, 1939.*

Hon. ROBERT CROSSER,
Hotel Hollenden, Cleveland, Ohio:

The voice of Bob, your fellow Scot Congressman from the Land o' the Leal, says carry on. Congratulations.

BILL BREMNER.

[From the Cleveland Plain Dealer of April 24, 1939]

HE KEEPS THE FAITH

The tribute which came to ROBERT CROSSER Saturday night was as unusual as it was merited.

It is not often that any Congressman finds conspicuous members of an opposing party at a gathering in his honor and hears them praise him and his work. It is uncommon, at least in the North, for a national legislator to complete a quarter century of service with reelection year after year as certain as time's march across the calendar, though he serves a State and city famed for its varying political trends.

The answer is that ROBERT CROSSER is an uncommon Congressman. Always he puts principles before personal interest. With Caledonian tenacity he sticks to his convictions, whether or not they are popular at the moment. A follower of the Tom L. Johnson brand of liberalism, he has kept the faith.

Often such a course has meant political oblivion. It is heartening to find, in CROSSER's case, that this is not always true. So it seems to us that along with the just praise of Congressman CROSSER there should also be a word of commendation for his constituents. They have not always agreed with him, but they recognize his worth and character. The matter is well stated by Republican Harold H. Burton, who says of Democrat ROBERT CROSSER, "he has outlived criticism and today is without critics * * * a man honored and trusted."

Cleveland honors itself in honoring the Representative from the Twenty-first.

[Editorial, Cleveland Press, April 21, 1939]

ACCOLADE FOR MR. CROSSER

It is a well-deserved tribute and one that is long overdue, which labor, politics, and civic Cleveland will unite to pay to Congressman ROBERT CROSSER tomorrow night.

Few Clevelanders have served their city, their State, and their Nation more conscientiously and with less ostentation than the dean of Ohio's congressional delegation.

A follower of Tom L. Johnson, Congressman CROSSER always has remained loyal to the ideals of Cleveland's great mayor. During his long public career he has championed causes that were unpopular at the time, but he has lived to see his course vindicated. Few legislators can point to so much worth-while legislation as the veteran Representative from the Twenty-first District.

Ohio owes its initiative and referendum to ROBERT CROSSER, who early in his political career was a member of the 1912 constitutional convention. Under this amendment voters can enact laws favored by a majority or repeal those which are obnoxious.

The railroad men of the Nation are indebted to him for a pension system. Scores of laws calculated to advance the best interest of the country are his handiwork.

The Congressional Directory lists the Cleveland Congressman as a Democrat. That does not describe him. He is independent in politics, independent in thought, and independent in deed, and his record proves it.

Not once since he went to Washington in 1913 has ROBERT CROSSER played to the gallery. Sturdy, reliable, and sure, the Scotchman from Lanarkshire who came to Cleveland in 1881 is an outstanding example of the highest type of public official.

He has well earned the public acclaim that he will receive tomorrow night, and we trust that he will be spared to represent the Twenty-first District and the Nation in the Halls of Congress for many years to come.

A RAILROAD MAN'S TRIBUTE TO ROBERT CROSSER—ADDRESS BY D. B. ROBERTSON, PRESIDENT, BROTHERHOOD OF LOCOMOTIVE FIREMEN AND ENGINEMEN, SPEAKING FOR THE RAILWAY LABOR EXECUTIVES' ASSOCIATION AT THE ROBERT CROSSER TESTIMONIAL DINNER, CLEVELAND, OHIO, APRIL 22, 1939

I am here tonight to bring to our honored guest, Congressman CROSSER, whom we prefer to call affectionately "BOB" CROSSER, the greetings of the railroad workers of America. In what I shall say I shall speak not only my own sentiments but, I am sure, the sentiments of railroad men wherever they may be found, whether riding engines and trains, laying rails, flashing signals, or working in offices or shops, or on leave or furlough, or numbered among the thousands let out of the service in recent years. These men, all of them, are here tonight in spirit and bid me say to you, Friend BOB:

"Here we are, more than a million strong, your admirers, your supporters, your comrades, and friends."

Railroad men have reason for their faith in and affection for BOB CROSSER. From his earliest years of public service we have known him to be our friend. He has all the while felt right toward us, but, more than that, he has thought right about us and our problems. He has combined deep sympathy with broad understanding. He has been not simply our "well wisher" but our constructive thinker. He has, moreover, not only felt right toward us and thought right about us but he has done things for us.

To recount his accomplishments of worth and service to railroad workers is to catalog the outstanding railroad legislation of recent years. I shall mention a few of them.

THE AMENDED RAILROAD LABOR ACT

In 1934 the Railroad Labor Act was so amended and revised as that today it stands as a model of legislation in the field of labor relations.

Thanks to that act, the right of railroad workers to organize and bargain collectively is established and now universally recognized. Through the use of the agencies set up under the act for the settlement of disputes between managers and men, the railroad industry has in recent years set an example for the industries of the country in the adjustment of disputes and the preservation of industrial peace.

To the achieving of these great and far-reaching results the counsel and leadership of Congressman CROSSER were invaluable.

RAILROAD RETIREMENT ACT

What railroad man can ever forget BOB CROSSER's fight for the Railroad Retirement Act? Not once or twice but three times he led the fight in Congress to the enactment of that measure.

The ink was scarcely dry on the opinion of the Supreme Court declaring the first act unconstitutional when he introduced a second bill so drawn as to meet the objections of the Court.

The opinion of the court did not shake his belief in the fundamental soundness of a national system for railroad pensions and

he pressed on. While the suit brought by the railroads attacking the constitutionality of the second act was pending, the railroads gave up their fight and joined with the railroad labor organizations in working out a measure acceptable to both men and management. This bill embodying the underlying principles for which Congressman CROSSER had all along contended was passed by both Houses of the Congress, with only one dissenting vote. It is interesting to observe that the gentleman who cast the dissenting vote is no longer in Congress.

The bill thus agreed to and enacted is now a part of the law of the land, establishing the great national system for pensions for retired railroad workers. We might appropriately add another "R" to "Bob's" initials and let him be known, at least to all railroad men, as "R. R." CROSSER—"Railroad Retirement" CROSSER.

As the years go by and railroad workers grown old in the service reach out their hands to receive their pension checks, the name and devoted service of ROBERT CROSSER should come to their minds in grateful memory. And if, after he is gone, each aged worker to whose comfort in old age BOB CROSSER has contributed, should, as he receives his pension check, lay but a single rose upon his bier he would sleep forever beneath a wilderness of flowers.

RAILROAD UNEMPLOYMENT COMPENSATION ACT

As the name of ROBERT CROSSER will be forever identified with the Railway Labor Act and the Railroad Retirement Act, so it will be likewise with the Railroad Unemployment Compensation Act. This last measure was of a complicated and technical character, difficult even for men experienced in legislative matters to grasp it in its full details. When this bill was presented to the lower House of Congress it was generally recognized that the Members of the Congress had not had the opportunity to give it the careful and exhaustive study which a bill of such a complicated nature required for its full and intimate understanding. It is not too much to say that the good favor and ready acceptance which this measure was accorded resulted in largest measure from the fact that it bore the name and carried the endorsement of ROBERT CROSSER. Many Members of Congress rose in their places to say that they accepted the measure because of their confidence in the integrity and high intelligence of Congressman CROSSER, and because they knew that he knew what was fair and just to railroad men, to the railroad industry, and the country, and that he would scorn to be unfair to any interest or to champion an unsound or an unwise measure. No greater tribute could be paid to any man; no greater evidence of the invaluable worth of a servant and leader of the people in the Congress of the United States.

OTHER WORK FOR US

Congressman CROSSER has served us as our friend and champion not only in his work for these notable measures but in relation to many others such as the signalmen's bill and a bill providing for an investigation of the question of a 6-hour day for railroad employees.

Great comfort and a deep sense of security have come to us in the knowledge that he is there on the job—not only wanting to protect our interests but with an unsurpassed ability to do so.

We rejoice that he is in Congress at this time when matters vitally affecting the railroad industry are pending before the Congress. We need, the whole country needs, statesmen who know and understand the railroad transportation system so that the highest possible intelligence may be applied to the solution of problems now confronting it. Such a statesman is BOB CROSSER.

CROSSER'S BROADER INTERESTS

By what I have said I do not mean to imply that Congressman CROSSER has been interested solely in railroad workers or the railroad industry. His interests are far deeper and broader than that. He is interested in railroad workers not only, but in all workers. He is the friend of labor, yes. But more than that, he is the friend of man. He is a Democrat, a Jeffersonian Democrat in the broadest sense of the term. He believes in equal and exact justice for all men. From this, his cardinal belief, have sprung his program and policies for railroad workers and workers as a whole.

He has brought to the consideration of social and economic questions a philosophy, a breadth of learning, and a capacity for sound thinking, of which few men are capable. His great speech on the floor of the Congress on the cause and cure for unemployment was an invaluable contribution to the study of that most perplexing and baffling problem. The people of Ohio will ever remember his outstanding work as a delegate to our State constitutional convention in 1912.

He has strengthened our faith in public men and in our Government itself. It is, I know, an all too common trait to criticize and condemn our leaders and public officials as incompetent or corrupt. It is wholesome and inspiring for a leader to appear who silences the critic's tongue and commands universal respect. He contributes to the great body of public opinion and confidence essential to the maintenance of popular government. There are millions of plain men and women in this country tonight whose faith in American democracy is strong and virile because BOB CROSSER has made it so.

CROSSER NEEDED NOW

If I had but one prayer to offer tonight, it would be this:

"God keep and preserve BOB CROSSER in full strength for many, many years, because we need him so."

We need him now of all times. Democracy is on trial in America and the world around. If we are to preserve it here, we must make it work. If we are to make it work we must have leaders who can think things through and then make the people understand their thinking.

On every hand we hear the cry:

"God, give us men!
A time like this demands
Strong minds, great hearts, true faith, and ready hands—
Men whom the lust of office does not kill;
Men whom the spoils of office cannot buy;
Men who possess opinions and a will;
Men who have honor, men who will not lie—
Men who can stand before a demagogue and scorn his treacherous flatteries without winking;
Tall men, sun-crowned, who live above the fog in public duty and in private thinking."

Such a man is guest of honor tonight—BOB CROSSER. Because he is all that, we honor him, follow him, trust him, love him.

ADDRESS OF THE HONORABLE SAM RAYBURN, REPRESENTATIVE IN CONGRESS FROM THE FOURTH CONGRESSIONAL DISTRICT OF TEXAS, AT A TESTIMONIAL GIVEN IN HONOR OF THE HONORABLE ROBERT CROSSER, CLEVELAND, OHIO, APRIL 22, 1939

Mr. Toastmaster, Mr. CROSSER, and friends, frankly, I am deeply moved at this splendid tribute you pay to my friend, a great American, BOB CROSSER. Bob, it is worth living a long, a toilsome and an arduous life to have your fellow citizens pour out in numbers like this to pay you an honor that I know and that all Americans who know you believe you deserve. I have had no vacation since March 4, 1931. Then my party came into power in the House of Representatives and I became chairman of a great committee. Taking you a little further into my confidence, let me say that there is no other place when we adjourned yesterday that I would have gone because I need Saturdays and Sundays to rest. There is no other occasion that could have brought me away from Washington except to come here to raise my voice and by my presence say to you, his neighbors, and to all who listen and to all who may read, that I came because I love BOB CROSSER.

I have been a Member of Congress 26 years. Over the 26 years that it has been my honor and privilege to seek to serve I have served with more than 1,600 men.

It shows you how often constituents change their minds and change their Representatives in Congress. I am so far away from home that my words will not reach back there, and they will not help me politically in the Fourth Congressional District of Texas. But the great record that this man has made, the outstanding service that he has been to you and other people, has come about because the people of his congressional district in the beginning had the intelligence to send to Congress a capable man and keep him there. It matters not how brilliant a man may be, for during the 150 years in that body there has grown up, there is, and there will ever remain, the seniority rule. No man ever arose to leadership in either body of the Congress of the United States in 2 or 4 years. So let me say this to you, as I say to all people wherever I go, when you start out to select a Member of Congress, select one with good common sense, and that is all the sense there is. Select one with energy, and that means a great deal. Select one devoted to public service and then keep him there, for the longer he serves the more capable he is of service.

I was the Democratic chairman of a great committee for 6 years. There was a great Republican member of that committee. He is today the ranking minority member upon it, and I desire to read to you a telegram that he sent to me today, knowing that I was going to be here, to show you that all is not partisanship there; that there are patriots on both sides of the aisle and in our personal friendship the center aisle does not divide us. The telegram reads as follows:

WASHINGTON, D. C., *April 22, 1939.*

Hon. SAM RAYBURN,
Care Hotel Hollander, Cleveland, Ohio:

I wish you would congratulate BOB CROSSER for me on the fine and deserved testimonial which his friends are giving him tonight. He has had a long and distinguished service in Congress. With you I have prized his friendship over the years and greatly admire him for his character and for what he is as well as for his record of patriotic, unselfish, and valuable public service.

CARL E. MAPES,
Member of Congress.

I am also happy to be here this evening to mix and mingle with you, and I want to say another thing—I am also one of those sentimental Scotchmen. I desire to pay tribute to the one who had marched by him and sustained him throughout the years, and through sunshine and rain has stood by him with deathless loyalty and devotion; who has been his helpmate, his partner, his great inspiration—Mrs. Crosser. I learned early in my life reading the history of our country that when I found a great man I looked around to find with him a great woman. There was the inspiration of the mother, sister, or wife in the life of every man in American history who has stood out and helped do the world's great work. When great matters affecting labor were referred to the committee of which I was chairman I did not take the authorship of them because I felt that sitting by my side was one more capable than I. And when these great measures of which Mr. Robertson has spoken came before that committee I always turned to one man and said, "Take them, where you lead

upon them I will follow." That confidence I placed in BOB CROSSER has never been abused, and when measures governing things that he has made a study of came up in committee or upon the floor of the House, if I did not understand the question I resolved the doubt in favor of the side upon which Bob stood. You know, Bob has a thundering voice at times when he speaks of what ought to be. He is capable, he is intelligent, he is trustworthy, and in doing the things he has done for railroad workers, for other classes of labor, and many times the so-called forgotten man, he has not forgotten 130,000,000 of people who were involved. He has not been that kind of partisan that forget all the people of America whose wishes and interests should be taken into consideration. And a remarkable thing is in our lives as legislators we are many times misunderstood because we are acting upon a high theater—the highest in the world. And we must do things sometimes that some people do not understand for the moment but we must lead the people to think—not only to think but believe that justice can only come to the great body of our citizens when the things that come serve the least among them. Out there these inarticulate millions have, through the years, cried out for someone with a voice who could interpret their needs. They stand not in high places but they serve their land in peace as well as in war, and they must not be forgotten. Their buying power is an index to the prosperity and to the hope of this country and to the perpetuity of this great institution of ours.

We stand today not only nationally but internationally in what is said to be perilous times. Democracy not only in this land, but throughout the earth today is challenged by forces that would destroy. This Government of yours and mine, founded by our fathers, has stood unchanged in principle for a century and a half, and when I read the Constitution of the United States at times, and the more times I read it the more I am impressed, that these fathers over in Philadelphia wrote a document that has stood, and that none of its fundamentals had to be changed to meet changed conditions, and I wonder sometimes if the One who knows all things must have sat at their elbow and guided in the preparation of that document.

We want no one's territory. We covet nothing that any other nation upon the earth possesses. We want other nations and other people and other men to leave us alone in working out our problems. America wants no war with anyone but now, as in times past, if our rights are challenged, if our liberty is threatened, if our territory is coveted, and if a foreign foe ever should attempt to set its foot upon America, well, the American people when so threatened are willing to meet the world in arms. Democracy is facing a serious test. I am an unfailing optimist. If I were not so I could not carry many of the burdens that I have. I still believe in the honor, in the integrity, and in the virtue of men and women. I cannot believe that my mother's faith was misplaced when she felt that a Man walked the earth 19 centuries ago to teach people how to live and to make the world better. She did not believe that His life was in vain. Neither do I.

Troublesome times are upon us. It is a time that really tests the soul of men and women. It is the challenge to us, for us to answer—shall those who went before us, toiled, bled, and died, whether they toiled, bled, or died in vain. I do not think so. The clouds have been upon us for a few years; distress, want, and misunderstanding. I think in studying the history of our great country, when we were shaken by wars and dangers, even when the States went to war with each other, when the bitterness of sectional antagonism shot its fiery tongue into this great ship of state, and threatened to destroy it; those were troublesome times. Those were perilous days. But in my opinion the years beginning in 1927, 1928, and 1929, and extending until 1933 or 1934 were the most dangerous years in history. More faiths were destroyed, more hopes were lost, more of the seeds of evil, of disintegration, were about us than ever before. It is the greatest tribute to American manhood and womanhood that when times like these have come to us that they have selected and backed a leader whose shoulders were broad enough, whose brain was keen enough, and whose heart was big enough to deal with and solve our problems and when the mantle of leadership was placed upon his shoulders and the scepter was placed in his hands, he measured up to the high standards, hopes, and aspirations of the American people.

He has gone before the American people with head held high and shoulders erect and convinced them that he had a program and had the courage to carry it out. Such was the case in 1932. I think that the most heartening utterance delivered in America ever since the Declaration of Independence fell from the trenchent pen of Thomas Jefferson was the inaugural address of March 4, 1933, by Franklin D. Roosevelt.

The sun is going to shine again. Smiles have come to many faces where despair was written a few years ago. In my opinion we will again be a happy, hopeful people, and Bob, let me say to you that your great work, glad and willing and eager as you were to help do the world's great work, you have done much in a quarter of a century to lay the foundation for bringing back these smiles and to perpetuate through the years to come the glorious heritage that was transmitted to you and to me and all of us by the fathers of the Republic.

MR. CROSSER'S SPEECH

Mr. Toastmaster, Mr. Mayor, Congressman Rayburn, President Robertson, members of the committees in charge of arrangements for this affair, friends all:

While sitting here tonight I thought of a short verse, a copy of which was presented to me more than 30 years ago by a good friend who has long since passed from this earthly scene. The words so well express my own thought at this moment that I quote them:

"What deed or merit
Has been mine
That God to me
Should send
Of all His gifts
The most divine,
My other soul,
A friend?"

Calloused indeed would be he not moved by the friendship and affection manifested for me tonight. I can only say in the most earnest and sincere way possible, "Thank you," and I shall be grateful if indeed it be found that I shall have served the cause of humanity in even smaller measure than that credited to me so magnanimously tonight. Let me say, too, that if I have done anything worth while, the good people of the Twenty-first District have helped greatly. During my many political struggles when the opposition was great and the handicaps almost overwhelming, the people of the Twenty-first District stanchly supported and encouraged me. Their repeated return of me to Congress increased the effectiveness of my legislative efforts.

Mr. Toastmaster, even in our early years we all wonder what is the purpose of life. Well do I remember that as a lad finishing high school, I had been enthused by my instructors about becoming a great scholar and lawyer, and eager to emulate the example of the great public men of the previous generation.

Hardly a half dozen more years had passed, however, when I began to recognize the vanity of the mere effort to be familiar with the fashion in books, and in the striving for renown as a lawyer and for distinction in the public forum.

More and more it became evident that such attainments were sought primarily to distinguish their possessors from the rank and file of humanity and to give them a sense of superiority. Surely, thought I, the worthy life consists not of mere mental acrobatics nor in a skillful use of mental tools and weapons. On the contrary, man's duty is to more fully manifest truth, that is, reality, and so to increase the enjoyment of good by all mankind. That this must be the purpose becomes evident as we begin to realize the unity of creation, the oneness of all life. As a part of the unity, we must then act in harmony with the universal life and law, and so not only serve and benefit all others but ourselves as well.

All true activity must be in accord with the inherent and eternal laws of universal life; that is, of principle. Inherent in every one and necessary to all human progress is the right to freely speak and act for what he believes to be good, provided that in so doing he does not interfere with the exercise of the same right by others. That is the essence of democracy. The degree of democracy prevailing in any country is the measure of that country's civilization.

Now to be truly democratic government, the people must be assured of the right of direct and ultimate control of lawmaking, which is the most important function of government. The exercise of such control can be assured by providing for a vote of approval or disapproval upon laws passed by the representatives, when a reasonable number of people formally request such a vote. Direct control of public officials is also an essential of fundamental democracy.

Although, clearly, democracy is necessary to human liberty, there are some in our country who, parrotlike, talk about democracy's inefficiency. My friends, we must either be for government according to the will of the people, or be against it. If against it, we then favor government according to the will of some absolute ruler, whatever may happen to be his title, and that means denial of the individual's freedom to think and speak as he believes to be right. Even if the directive type of government could assure to the people enough food and clothing and other material things—which it cannot—the denial to the people of their freedom to think and speak their honest thought halts the progress of civilization. When not used, mental faculties lose their strength and vigor, just as the muscles of the body become weak and flabby from lack of use. This in the name of efficiency! Efficiency means the prompt doing of what has been decided to be done. Far more important is the moral question, whether or not it should be done at all, and that is democracy's first consideration.

Now, a word as to the economic policies of government.

For generations unemployment and its evils have harassed the people. Serious efforts have been made to remedy the trouble, but the end is not yet. Some explanation there must be for the continuance of the evil. Either injustice and its consequent distress and suffering are unnecessary and wrong or there is no ground for the statement, repeated throughout all Christendom, that God made all that was made, and behold it was very good. "Very good" means truly good.

One of the reasons why more progress has not been made in overcoming poverty and enforced idleness is that symptoms have generally been mistaken for causes. It has been observed that a few people possess great wealth and that the overwhelming majority have practically nothing. Thereupon some bombastic person denounces the few as if that would correct things. He does not realize that indulging in personalities never solved any problem.

The fact is that practically all those who have excessive wealth understand the cause of the unjust distribution of wealth no better than do those who have little.

My friends, all those having more wealth than they need might be killed tomorrow and their possessions divided among the others without in any way removing the cause of the unjust distribution of wealth.

Another explanation for failure to correct economic injustice is that among those who presume to speak learnedly there is a lack of standards of what is absolute or inherent right by which to test the justice of proposed measures. They urge action by government without apparent regard to the violation of fundamental rights of the individual.

The right principle ever exists, and upon it all human governments profess to base their laws and actions. In principle, everyone has the right to speak and act in such way as he believes will promote his happiness, provided that in so doing he does not interfere with like action by others. This is a personal right rather than a property right. It may also be stated to be the right to exercise the free play of one's individuality. Also, according to principle, all men inherently have equal rights in the bounties of Nature; that is, in the natural resources of earth. This is a right in common with others to natural advantages, and has the character of a property right. The two rights just mentioned are fundamental and no legislation, no governmental action, should disregard them.

Because no human being ever created a single particle of the earth, no one has a right to the exclusive ownership or monopoly of the earth or any part thereof. Rightful ownership of anything is based on the fact that the person claiming such ownership has created the thing in question or has received it from someone else who did create it or derived title from someone who created it.

The benefits that are entirely due to the possession of the natural resources—that is, of the earth or any part thereof—belong, then, to society as a whole, because no person or persons made or produced them. All must be assured, however, upon proper terms, of undisturbed possession of such natural resources as may be rightly in their control.

The possession by any person of the least productive part of natural resources used by society clearly gives him no special privilege or advantage, and he could not, therefore, be justly asked to pay for using what nobody else desires; but whatever may be the value of the additional productive power of the natural resources held by all other members of society belongs to all the people, and the yearly value of possessing such advantage should be taken by government for the benefit of all. Such additional productive power is not due to the energy, enterprise, or industry of those possessing the resources having greater productiveness.

On the other hand, the persons making the payments of such amounts to public authority are by every standard of right entitled to absolute and exclusive ownership and enjoyment of all they produce above and beyond what they so pay to society, and they should not be molested in the enjoyment of the same by any person or government. That is the product of their own efforts and is not due to the enjoyment of any special advantage or privilege or to the force of Nature. For the government to take any part of it is as wrong in principle as for a private person to take it from them.

The enforcement of this principle would supply government with sufficient funds for its operation. More important than that, however, it would prevent the evils of special privilege—that is, monopoly—because if we were to collect the full yearly value of possessing natural resources, then, in order to provide means to pay to society the yearly value of such possession, the holders would be forced to use the resources, and use them effectively, too. This increased use would create a demand for workmen and the increased demand for workers would soon end involuntary idleness. With unemployment abolished, wages would rise, for men would not work for less than is fair when they could procure employment from others, who, in order to procure their services, would pay what would be just.

With enough revenue paid to society for the use of natural resources, no longer would taxes be put on any of the things produced for the support and comfort of man. This would increase production, because removing the sales taxes, excise taxes, and all other kinds of taxes placed on the products of agriculture and industry would lessen the cost of such commodities by at least the amount of the taxes removed. Then as the prices should become less, more and more commodities would be sold, because more people could afford to buy the goods at the lower prices. On the other hand, when taxes are put on goods we increase the price, and then, because goods are higher priced, sales become fewer.

When it will be to the interest of holders of natural resources to make use of them, instead of to keep them idle, we shall have an increased demand for labor, which would soon end unemployment. With employment to be had by all who desire it, everyone would have means to purchase from merchants the comforts of life. Merchants would in turn buy more and more from manufacturers, and manufacturers, in order to supply the demand for their products, would need more workmen.

Men would thus be sure of employment, and no longer would prevail the constant fear of want which for ages has haunted mankind. Freed from worry and despair, men would then joyfully engage in creative effort. Desperation, resulting from want and fear of want, lead many in order to supply their needs to foolishly kill, rob, and engage in prostitution. Because they fear to assume the financial responsibilities of marriage, some men resort to libertinism. Men and women, once sure of economic justice, independence, and reasonable abundance of material comforts, would recoil from these evils which are wholly unnatural.

No longer dreading starvation and lack of material comforts, man will cease frenzied efforts to accumulate vast wealth, wholly unnecessary to a sane existence, and, in fact, harmful.

When comparatively little effort will supply material wants, and the making of a living shall have become only incidental to the real business of making a life, then will men turn to the work of developing the eternal verities of being. Then will he strive to understand, to become conscious of, the glorious realities of life which wait for recognition.

This will be the reign of harmony. To promote it is the duty and can be the joy of all. Let none shirk the call, believing death will end the task. Now or later we must unfold reality, we must manifest the true life.

Kipling pointed to this standard of life in the words which I quote as follows:

"When earth's last picture is painted and the tubes are twisted and dried,
When the oldest colours have faded, and the youngest critic has died,
We shall rest, and faith, we shall need it—lie down for an aeon or two,
Till the Master of all good workmen shall put us to work anew!

"And only the Master shall praise us, and only the Master shall blame;
And no one shall work for money, and no one shall work for fame,
But each for the joy of the working, and each in his separate star,
Shall draw the thing as he sees it for the God of things as they are!"

Reality has ever existed. It will continue to exist without end. The philosopher, Herbert Spencer, said that that which is real is permanent; that which is not permanent is not real.

All the strength, beauty, harmony, and other elements of being ever exist or, to use Spencer's term, are permanent. Man's duty, then, is to become conscious of these infinite realities; his work should be to present to all mankind the magnificent truths which continually enter the chamber of his consciousness. This way lies happiness. When man grasps this true meaning of life, then, throughout all the earth will be concord. The unity of creation will be clear, and in each other men will see not only the likeness of the Creator but brothers all. In joyous unison will the sons of men sound forth the grand symphony of life. In perfect harmony will each promote good for all.

Not vain quest for personal glory, then, is the true purpose of life. The service of all creation, not of self, must be the watchword.

That great purpose, in a humble way, I have tried to serve. Whatever strength and talent I can command will be devoted to that end.

In the familiar lines with which I close, each one of us can gain inspiration for noble efforts to extend the joys of life to every fellow being. These are the lines:

An old man, going a lone highway,
Came, at the evening, cold and gray,
To a chasm, vast and deep and wide,
Through which was flowing a sullen tide.
The old man crossed in the twilight dim;
The sullen stream had no fears for him;
But he turned, when safe on the other side,
And built a bridge to span the tide.
"Old man," said a fellow pilgrim, near,
"You are wasting strength with building here;
Your journey will end with the ending day;
You never again must pass this way;
You have crossed the chasm, deep and wide,
Why build you the bridge at the eventide?"

The builder lifted his old gray head:
"Good friend, in the path I have come," he said,
"There followeth after me today
A youth, whose feet must pass this way.
This chasm, that has been naught to me,
To that fair-haired youth may a pitfall be.
He, too, must cross in the twilight dim;
Good friend, I am building the bridge for him."

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point and to include therein the speech of the Honorable SAMUEL RAYBURN, the response of Mr. CROSSER, the speech of Mr. D. B. Robertson, president of the Brotherhood of Locomotive Firemen, and Enginemen, and the telegrams and messages I have referred to.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS of Ohio rose.

The SPEAKER. The Chair recognizes the gentleman from Ohio for 1 minute.

Mr. JENKINS of Ohio. Mr. Speaker, Mr. ROBERT CROSSER has been such a distinguished Member of Congress and such a highly esteemed citizen outside of his services as a Congressman that we, the Republican Members from Ohio, are proud to join in this testimonial by our good friend, Judge SWEENEY, of Cleveland. Those of you who have had the privilege to serve in this House for some years will recall ROBERT CROSSER in his early days as a great advocate of the things for which the common man stood; and if we were to epitomize his accomplishments in one sentence, we would say, "ROBERT CROSSER is a man for men and among men."

We are proud to add to the tribute that Judge SWEENEY has paid to our distinguished colleague from Ohio. [Applause.]

PERMISSION TO ADDRESS THE HOUSE

Mr. WOOD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WOOD. Mr. Speaker, I have introduced today a bill known as the oppressive labor practices bill of 1939, which is a companion bill to S. 1970, which was recently introduced by Senators ROBERT M. LA FOLLETTE, Jr., of Wisconsin, and ELBERT D. THOMAS, of Utah, of the Senate Subcommittee on Education and Labor known as the Senate Civil Liberties Committee. I ask unanimous consent that I may extend my own remarks at this point with reference thereto.

After a careful study of S. 1970, I have introduced the companion bill in the belief that it constitutes by far the most important legislative proposal that this Congress could pass for the benefit of the working people of this country. The bill embodies the results of the most thorough and comprehensive investigation of industrial conditions undertaken by any committee of the Congress in recent years—the 2½ years' investigation by the Senate Civil Liberties Committee. The bill prohibits as "oppressive labor practices" the long-standing evils exposed in that investigation.

When enacted, this bill should take rank with the Wagner Act and the Walsh-Healey Act, especially as the bulwark of the first. It accords with the objectives of these laws and will facilitate their administration. Historically, it should be recalled that the civil liberties investigation grew out of the demand by the administrators of the Wagner Act, formally laid before the Senate committee in 1936, that Congress should investigate antilabor conditions which were hampering the administration of the act. The resultant investigation has convinced the whole country. The conditions hampering labor law are still there. This bill makes a good beginning toward dealing with such conditions by law. Administering labor law will be less costly, in strife as well as in litigation, when this bill is passed, and labor rights will then be enjoyed in communities where liberty is denied by private force.

The bill's provisions are few and simple. Regarding the widespread and lucrative, though dirty, business of labor detective agencies and other means of industrial espionage, the bill forbids the use of labor spies. Regarding the similarly disreputable though profitable business of professional strikebreaking, the bill forbids the hiring of strikebreakers, who are defined as persons paid a bonus to replace regular employees on strike. Regarding the evil of privately paid armies of company police, used to war on unions and to deprive communities of civil rights, the bill forbids the employment of armed guards off company property. It forbids outright the employment of guards who have been convicted of crimes of violence. Regarding the menace of private arsenals in industrial plants, the bill forbids the use or possession of industrial munitions which are defined as machine guns, sawed-off shotguns, and long-range tear gas and sickening gas projectiles. These four evils are declared to be oppressive labor practices and prohibited under penalties of fine or imprisonment.

The bill provides enforcement through the Attorney General, together with injunctive remedies to be invoked by the Secretary of Labor. The bill bars from interstate commerce goods produced by an employer guilty of oppressive labor practices. The bill also amends the Walsh-Healey Act to bar Government contracts to employers engaged in oppressive labor practices.

The great majority of employers will have no objection to this bill. They are employers whose plants are not stocked up with machine guns and gas; who do not employ private armies to smash unions; who have never hired labor detectives and professional strikebreaking agencies. The bill is aimed at restraining the powerful minority of employers whose determination to frustrate collective bargaining has led them to use methods violative of civil liberties generally.

Even more directly than the Wagner Act, this bill makes for industrial peace. To take arms and armed men out of industrial disputes is certainly a peace measure. In no way does this bill deprive any employer of fully adequate means for legitimate property protection.

Labor is united in support of this bill. Both the old unions, which have long borne the brunt of such oppressive practices, and the newer unions, whose members have suffered from spies and gunmen, demand this legislation. In a sense hearings on this bill have already been held. In 2½ years the Civil Liberties Committee has heard 485 witnesses, whose testimony and the committee's reports on it already fill nearly 40 volumes. It is especially notable that no witness has stood up frankly to justify the practices exposed. Employer witnesses, who were given every opportunity to defend their acts, have tended instead to profess reform. But in fact reform will not come except through this legislation. To cite a single example from the facts in the record: The inventory of arsenals of two steel companies—Republic Steel Corporation and Youngstown Sheet & Tube Co.—included machine guns, rifles, revolvers, shotguns, gas guns, and all kinds of gassing equipment. Both arsenals totaled together 1,881 guns of all types, 313 gas guns, 153,930 rounds of ball ammunition, 10,234 rounds of shot-cartridge ammunition, and 10,064 items of gas ammunition. What earthly right has any pair of corporations to possess 153,000 rounds of bullets, even though the companies professed not to have used them during the Little Steel strike?

Widespread editorial comment already supports this bill. The New York Times of March 22, under the heading Traffic in Violence, says:

> The public has a right to object to a traffic which can only thrive when the public safety is menaced. It has a right to object to aggressive private armies, whether they represent the employer or the employee. If it is ever necessary to resort to the use of force in a labor controversy, that task must rest with the legally constituted authorities, who are directly responsible to the voters. Such seems to be the object of the present bill.

The St. Louis Star Times (March 29) says:

> Enlightened employers undoubtedly will hail this measure as another step toward industrial peace. And the ruthless die-hards and proponents of strong-arm tactics in dealing with labor undoubtedly will condemn it because it would deprive them of a privilege, not a right, which they have enjoyed for too long at the expense of the common man.

The St. Louis Post-Dispatch (March 29) says:

> The bill is directed at a recalcitrant minority whose practices have long been a blot on the country's civil liberties record.

The Birmingham (Ala.) Post (March 25) says:

We believe the evidence disclosed by Senator LA FOLLETTE's long investigation shows the need for such a law. The dangers in permitting corporations to maintain private armies and equip them with the weapons of war are too great.

The only objection I have seen in print is the allegation that this bill "puts Uncle Sam into the business of policing strikes." That is precisely what this bill does not do. It does the very opposite. It restores the policing of disputes to the duly constituted public authorities. This bill eliminates those usurpations of public police authority by industrial corporations' private armies which have often wrecked the civil liberties of whole communities. This bill eliminates the corruption of local authorities by corporations furnishing them their private arsenals. And the bill accomplishes this with the minimum of regulation. It sets up no new enforcement agency, no Uncle Sam police system; it lays no burden on the fair-minded employer. It simply relieves the unfair-minded employer of the costly burden of buying machine guns and gas and hiring the private armies and the private spy agencies, whereby employers substitute their will for the common law of the land.

Finally the bill, by bulwarking the Walsh-Healy Act, would end an intolerable paradox. Taxpayers' money has helped support these oppressive labor practices. The Senate committee's report shows that 32 industrial companies used the labor spies of the National Metal Trades Association while they were enjoying United States Government contracts during the years 1933–36 in the amount of $12,090,579.69. Some of these spying corporations are the very ones against whom the National Labor Relations Board has been powerless to do more than to issue a cease-and-desist order. It is time that a bill should be passed affording recourse to criminal penalties and that taxpayers' money spent under Government contract should not contribute to practices which endanger our civil liberties.

In this day and age of a liberty-losing world, I am confident that Americans will support determined measures to protect a liberty-loving people.

EXTENSION OF REMARKS

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a congressional breakfast talk on the money question.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that I may address the House for 20 minutes on Wednesday next, after the disposition of the business on the Speaker's table and the legislative program of the day.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KRAMER. Mr. Speaker, about 2 weeks ago I introduced two bills which had particular reference to Japanese fishing boats on the Pacific coast. In order to cover the matter thoroughly, I find it is necessary to introduce another bill with reference to undocumented vessels.

On the Pacific coast these alien Japanese operate with a particular vessel and then, after they are at sea, change the number, and sometimes come in with an entirely different crew than was aboard when they started. The statute now provides a fine of only $10, which is easily raised. My bill will raise the amount of that fine to $1,000 and increase the height of the numbers to 6 inches and provide that the numbers must be permanently affixed to the vessel.

I hope the members of the committee that will receive this bill will give it immediate consideration.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a table showing imports of foreign products.

The SPEAKER. Is there objection?

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a short article which appeared in a New York newspaper.

The SPEAKER. Is there objection?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the McConnellsville (Ohio) Herald.

The SPEAKER. Is there objection?

There was no objection.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a brief editorial from the Grand Island Daily Independent.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a speech I delivered recently.

The SPEAKER. Is there objection?

There was no objection.

FOREIGN POLICY OF THE UNITED STATES

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, under date of April 19, 1939, I received the following letter:

THE AMERICAN LEGION,
DEPARTMENT OF SOUTH DAKOTA,
April 19, 1939.

Hon. FRANCIS CASE,
House of Representatives, Washington, D. C.

DEAR FRANCIS: We are giving you below a copy of a resolution passed at the spring conference of the American Legion, which was held at Pierre, S. Dak., April 16, 1939.

Resolution

"*Resolved*, That it is the sense of this assembled conference of the American Legion, Department of South Dakota, that as to the European situation, the foreign policy of these United States be: To mind its own business, become involved in no entangling alliances, and let Europe settle its own problems without our interference or intervention."

Very sincerely,

J. D. MULLANEY,
Department Adjutant.

MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H. R. 4852, entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes."

PEACE AND SECURITY WEEK

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I wish to insert in the RECORD at this point the proclamation of the American Union for Concerted Peace Efforts in proclaiming April 26 to May 3 Peace and Security Week. The full text is as follows:

FULL TEXT OF PROCLAMATION FOR PEACE AND SECURITY WEEK

On behalf of the National Honorary Committee, which has responded to an invitation from the American Union for Concerted Peace Efforts, we proclaim that—

The week of April 26 to May 3 shall be known as Peace and Security Week.

We call on the American people to express their widespread conviction that international aggression must be stopped and economic justice among nations must be sought through peaceful means and not by threats or use of force.

Peace for the world and security to the United States depend upon the awakened conscience of the American people and its powerful expression. In the inevitable revision of neutrality legislation our public opinion and our Government should assert their influence to discourage and impede those who would rely upon aggression and force to dictate international policy.

We issue this proclamation believing that millions of Americans will participate in the activities of Peace and Security Week and that hundreds of local communities will make themselves heard in this expression of national unity and the American will to peace and justice.

DONALD R. RICHBERG, *Chairman.*
Mrs. HENRY F. GRADY, *Vice Chairman.*

CALL OF THE HOUSE

Mr. CLASON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Massachusetts makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and thirty-seven Members present, not a quorum.

Mr. LUDLOW. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 57]

Beam	Douglas	Johnson, Ind.	Pittenger
Bender	Ellis	Keller	Poage
Blackney	Evans	Lewis, Ohio	Robertson
Bradley, Mich.	Faddis	Lord	Routzohn
Buckley, N. Y.	Fay	McArdle	Sacks
Byrne, N. Y.	Flannery	McLean	Seccombe
Byron	Folger	McReynolds	Smith, Maine
Cannon, Fla.	Ford, Leland M.	Maas	Smith, Ohio
Celler	Gamble	Mansfield	Smith, Va.
Clevenger	Gillie	Martin, Ill.	Sparkman
Coffee, Nebr.	Hancock	Monroney	Taylor, Tenn.
Cole, N. Y.	Hartley	O'Brien	Tinkham
Creal	Hennings	Oliver	Wheat
Crowther	Hoffman	Osmers	White, Idaho
Curley	Horton	O'Toole	White, Ohio
Darden	Hunter	Owen	Wolfenden, Pa.
Dies	Johns	Pierce, N. Y.	Zimmerman

The SPEAKER. Three hundred and sixty Members have answered to their names. A quorum is present.

Without objection, further proceedings under the call will be dispensed with.

There was no objection.

PERMISSION TO FILE REPORT ON WAGE AND HOUR LEGISLATION

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the Committee on Labor may have until midnight tonight to file a report on the bill H. R. 5435.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, do I understand that also provides that, if there are any minority views to be filed, they may have permission to file them also?

Mrs. NORTON. Oh, certainly.

Mr. MARTIN of Massachusetts. Can the gentlewoman from New Jersey tell us when she expects to call that bill up?

Mrs. NORTON. The committee has not quite decided when, but not on next Monday, as has been stated.

Mr. MARTIN of Massachusetts. It will not be called up on Monday?

Mrs. NORTON. No; it will not be taken up on Monday, I can assure the gentleman.

Mr. COX. Reserving the right to object, Mr. Speaker, is this request made in connection with the wage and hour bill?

The SPEAKER. The Chair understands that it is.

Mr. COX. I would like to make inquiry if it is contemplated by the chairman of the committee, the gentlewoman from New Jersey [Mrs. NORTON], that she will ask to be recognized to move to suspend the rules and pass the bill by that procedure?

Mrs. NORTON. The committee has not quite decided on that point as yet.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

EXTENSION OF REMARKS

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and include a short editorial from the Des Moines Register and Tribune.

The SPEAKER. Is there objection?

There was no objection.

Mr. BOREN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by Senator CAPPER, of Kansas.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from an agricultural authority, Mr. George N. Peek, dealing solely with the subject of agriculture.

The SPEAKER. Is there objection?

There was no objection.

Mr. GREEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a memorial from the Florida Legislature.

The SPEAKER. Is there objection?

There was no objection.

TREASURY AND POST OFFICE DEPARTMENT APPROPRIATION BILL, 1940—CONFERENCE REPORT

Mr. LUDLOW. Mr. Speaker, I call up the conference report on the bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 8, 11, 12, 14, 28, 29, 32, and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 5, 6, 7, 10, 17, 19, 22, 24, 27, and 30, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$146,660"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$400,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$136,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$477,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$24,790,550"; and the Senate agree to the

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$570,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$388,500"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$579,260"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$92,500"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$6,975,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$7,725,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$455,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$10,450,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 34 and 36.

LOUIS LUDLOW,
EMMET O'NEAL,
GEO. W. JOHNSON,
GEORGE MAHON,
JOHN TABER,
CLARENCE J. MCLEOD,
Managers on the part of the House.

CARTER GLASS,
KENNETH MCKELLAR,
PAT MCCARRAN,
JOSIAH W. BAILEY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Treasury Department

On amendments Nos. 1, 2, and 3, relating to the Secretary's office: Accepts the action of the Senate in striking out the appropriation of $500,000 in the House bill for loan to the Alley Dwelling Authority; appropriates $146,660 instead of $148,160, as proposed by the Senate and $145,660 as proposed by the House, for personal services in the Chief Clerk's office; and appropriates $320,000, as proposed by the House, instead of $327,800, as proposed by the Senate, for custody of Treasury buildings.

On amendments Nos. 4 and 5, relating to the Customs Service: Accepts the amendment of the Senate striking out the provision in the House bill abolishing the office of surveyor of customs in the port of New York and seven comptrollers of customs with annual salaries aggregating $51,600 and restores this amount to the appropriation as proposed by the Senate.

On amendment No. 6: Appropriates $1,209,000, as proposed by the Senate, instead of $1,199,000, as proposed by the House, for salaries in the office of the Treasurer of the United States.

On No. 7: Strikes out, as proposed by the Senate, the limitation in the House bill on the amount that may be expended under the Bureau of Internal Revenue for personal services in the Intelligence Unit.

On No. 8: Appropriates $425,000, as proposed by the House, instead of $450,000, as proposed by the Senate, for salaries and expenses of the Federal Alcohol Administration.

On Nos. 9, 10, 11, 12, 13, 14, 15, and 16, relating to the Coast Guard: Appropriates $400,000 for personal services in the office of the Commandant in the District of Columbia, instead of $404,000, as proposed by the Senate and $395,660 as proposed by the House; increases from $10,000 to $30,000, as proposed by the Senate, the amount which may be utilized, under all appropriations, for motion-picture equipment; authorizes the use of $23,000, as proposed by the House, instead of $40,000, as proposed by the Senate, for the recreation of enlisted personnel; appropriates $265,000, as proposed by the House, instead of $275,000, as proposed by the Senate, for rebuilding and repairing stations; appropriates $136,000 for communication lines, instead of $142,000, as proposed by the Senate and $130,000 as proposed by the House; appropriates $206,750, as proposed by the House, instead of $209,250, as proposed by the Senate, for civilian employees; appropriates $477,000 for additional airplanes, instead of $654,000, as proposed by the Senate and $300,000 as proposed by the House.

On Nos. 17 and 18, relating to the Public Health Service: Appropriates $305,000 for prevention of epidemics, as proposed by the Senate, instead of $290,000, as proposed by the House; and appropriates $570,000 for the National Cancer Institute, instead of $440,000, as proposed by the House and $700,000 as proposed by the Senate.

On No. 19: Appropriates $1,200 under the Bureau of the Mint, as proposed by the Senate, for furnishing medals as authorized by the act of June 20, 1938.

Post Office Department

On No. 20: Appropriates $388,500 for salaries in the District of Columbia in the office of the First Assistant Postmaster General, instead of $390,000, as proposed by the Senate and $387,000 as proposed by the House.

On No. 21: Appropriates $579,260 for personal services in the District of Columbia in the office of the Second Assistant Postmaster General, instead of $580,520, as proposed by the Senate and $578,000 as proposed by the House.

On No. 22: Appropriates $793,560, as proposed by the Senate, instead of $792,000, as proposed by the House, for personal services in the office of the Third Assistant Postmaster General in the District of Columbia.

On No. 23: Appropriates $92,500 for personal services in the office of the Solicitor, instead of $90,000, as proposed by the House and $95,000 as proposed by the Senate.

On No. 24: Appropriates $47,240 as proposed by the Senate, instead of $46,500, as proposed by the House, for personal services in the office of the purchasing agent.

On Nos. 25, 26, 27, 28, and 29, relating to the Bureau of the First Assistant: Appropriates $6,975,000 for compensation to assistant postmasters, instead of $7,000,000, as proposed by the Senate and $6,950,000 as proposed by the House; appropriates $7,725,000 for clerks in third-class post offices, instead of $7,750,000, as proposed by the Senate and $7,700,000 as proposed by the House; appropriates $1,350,000, as proposed by the Senate, instead of $1,340,000, as proposed by the House, for carfare and bicycle allowance; and strikes out the increases proposed by the Senate for supervisory officials and clerks at air-mail transfer points and in the District of Columbia, payable from the appropriation for Domestic Air Mail Service.

On Nos. 30 and 31, relating to the Bureau of the Second Assistant: Increases, under the appropriation "Railroad transportation and mail messenger service," the amount that may be expended therefrom for cost-ascertainment purposes in the District of Columbia from $31,500, as proposed by the House, to $33,050, as proposed by the Senate; and appropriates $455,000 for miscellaneous expenses of the Railway Mail Service, instead of $450,000, as proposed by the House and $460,000 as proposed by the Senate.

On Nos. 32 and 33, relating to the Bureau of the Third Assistant: Strikes out the increase of $1,000 and the additional authority, both proposed by the Senate, in connection with the sending of postal delegates to the British Philatelic Congress in London during the fiscal year 1940.

On No. 35, relating to the Bureau of the Fourth Assistant: Appropriates $10,450,000 for rent, light, fuel, and water for first-, second-, and third-class post offices, instead of $10,400,000, as proposed by the House and $10,600,000 as proposed by the Senate.

Amendments in disagreement

The committee of conference report in disagreement the following amendments:

On No. 34, relating to the proportion of funds in the bill that may be expended in the purchase of twine manufactured from materials or commodities produced outside the United States.

On No. 36, relating to the transmission through the mail free of postage by executive departments and independent establishments of official mail matter.

LOUIS LUDLOW,
EMMET O'NEAL,
GEORGE W. JOHNSON,
GEORGE H. MAHON,
JOHN TABER,
CLARENCE J. MCLEOD,
Managers on the part of the House.

Mr. LUDLOW. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, as we prepare to pass the conference report of the Treasury-Post Office appropriation bill for 1940 and send it to the President for signature, let me accord it a final salute and remind the Congress and the country that it contains an item for $1,050,000,000 for the payment of interest on the national debt for the single fiscal year of 1940. It is a colossal amount. Yet we gloss it so lightly. As I recall, it received but three lines in the President's annual Budget message in January. It is so important that it bears dramatization and emphasis.

At the close of the Civil War the national debt was but two and two-thirds billions and the annual interest charge slightly over thirty-four and one-half millions. In 1914 the interest outlay on what we owed was about $23,000,000. Twenty-five years later, in 1939, it had climbed to the astronomical sum of one billion, and for 1940 it will be $1,050,000,000 or more.

Going back a quarter of a century to 1914, the entire cost of government was less than the amount of the annual interest on our national debt in 1939 and 1940. In that year total cost of the Government was but $1,019,000,000, and with that sum we provided for the Army and Navy, the Post Office, for pensions, for Indians, and for all the expenditures of the regular departments of government. It was 1914 that the expenditures of government crossed the billion-dollar mark for the first time since the Civil War. In hushed tones the citizenry of the Nation mentioned the fact that we had become a billion-dollar country. Today the mention of an annual interest charge of more than a billion evokes little more than the supercilious elevation of an eyebrow.

Think of what could be done with the billion which we must now pay each year for the use of the money which Uncle Sam has borrowed. It would build 350,000 trim and cozy cottages costing $3,000 each and go far toward the solution of the unsolved housing problem. For the fiscal years from 1933 to 1940, inclusive, we will have paid more than $7,000,000,000 in interest on borrowed money, and with that sum we could build 2,350,000 comfortable homes for 2,350,000 American families.

In 1914 we moved into the billion-dollar class for annual expenditures, we had a population of 95,000,000, and the debt service was about $23,000,000. Today we spend about nine and one-half billions annually, have a population of 130,000,000, and pay over a billion in interest charges each year on the debt load. In that quarter of a century population has increased 37 percent and interest on the debt has increased by 4,400 percent. The figures indicate an unhealthy relationship.

It has another aspect. The President estimated the revenues for the fiscal year 1940 at $5,569,000,000. With the interest on the national debt at $1,050,000,000, it means that about 20 cents out of every dollar that Uncle Sam collects from the taxpayers in 1940 must go for interest on borrowed money. No private business could carry that load and long endure. Is there any reason to believe that Government business can prosper under such a burden? [Applause.]

Mr. LUDLOW. Mr. Speaker, certain amendments in disagreement are more or less controversial, but, inasmuch as ample time will be given for their discussion, I now move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 34: Page 69, line 25, after the word "devices", insert the following: "(not more than one-half of the funds herein appropriated for the purchase of twine shall be expended in the purchase of twine manufactured from materials or commodities produced outside the United States)."

Mr. LUDLOW. Mr. Speaker, I move to recede and concur with an amendment.

The Clerk read as follows:

Mr. LUDLOW moves that the House recede from its disagreement to the amendment of the Senate No. 34 and agree to the same with an amendment as follows: In line 2 of the matter proposed to be inserted by such amendment, strike out "one-half" and insert in lieu thereof "three-quarters."

Mr. LUDLOW. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. CLASON].

Mr. CLASON. Mr. Speaker, this matter was first considered by the House about 2 months ago. This amendment deals with the purchase of twine by the Post Office Department. At one time the Post Office Department bought cotton twine for its purposes, but for the past 18 years it has in each instance purchased twine made from jute. Jute comes to the United States from India in the raw state and is manufactured into twine by American labor in American mills.

This item carries about $325,000 for twine. It was stated in the debate in February by one of those favoring cotton twine that he would guarantee that the difference in price would be only from $1,000 to $2,000. This, of course, is not correct. Last year, when bids were asked on this contract, jute twine was bid at 11¼ cents a pound and cotton twine 14½ cents a pound, or a difference of 3½ cents. The difference is about 28 percent. On the basis of $325,000 to be expended for twine, the loss to the taxpayers of the United States through the purchase of cotton twine would be $91,000.

The cotton twine which was bid on last year would have been made in Hickory, N. C. The jute twine which is now used by the Post Office Department is made in Allentown, Pa. During the past 18 years about 600 persons have been continuously employed at least 6 months in every year in these jute mills making this twine for the Post Office Department. So that, so far as American labor is concerned, there are 600 American wage earners with 18 years of experience in the manufacture of jute twine whose jobs are at stake. I feel that these 600 persons with their families have a right to know what the Congress is voting upon and have a right to be heard in connection with this issue. They should not be thrown out on the sidewalk without any jobs unless there is a good reason for it.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. CLASON. Mr. Speaker, I must decline to yield.

Here is the situation. This amendment was not before the House committee. No evidence was ever given at any hearings. The employees of these mills were never given a chance to have their side presented. Before a subcommittee of the Senate, dealing with this subject matter, however, evidence on the subject was presented. The amendment was not presented, to be sure. The tactics seem to be to wait until you get to the floor of the House or the Senate and then wait for a moment to catch somebody off guard and take chances on winning, because no committee upon a hearing of the facts would vote in favor of this amendment.

What did the Senate subcommittee do?

They voted down this amendment by a vote of 6 to 1. They had evidence which was presented to them by representatives of the Post Office Department. In connection with that I call attention to the fact that the Post Office Department does not desire this amendment and does not desire cotton twine.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. CLASON. Mr. Speaker, Senator HAYDEN, speaking in the other body in regard to this amendment, stated:

I wish to say, however, that in considering this matter the committee relied very heavily upon representations made by the officials of the Post Office Department to the effect that as yet a cotton twine has not been devised which can be handled by the employees in such a way as not to cut their fingers.

Senator O'MAHONEY, a former Assistant Postmaster General, stated in the Senate:

Not only is the fact as stated, but the cotton twine is so much superior as a binding force, because it is harder to break, that it slows up operations in the post office. That is one of the primary reasons why the Post Office Department desires twine which will merely hold the bundles together, with the least trouble to the clerks who are using it.

In other words, jute twine is the more satisfactory twine and it is $91,000 cheaper on the purchase of $325,000 worth of twine than cotton twine. The only thing that is involved which is foreign is the raw material, which comes in here and is manufactured in American mills by American workers. You have voted on this once. You voted down a similar amendment by a vote of 103 to 74 about 2 months ago. I ask you again to stand by these 600 Americans who are now gainfully employed and not by an arbitrary vote, without hearings and without giving them any opportunity to defend themselves, throw them out on the street. I ask you to vote "No" on this motion.

Mr. LUDLOW. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. BULWINKLE].

Mr. BULWINKLE. Mr. Speaker, the gentleman who preceded me is not fully aware of the facts. For nearly 10 years now I have gone into the matter of cotton twine as

compared with jute twine. I may say to the gentleman that last year twine that was made by a manufacturing plant in my district was submitted, as a test, by the Post Office Department to the post offices in Rochester, N. Y., Springfield, Ohio, St. Louis, Mo., and two or three other offices. It was reported that the employees would rather use the cotton twine than the jute with one exception.

With reference to the matter of cost, I grant that if you take it on the question of poundage there is a considerable difference in cost, but if you take it on the matter of yardage, because cotton is much lighter than the jute twine, there is not so much difference in favor of jute.

When the gentleman talks about this subject he must, of course, realize that in the South cotton farmers raising a native product are entitled to a preference over foreign twine or a foreign product that comes into the United States. We are not asking that cotton twine totally supplant jute. We only ask for enough to conduct an experiment to show that it can be done and can be used and for this purpose we request that one-fourth of the amount appropriated be used for cotton and three-fourths for jute.

Mr. COX. Will the gentleman yield?

Mr. BULWINKLE. I yield to the gentleman from Georgia.

Mr. COX. May I say to the gentleman that the Ludlow people who are protesting the adoption of this amendment have benefited as a result of preferential treatment in the set-up of our tariff laws to the extent of many, many millions of dollars. If the gentleman will look at the vegetable fiber section of the act and study its history, he will find proof of what I say.

Mr. BULWINKLE. I realize that what the gentleman has just stated is the fact. I am not speaking simply because twine is manufactured in my district. Nor am I speaking for the cotton farmers of my district. But I am here speaking to give the textile plants, whether they be in New England, in the South, or in the West, and the cotton farmers of the South a chance to compete with a foreign product, and am asking that the conference report be adopted.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Speaker, there is not very much money involved in the pending amendment, and it would hardly be worth much of the time of the House on a basis of money consideration; but from the standpoint of principle there is a great deal at issue in the amendment which is presented to the House by the subcommittee of which I have the honor to be a member. Frankly, the amendment does not ask for very much for the domestic cotton producer. It does not ask enough.

Let me restate the proposition. When the Post Office appropriation bill was before the House in February, those of us who were interested in cotton twine were unable to get any provision into the bill requiring the use of any cotton twine by the Post Office Department. The Senate, when it considered the bill, provided that at least one-half of the twine purchased by the Department should be of domestic origin, meaning cotton, of course. This put the issue in conference between the House and Senate. The pending amendment is the best we could get at the time. It is a compromise by the conferees. It provides in effect that at least one-fourth of the twine used by the Post Office Department shall be of cotton. In my opinion, 100 percent of the twine used by the Department ought to be of cotton. But that is impossible under the situation now, and it is up to us to hold this 25-percent requirement. Surely, within the next few years the Post Office Department will gladly consent to use cotton twine altogether.

There is no use in sensible men saying that cotton is not sufficiently good to tie bundles in the post office. As everyone knows, cotton is one of the finest fibers in all the world. No time need be used in arguing the virtue of cotton as a fabric for the most beautiful and delicate dress or as a fabric for sturdier use in the commerce of the world. It is a fine fiber. This jute, stripped from a plant grown in India, is not comparable to cotton at all.

There are those who have said that the jute twine is more satisfactory to the Post Office Department because cotton has a certain elasticity; however, recent experiments have shown that cotton, for the particular use in question, is superior to jute from every angle. If our scientists are so lacking in skill and ability that they cannot make a cotton twine which is adequate to tie up letters in the post office, we had better consign our research laboratories to the scrap heap and renounce all claim to ingenuity and scientific skill.

May I read what the Cotton Utilization Research Section of the Bureau of Agricultural Economics has to say as to the merits of cotton as a twine for use in tying up letters? This ought to settle the question as to whether or not cotton is suitable for such use. Those making the test used twine made of jute and twine made of cotton in tying packages that were then shipped through the mails. After they had made a study of the two fibers they made a report in a letter addressed to the gentleman from Georgia [Mr. PACE], who has been very much interested in this matter, and this is part of the report:

> Reports made by Bureau representatives upon receipt of the packages at the various points showed that both the packages tied with cotton and those tied with jute twine arrived in sufficiently good condition to be returned without the necessity of having the twine replaced or retied. The packages tied with cotton twine appeared to be in slightly better condition, on the average, than did the packages tied with jute twine, but no appreciable differences were noted in any respect. * * *
>
> As a whole, the bundles tied with cotton twine were tigher than those tied with jute. No appreciable difference was detected in regard to cutting of envelopes and disarrangement of letters in bundles.

With 11,000,000 bales of surplus cotton in the hands of the Government, produced by American workers in American cotton fields, it would seem to be most ridiculous and absurd, indeed, for the Congress to turn down the application of the cotton farmer for 25 percent of the trade of the Post Office Department in twine used by that Department.

The Post Office Department uses 2,200,000 pounds of twine. We are asking only that in the next fiscal year one-fourth of this poundage of twine be made of cotton, for the purpose of consuming cotton—just one-fourth. Certainly that is little enough. I almost apologize for asking no more, yet that was the conference report and agreement on the matter, and no further request can now be made. Undoubtedly within the next year or so the Post Office Department will use cotton exclusively for twine purposes as is now the case in the many thousands of mail sacks used by the Department. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Speaker, as one who believes in the system of protection for the American producer, I am going to vote to accept the Senate amendment. [Applause.] You cannot have spot protection in this country and be prosperous. It must be general. I appeal to the Members on my side of the aisle to support the amendment. It is true this does not amount to much so far as it affects the total of our surplus cotton; but a principle is involved, and that is, either we must stand by the American producer or open the doors yet wider to imports from the entire world. The trouble with our country today is that we are importing altogether too much of everything that we can produce at home. That is the main reason for our unemployment. You cannot put the idle back to work and you cannot reopen the mills unless you give necessary protection not only to the North but to the South, the East, and the West. I think this is a mighty good place to start acting on that principle. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, I have asked for this time not for the purpose of repeating any of the arguments that have

heretofore been advanced on this matter, the question having been pretty fully discussed, but for the purpose of calling attention to the fact that on the passage of the agricultural appropriation bill through the House the amendment of my colleague the gentleman from Georgia [Mr. PACE], which has the effect of requiring the Department of Agriculture to use altogether cotton twine in the operations of that Department, was accepted by this House with only three votes against it. If it is wise, if it is feasible, and if it is economically justified to have the Department of Agriculture use altogether cotton twine, there certainly appears to be no reason why the modified amendment offered by the subcommittee having this bill in charge, to have the Post Office Department use 25 percent cotton twine in the filling of its needs for twine, should not be adopted. I simply wish to offer that observation because it has not yet been called to the attention of the House in this debate that you have already adopted a policy almost unanimously, insofar as the Department of Agriculture is concerned—that is, the policy of having cotton twine used altogether. To provide in this bill that the Post Office Department must or can use altogether jute twine in its operations would be distinctly out of line with the policy you have already approved in the agricultural appropriation bill. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Speaker, in my opinion, this proposition is not merely a question as between jute and cotton, but is more fundamental than that. It goes to a matter of principle. It seems to me that writing into this appropriation bill a provision forcing the Post Office Department to use cotton, although they prefer to use jute twine, is class and sectional legislation, and you are trying to do here through an appropriation bill something that you have not been able to accomplish by regular legislative action.

To my mind, the question in this is a matter of principle. If we are going to pass legislation in favor of the cotton industry which will have the effect of destroying industries that have been built up over years and years for the manufacture of twine, I say it is a matter of sectional legislation. It would be all right to do that if it had no adverse effect on any other American industry. But we have here the jute-twine manufacturers who, by their industry and prudent management and their large investments, have been making a living for themselves and for their workmen who have learned the trade, and now the Congress comes along and seeks to pass legislation which will practically destroy that industry. If we start out on this path, God knows where we shall end. It means that no American businessman can go into business and feel satisfied the Central Government of the Nation will not step in some time and pass a law that will wipe out his efforts and his natural advantages and give a fake advantage to some competitor who is not able to get along. This is unfair legislation, it is provincial legislation, and it is prejudicial to the best interests of the manufacturers of this country. It is unfair for the reason that it does not allow the exercise of free enterprise.

We all know that recently many conventions have been held to break down trade barriers which different States have been setting up seemingly in order to protect their own industries.

We know that the trend toward setting up trade barriers is in the wrong direction. We know the policy of this administration insofar as free trade is concerned and doing away with trade barriers. If this Congress will turn around and legislate for a certain section of the country to the detriment of manufacturers and industries which have developed throughout long years, I say it is a step in the wrong direction and a bad tendency. It will cause bitterness; it will cause retaliation on the part of other industries and other sections; it will destroy the confidence of every tradesman, every man who goes in for some particular trade, and destroy the confidence of the businessmen for the Congress to step in and legislate in this way, after he has spent all his life and thousands and perhaps millions of dollars in developing a particular industry. Think of the manufacturers in different parts of the country who will be practically ruined by this legislation.

I say if the Post Office Department desires to use jute or desires to use the kind of material which has been demonstrated throughout years of usage as being the best, we should not, through an appropriation bill, attempt to legislate in favor of some particular section of the country to the detriment of other interests involved.

This is prejudicial legislation and is legislation contrary to the policies of this administration as is proven by the many attempts in the past few years that have been made to do away with trade barriers.

I say that if this legislation is passed, other industries that are weak will come to the Congress and sit on your doorstep and beg of you to enact some measure which will protect their industries and help them to overcome the competition which they may claim they cannot overcome.

Mr. ALLEN of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. ALLEN of Pennsylvania. Mr. Parkman in his testimony before the Senate committee made the statement that he had taken the World Almanac and figured the average cotton crop for a number of years and found that the twine requirements would amount to about thirty-three ten-thousandths of 1 percent of the average cotton crop. So we are not helping the cotton growers very substantially by this legislation.

Mr. EBERHARTER. The few extra bales of cotton that will be used through this measure will react, as I said before, to the detriment of the cotton growers of this country, and I hope that this Congress will stand on its own feet and defeat the Senate amendment. [Applause.]

Mr. LUDLOW. Mr. Speaker, I yield 10 minutes to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Speaker, I trust I may have your close attention so that we may get the issue clearly.

The Senate adopted an amendment providing that at least 50 percent of the twine used by the Post Office Department should be made of materials grown in the United States. The conferees, after extended discussion, disagreed with that, and the conference committee has instead offered the present amendment to provide that at least 25 percent of the twine used by the Post Office Department shall be of American-grown materials—merely 25 percent.

The first statement that was made here which I want to clear up is, that this would put 600 people out of work. The Ludlow Manufacturing Co., which has plants in Massachusetts and in Pennsylvania—and I understand the interest of some Members in the welfare of that concern—has its men engaged in making jute twine, cotton twine, cordage, linen goods out of flax, and those men are making all of these different flax and jute commodities. If we turn to cotton, they will engage in making cotton twine, because that company makes many times more cotton twine than it makes jute twine.

Now, this is the issue involved here, and there is nothing else involved. The gentleman from Massachusetts [Mr. CLASON] stated that on the last purchase by the Post Office Department the bid on cotton twine was 3½ cents per pound higher than jute twine. Now, I will tell you why. I have here a ball of cotton twine and it weighs exactly 1 pound and it contains 1,350 yards. This identical pound of jute twine contains only 850 yards.

There was a 3½-cent difference in the bids on a pound basis, and for 18 long years the Post Office Department has refused to ask for bids on a yardage basis; and while it may be wrong for Congress to legislate on a particular subject like this, I say to you, in my place as a Member of this House, that this legislation is necessary to force your Post Office Department to at least give the cotton farmer an even break and give his commodity a chance to participate in the bidding on a fair basis.

That is all that I am asking. Give us a chance to bid, and if we cannot compete with jute on a reasonable basis, I shall not make another request.

They say that cotton twine has a lot of stretch in it. Will someone take a piece of this and just see how much stretch there is in it. Let me tell you what happened last month. The Department of Agriculture took 10 packages of letters weighing 2 pounds each. They wrapped 5 packages in jute twine and the other 5 packages were wrapped in cotton twine like this. They mailed them to Chicago, San Francisco, New York, Atlanta, and Dallas. They were sent there and then they were returned. The report of the cotton utilization research of the Division of Cotton Marketing, made to me on March 30, 1939, is as follows:

The tests were conducted as follows:

Five lots, each consisting of eight bundles of letters, four tied with cotton and four tied with jute twine, each bundle weighing approximately 2 pounds, were sent from Raleigh, N. C., to offices of this Bureau in the following places: San Francisco, Calif.; Atlanta, Ga.; New York, N. Y.; Chicago, Ill.; and Dallas, Tex.

The 40 packages were tied by an experienced mail clerk in the Raleigh, N. C., post office in order to insure, so far as possible, attaining equal tension on the packages. All jute twine used in the experiment had a small section marked with red dye so that it could be determined whether or not the twine had broken and was replaced in transit. No mark was placed on the cotton twine, as no post office or Railway Mail Service had such twine in stock and any replacement made would be evident.

Our representatives in these cities were asked to report particularly on the following points: (1) Comparative looseness of the jute and cotton twine; (2) condition of the letters, as to whether or not they seem to have shifted in the packages; and (3) whether the ends of the envelopes had been cut by the twine.

Reports made by Bureau representatives upon receipt of the packages at the various points showed that both the packages tied with cotton and those tied with jute twine arrived in sufficiently good condition to be returned without the necessity of having the twine replaced or retied. The packages tied with cotton twine appeared to be in slightly better condition, on the average, than did the packages tied with jute twine, but no appreciable differences were noted in any respect.

The various packages of letters were then retagged and returned by franked mail to our Bureau representative at Raleigh, N. C., who examined each bundle and found their condition to be as follows:

All bundles, with the exception of one tied with jute and one tied with cotton, both send from Chicago, were received intact. The twine on these two bundles had evidently slipped off the ends or broken during the return trip. The original jute twine on one other package had been replaced with a heavier twine. As a whole, the bundles tied with cotton twine were tighter than those tied with jute. No appreciable difference was detected in regard to cutting of envelopes and disarrangement of letters in bundles.

Although these tests indicate that this new cotton twine is fully satisfactory, I think it is well to point out that the trial was on such a small scale that the results should be considered as preliminary in nature until the twine can be tried out more extensively by actual regular use in the Post Office Department.

On a yardage basis this new cotton twine is only slightly higher in price than the last jute twine supplied on bids to the Post Office Department.

We shall be pleased to keep you advised on subsequent developments and greatly appreciate your interest in our efforts to extend the uses of American cotton.

In the meantime, if there is any further information which we may be able to supply you, please let us know.

Sincerely yours,

R. J. CHEATHAM,
In Charge, Cotton Utilization Research, Division of Cotton Marketing.

Here is the trouble. I have here in my hand the specifications of the Post Office Department last year when they bought 2,200,000 pounds of twine. The specifications fix purchase by the pound. Is that significant? A letter from the Bureau of Agricultural Economics with reference to a new cotton twine states:

This twine contains about 1,350 yards per pound, as compared with 850 yards for the jute twine, and with the present price of cotton, this larger yardage will make the cost of the cotton twine, on a unit of use basis, approximately the same as that of the jute now being used.

But the specifications of the Post Office Department do not invite bids on a "unit of use" basis, on a yardage basis, but only on a pound basis, which gives jute a preference of from 25 to 50 percent.

The last purchase of 2,200,000 pounds of jute twine by the Post Office Department was from the Ludlow Manufacturing Co. at 11.25 cents per pound. There was only one other bid, which was for cotton twine submitted jointly—in a combined bid—by three Massachusetts cotton mills, and their low bid was 14.50 cents per pound. The difference was 3.25 cents per pound, or about 28 percent, and the Post Office Department turned down the cotton-twine bid as not coming within the 25-percent differential authorized by the regulations of the Procurement Division under the "Buy American" law.

But how different it would have been if the Department's specifications had been fair to cotton and asked for bids on a yardage basis. With 850 yards in a pound of jute twine and 1,350 yards in a pound of cotton twine, there are 500 yards, or over 50 percent more, in the cotton twine on a "unit of use" basis. Cotton would not even have to take advantage of the 25-percent differential under the "Buy American" plan, but could fight it out on even terms with jute. Or if you figure 800 yards for jute and only 1,000 yards for cotton twine, there is 25 percent more yardage in the cotton, and this would more than bring them within the "Buy American" law.

The act of March 3, 1933, known as the "Buy American" law, directly commands, requires, and directs the different departments to use supplies manufactured from materials produced in the United States, unless the head of the department "shall determine it to be inconsistent with the public interest" or "the cost to be unreasonable."

Your attention is next called to the provision in the specifications which states that the breaking strength of the jute twine "must average not less than 20 pounds," and for cotton twine it must be "not less than 16 pounds nor more than 20 pounds." How kind they are to jute. It can have weak spots, breaking at 5 or 10 pounds, and it can have strong, heavy spots, breaking at 40 or 50 pounds. But not cotton. The cotton manufacturer must use great care; he must spin with perfection; his product must not have any irregularities or weak and strong spots; he is allowed only a 4-pound difference in the weakest and strongest spots in millions of yards.

And you will notice that the specifications make no requirement as to the size or diameter of the jute twine, but as to cotton, poor cotton, the diameter must not be less than 0.04 of an inch. How kind they are to jute.

You will not find any requirements in the specifications as to the knot strength or knot break for this twine. It is bought for tying up the mail, and every package must have one or more knots. Is the absence of that requirement significant? One of the largest twine manufacturers in the world writes this:

Jute is very much weaker in the knot than cotton, as it does not flex as readily. A tied bundle is no stronger than the knot, yet the Post Office Department does not specify knot breaks.

And the Bureau of Standards can give you some very helpful information as to the need of testing knot strength and how unfair it is between jute and cotton not to require it.

Is cotton, an American commodity, receiving fair treatment? Last year there was only one bidder on cotton twine; the year before there were none. One of the principal twine manufacturers in the United States writes:

These specifications are so drawn that it is utterly impossible for cotton to compete with jute, and because of the hopelessness of this we have quit bidding on Post Office requirements.

For 18 long years they have used a foreign product to tie your mail and my mail and to carry the mail to the rural mail box of the humblest cotton producer in the South, while we have at this hour 17,000,000 bales of cotton on hand and your Government has an investment in that cotton, in the way of loans, of $660,000,000. This jute is produced in India and is shipped into this country in the raw product without tax or tariff.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. PACE. In a moment. We are asking that our Government use American commodities in its own departments, but in this case the committee has reported an amendment for only 25 percent of cotton twine for the Post Office Department. We are forced at this time to accept that amendment, and we have accepted it because for the first time in 18 years

it will give cotton an opportunity to compete, and if cotton does not come well within the "Buy American" law, I promise you as a Member of this House that I will not request a renewal of this amendment in the next session. Let them make a purchase of cotton and jute on fair specifications for cotton, and if it is not well within the "Buy American" law I will not ask a renewal of this matter. Let me say one thing more before I yield. For the last 6 months you Republican Members have had a great deal to say about the American farmer being entitled to the American market. How, then, can you vote against this amendment to give the American farmer at least 25 percent of the twine used by the Post Office Department?

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. PACE. Yes.

Mr. MAHON. I am in accord with every statement the gentleman has made, and it is my understanding that the attitude of the Post Office Department has been modified by reason of the tests of this new twine that has been perfected, and we cannot now say that the Post Office Department is really opposed to this amendment.

Mr. PACE. In view of these tests, I do not see how they could be against it.

Mr. MAHON. They ought to be for it, and I presume they are for it.

Mr. PACE. You know the jute people make millions while these jute products now used in this country are displacing over 2,000,000 bales of cotton. Here is the estimate:

Imported jute

[Bales of 478 pounds net]

Bags:		
Mill feed	---	248,000
Fertilizer	---	74,000
Sugar	---	62,000
Potatoes (white)		56,000
Wheat (bran and shorts)		50,000
Flour (all kinds)		19,000
Other (for other products and sundry purposes)		111,000
Total	---	620,000
Bagging for wrapping bales of cotton (12,000,000 bales)	135,000	
Textile wrappings (bales covering manufactured goods)	90,000	
Wool carpets and rugs	95,000	
Twine and cordage (including tying United States mails)	75,000	
Road building	100,000	
Rags for U. S. Navy, low-grade cotton	8,000	
Other	85,000	
Total		588,000
Grand total		1,208,000

Imported hard fibers

Binder twine and rope	550,000	
Other (mostly twine and cordage)	600,000	
Grand total hard fibers		1,150,000
Grand total jute and hard fibers		2,358,000

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. PACE. Yes.

Mr. MOTT. The gentleman observed that there was no tariff on jute. May I inquire whether the gentleman is in favor of a tariff on jute?

Mr. PACE. I said there was no tariff on raw jute.

Mr. MOTT. There is a tariff on jute when it comes in in the manufactured state?

Mr. PACE. Yes; there is a tariff on jute in the manufactured state. As long as we continue the present system of high protective tariffs I certainly think the farmer should be protected the same as the manufacturer, and I favor a tariff on jute to protect the cotton farmers of the South.

Mr. MOTT. The gentleman favors a tariff on jute?

Mr. PACE. And a good high one, too.

Mr. MOTT. I am glad to hear that. [Applause.]

Mr. PACE. I hope the gentleman favors it.

Mr. MOTT. I do. Does not the gentleman believe that we can get a better solution of this problem if we would put a tariff on raw jute and keep the American twine market for the people who produce the raw material for twine in the United States?

Mr. PACE. Of course, I believe in that. We have been trying for 5 years to put it on, but have had no success up to this time.

Mr. MOTT. Has the gentleman tried to get a tariff on raw jute?

Mr. PACE. Oh, yes.

Mr. MOTT. And the administration is against it; is that the reason?

Mr. PACE. Well, I would not want to say that. I do not know the official position of the administration on jute in particular. I do regret that the administration appears to be bitterly opposed to giving the farmers better protection against foreign vegetable oils. I do not see why the agricultural sections are not entitled to the same protection as the industrial sections. We should all be treated alike.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

COTTON TWINE VERSUS JUTE TWINE

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my own remarks on this subject at this point.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARE. Mr. Speaker, as I understand, the Post Office Department for many years has been using jute twine in its business of transporting mail, the cost of which exceeds $300,000 annually. It is my further understanding the twine used is manufactured in this country from raw jute imported free of duty from foreign countries, and that the purpose of this amendment is to direct the Post Office Department to substitute cotton twine to the extent of 25 percent of the quantity used each year. The proponents of the amendment insist that this is only fair and just to the American producer as well as the American manufacturer in that it is an effort to have the Government consume the products of American soil instead of buying and encouraging the importation of foreign products to compete with the labor and producers in the United States.

Opponents of the amendment insist that the Post Office Department prefers to use the jute twine because it is easier handled and is better material. However, the proponents of the amendment, particularly the gentleman from Georgia [Mr. PACE], a member of the committee, has stated in his argument and submitted evidence that cotton twine is not only easier handled but it is much better in quality and safer for wrapping purposes. It appears to me the illustration he gave from a report of the cotton-utilization research of the Division of Cotton Marketing made a few months ago is conclusive that cotton twine is stronger and better adapted for wrapping purposes than jute twine.

Opponents of the amendment say further that jute twine is cheaper than cotton twine by as much as 3½ cents per pound. There seems to be no doubt about that, but according to the evidence submitted to the committee a pound of jute twine contains only 850 yards, whereas a pound of cotton twine contains 1,350 yards, or nearly 60 percent more wrapping capacity than a pound of jute twine, making the cotton twine just about as cheap or possibly cheaper than jute. It appears, therefore, from a practical standpoint, cotton twine is preferable to that of jute twine; but the opponents of the amendment proceed further and say that it is unwise and improper for the Government to enact legislation of this kind, for the reason that it is contrary to the policies of this administration and prejudicial legislation. This seems to be the argument advanced by practically all of those opposing the amendment ,but surely they are not sincere in this argument or they have lost sight of the fact that the recent appropriation bill for the United States Veterans' Administration provided specifically that the United States veterans' hospitals would not be allowed to use any substitute for American butter

in feeding veteran patients at veteran hospitals, the primary argument being that this legislation was for the purpose of protecting the dairy industry of the United States as against butter of any kind made from imported copra or coconut oil.

To illustrate how inconsistent the opponents of this amendment are we find that practically all of them insisted on favoring the policy of the Government protecting our home industry against the products of copra, a foreign product or crop and imported into the United States on the free list, but now they seriously object to an even 25 percent division in the use of twine in the Post Office Department when this twine is all made from hemp imported into the United States free of duty; and yet they have the nerve, the audacity, and the effrontery to object to this amendment on the ground, as they say, that it is an attempt to legislate in favor of a particular section of the country to the detriment of other interests involved. The only other interest that could legitimately be involved would be the manufacturer of jute and he could manufacture cotton just as well as jute, and my idea is the only reason he does not do it today is that he can get jute cheaper and make a bigger profit on it than he can by using cotton. Certainly there could be no objections on the part of the employee because he could manufacture cotton twine just as easily as jute and I imagine the work would be a great deal lighter and more sanitary.

The real purpose of this amendment is to determine by experiment whether the Post Office Department can render just as efficient and satisfactory service by the use of twine made from cotton as it can by the use of twine made from jute. If it is found that the use of cotton is as satisfactory and can be obtained at or about the same cost it is impossible for me to understand why the Post Office Department should not use cotton twine instead of insisting upon using a foreign commodity. However, if it is found from the experiment that the use of twine made from jute is cheaper and the Department can, by its use, render more efficient and satisfactory services, then I am sure the proponents of this amendment will not object to the use of jute twine in place of cotton, but until this is definitely established I think we are clearly justified in insisting that the products of American labor should be utilized in our governmental activities, and I trust, therefore, this amendment will pass.

TREASURY AND POST OFFICE DEPARTMENT APPROPRIATION BILL, 1940—CONFERENCE REPORT

Mr. LUDLOW. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Speaker, if this amendment should be carried on a 50-percent or a 25-percent basis, it should be carried on a 100-percent basis. In other words, if the amendment has any merit, if the argument is that it protects the American cotton farmer, then he should have full protection. There should be no compromise about it. But there is a principle involved here. This is not the proper way to legislate on this kind of a matter. We have two methods of controlling importation into the United States. One is the tariff and the other is the reciprocal-trade agreements. Why violate both of these principles?

We are starting on a proposition that is new, and the cotton farmer ought not to ask it. There is not enough involved financially to warrant this departure. If they are entitled to part of twine they ought to have all of it, but they ought to go after it through a tariff which is the orderly way to accomplish what they desire. They are afraid to do that. They are free-traders theoretically but they want protection by special legislation. They are afraid to be protectionists as they should be, but they would like to have protection through the back door. I repeat that if this matter is going to be handled in a legislative way it should be handled as we have always handled similar matters. This House has already passed upon this proposition once before. This House has defeated this proposition. It goes to another body and that body tacks on something and sends it back here in a conference report and expects us to swallow it. Why should we under pressure accept what we deliberately rejected? I repeat that the cotton people should not insist on this. Why? I remember when the cotton people of this country produced 65 percent of the cotton produced in the world and exported 65 percent of what they produced, but they have come into a sorry situation. They have come into a sorry day because of tactics just like this. They have not approached the subject in the proper attitude. I am in favor of doing whatever is best for this great number of Americans who produce cotton. I think they ought to have every reasonable protection, but today the Government owns $650,000,000 worth of cotton and we are selling it back to the cotton farmer under a subterfuge. We bought it from them and now are selling it back to them at the loss of many millions to the Government and the farmers cannot use it even when this Government gives them this advantage. They come here today with this little matter that will probably not amount to 25 cents to each cotton farmer in the South. It would not mean anything except it is a gesture which carries serious implications. It is a little subterfuge. Next year they will increase the percentage or provide that all the twine be constructed from cotton. It will be another subsidy where the Post Office Department will be paying about twice the present price for twine. I repeat, who is going to pay for this? It is the industries in the northern part of the United States. Industries that are already equipped in my State and other States to make this sort of twine. What will be the result? Next year we will raise this from 25 to 50 percent, and we will start on a new process of legislation and the result will be more industries moving to the Southland. Let us do something worth while for the cotton farmers and retain the legislative principles that have made our country great. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina [Mr. FULMER].

Mr. FULMER. Mr. Speaker and Members of the House, I want to say to you that I have had the privilege of serving in Congress over 18 years. I have the distinct honor of having served in the lower House of Congress longer than any man from South Carolina during this past 150 years. During my first term in Congress I entered into this line of work of trying to protect Americans from imports from India and other countries so that we might be able to consume the products of the American people. The remarks made by the distinguished gentleman from Ohio [Mr. JENKINS]—and he is a good friend of mine—are in line with every speech that has been made over the years in connection with this matter. They do not want us to get in with a start with cotton in replacing jute.

Now, I want to call this to your attention: We have at this time 13,000,000 bales of surplus cotton, 11,000,000 of which is stored with the Federal Government, costing annually $45,000,000 for storage thereon. What are the facts in connection with jute? Annually they are importing into this country 2,000,000,000 pounds of jute, either in raw state or in manufactured products. Pound for pound, if we had our own markets, we would use 2,000,000 bales of perfectly good American cotton.

Mr. Speaker, unless something is done to restore the cotton industry of this country, drastic readjustments must take place in the South. This is not only the South's problem, it is the problem of every section of the country and every citizen, regardless of what line of business he or she may be engaged in. Unless something is done to restore the cotton industry it will be impossible to bring back that type of recovery we ought to have. From day to day we hear Congressmen standing upon the floor of the House talking about America for Americans, yet in the meantime we permit the jute interests of India, a possession of Great Britain, to ship into this country millions and millions of dollars' worth of jute to the extent that as stated it displaces 2,000,000 bales of American cotton, taking our own markets away from our own people, which is destroying the purchasing power of the South. Mr. Speaker, let us stop quibbling about this question and do what we should have done years ago—that is, help the cotton industry of the South, or our people

will be forced to go into dairying, hog raising, and the cattle business in competition with other sections. Please remember it can be done and will be done if we do not promptly and properly solve the cotton problem. Then what will become of these other great sections of the country?

I hope we will adopt this amendment and get started on doing that which we should have done years ago. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Speaker, I yield 3 minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Speaker, "Tain't no disgrace to run when you is scared."

I am so amused by the opposing debaters. One says this matter is so large as to mean the destruction of a great industry. The next, that it is too trivial to notice. Another would have us believe that it would mean starvation for 600 citizens. The next gentleman rises and solemnly assures us that this is a mere bagatelle, that it amounts to thirty-three ten-thousandths of 1 percent of the average cotton crop; in other words, that it involves only 6,000 bales—and that is true and the Member is exactly right. If he would follow his logic to its true and inevitable conclusion, he would vote for this amendment, because it does not affect materially the situation that now exists; but he will not do it because—though he be, and he is, honest—he is scared. Every one of these gentlemen who rise and shout to high heaven against this amendment are afraid of the absurdity they are seeking to defend. They know that if they give cotton a chance to compete with jute twine in the Postal Service, it will win its way into even the closed minds of some of the hardened bureaucrats who have opposed its introduction, and they know it will win its way into the confidence and favor of the Post Office Department employees by sheer merit. They know that there is nothing to their argument that the use of cotton would cost more. The same amount of money spent for cotton twine will tie more bundles and packages than if it were spent for jute; and cotton twine is a far better and more serviceable product, yet they insist, for no reason under God's blue dome, upon retaining a foreign product when they might use—with very little, if any, need of adjustment in their machinery and none at all in their personnel set-up—American cotton.

And so I beg of our friends from New England, those gentlemen on the Republican side of the aisle, to come clean and give us a break by standing up to their own traditions. Their cry through all these years has been for a protective tariff to exclude foreign products. Of course, they have never meant it unless it feathered their own nests. They have never put a tariff on jute, because they can make more money by making an inferior jute twine and selling it for the equivalent price of a better cotton twine, and double their profit by leaving jute on the free list.

Whether we should put a tariff on jute is not a question at issue today. That argument is advanced now in an effort to throw this train off the track. If we were trying to levy a tariff on jute, the same gentlemen would be representing their same selfish constituencies, and claiming that another means should be employed. No matter what may be proposed to aid cotton, they will oppose it.

So be not misled by their prophecies of disastrous consequences nor by their attempts to laugh us out of court. Give cotton a chance to prove its superior quality and worth in the acid test of actual comparison on the same job. It will convince the most skeptical that it is not only the best twine for postal use but also the cheapest in the long run. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GERLACH].

Mr. GERLACH. Mr. Speaker, the industry which manufactures the jute twine used by the Post Office Department is located in my district. I have studied this question and find what it means to the cotton industry: The use of only 1,250 additional bales on a 25-percent basis, or 2,500 bales on a 50-percent basis. At the present time in my district more than 7,000 persons are on direct or W. P. A. relief. Should this amendment pass, more than 300 persons will be thrown out of private employment and forced to go on the relief rolls in the city of Allentown.

Previous speakers have told you that 600 people were employed in making jute twine but that they were employed on other lines of work as well, which is not a fact. The people working in this industry in the city of Allentown manufacturing jute work on jute exclusively.

Now, just a few words as to what jute means to the United States and to the cotton growers of the South. The United States purchases directly and indirectly from one-quarter to one-third of all the jute and jute products exported from India. This amounts to $78,000,000 per year. India purchases directly and indirectly from the United States a yearly average of $87,000,000 worth of American products. India consumes one-third of the cotton goods from England, our second-best customer for raw cotton. Bengal, India, the province which produces jute, takes 40 percent of all the cotton goods imported into India. In conclusion let me ask my southern colleagues, who are supporting this amendment, why the cotton producers in the South use jute to wrap and tie their bales of raw cotton.

Mr. LUDLOW. Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. JONES].

Mr. JONES of Texas. Mr. Speaker, to me it is an amazing performance to find my friends from Massachusetts, the home of protection, the State that perhaps has profited more from the application of the Buy American Act than any other, leading the fight against this pittance to the cotton farmer who in the nature of things can have no part in any protective system. What a strange and cruel philosophy.

The man who invented the tariff system would not have advocated any such action. Read the Report on Manufactures, written by Alexander Hamilton in the early years of our national life. He said, when he advocated protection for manufactures, that, in order to do justice to the farmer, on some commodities there should be protection where they could be protected, and where they could not there should be an export bounty.

We are faced here with the same situation as the boy who was eating an apple in the presence of his playmate, and who, when he was asked for the core, stated, "There ain't going to be no core."

I can understand why these Members who have manufacturing plants in their districts would have to say something; but to the Member, Democratic or Republican, who is willing to face facts and see that justice is done, I do not see how he can do anything other than vote for this amendment.

I have sat in this House and listened to the speeches when two great tariff bills were enacted.

The story, the argument, the whole basis of the discussion was "Buy American." Now, I ask my friends from Massachusetts and Pennsylvania if it is fair to urge the consumers and the southern farmers to buy American and then to say, "But give us the privilege of buying in India, where they pay 16 cents a day for labor"?

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. JONES of Texas. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. I am in favor of buying American. Instead of trying to convince Members of this House, the gentleman had better try to convince his party.

Mr. JONES of Texas. I am not interested in getting off into some other discussion in the brief time I have.

Mr. Speaker, last year jute and jute products, valued at $40,000,000, produced by 16-cent labor, were brought into America.

Down in the South they pick cotton in the blazing sun. We have recently enacted a law which forces industry in that area to pay a minimum wage. I voted for that measure. To vote in this House on the basis of "Buy American," and then to have the manufacturing districts that throughout these years have enjoyed the benefits of protection urge that not even 25 percent shall be used to purchase in America the

twine that is used in the Post Office Department is a rank absurdity.

Practically all of the mercantile establishments in the Nation use cotton twine or cordage for wrapping. It would seem strange if the Post Office Department could not use it as well.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. MOSER].

Mr. MOSER. Mr. Speaker, I am neither interested in this proposition from the standpoint of my district nor from any sectional viewpoint; but I do take the floor to assist a colleague who has an industry manufacturing this jute twine. I can candidly state, based on 10 years' experience in railway-mail cars, trying to catch a pouch within a mile of where you took the last one on and put one off, that the efficacy of the jute twine has always proven itself far superior to any cotton twine I ever heard of or used.

This jute I always understood came from the Philippines, although I am not familiar with that fact. I did not even know where it was manufactured. Last year when it came to the letting of the contract, I was approached by my good friend from Allentown, Mr. Fry, and I went down to the Post Office Department and discussed it with them. There I found the purchasing agent had similar experience in the classified service that I had and he also knew the efficacy of the jute twine and its superiority over any cotton twine.

Mr. PACE. Will the gentleman yield?

Mr. MOSER. In a moment. I know what the gentleman is going to ask me and I will yield in a moment.

We always found that the cotton twine was a twine that because of its weave and twist did not render itself adaptable to the touch of the fingers in assembling and quickly tying up packages of mail and throwing that mail into a pouch.

The jute twine does render itself adaptable to the touch of the fingers and permits of rapid tying of the packages without causing the snarl in the twine that cotton twine does. The cotton twine we get from the folding room does that repeatedly when I use it in my office. I understand the gentleman from Georgia has a twine that he showed here sometime ago. I am sorry I did not see it, but I wish we could have 15 or 20 packages of letters that I could try to tie with that cotton twine. The jute twine does not tangle.

Mr. PACE. Will the gentleman yield?

Mr. MOSER. I yield to the gentleman from Georgia.

Mr. PACE. If the Bureau of Standards of the United States and the Post Office Department says this twine is as good or superior to jute twine, would the gentleman have any objection to it? The second question is, How did the gentleman compare jute twine with cotton twine when the Post Office Department did not use any cotton twine?

Mr. MOSER. The Post Office Department did buy cotton twine during the time I was in the classified service and that particular cotton twine had a twisted woven covering and we finally used it for shoestrings. Regardless of Bureau of Standards or Post Office Department reports I would personally wish to make a practical test.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Speaker, I yield myself the remainder of the time.

May I say first that the Committee on Appropriations does not belong to the Cotton Belt, and it does not belong to the Jute Belt, and it holds no brief for cotton and it holds no brief for jute; but this question has been before the country for a long time and in this effort to bring about an adjustment we have tried to be fair and considerate to all interests. It was our thought it would be a fair proposition that a provision be written into this bill requiring that 25 percent of the appropriation be used to purchase cotton twine. Cotton is an American product, whereas jute is a foreign product. In the fiscal year 1938 the Post Office Department bought 2,146,005 pounds of jute twine and only 11,194 pounds of the domestic product. This provision, if it is written into the law, will give the Post Office Department ample time and ample facilities to test this question and reach a decision that will be in the interest of all concerned. It was our thought that it would be fair to all interests to have this test made.

With that statement I should like to close the debate and to say that we submit this question to the judgment of the House on the evidence that has been presented.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. COOPER). The question is on the motion of the gentleman from Indiana, that the House recede and concur in the Senate amendment with an amendment.

The question was taken; and on a division (demanded by Mr. LUDLOW and Mr. PACE) there were—ayes 94, noes 69.

Mr. CLASON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 196, nays 144, not voting 90, as follows:

[Roll No. 58]

YEAS—196

Alexander	Doughton	Johnson, W. Va.	Peterson, Ga.
Allen, La.	Dowell	Jones, Tex.	Pierce, Oreg.
Andersen, H. Carl	Doxey	Keefe	Polk
Anderson, Mo.	Drewry	Kennedy, Md.	Rabaut
Andresen, A. H.	Duncan	Kerr	Ramspeck
Arends	Durham	Kilday	Randolph
Arnold	Edmiston	Kirwan	Rankin
Ashbrook	Elliott	Kitchens	Rayburn
Barnes	Ellis	Kleberg	Rees, Kans.
Bates, Ky.	Ferguson	Knutson	Richards
Beckworth	Fernandez	Lambertson	Robinson, Utah
Bland	Fitzpatrick	Landis	Rogers, Okla.
Boren	Flannagan	Lanham	Romjue
Boykin	Folger	Larrabee	Ryan
Brooks	Ford, Miss.	Lea	Satterfield
Brown, Ga.	Ford, Thomas F.	Leavy	Schaefer, Ill.
Bryson	Fries	LeCompte	Schuetz
Buck	Fulmer	Lemke	Schulte
Buckler, Minn.	Garrett	Lesinski	Sheppard
Bulwinkle	Gathings	Lewis, Colo.	Smith, Ill.
Burch	Gearhart	Ludlow	Smith, Wash.
Burdick	Gehrmann	McAndrews	South
Burgin	Gibbs	McGehee	Spence
Byrns, Tenn.	Gilchrist	McMillan, John L.	Starnes, Ala.
Caldwell	Gore	McMillan, Thos. S.	Steagall
Cannon, Fla.	Gossett	Maciejewski	Stefan
Cannon, Mo.	Grant, Ala.	Mahon	Sumner, Ill.
Carlson	Gregory	Maloney	Sumners, Tex.
Cartwright	Griffith	Martin, Colo.	Sweeney
Case, S. Dak.	Guyer, Kans.	Martin, Iowa	Talle
Chandler	Gwynne	Mills, Ark.	Tarver
Clark	Hare	Mills, La.	Tenerowicz
Cochran	Harrington	Mitchell	Thill
Cole, Md.	Havenner	Mouton	Thomas, Tex.
Collins	Heinke	Mundt	Thomason
Colmer	Hendricks	Murdock, Ariz.	Thorkelson
Connery	Hill	Murdock, Utah	Tolan
Cooper	Hobbs	Murray	Vincent, Ky.
Costello	Hook	Nelson	Vinson, Ga.
Cox	Hope	Nichols	Voorhis, Calif.
Crawford	Houston	Norrell	Weaver
Creal	Hull	O'Connor	West
Crosser	Jacobsen	Pace	Whelchel
Crowe	Jarman	Parsons	Whittington
Cummings	Jensen	Patman	Williams, Mo.
Curtis	Johnson, Ill.	Patrick	Winter
D'Alesandro	Johnson, Luther A.	Patton	Wood
DeRouen	Johnson, Lyndon	Pearson	Woodrum, Va.
Disney	Johnson, Okla.	Peterson, Fla.	Zimm

NAYS—144

Allen, Ill.	Dingell	Hart	McLeod
Allen, Pa.	Dirksen	Harter, N. Y.	Maas
Anderson, Calif.	Ditter	Harter, Ohio	Magnuson
Andrews	Dondero	Hawks	Mapes
Angell	Dunn	Hess	Marcantonio
Austin	Dworshak	Hinshaw	Marshall
Ball	Eaton, Calif.	Holmes	Martin, Mass.
Barry	Eaton, N. J.	Izac	Merritt
Barton	Eberharter	Jarrett	Michener
Bates, Mass.	Elston	Jeffries	Miller
Blackney	Engel	Jenkins, Ohio	Monkiewicz
Bolton	Englebright	Jenks, N. H.	Moser
Bradley, Pa.	Fenton	Johns	Mott
Brewster	Fish	Jones, Ohio	Myers
Brown, Ohio	Flaherty	Kean	Norton
Casey, Mass.	Gartner	Kennedy, Michael	O'Brien
Chiperfield	Gerlach	Keogh	O'Day
Church	Geyer, Calif.	Kinzer	Oliver
Clason	Gifford	Kocialkowski	O'Neal
Claypool	Graham	Kramer	Osmers
Cluett	Grant, Ind.	Kunkel	Pittenger
Coffee, Wash.	Griswold	Luce	Plumley
Corbett	Gross	McCormack	Reece, Tenn.
Culkin	Halleck	McDowell	Reed, Ill.
Cullen	Hancock	McKeough	Reed, N. Y.
Darrow		McLaughlin	Risk

Robsion, Ky.	Schwert	Stearns, N. H.	Wallgren
Rockefeller	Seger	Sutphin	Walter
Rodgers, Pa.	Shafer, Mich.	Taber	Welch
Rogers, Mass.	Shanley	Thomas, N. J.	White, Ohio
Routzohn	Simpson	Tibbott	Wigglesworth
Rutherford	Sirovich	Treadway	Williams, Del.
Sabath	Smith, Conn.	Van Zandt	Wolcott
Sandager	Snyder	Vorys, Ohio	Wolverton, N. J.
Schafer, Wis.	Somers, N. Y.	Vreeland	Woodruff, Mich.
Schiffler	Springer	Wadsworth	Youngdahl

NOT VOTING—90

Barden	Dempsey	Kelly	Sacks
Beam	Dickstein	Kennedy, Martin	Sasscer
Bell	Dies	Lewis, Ohio	Scrugham
Bender	Douglas	Lord	Seccombe
Bloom	Evans	McArdle	Secrest
Boehne	Faddis	McGranery	Shannon
Boland	Fay	McLean	Short
Bolles	Flannery	McReynolds	Smith, Maine
Bradley, Mich.	Ford, Leland M.	Mansfield	Smith, Ohio
Buckley, N. Y.	Gamble	Martin, Ill.	Smith, Va.
Byrne, N. Y.	Gavagan	Mason	Smith, W. Va.
Byron	Gillie	Massingale	Sparkman
Carter	Green	May	Sullivan
Celler	Hall	Monroney	Taylor, Colo.
Chapman	Hartley	O'Leary	Taylor, Tenn.
Clevenger	Healey	O'Toole	Terry
Coffee, Nebr.	Hennings	Owen	Tinkham
Cole, N. Y.	Hoffman	Pfeifer	Warren
Cooley	Horton	Pierce, N. Y.	Wheat
Crowther	Hunter	Poage	White, Idaho
Curley	Johnson, Ind.	Powers	Wolfenden, Pa.
Darden	Kee	Rich	
Delaney	Keller	Robertson	

So the motion was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. Warren (for) with Mr. Rich (against).
Mr. May (for) with Mr. Smith of Ohio (against).
Mr. Cooley (for) with Mr. Pfeifer (against).
Mr. Barden (for) with Mr. McLean (against).
Mr. Monroney (for) with Mr. Gavagan (against).
Mr. Green (for) with Mr. Bender (against).
Mr. Robertson (for) with Mr. Delaney (against).
Mr. Terry (for) with Mr. Powers (against).
Mr. Sparkman (for) with Mr. Evans (against).
Mr. Darden (for) with Mr. Douglas (against).
Mr. McReynolds (for) with Mr. Lewis of Ohio (against).
Mr. Dies (for) with Mr. Martin J. Kennedy (against).
Mr. Poage (for) with Mr. Sullivan (against).
Mr. Mansfield (for) with Mr. Tinkham (against).
Mr. Owen (for) with Mr. Bolles (against).
Mr. Smith of Virginia (for) with Mr. Seccombe (against).
Mr. Chapman (for) with Mr. Bloom (against).
Mr. Massingale (for) with Mr. Wolfenden of Pennsylvania (against).
Mr. Sasscer (for) with Mr. Dickstein (against).
Mr. Taylor of Colorado (for) with Mr. Celler (against).

General pairs:

Mr. Beam with Mr. Short.
Mr. Boland with Mr. Crowther.
Mr. Dempsey with Mr. Taylor of Tennessee.
Mr. Kelly with Mr. Wheat.
Mr. Fay with Mr. Carter.
Mr. Boehne with Mr. Cole of New York.
Mr. O'Leary with Mr. Hartley.
Mr. Faddis with Mr. Johnson of Indiana.
Mr. Hennings with Mr. Pierce of New York.
Mr. Smith of West Virginia with Mr. Gamble.
Mr. O'Toole with Mr. Bradley of Michigan.
Mr. Bell with Mr. Gillie.
Mr. McGranery with Mr. Hoffman.
Mr. Flannery with Mr. Mason.
Mr. Scrugham with Mr. Smith of Maine.
Mr. Curley with Mr. Horton.
Mr. McArdle with Mr. Clevenger.
Mr. Buckley of New York with Mr. Lord.
Mr. Coffee of Nebraska with Mr. Hall.
Mr. Byrne of New York with Mr. Leland M. Ford.
Mr. Healey with Mr. Secrest.
Mr. Martin of Illinois with Mr. Hunter.
Mr. Kee with Mr. Shannon.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 36: Page 79, after line 7, insert the following:

"SEC. 6. On and after July 1, 1939, no executive department or independent establishment of the Government shall transmit through the mail, free of postage, any book, report, periodical, bulletin, pamphlet, list, or other article or document, except official correspondence, unless a request therefor has been previously received by such department or independent establishment or such transmission is required by law. For each quarter, beginning with the quarter commencing July 1, 1939, the head of each independent establishment and executive department (other than the Post Office Department) shall submit to the Postmaster General an estimate of the number of pieces and the weight of the mail matter that the independent establishment or department will be required to transmit free of postage during such quarter, and he shall also certify to the Postmaster General at the end of each such quarter that nothing was transmitted through the mail free of postage by the independent establishment or department in violation of the provisions of this paragraph: *Provided*, That nothing herein shall be construed to prohibit the mailing free of postage of lists of agricultural bulletins or of lists of public documents which are offered for sale by the Superintendent of Documents: *Provided*, That this prohibition shall not apply to the transmission of such books, reports, periodicals, bulletins, pamphlets, lists, articles, or documents to educational institutions or public libraries."

Mr. LUDLOW. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. LUDLOW moves that the House recede from its disagreement to the amendment of the Senate numbered 36 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by such amendment insert the following:

"SEC. 6. On and after July 1, 1939, no executive department or independent establishment of the Government shall transmit through the mail, free of postage, any book, report, periodical, bulletin, pamphlet, list, or other article or document (except official letter correspondence, mail concerning the sale of Government securities, and all forms and blanks necessary in the administration of such departments and establishments), unless a request therefor has been previously received by such department or independent establishment or such transmission is required by law. For each quarter, beginning with the quarter commencing July 1, 1939, the head of each independent establishment and executive department (other than the Post Office Department) shall submit to the Postmaster General, within 30 days after the close of the quarter, a statement of the weight of the mail matter by classes of mail that the independent establishment or department has transmitted free of postage during such quarter, and he shall also certify to the Postmaster General at the end of each such quarter that nothing was transmitted through the mail free of postage by the independent establishment or department in violation of the provisions of this section: *Provided*, That nothing herein shall be construed to prohibit the mailing free of postage of lists of agricultural bulletins or of lists of public documents which are offered for sale by the Superintendent of Documents: *Provided further*, That this prohibition shall not apply to the transmission of such books, reports, periodicals, bulletins, pamphlets, lists, articles, or documents to educational institutions or public libraries."

Mr. LUDLOW. Mr. Speaker, I yield myself 2 minutes.

The purpose of this amendment is to place proper regulations around the penalty mail; that is, the mail of the governmental departments, which has been growing by leaps and bounds. The penalty mail in 1928, 10 years ago, was $8,537,730. In the year 1938 it had increased to the enormous sum of $35,690,807. It is the mail sent out postage free by the governmental departments, bureaus, and activities of all kinds. It is commonly known as the departmental penalty mail. In the same time the mail sent out under the franking privilege which is exercised by Members of Congress decreased from $909,864 to $779,369.

It has been obvious to students of governmental affairs for a long time that the penalty mail is running wild. It is high time some steps should be taken to check it. The purpose of this amendment is to place reasonable and proper restrictions around it.

Mr. Speaker, I now yield 5 minutes to the gentleman from Michigan [Mr. HOOK].

Mr. HOOK. Mr. Speaker, I fully realize there is much weight to the statement of the gentleman from Indiana, but I do not believe this is the proper way to legislate on this important subject. We all know that legislation on an appropriation bill is not allowed in the House of Representatives, but this legislation is attached to an appropriation bill in the Senate. That was done in this case. The only restriction is that it must come back here to the House for a separate vote. No hearings were had on this vital subject. The departments that are supposed to be running wild were not called in. The departments that have been adhering strictly to the rule were not given an opportunity to appear and show the necessity for the privilege in their departments.

I am fully aware that this amendment is to strike at the volume of franked mail that was sent out under the Works Progress Administration. I believe we should do something to stop some of these abuses by that Administration, but this is not the proper method of doing it. For instance, I believe that under this amendment Members of Congress would

have difficulty in getting the proper number of, say, what is known as baby books from the Department of the Interior. Further, the Department of the Interior—and I do not pick out the Department of the Interior for any special reason—sends out pamphlets to farmers, miners, and others with regard to safety in the use of high explosives. In order for such people to receive these pamphlets under this amendment they would have to write and request the Department to send the pamphlets to them. These pamphlets have been a great help throughout this country in the mining industry and on the farms, especially in our section where we have used a lot of explosives in clearing land.

The Department of the Interior, through its National Park Service, also sends out some very valuable pamphlets with regard to the tourist industry. The sending out of pamphlets of this type would be practically stopped, because a special request will have to be made to the Department to send them such literature. I do not believe the Treasury Department would have any right under this amendment to send you Members of Congress the Treasury reports unless you specifically requested them. I do not believe that under this amendment you would get any of the valuable information you sometimes get from the conscientious departments unless you specifically requested these documents. If you did not know the documents were in existence, how in the world would you be able to ask for them? I believe you Members of Congress are going to penalize yourselves and penalize a large number of people if you adopt this amendment as it is carried in the bill. I have not had time to examine the committee amendment, and neither have nine-tenths of you Members, and, therefore, do not know whether it improves the Senate amendment or not. Therefore until this very important subject is properly studied by a committee in the regular course of legislation, I shall be forced to oppose this kind of amendment.

I think this should be brought up by the appropriate committee of the Congress and the officials of the departments that have been violating the franking privileges should be called in and questioned with regard thereto. We should find out who is responsible and stop it in a proper manner and not by a back-door method of this kind.

I think the amendment should be defeated.

Mr. LUDLOW. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Speaker, I am very pleased to rise in support of this amendment. It is a matter concerning which I have spoken on several occasions before the House. This is an opportunity for economy which we can very well accept, and we will save both time and money.

In the first place, this does not take from any Member of Congress any right whatever which he now enjoys. He can request such documents as he wishes and needs. I think my experience must be the experience of each and every other Member of the Congress, that when we get to our offices in the morning it takes us 5 or 10 minutes to run through this voluminous mass of material franked to us in which we have no particular interest, and we have to consume that time in filling our wastebaskets with things that have been sent to us at the expense of Uncle Sam. [Applause.]

I am pleased to see that this amendment is pending, in order that we may have an opportunity to save some money for the people of this country and to save the time of the Members of Congress, which they can very much more appropriately devote to the things that actually concern the interests of their constituents. I get mail practically every day with reference to some of the internal and detailed affairs of many States of the Union concerning which I have no special need for information and no reason to get the information, and if I wished it I could request it.

I hope that with practical unanimity we will take this step, which will save the taxpayers of this country a considerable sum of money and at the same time save the Members of Congress some valuable time to be applied to the real duties of their office. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, I am pleased to support this amendment now before the House. On March 22, 1937, I delivered a speech on the floor of the House protesting against departmental franking, pointing out the tremendous cost of this franking to the people of the United States. On January 13, 1938, I delivered another speech on the floor of the House, again protesting against the use of the franking privilege by the departments and again calling attention to the tremendous cost of this departmental franking to the people of America. I am placing in the RECORD at this point a table, compiled by myself, which I placed in the RECORD of March 22, 1937, and again on January 13, 1938.

TABLE I.—*Franked mail sent by departments (exclusive of Post Office Department)*

FOR FISCAL YEARS ENDING JUNE 30, 1934, 1935, 1936, AND 1937

[Present administration]

Year	Number of pieces	Weight (pounds)	Lost revenue
1934	530,471,016	81,212,630	$23,094,882
1935	624,194,119	85,207,595	31,281,600
1936	669,352,068	91,125,145	32,236,269
1937	742,487,204	96,445,950	34,081,927
Total	2,566,504,407	353,991,329	120,694,678
Yearly average	641,626,102	88,497,832	30,173,670
Daily average	2,103,700	290,150	98,937

FOR FISCAL YEARS ENDING JUNE 30, 1930, 1931, 1932, AND 1933

[Last administration]

1930	302,126,259	42,737,534	$9,347,505
1931	353,795,225	43,342,958	9,886,456
1932	319,890,040	43,118,907	9,151,899
1933	373,440,968	43,326,622	14,315,414
Total	1,349,252,492	172,526,021	42,701,274
Yearly average	339,750,830	43,131,503	10,675,319

TABLE II.—*Franked congressional mail*

Year	Number of pieces	Weight (pounds)	Lost revenue
1930	34,525,581	3,978,879	$718,060
1931	33,413,032	4,385,007	723,671
1932	38,551,744	4,418,216	778,436
1933	36,171,088	6,867,788	1,019,621
1934	20,882,779	7,724,910	775,785
1935	16,097,050	2,683,086	577,162
1936	42,908,983	5,903,694	1,137,440

TABLE III.—*Departmental franking, not including Post Office Department—Lost revenue plus cost of paper and printing for period from July 1, 1933, to July 1, 1937*

Lost revenue	$120,694,678
Cost of 353,991,329 pounds of paper at 0.0695 cent per pound	24,602,397
Cost of printing 353,991,329 pounds of paper at 0.2133 cent per pound	75,506,350
Total lost revenue and cost of franking from July 1, 1933, to July 1, 1937	220,803,425
Annual cost	55,201,106
Daily cost	180,987

I call attention to the fact that during the first 4 years of this administration—that is, during the fiscal years ending June 30, 1934, 1935, 1936, and 1937—departmental franking, excluding Post Office Department franking, amounted to 2,566,504,407 pieces. This mail weighed 353,991,000 pounds. It would have taken 140 railroad engines, hauling 50 railroad cars each, with 50,000 pounds capacity each, to haul this mail out of Washington, if it were all going out of Washington.

I went to the Printing Office and got the average cost the Printing Office paid per pound for paper, as shown in the table, and found that the paper cost the Government $24,622,397. I figured out the average cost of printing per pound and found the printing cost the Government $75,506,350. When we add to these sums the lost revenue of $120,694,678 as given by the Postmaster General we find the total cost, as shown by the table, of sending out this free mail by departments during the 4-year period ending June 30, 1937, was over $220,000,000. The lost revenue alone during the first 4 years of this administration on free mail was three times that of the

4 years of the preceding administration. Allowing this Democratic administration during the first 4 years 100-percent increase in franking over the last Republican administration, it leaves $75,000,000 as the cost of what must be classified as purely political propaganda in 4 years.

Again permit me to say that I am pleased that the committee at this time is taking action to at least try to correct this abuse.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield for a question?

Mr. ENGEL. I yield to the gentleman.

Mr. FITZPATRICK. How does the cost of the departmental franking of Government matter compare with the subsidy to second-, third-, and fourth-class mail each year?

Mr. ENGEL. The amount of departmental franking is way above any other franking.

Mr. FITZPATRICK. Is it not a fact that in 1938 we gave a subsidy of $129,000,000 to second- and third- and fourth-class mail; and how does the gentleman feel about that?

Mr. ENGEL. As far as I am concerned, I am not opposed to a proper use of the franking privilege.

Mr. FITZPATRICK. The gentleman is against the Government sending out free packages; but how about second- and third-class mail?

Mr. ENGEL. The gentleman is undoubtedly referring to the franking of country weeklies and the loss sustained in carrying newspapers and magazines. Newspapers, magazines, and country weeklies pay for their own printing and their own paper. The Government pays for the cost of both the paper and the printing of matters franked in departments. While the country nominally lost $637,150 in revenue in 1938 on publications mailed free within the county, there was actually no loss because the same rural-route carriers who carried the other mail carried these country weeklies. They traveled the same miles with the same expense per mile and the same salary per mile. Not one extra mail box was added because of the fact that they carried this mail.

Regarding newspapers and magazines, I might say that we are taking a loss on all second- and third-class mail, including parcel post, whether that mail is sent by any one of the 130,000,000 people in America or by the owners of newspapers and magazines. This loss is made up by the profit we make on first-class mail. Were we to charge the full rate for carrying second- and third-class mail, the public would pay the cost in the end in increased newspaper and magazine subscription prices.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. ENGEL. Yes.

Mr. KNUTSON. Speaking about the weekly publications, I think it ought to be brought out that they have free postage only within the county where they are published.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. LUDLOW. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Indiana.

The motion was agreed to.

CONFERENCE REPORT, SECOND DEFICIENCY APPROPRIATION BILL, 1939

Mr. WOODRUM of Virginia. Mr. Speaker, I call up the conference report upon the bill H. R. 5219, making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, and I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Virginia calls up a conference report upon the second deficiency appropriation bill and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read the statement.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5219) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 10.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 9, 11, 13, 15, 16, 18, 21, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, and 50, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,186,195"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In line 3 of the matter inserted by said amendment after the word "for" insert the words "completion of"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$450,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 12, 17, 19, and 20.

EDWARD T. TAYLOR,
C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
THOS. S. MCMILLAN,
J. BUELL SNYDER,
EMMET O'NEAL,
GEO. W. JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
W. P. LAMBERTSON,
J. W. DITTER,
Managers on the part of the House.

ALVA B. ADAMS,
CARTER GLASS,
CARL HAYDEN,
JAMES F. BYRNES,
JOHN G. TOWNSEND, Jr.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5219) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On amendments Nos. 1 to 6, inclusive, relating to the Senate: Appropriates $10,000 for payment to widow of a deceased Senator; appropriates $75,000 for miscellaneous items, exclusive of labor, fiscal year 1939; continues available until June 30, 1940, unobligated balances of 1939 appropriations for miscellaneous items, exclusive of labor, and for expenses of inquiries and investigations, and appropriates $15,000 on account of Senate kitchens and restaurants, fiscal year 1939, all as proposed by the Senate.

On amendment No. 7, relating to the Library of Congress: Appropriates $37,500 for the acquisition of the Pinckney papers, as proposed by the Senate.

On amendment No. 8: Appropriates $1,186,195 on account of the Civil Aeronautics Authority, instead of $1,086,195, as proposed by the House, and $1,600,000, as proposed by the Senate.

On amendment No. 9: Strikes out, as proposed by the Senate, an additional appropriation of $2,000,000 under the Employees' Compensation Commission on account of Emergency Relief beneficiaries, the appropriation having been provided in Public Resolution No. 7, approved April 1, 1939.

On amendment No. 10: Strikes out the appropriation of $4,000,000 proposed by the Senate for the establishment of a laboratory under the cognizance of the National Advisory Committee for Aeronautics at Sunnyvale, Calif.

On amendment No. 11: Makes available $1,600,000 of the mutual mortgage insurance fund for salaries and expenses, Federal Housing Administration, as proposed by the Senate, instead of $1,100,000, as proposed by the House.

On amendment No. 13: Provides for procurement of motor-propelled station wagon from funds available to the Rushmore National Memorial Commission, as proposed by the Senate.

On amendment No. 14: Appropriates $10,000,000 for grants to States for unemployment compensation administration, Social Security Board, instead of $13,000,000, as proposed by the Senate.

On amendments Nos. 15 and 16, relating to the District of Columbia: Appropriates $11,812.95 for fees of jurors and witnesses, 1938, as proposed by the Senate, instead of $11,682.25, as proposed by the House, and appropriates $22,330 additional on account of two motor-vehicle inspection stations, as proposed by the Senate.

On amendment No. 18: Appropriates an additional amount of $5,000,000 and reappropriates $1,500,000 for administration of the Sugar Act of 1937, as proposed by the Senate.

On amendments Nos. 21 and 22, relating to the Interior Department: Appropriates an additional amount of $45,000, fiscal year 1939, for defraying the deficit in the treasury of the municipal government of St. Croix, and appropriates $70,000 for the completion of two continuous-treatment buildings, St. Elizabeths Hospital, all as proposed by the Senate.

On amendment No. 23: Appropriates $450,000 for salaries and expenses, Federal Bureau of Investigation, Department of Justice, instead of $300,000, as proposed by the House, and $600,000, as proposed by the Senate.

On amendments Nos. 24 and 25, relating to the Department of Labor: Removes the proposal of the House to confine expenditures to printing and binding from the $2,000 continued available until June 30, 1940, for the investigation of labor conditions in Hawaii by the Bureau of Labor Statistics, as proposed by the Senate, and strikes out, as proposed by the Senate, the appropriation of $18,000 proposed by the House for salaries and expenses, Conference on Children in a Democracy, under the cognizance of the Children's Bureau.

On amendments Nos. 26 to 29, inclusive, relating to the Navy Department: Appropriates $47,000 under "Contingent, Bureau of Yards and Docks, 1939," and $125,000 for the purchase of land, naval radio station, Annapolis, Md., as proposed by the Senate.

On amendments Nos. 30 and 31, relating to the Post Office Department: Increases by appropriation transfer beyond the increases proposed by the House the appropriations "Contract Air Mail Service, 1938 and 1939," by $36,403 and $80,000, respectively, as proposed by the Senate.

On amendment No. 32: Appropriates $10,000 on account of arbitration of smelter fumes controversy, United States and Canada, as proposed by the Senate. It was the sense of the conference committee that this additional appropriation should suffice to wind up this matter.

On amendments Nos. 33 and 34: Appropriates $941.44 for claims for damages, operation of vessels, Coast Guard, and Public Health Service, as proposed by the Senate, instead of $75.44, as proposed by the House.

On amendments Nos. 35 to 38, inclusive, relating to the War Department: Limits the appropriation proposed by the House on account of the development of rotary-wing and other aircraft to rotary-wing aircraft, and reduces the appropriation proposed by the House from $600,000 to $300,000, all as proposed by the Senate, and increases, by appropriation transfer, the appropriation "Pay of Military Academy, 1939," by $50,000, as proposed by the Senate.

On amendment No. 39: Makes a textual correction, as proposed by the Senate.

On amendments Nos. 40 to 50, inclusive, relating to judgments and authorized claims: Appropriates an additional amount of $138,204.96, as proposed by the Senate.

In disagreement

The committee of conference report in disagreement the following amendments of the Senate:

On amendment No. 12, making an additional appropriation of $600,000 on account of the Temporary National Economic Committee.

On amendment No. 17, making an additional appropriation of $100,000, fiscal year 1939, on account of Dutch elm disease eradication.

On amendment No. 19, permitting the National Bituminous Coal Commission to expend during the fiscal year 1939 for "Salaries and expenses, office of the Consumers' Counsel, National Bituminous Coal Commission," and under the head "National Bituminous Coal Commission," an amount equal to the receipts covered into the Treasury under the provisions of section 3 of the Bituminous Coal Act of 1937.

On amendment No. 20, making an appropriation of $4,000,000 for continuation of construction of the Parker power plant (Arizona), transmission lines, substations, and appurtenant works (reimbursable).

EDWARD T. TAYLOR,
C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
THOS. S. MCMILLAN,
J. BUELL SNYDER,
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W. P. LAMBERTSON,
J. W. DITTER,
Managers on the part of the House.

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Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON of California. Mr. Speaker, I hesitate to rise at this time to take issue with the capable gentlemen who have brought in this conference report on the second deficiency appropriation bill. However, they have again left out an item which I feel is vitally important to the entire country as an essential part of our national defense. I refer to the proposed research station for the National Advisory Committee for Aeronautics to be located at Sunnyvale, Calif.

This proposal was recommended to the House in a letter to the Speaker by the President of the United States on February 6. It was approved by the Bureau of the Budget and also has the approval of the Chief of Air Corps of the Army, the Chief of the Naval Bureau of Aeronautics, and the Civil Aeronautics Authority. It has been characterized as an emergency measure, vitally essential to the progress of aviation.

This Congress is approving the appropriation of funds for the construction of airplanes running into the hundreds of millions of dollars. Is it wise to spend such tremendous amounts for construction if research is allowed to lag behind the building industry? This country does not need merely a lot of planes—it needs, and should have, the best planes in the world. Compared to the amounts already voted for national defense by this Congress, the sum requested by the N. A. C. A. for further research is a mere pittance.

In the report which accompanied the second deficiency bill, when it was first brought to the attention of the House, the following statement appears:

> The committee is not prepared to recommend that there be two laboratories 3,000 miles apart, both administered from Washington, and both of which would engage, to a very large extent, upon identical problems, although both would be capable of engaging upon the same problems.

The statement of Captain Towers before the Senate Subcommittee on Appropriations makes it clear that the work done at Sunnyvale would not necessarily be similar to that done at Langley Field:

> There would be very little duplication of work. There would be very little in the way of parallel work. * * * As I see it, there would be very few cases where both stations would be working on the same problem.

When I questioned the chairman of the House Subcommittee on Appropriations at the time this bill was first up for consideration, he replied that the committee was not opposed to further research. He stated that with more mature thought and consideration they might approve not only the Sunnyvale project but the necessity for others.

Let me read you some excerpts from the report offered by General Arnold, Chief of the Army Air Corps, and Admiral Cook, Chief of the Bureau of Aeronautics of the Navy Department:

1. The Army and Navy are dependent upon the N. A. C. A. for scientific data for aircraft development at the single N. A. C. A. station at Langley Field, Va.
2. Another nation by the development of five aeronautical research stations now has aircraft of greater military effectiveness.
3. The Army and Navy will spend about $225,000,000 for aircraft during the coming year. This aircraft will not be all it is worth unless it is at least equal to the best produced abroad.
4. America does not want second-best aircraft. To regain leadership it is imperative that N. A. C. A. research facilities be materially expanded.
5. It is absolutely impossible to expand at Langley Field, as more room cannot be provided, and, furthermore, at least two research stations are necessary.
6. The second station should be on the west coast.
7. The Sunnyvale research station is emergency in character and of vital importance to the success of our whole program for strengthening the air defense.

I cannot believe that in the face of the testimony which has been offered by men who thoroughly understand their business, and in view of the recommendations of the highest Government officials, that we should continue a policy of penny-wise and pound-foolish in connection with this vital matter.

I sincerely hope that the committee, after further study and on more mature consideration, will see fit to approve the Sunnyvale project before the end of the current session.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. COOPER). The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent that the first amendment in disagreement be passed over temporarily, and that the Clerk report amendment numbered 17.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read as follows:

Page 14, after line 4, insert:

"BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

"Dutch elm disease eradication: For an additional amount for Dutch elm disease eradication, including the same objects and conditions specified under this heading in the Agricultural Appropriation Act for the fiscal year 1939, $100,000."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment, and yield 5 minutes to the gentleman from New Jersey [Mr. EATON].

Mr. EATON of New Jersey. Mr. Speaker, I offer a preferential motion which I send to the desk.

The SPEAKER pro tempore. The Clerk will report the preferential motion offered by the gentleman from New Jersey.

The Clerk read as follows:

Preferential motion offered by Mr. EATON of New Jersey: Mr. EATON of New Jersey moves that the House recede and concur in the Senate amendment.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. EATON].

Mr. EATON of New Jersey. Mr. Speaker, the question of what is going to happen to our elm trees in this country has now at last assumed a proportion which is receiving some intelligent attention upon the part of our people. We have 16,000,000,000 board feet of elm lumber in our forests. We have over $600,000,000 worth, on the least valuation, of shade trees, which have a sentimental value of incalculable proportions. I am told that the objection to furnishing our Agricultural Department with the proper financial equipment to fight this elm disease, which is bound to destroy the elms in this country, is based very largely upon a fixed conception on the part of our distinguished friend the gentleman from Missouri [Mr. CANNON]. He states that the proper thing to do is to cut a ring around the diseased tree from 5 to 10 miles thick, and in each case so end the possibility of this disease being carried from one section to another.

Let us see how absurd and impossible that cure will be. In Portsmouth, Va., we have two or three diseased trees. The gentleman proposes to cut a ring 10 miles thick around that entire area. Out in Columbus, Ohio, you have three diseased trees. Another 10-mile area is to be cut around that. In Indianapolis you have some 30 trees. In New York State and in New Jersey a great many more. By the time you get a 10-mile thick ring cut down you would have bugs far beyond the 10-mile ring unless you cut the 10-mile ring all down in 1 day.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. EATON of New Jersey. I yield.

Mr. PITTENGER. As a matter of fact, did not the Director of the Budget recommend $200,000 instead of $100,000?

Mr. EATON of New Jersey. I thank the gentleman for the correction. The Director of the Budget recommended $200,000 instead of $100,000. It was passed by the House and then was rejected on a technicality. I sincerely hope that the people in the areas of this country where these magnificent trees are God's beautiful gift to us will stand up here and be counted. There is a public opinion setting in, indignant because of the indifference of this House to this most important matter. I hope and pray that my motion will be agreed to by a splendid majority and we will take hold of this problem the way we should. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent to extend my own remarks by printing in the RECORD a speech I delivered before the Manhattan Democratic Club of the Eighth Assembly District, New York City.

The SPEAKER. Is there objection?

There was no objection.

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made and include certain tables compiled by myself.

The SPEAKER. Is there objection?

There was no objection.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my own remarks and include some facts with reference to the steel industry of this country which were prepared for me by Ben Marsh, of the People's Lobby.

The SPEAKER. Is there objection?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, we have before the House today a conference report on the second deficiency appropriation bill in which there are several items in disagreement. One of these items, number 20, pertains to an appropriation of $4,000,000 to build a transmission line from Parker Dam on the Colorado River to Phoenix, Ariz., and also to provide a part of the generating facilities planned for Parker Dam. I wish to say a few words in explanation of this item further than my brief statement made to the House subcommittee on March 10, last month, as recorded on page 512 of the hearings. An emergency has appeared in agricultural conditions in central Arizona which explains the necessity and the haste for the appropriation we are seeking here. The most admirable statement concerning this may be found in the hearings of the Senate subcommittee on H. R. 5219 made by Commissioner John C. Page on Friday, March 31, as recorded on page 112 to page 125 of those hearings.

As I have so many times on the floor of this Chamber said, the Salt River Valley project is the premier reclamation project of the West. It was one of the first, and has been preeminently successful. It is financially sound and has proven itself the most solvent and justifiable of all Uncle Sam's ventures in the field of reclamation. A happy combination of several factors, together with good business management, has contributed to this result. It may be that the amount of land under the project has come dangerously near the limits of the entire water facilities in it, for it is true that while there is storage capacity enough, we have occasionally been short of surface water. The need for additional irrigation water requires pumping from the underground storage when our surface reservoirs are low. Such is the case right now. On January 1 of this year we found that we had only about one-seventh of the water necessary to fill all our reservoirs on the Salt River, though if they were all full, it would be several years' supply.

This will mean that we will have to pump some water for irrigation at the latter part of this growing season. It will mean that we cannot produce electric power at the dams up to their full capacity, because the water must be conserved, and also that the Salt River Water Users' Association will need a great deal of power which they cannot afford to produce with hydroelectric equipment. Therefore they must either buy this power or build additional stand-by plants to

produce it. They have just recently built some stand-by plants, one of which cost more than a million dollars, but even these are not sufficient.

Fortunately an abundance of hydroelectric power, not too far away, is available and waiting to be used. The great dam on the Colorado River, just below the mouth of the Bill Williams River, known as the Parker Dam, is one of the highest dams in the world. When it was built by the Reclamation Bureau, with funds supplied by the Metropolitan Water District of Southern California, the foundation was prepared for a giant powerhouse, but the plant itself was not installed, there being then no immediate need of so much power. The Government of the United States is to get one-half of the power which will be produced at Parker Dam, the Metropolitan Water District receiving the other half.

This item of $4,000,000 is asked for on behalf of the Reclamation Bureau to put in the generating plant and build a power line into the capital city of Arizona. Power may begin to flow over this transmission line just the moment it is completed, for it will hook on to the power line from Boulder Dam which now comes to the Parker Dam carrying a surplus of energy. If this item is approved by the House today and by the Senate this week, the line could be built and power flowing over it to Phoenix by next September, or the latter part of this growing season. The Salt River Valley Water Users Association and a private utility have already signed contracts to take a certain amount of power, agreeing to pay three quarters of a million dollars annually for the same. Commissioner John Page says that this is the most favorable contract which the United States Government could possibly enter upon. He figures that it will repay the principle in 14 years and the entire amount with interest in 20 years. Repayment on this money is as certain as repayments on all monies invested in the various parts of the Salt River Valley project have been during the last third of a century.

Not only will this appropriation be one of the safest and soundest business propositions, but it is vitally needed at this very time, and it will have untold possibilities of economic development in central and western Arizona. The line to be built from Parker to Phoenix passes through a mineralized mountain belt and also through several wonderful valleys where agriculture may be carried on by means of pumping. I am assured by Commissioner Page that reasonable rates to the consumers are guaranteed in the Salt River Valley and power for mining and agricultural uses are made possible by this contract. Therefore I urge the House to concur with the Senate in this amendment.

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. PACE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and include certain letters and statements with reference to the cotton and jute industry.

The SPEAKER. Is there objection?

There was no objection.

SECOND DEFICIENCY APPROPRIATION BILL, 1939—CONFERENCE REPORT

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, the question of the Dutch elm eradication has been one of the most controversial and disturbing things we have had to contend with in the Subcommittee on Appropriations for the Department of Agriculture. I shall take no sides in this controversy. I merely want to get all the facts before the committee.

There is an opinion that this Dutch elm disease came to this country from Holland in the form of burl logs that had been imported. It was first discovered in Cincinnati in 1930 when they discovered one tree. In 1932 they discovered eight trees. Since that time discoveries and disclosures have continued until in 1938 the Department of Entomology and Plant Quarantine estimates there are in excess of 46,000 elm trees that are now infested.

Forty-five thousand of that number are in New Jersey and in New York. The other 1,000 or 1,200 are scattered over seven or eight States. We have appropriated considerable money to deal with this matter. Frankly I was amazed when I went back and checked all the regular and emergency appropriations and found that since 1930 we have appropriated approximately $15,000,000 in both the regular and emergency appropriations, dealing with this blight. I realize the seriousness of it. My only difficulty in the matter is whether we have been accomplishing any good, for year after year the appropriations have increased, but the number of infected trees has increased from 1 to 46,000 since 1930. I know those who live in the areas where they have the fine, stately elms are thoroughly disturbed about this matter. My whole agitation about it is whether or not the Department of Plant Quarantine has been following the right kind of procedure in dealing with it. We have watched the area expand year after year, even though the appropriations have so substantially increased. So in the discussions that were held in the subcommittee dealing with the Department of Agriculture appropriation we have taken them severely to task. About the only thing they can tell us is that they can continue with their measures of control, and continue to cut down trees.

The Dutch elm virus infects the tree. It causes a little furrow in the tree under the bark, and finally blights the tree entirely. They have hit upon the idea of using W. P. A. labor to cut down the trees. They estimate it has cost as much as $100 to cut down a single large elm. Sometimes they do not receive the right cooperation from the States, since there is no law under which you can compel a property owner to cut down a tree.

In many instances there was no cooperation on the part of those who owned the property where the trees were located; and I confess myself at something of a loss as to just how we are to proceed on this whole question, since the blighted area is expanding year by year.

Mr. EATON of New Jersey rose.

Mr. DIRKSEN. I now yield to my beloved and very steadfast friend from New Jersey.

Mr. EATON of New Jersey. Mr. Speaker, I ask the gentleman this question: If on the appearance of this important plague the experts of the Department of Agriculture had been furnished sufficient money and support to have employed their experts to grapple with this proposition in a small area would they not have succeeded? As it is they have been grudgingly granted a few dollars so that they could not put it in the hands of experts. It must be placed in the hands of experts. As it has been they sent out a few W. P. A. workers who did not know an elm tree from a hole in the ground, and they changed the personnel every few days, with the result that most of the $15,000,000 has been wasted. Unless we take hold of this thing before it is too late we are going to lose our elm trees just as we lost our chestnut.

Mr. DIRKSEN. There is much in what the gentleman says. There have been no experts go out and look into the foliage of the trees and identify the existence of such elm disease in that particular tree. They guess at it ofttimes. This has been one of the effects simply because they were not prepared for that kind of special work. I thoroughly agree with the gentleman that a great deal of the $15,000,000 has been wasted.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 2 additional minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. McCORMACK. The gentleman just referred to our distinguished colleague from New Jersey as his beloved and steadfast friend.

Mr. DIRKSEN. He has been a steadfast friend indeed.

Mr. McCORMACK. And the gentleman from New Jersey has always been the steadfast friend of the gentleman from Illinois.

Mr. DIRKSEN. Oh, yes.

Mr. McCORMACK. Does not the gentleman from Illinois think, then, that he should be steadfast now to his friend from New Jersey?

Mr. DIRKSEN. I may say to my friend from Massachusetts that I feel under deep obligation to my genial friend from New Jersey, and I just wanted to get the facts clearly before the House so there could be no misapprehension as to the number of trees affected and the amount of money that has been expended, and the fact, as we so beautifully agreed, that a great deal of it has been wasted.

Mr. EATON of New Jersey. And, of course, the gentleman wants to emphasize the fact that we are at the danger zone now with 46,000 affected trees.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mrs. ROGERS of Massachusetts. We from New England have an additional reason for wanting the Dutch elm beetle removed, if possible, because we lost so many of our fine trees during the hurricane. I went through that section recently. It is very tragic to see our beautiful trees down. We certainly must try in every way possible to save the remaining elm trees.

I earnestly hope our colleague from Illinois will not turn us down in the matter of this small sum.

Mr. DIRKSEN. I hope if this appropriation is made, some way will be found whereby we can get something approaching efficiency in dealing with its expenditure.

Mr. BATES of Massachusetts rose.

Mr. DIRKSEN. I now yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. If what the gentleman states is true, that the disease has spread from one tree to 45,000 trees during the period of 8 years, have we not reached the point now which promises complete destruction of our elm trees all over the United States in due time?

Mr. DIRKSEN. If the disease continues at the rate it has been going, yes. It has been progressing—shall I say geometrically or arithmetically?

Mr. EATON of New Jersey. Astronomically.

Mr. DIRKSEN. It will soon spread to every State in the Union.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield to the gentleman from Texas [Mr. MAHON] such time as he may desire.

Mr. MAHON asked and was given permission to revise and extend his remarks.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Speaker, I dare say I have planted as many elm trees as anyone on this floor. I am as deeply interested in the preservation of elm trees as any man who has spoken here today could possibly be. That is why I am opposed to this amendment. If I thought the appropriation of this money would contribute in the slightest degree to the solution of this problem I would be the first to advocate it; but the spending of this $100,000 will not save a single tree.

The committee has been investigating this situation since 1934. During that time, down to the close of this fiscal year, the Government has spent a total of $16,383,532, and not a single tree has been saved. Nothing has been accomplished in the expenditure of this vast sum of money except to cut down the trees after they are lost, thus saving the owner the expense of removing them.

Mr. EATON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. EATON of New Jersey. I ask the gentleman, with his influence and prominent position in the House and in this administration, why he does not jack up the Agricultural Department and see that we do get something for our money.

Mr. CANNON of Missouri. "How oft would we have saved ye, and ye would not." The Department of Agriculture is spending money every year in scientific research outside of this item. It is doing everything that can be done to find a remedy, and the only thing we have learned definitely is that money spent in this way is wasted. It is agreed that if we would surround these elms with a zone from which all susceptible trees were removed, in the same way in which a fire in the city is stopped by blowing up the buildings ahead of it, we could save our elm trees; but the States do not seem to be interested in this practical method as long as the Federal Government continues to pour out millions of dollars of easy money every year.

This $16,000,000 has been spent with no result except to give work to the unemployed and to remove trees which should have been removed and burned by the owners. We have nothing else to show for the $16,000,000; and if this $100,000 is spent, I ask anyone here what else we will have to show for it.

We are spending this year alone $2,310,489 for the same purpose for which you propose to spend this additional $100,000, and it has not saved a tree or retarded the advance of the disease to the slightest extent.

If since we began to spend money on Dutch elm disease in 1934 we had not spent a penny of this $16,383,352 and every cent of that vast sum was today in the Treasury of the United States or expended in some service to the Government and the people, the disease would be in exactly the situation in which it is today. If no money had ever been expended, the disease would cover precisely the same territory it covers today; the number of elm trees in the United States dead or alive, the number of trees affected and unaffected, the number of trees inoculated and immune in the United States, would be exactly the number today. No one can gainsay this fact. No one can refute this statement.

What then has been gained by this huge disbursement from the Treasury? And, especially, what is to be gained by continuing this headlong dissipation of Government funds at a time when every dollar must be borrowed and added to the national debt? We have already exceeded the national revenues this year, and further expenditures, such as proposed in this amendment, must be raised by the sale of more Government bonds.

And that brings to mind another remarkable phase of this proposed expenditure. There never has been an authorization for these expenditures. This more than $16,000,000 has been spent without legislative authorization. The activity started like the shelter belt started. It was done without consulting Congress. Money was taken from emergency funds. And the bulk of money for this purpose is still being taken from emergency funds. Out of the $16,383,352 spent here, $15,372,872 has been spent without consulting Congress. Fifteen out of every sixteen dollars spent cutting down these trees has been taken from W. P. A. funds.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. CANNON of Missouri. This committee has since 1934 investigated this question every year, and every one of these committees in all those years has been unanimous—and the committee is unanimous today—in reporting that no progress has been made, that no trees can be saved by the expenditure of any sum of money in this manner. As a matter of fact, it is the unanimous opinion of the committee which has investigated this subject for 5 years that to agree to this appropriation will delay eradication and retard the control of the disease. It is like a patient suffering from cancer. Somebody insists he has a panacea, "For $2 I will sell you a salve that will cure cancer," and the patient, relying on the statement, pays his $2 and delays legitimate treatment until the malady is past control. As long as we go along spending money this way and getting no results—permitting the blight

to spread as it has been spreading unchecked these 5 years—we are allowing the disease to make such progress that the time will eventually come when we cannot control it by any methcd.

Mr. McCORMACK. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The Subcommittee on Agriculture reported for the next fiscal year an appropriation, did it not?

Mr. CANNON of Missouri. We reported a very small appropriation, in response to earnest importunities from Members of the House, for the purpose of administering the W. P. A. funds which are being spent for this purpose, and over which we have no control; but we indicated at that time, both in our report and by the cutting down of the amount requested that we were convinced, after long study, that this money cannot possibly result in the saving of one single elm tree or the retarding of the advance of the disease by a single day. In order to reach a real solution of this question and to secure the adoption of rational methods before it is too late, we ask you to support the position taken by the House repeatedly on previous occasions. The House, on every proposition that has been made in the last 5 years to increase the amount, has voted down the motion. The committee is unanimous in its recommendation that you vote down the Senate amendment.

Mr. WIGGLESWORTH. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Is it not a fact that the Bureau of the Budget has recommended for the next fiscal year an appropriation for this purpose in the amount of over $778,000?

Mr. CANNON of Missouri. It also recommended millions of dollars for the European corn borer, and not a Member on this floor today can deny that every dollar of those millions was wasted. It recommended millions of dollars for the Mediterranean fruitfly, and Mr. Buchanan, the chairman of the committee, came back from Florida, after studying the matter at close range, and said that in his opinion there had never been a Mediterranean fruitfly down there to begin with.

The real point in this issue is that we have spent over $16,000,000 and no one can show that we are any closer to a remedy for, or control of, the disease than when we began. Surely 5 years and $16,000,000 are time enough and money enough to see that we are on the wrong track. It is so plain that he who runs may read. Is not it time to try a remedy that all agree will do the work in 1 year rather than to continue to spend millions of dollars every year cutting down dead trees while the contagion ravages our forests unchecked?

Let me emphasize again the fact that every committee which has investigated this subject in the last 5 years—both the minority and the majority—are unanimous in this opinion—and in the recommendation that the Senate amendment be voted down.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER. Mr. Speaker, the debate thus far has certainly been enlightening, but I ask the Members of the House to refer to the report of the committee, in which there was recommended the sum of $200,000 for this purpose when the bill first came before the House for consideration, which is twice the sum that we are now asked to vote for in connection with the Dutch elm disease control.

The chairman of the committee, who has just spoken, sought to leave the impression that we are not to follow the recommendations of the Budget Bureau and that they have gone big-hearted and are too generous. I cannot believe the Budget Bureau would have approved the appropriation for next year if this was a waste of money.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The House cannot overlook the fact that if we follow the statement of the gentleman from Missouri, everyone who is interested in an appropriation to meet any condition of this kind in any part of the country will have to meet the same objection, because if it applies to this particular appropriation it is going to apply to every other appropriation, whether it concerns Texas, Florida, or any other section of the country, for the argument of the gentleman from Missouri is against all of them.

Mr. MILLER. Leaving the technicalities, what I am interested in is making an additional attempt to save the elm trees from this disease. I know criticism was indicated in the committee to the effect that the States have not spent sufficient of their own money for this purpose, but I call your attention to the fact that throughout this area thousands of owners of private property have spent huge sums trying to fight this disease on elm trees on their own property. The towns throughout New England make appropriations each year and spend them under the direction of their tree wardens and a large part of these town appropriations has been used to fight the Dutch elm tree disease. Now we are faced with the situation where we have appropriated and spent $15,000,000. Whether all or any part of this was wasted I do not know, but I did read the testimony of the Department of Agriculture experts before the Committee on Appropriations and apparently these experts still feel they can eventually do something to ease this situation. Certainly they appeared in favor of this appropriation. I hope that for a sum of $100,000 we will not jeopardize an investment already made amounting to $15,000,000. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, I believe we ought to consider in voting on the preferential motion of the gentleman from New Jersey [Mr. EATON] some of the evidence that has been submitted. The gentleman from Missouri [Mr. CANNON] made the statement that nothing can be done but cut down the trees. I have before me the hearings of the Committee on Appropriations on the deficiency bill and I see from the testimony of Dr. Strong, the Chief of the Bureau of Entomology and Plant Quarantine, that the work of trying to control the Dutch elm beetle is not entirely confined to cutting down the trees. Some of this money is wanted for scouting purposes, for finding where the diseased trees are. They also are anxious to study further the possibility of definite eradication of the disease without destroying the trees. If we deprive them of the funds necessary for any of this work we are simply going to permit a continually growing infestation by the Dutch elm tree beetle. I believe it is a mistake to allow such a situation to develop.

I am not interested so much in the commercial value of elm trees, but I live in a very beautiful area of New England, and everyone interested in the appearance of our section of the country is very much frightened and worried because this disease is getting very near our boundaries. It is already in the northern part of Connecticut and the eastern part of New York. Therefore, the people who want to see the beauties of New England and all other sections of the country preserved do not want to allow this disease to spread. Certainly, the development of means of eradication and the obtaining of information relative to the control of the disease require an appropriation.

We were unfortunate in that the original item of appropriation was stricken out on a point of order. As the Bureau of the Budget, the Bureau of Entomology and Plant Quarantine, and the other body of Congress all recommend this deficiency appropriation for the remainder of this fiscal year, it seems to me this House would be making a very serious mistake and injuring very materially the attractiveness of an area in which we are all interested by refusing at

this time to continue what appears to be a very modest appropriation for a very worthy cause. I certainly hope, and I am speaking in behalf of organizations in my own section of the country, that the motion of the gentleman from New Jersey will prevail and that the House will vote to concur with the Senate on this amendment. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. COOPER). The question is on the preferential motion of the gentleman from New Jersey [Mr. EATON] that the House recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. EATON of New Jersey) there were—ayes 61, noes 63.

Mr. EATON of New Jersey. Mr. Speaker, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. WOODRUM of Virginia and Mr. EATON of New Jersey.

The House again divided; and the tellers reported that there were—ayes 88, noes 57.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I object to the vote on the ground a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and sixty-seven Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 186, nays 121, not voting 123, as follows:

[Roll No. 59]

YEAS—186

Alexander	Eberharter	Lesinski	Sasscer
Allen, Ill.	Elston	Luce	Schaefer, Ill.
Allen, La.	Engel	McAndrews	Schiffler
Andersen, H. Carl	Englebright	McCormack	Schuetz
Anderson, Calif.	Ferguson	McKeough	Schulte
Andresen, A. H.	Fernandez	McLaughlin	Schwert
Andrews	Fish	McLeod	Scrugham
Angell	Fitzpatrick	Maas	Shafer, Mich.
Arnold	Fries	Magnuson	Shanley
Ashbrook	Gartner	Mapes	Sheppard
Austin	Gearhart	Marcantonio	Simpson
Ball	Gehrmann	Martin, Mass.	Sirovich
Barnes	Gifford	Mason	Smith, Conn.
Barry	Grant, Ind.	Michener	Smith, Maine
Bates, Ky.	Griffith	Miller	Smith, Wash.
Bates, Mass.	Gross	Mills, La.	Somers, N. Y.
Blackney	Halleck	Mitchell	Stearns, N. H.
Bloom	Hancock	Monkiewicz	Stefan
Bolton	Hart	Mott	Sutphin
Bradley, Pa.	Harter, N. Y.	Mouton	Sweeney
Brewster	Hawks	Mundt	Taber
Brown, Ohio	Healey	Murdock, Ariz.	Tenerowicz
Buckler, Minn.	Hess	Murray	Thomas, N. J.
Carlson	Hill	Norton	Thomas, Tex.
Carter	Hinshaw	O'Brien	Tibbott
Casey, Mass.	Holmes	O'Connor	Tolan
Chandler	Hook	O'Day	Treadway
Chiperfield	Hope	Oliver	Van Zandt
Church	Hull	Pace	Vorys, Ohio
Clason	Izac	Patton	Vreeland
Cluett	Jarrett	Pittenger	Wadsworth
Connery	Jenkins, Ohio	Plumley	Weaver
Corbett	Johns	Powers	Welch
Crawford	Johnson, Ill.	Rankin	West
Cullen	Kean	Reece, Tenn.	Wheat
Cummings	Kee	Reed, Ill.	Whelchel
D'Alesandro	Keefe	Reed, N. Y.	White, Ohio
Darrow	Kennedy, Md.	Rees, Kans.	Wigglesworth
Dingell	Kennedy, Michael	Risk	Williams, Del.
Ditter	Keogh	Robinson, Utah	Winter
Dondero	Kinzer	Robsion, Ky.	Wolcott
Drewry	Kirwan	Rockefeller	Wolverton, N. J.
Duncan	Knutson	Rodgers, Pa.	Wood
Dunn	Kocialkowski	Rogers, Mass.	Woodruff, Mich.
Dworshak	Larrabee	Routzohn	Youngdahl
Eaton, Calif.	Leavy	Rutherford	
Eaton, N. J.	Lemke	Sandager	

NAYS—121

Allen, Pa.	Caldwell	Crosser	Ellis
Anderson, Mo.	Cannon, Fla.	Crowe	Fenton
Beckworth	Cannon, Mo.	Curtis	Flannagan
Bell	Clark	Dirksen	Ford, Miss.
Brooks	Coffee, Wash.	Disney	Ford, Thomas F.
Brown, Ga.	Cole, Md.	Doughton	Fulmer
Bryson	Colmer	Dowell	Garrett
Bulwinkle	Cooley	Doxey	Gathings
Burch	Cooper	Durham	Gerlach
Burgin	Costello	Edmiston	Gibbs
Byrns, Tenn.	Creal	Elliott	Gilchrist
Gore	Jones, Ohio	Murdock, Utah	Springer
Gossett	Kerr	Nelson	Starnes, Ala.
Graham	Kilday	Nichols	Steagall
Grant, Ala.	Kitchens	Norrell	Sumner, Ill.
Gregory	Kramer	Parsons	Sumners, Tex.
Gwynne	Kunkel	Patman	Talle
Hare	Lambertson	Patrick	Tarver
Harness	Landis	Pearson	Taylor, Colo.
Harrington	Lanham	Peterson, Ga.	Thill
Havenner	Lea	Polk	Thomason
Heinke	LeCompte	Rabaut	Vincent, Ky.
Hendricks	Lewis, Colo.	Ramspeck	Vinson, Ga.
Hobbs	Ludlow	Randolph	Wallgren
Jacobsen	McGehee	Rayburn	Whittington
Jarman	McMillan, John L.	Romjue	Williams, Mo.
Jensen	Mahon	Satterfield	Woodrum, Va.
Johnson, Luther A.	Martin, Colo.	Schafer, Wis.	Zimmerman
Johnson, Lyndon	Martin, Iowa	Snyder	
Johnson, Okla.	Mills, Ark.	South	
Johnson, W. Va.	Moser	Spence	

NOT VOTING—123

Arends	Darden	Johnson, Ind.	Pierce, N. Y.
Barden	Delaney	Jones, Tex.	Pierce, Oreg.
Barton	Dempsey	Keller	Poage
Beam	DeRouen	Kelly	Rich
Bender	Dickstein	Kennedy, Martin	Richards
Bland	Dies	Kleberg	Robertson
Boehne	Douglas	Lewis, Ohio	Rogers, Okla.
Boland	Evans	Lord	Ryan
Bolles	Faddis	McArdle	Sabath
Boren	Fay	McDowell	Sacks
Boykin	Flaherty	McGranery	Seccombe
Bradley, Mich.	Flannery	McLean	Secrest
Buck	Folger	McMillan, Thos. S.	Seger
Buckley, N. Y.	Ford, Leland M.	McReynolds	Shannon
Burdick	Gamble	Maciejewski	Short
Byrne, N. Y.	Gavagan	Maloney	Smith, Ill.
Byron	Geyer, Calif.	Mansfield	Smith, Ohio
Cartwright	Gillie	Marshall	Smith Va.
Case, S. Dak.	Green	Martin, Ill.	Smith, W. Va.
Celler	Griswold	Massingale	Sparkman
Chapman	Guyer, Kans.	May	Sullivan
Claypool	Hall	Merritt	Taylor, Tenn.
Clevenger	Harter, Ohio	Monroney	Terry
Cochran	Hartley	Myers	Thorkelson
Coffee, Nebr.	Hennings	O'Leary	Tinkham
Cole, N. Y.	Hoffman	O'Neal	Voorhis, Calif.
Collins	Horton	Osmers	Walter
Cox	Houston	O'Toole	Warren
Crowther	Hunter	Owen	White, Idaho
Culkin	Jeffries	Peterson, Fla.	Wolfenden, Pa.
Curley	Jenks, N. H.	Pfeifer	

So the motion to recede and concur was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Warren with Mr. Rich.
Mr. May with Mr. Smith of Ohio.
Mr. Barden with Mr. Short.
Mr. Green with Mr. Bender.
Mr. Darden with Mr. Douglas.
Mr. McReynolds with Mr. Lewis of Ohio.
Mr. Mansfield with Mr. Tinkham.
Mr. Owen with Mr. Bolles.
Mr. Smith of Virginia with Mr. Seccombe.
Mr. Massingale with Mr. Wolfenden of Pennsylvania
Mr. Beam with Mr. McLean.
Mr. Boland with Mr. Crowther.
Mr. Dempsey with Mr. Taylor of Tennessee.
Mr. Boehne with Mr. Cole of New York.
Mr. O'Leary with Mr. Hartley.
Mr. Faddis with Mr. Johnson of Indiana.
Mr. Hennings with Mr. Pierce of New York.
Mr. Smith of West Virginia with Mr. Gamble.
Mr. O'Toole with Mr. Bradley of Michigan.
Mr. McGranery with Mr. Gillie.
Mr. Curley with Mr. Hoffman.
Mr. McArdle with Mr. Horton.
Mr. Buckley of New York with Mr. Clevenger.
Mr. Coffee of Nebraska with Mr. Lord.
Mr. Byrne of New York with Mr. Hall.
Mr. Cochran with Mr. Leland M. Ford.
Mr. Harter with Mr. Seger.
Mr. Bland with Mr. Culkin.
Mr. Kleberg with Mr. Jeffries.
Mr. Collins with Mr. Thorkelson.
Mr. Jones of Texas with Mr. Marshal.
Mr. Robertson with Mr. Osmers.
Mr. O'Neal with Mr. McDowell.
Mr. Cox with Mr. Ahrens.
Mr. Pfeifer with Mr. Guyer of Kansas.
Mr. Dies with Mr. Jenks of New Hampshire.
Mr. Sparkman with Mr. Barton.
Mr. Sullivan with Mr. Case of South Dakota.
Mr. Maloney with Mr. Griswold.
Mr. DeRouen with Mr. Burdick.
Mr. Chapman with Mr. Hunter.
Mr. Fay with Mr. Ryan.
Mr. Monroney with Mr. Gavagan.
Mr. Boren with Mr. Celler.
Mr. Peterson of Florida with Mr. Buck.
Mr. Martin J. Kennedy with Mr. Folger.
Mr. Poage with Mr. Claypool.

Mr. Delaney with Mr. Flaherty.
Mr. Walter with Mr. Merritt.
Mr. Evans with Mr. Terry.
Mr. Thomas S. McMillan with Mr. Martin of Illinois.
Mr. Dickstein with Mr. Boykin.
Mr. Flannery with Mr. Cartwright.
Mr. Kelly with Mr. Secrest.
Mr. Houston with Mr. Geyer of California.
Mr. Meyers with Mr. Voorhis of California.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. COOPER). The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 19: On page 17, after line 11, insert:

"NATIONAL BITUMINOUS COAL COMMISSION

"The paragraph in the Second Deficiency Appropriation Act, fiscal year 1938, under the caption 'National Bituminous Coal Commission,' is hereby amended by striking out the following proviso: '*Provided*, That expenditures during the fiscal year 1939 under this head and under the head "Salaries and expenses, Office of the Consumers' Counsel, National Bituminous Coal Commission," shall not exceed an amount equal to the aggregate receipts covered into the Treasury under the provisions of section 3 of the Bituminous Coal Act of 1937.'"

Mr. WOODRUM of Virginia. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 20: On page 19, after line 3, insert:

"BUREAU OF RECLAMATION, GENERAL FUND, CONSTRUCTION

"Parker Dam power project, Arizona: For continuation of construction of the Parker power plant, transmission lines, substations, and appurtenant works, fiscal years 1939 and 1940, $4,000,000, from the general fund of the Treasury, to be repaid from net revenues received under contracts made pursuant to the authority of the act of August 30, 1935 (49 Stat. 1039)."

Mr. WOODRUM of Virginia. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 12: On page 8, after line 16, insert:

"TEMPORARY NATIONAL ECONOMIC COMMITTEE

"For an additional amount for each and every purpose requisite and incident to carrying out the provisions of the joint resolution of the Seventy-fifth Congress entitled 'Joint resolution to create a temporary national economic committee,' approved June 16, 1938, to be immediately available and to remain available until expended, including rent and personal services in the District of Columbia and elsewhere by contract or otherwise; contract stenographic reporting services; books of reference; traveling expenses; employment of messenger service by contract or otherwise, and all other necessary expenses, $600,000, of which amount not to exceed $120,000 shall be available for expenditure by the Temporary National Economic Committee, and not to exceed $480,000 shall be available for allocation by the President to the departments and agencies represented on the committee to enable them to carry out their functions under the joint resolution: *Provided*, That section 3709 of the Revised Statutes (41 U. S. C. 5) shall not be construed to apply to any purchase or service rendered hereunder when the aggregate amount involved does not exceed the sum of $100: *Provided further*, That no part of this sum shall be available for expenditure unless and until such expenditure is authorized by law and a budget estimate covering such amount has been submitted by the President in pursuance thereof: *Provided further*, That the committee shall file reports as required by the said resolution prior to March 1, 1940."

Mr. WOODRUM of Virginia. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Mr. WOODRUM of Virginia moves to recede and concur with an amendment, as follows: In line 22 of the matter inserted by said amendment, after the colon, strike out the matter down to and including the colon following the word "thereof," in line 26 of such inserted matter, and in such matter strike out the respective proposed sums of "$600,000", "$120,000", and "$480,000" and insert in lieu thereof, respectively, the sums "$120,000", "$24,000", and "$96,000."

The motion was agreed to.

A motion to reconsider the votes by which the several motions were agreed to was laid on the table.

ADDITIONAL PRINTING AND BINDING, TREASURY DEPARTMENT

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 279, which I send to the desk and ask to have read.

The Clerk read as follows:

House Joint Resolution 279

Resolved, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department for the fiscal year ending June 30, 1939, namely:

Printing and binding, Treasury Department: For an additional amount for printing and binding, Treasury Department, fiscal year 1939, including the same objects specified under this head in the Treasury Department Appropriation Act, 1939, $163,000.

Stationery, Treasury Department: For an additional amount for stationery for the Treasury Department, fiscal year 1939, including the same objects specified under this head in the Treasury Department Appropriation Act, 1939, $113,400.

The SPEAKER. Is there objection to the request of the gentleman from Virgina?

Mr. TABER. Mr. Speaker, I reserve the right to object. This resolution provides for a fund to provide capital stock returns and social-security tax returns, blanks which have to go out before the first of July. The gentleman from Indiana [Mr. LUDLOW] and I have had hearings on this this afternoon. These are items which should be provided right away. We are in favor of the resolution.

The SPEAKER. Is there objection to the request for present consideration?

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WORK RELIEF (H. DOC. NO. 270)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

Six years ago this Nation was confronted with a situation calling for rapid and decisive action. Millions of workers were already jobless, their number was increasing, and the economic structure was threatened with collapse. In this crisis the vast reserves of the Federal Government were promptly made available, and emergency assistance was provided for all classes of the population who were in distress.

Since that time we have moved along a broad front to make permanent provision to meet various phases of the problem of unemployment and need. The Social Security Act provides aid for the aged, the blind, and for dependent children. Unemployment compensation, intended to tide workers over from one job to another, furnishes protection against short-term unemployment of the intermittent variety. Public works have employed many persons.

But there has been, and still is, a vast number of unemployed workers for whom some other protection must be provided.

It is very important to remember that the fundamental decision which was made in connection with the problem of providing for the needy able-bodied unemployed was whether provision should be made through the medium of work or a dole. I have on numerous occasions expressed my conviction that the proper solution was work, but I desire to take this opportunity to reaffirm my conviction in that regard.

In fact, for 6 years it has been the definite national policy to give work to the needy unemployed who are able to work instead of handing out charity to them in the form of food.

It is admitted that the cost per individual of a work program is higher than that of a dole. However, I firmly believe that the advantages which accrue from the maintenance of the morale and self-respect of the worker and the creation of permanent public assets fully justify this increased cost, and that the adoption of the dole as the solution of this problem would be disastrous.

When those who talk glibly and without much information about cutting the cost of relief are pinned down to facts, they are obliged to admit that they can offer only two alternative plans—to cut down the number of needy persons receiving relief or to cut the per capita work payments; or, in other words, make a definite beginning toward the substitution of a dole for work.

It is these same individuals who, picking out a handful of instances in the administration of a huge undertaking, seek to delude the people of this country into the belief that the minor exception is the rule. Let any one of these critics undertake the job of administration himself. That is a challenge which will be avoided but not answered.

There is wide discussion at the present time of various proposals for handling unemployment relief through a system of grants of Federal funds to States with various matching requirements. I believe that such a system has as many disadvantages as there are local political units in the Nation. If grants to States are used for direct relief, we have all the disadvantageous features of the dole which I have previously described. If, on the other hand, such grants are to be used to finance locally conducted work programs, inefficiency and confusion through lack of coordination and uniformity are bound to result. Under either the dole or local work programs the administrative cost will inevitably be much larger than under a federally operated work program.

Furthermore, I am of the opinion that the adoption of a system of direct grants of Federal funds to States would result in the creation of pressure groups striving to increase the amount of such grants, which would bring about a demand for increased appropriations which both the present Congress and future Congresses would find it extremely difficult to resist.

In my message of April 14, 1938, I recommended to the Congress a series of measures designed to check the deflationary processes and the failure of consumers' demand which were occurring at that time. Since the adoption by the Congress of the recovery program outlined in that message, the index of industrial production has increased more than one-quarter. The national income, which amounted to $62,000,000,000 in 1938, is now running at a rate which should increase it to $67,000,000,000 in 1939. This I regard as all important, because, as stated in my message of last April, I believe that if the national income can be increased to $80,000,000,000, our whole economic picture will greatly improve and the problem of unemployment will become much less acute. However, I wish to repeat what I said at that time: I do not believe that this increase in national income can be brought about solely by the expenditure of public funds for relief and recovery purposes.

From the standpoint of private employment, the economic situation has greatly improved. Employment declined steadily and drastically from 1929 to 1932. Improvement began in 1933, and by the early fall of 1937 almost 10,000,000 more persons had jobs than were employed during the month when this administration took office. Average non-agricultural employment during 1937 was within 1,000,000 of the annual average for 1929. After a temporary setback last year we are now regaining the lost ground. There is every reason to believe that average employment during 1939 will be well in excess of that for 1938. I wish to stress the point that when the situation is viewed in terms of employment, the losses sustained from 1929 to 1932 had practically been wiped out by 1937.

We have found, however, that in spite of substantial recovery as indicated by the amount of employment, the volume of unemployment continues at high levels. This is due in large measure to two factors. The first of these is that the net increase in the labor supply, due to the growth of the working population, is in excess of 500,000 workers annually.

The second prime factor in this picture is the increasing output of the individual worker. At the recovery peak in 1937, when industrial production was at approximately the 1929 level, there were still about 8,000,000 unemployed. From this and subsequent experience it is apparent that comparatively high levels of production mean substantially less employment than formerly.

In any consideration of the problem of unemployment relief it must be borne in mind that the program adopted to meet it must be envisioned to extend over a considerable period of time. The reason for this is that this Nation, in common with the entire world, is undergoing a process of readjustment, particularly in connection with the production and distribution of goods. Until our economic machinery can be realined to meet present-day conditions, the problem of unemployment will persist and the measures adopted to deal with it must, therefore, be carefully thought out and their operation planned to extend well into the future.

In determining the numbers of persons for whom work on a Federal program should be provided, it is necessary to consider the number of needy able-bodied unemployed. The total unemployment estimates for the Nation run to very large totals, but it must be remembered that these totals cover all persons who desire a job and include many who do not actually have to have a job. In other words, there are in all the unemployment estimates large numbers of persons who can sustain themselves either by reason of private resources or because they can be supported within the family group to which they belong. It is, of course, to be desired that industry should expand to such a degree as to provide employment for all who desire it, but in meeting the problem of need within the limits of the funds which can reasonably be made available for the purpose, the emphasis must necessarily be placed upon the number of unemployed individuals who are actually in need of wages in order to secure the necessities of life.

For the current fiscal year the Congress has provided for the Works Progress Administration appropriations totaling approximately $2,250,000,000. With these funds the Works Progress Administration has provided employment for a maximum of 3,350,000 persons and is currently employing approximately 2,800,000. The average employment provided for the fiscal year will be approximately 3,000,000 persons.

In my Budget message of January 3, 1939, I stated that "Supplemental estimates of appropriations will be submitted to meet the requirements of the Works Progress Administration, the National Youth Administration, and the Farm Security Administration for the fiscal year 1940," and that $1,750,000,000 was the amount estimated for expenditure by these three agencies. I feel that this amount plus such balances of the appropriation for the current year as remain unobligated on June 30, 1939, should cover not only all obligations to be incurred by these agencies during the fiscal year 1940 but the necessary administrative expenses connected therewith which may be incurred by the General Accounting Office, the Civil Aeronautics Authority, the Treasury, and the United States Employees' Compensation Commission, including compensation payments.

For the fiscal year 1940 I recommend, therefore, that the specific sum of $1,477,000,000 be provided for the Works Progress Administration together with any balances of the appropriation for the current year which may remain unobligated on June 30, 1939. This represents a reduction of one-third below the amount provided in the current fiscal year and will permit the employment of slightly more than an average of 2,000,000 persons during the 12 months beginning July 1, 1939. Barring unforeseen and unpredictable developments, we are justified in expecting an upward trend in the volume of employment between now and June 30, 1940, and the sum just named represents my judgment as to the amount that should be provided on the basis of that expectation.

After a review of the accomplishments of jobless workers employed on Works Progress Administration projects, I am impressed with what can be achieved through a program that not only provides jobs for distressed workers but also stimulates purchasing power and tends to induce further recovery. I commend to your attention the miles of roads and streets that have been built, the number of bridges and public buildings that have been constructed, and the worth-while accomplishments in the fields of education,

recreation, sanitation and health, and conservation and flood control. Notwithstanding these accomplishments there is a vast amount of worth-while work remaining to be done. Expenditures in these fields represent permanent, tangible additions to our national wealth.

It is my opinion that the operations of the Works Progress Administration during the next fiscal year should be carried on much as at present, but with the reduction that will be possible because of expected increases in private employment and a consequent decline in the need for work relief. Organizational changes which I expect to be made under the authority granted in the recent Reorganization Act will, I anticipate, make possible important economies resulting from the coordination of the operations of various Federal agencies which are engaged in the carrying out of projects.

I wish to state with emphasis, since the opposite view is frequently expressed, that the program of the Works Progress Administration should, as at present, include some projects of the nonconstruction type to meet the needs of those unemployed workers whose training is such that they are not adapted to employment on construction projects. The provision of work for those people at occupations which will conserve their skills is of prime importance, and the emphasis placed upon construction projects should not obscure the necessity for this portion of the program.

A committee of the House of Representatives, under the authority of an enabling resolution, is now conducting an investigation of the Works Progress Administration. I sincerely hope that this investigation will be guided along constructive lines, and if this is done I feel sure that its outcome will be to demonstrate the wisdom of the measures which have been adopted to meet the needs of the unemployed. In discussions of the projects of the Works Progress Administration there is a tendency to enlarge upon criticism of a few isolated projects to an extent which obscures the real character and value of the program as a whole. In an undertaking of this size there are inevitably individual instances which may be subject to criticism, but when the criticism of a very small fraction of the work being carried on is magnified to such an extent as to obscure the great good that is being achieved on the whole all sense of proportion and relative value is lost.

In my message to the Congress of January 5, 1939, I suggested that a study be made of the methods by which funds appropriated to the Works Progress Administration should be distributed. Any formula that may be devised for this purpose and written into legislation should take in account not only the factor of population, but also the constantly changing economic and unemployment conditions in various sections of the country. Allocations should be made on the basis of jobs to be provided and not on the local basis of funds to be distributed. Furthermore, the formula should not be too rigid and should permit a substantial amount of administrative discretion in order to provide sufficient flexibility to meet special situations and relief crises.

The matter of the contributions of sponsors to Works Progress Administration projects has been satisfactorily covered by the provisions of the Emergency Relief Appropriation Act of 1938, which placed a limit upon the amount of Federal funds that can be used for purposes other than the payment of wages. I suggest a continuation of this practice rather than the imposition of a percentage basis on which sponsors would be required to participate. With an appropriation made available for an entire fiscal year, negotiations with sponsors can be conducted upon a much more satisfactory basis, and it can be confidently expected that the proportion of sponsors' contributions will be appreciably increased. The complications which have arisen during the current fiscal year from the fact that three separate appropriations have been made to finance the operations of the Works Progress Administration have militated against efficiency of operation and made it difficult to secure the fullest financial participation of sponsors on projects.

The Congress has recently made provisions against improper political activity on the part of persons connected with the work-relief program—provisions affecting not only Federal employees, but all persons who may be in a position to bring improper pressure to bear. Such legislation was recommended in my message of January 5, 1939, and has my hearty endorsement. However, insofar as the administrative employees of the Works Progress Administration and of the other agencies connected with the work-relief program are concerned, I believe that the political provisions just mentioned would be more constructive, and their enforcement would be simpler, if the Congress would place such employees within the classified civil service.

The greatest single resource of this country is its youth, and no progressive government can afford to ignore the needs of its future citizens for adequate schooling and for that useful work which establishes them as a part of its economy. To ignore this need is to undermine the very basis of democracy which requires the constant renewal of its vitality through the absorption of its young people.

The National Youth Administration, as an entity now within the Works Progress Administration, has during the past 4 years developed a program which has proved its effectiveness in meeting this need. Its program is primarily one of work: work to enable needy students to secure an education, and work to enable unemployed needy young people who are out of school to make use of their capacities for public benefit and so in turn to earn a wage and acquire that work experience so essential to future effective employment. The National Youth Administration has supplemented its work program with other services directed toward increasing the effectiveness of young people as workers and securing their placement in regular employment.

It is my belief that we should now give official recognition to the fact that the needs of youth are different from those of unemployed older workers. I further believe that, based on the demonstrated ability of its program to meet these needs at low cost, and our knowledge of the wide and still unmet need among young people for its services, Congress should provide for an expansion of its activities.

For the National Youth Administration I am requesting an appropriation of $123,000,000 for the fiscal year 1940 together with the unobligated balances on June 30, 1939, of the appropriation to that Administration for the current fiscal year.

I am requesting further that the National Youth Administration be established as a separate agency to continue and expand its program for assisting needy young people. This will not increase existing overhead.

While the amount which I am recommending will not meet all the needs of all our young people, it will mean that education, training, work experience, and help toward private employment can be extended to many needy young people who are now eagerly waiting to take their place in our society as responsible workers and citizens.

It has been the function of the Farm Security Administration to provide assistance for hundreds of thousands of destitute and low-income farm families through supervised loans and guidance in sound farming practices, through adjustment of farmers' debts, and, where necessary, by direct subsistence grants. This program has kept thousands of farmers off relief and has enabled them, largely through their own efforts, to become self-supporting American citizens and to assume their rightful place in rural life. Aside from the further development of camps for migratory farm laborers, construction under the resettlement program will have been completed by the close of the current fiscal year, although in a few instances it may be necessary to provide funds for land-development work.

For the foregoing activities of the Farm Security Administration I recommend an appropriation of $123,000,000 for the fiscal year 1940, together with such balances of the current appropriation as may remain unobligated on June 30, 1939.

Owing to the language of the Emergency Relief Appropriation Acts for the last 2 years it has been necessary to use funds allocated to or appropriated to the Department of Agriculture to provide for relief for Indians who come

under the jurisdiction of the Department of the Interior. I feel that it would be preferable to have these funds appropriated directly to the department primarily responsible for the welfare of the Indians.

In view of the foregoing, I recommend an appropriation of $1,350,000 for the Indian Service for the fiscal year 1940 to be available for the continuation of Indian rehabilitation and relief projects, including necessary administrative expenses.

For the following agencies, for administrative expenses incident to carrying out the purposes for which the foregoing appropriations have been requested, I recommend the amounts indicated:

(1) Civil Aeronautics Authority		$250,000
(2) General Accounting Office		5,225,000
(3) Treasury Department:		
(a) Procurement Division	$5,200,000	
(b) Division of Disbursements	2,500,000	
(c) Office of the Treasurer	675,000	
(d) Secret Service	250,000	
(e) Division of Accounts and Deposits	6,000,000	
(f) Public Health Service	300,000	
		14,925,000
(4) U. S. Employees' Compensation Commission		5,250,000

The funds recommended for appropriation to the United States Employees' Compensation Commission are sufficient to provide for the reimbursement of Federal hospitals for hospitalization of persons paid from relief appropriations in the same manner as they are now reimbursed for the hospitalization of other Federal employees paid from regular appropriations. I feel that the necessary authority to make such payments should be included in this year's legislation.

I request also that in connection with the foregoing appropriations, as in the past, provision be made to continue the work of the National Emergency Council, the National Resources Committee, and the rural rehabilitation program of the Puerto Rico Reconstruction Administration. For this purpose I recommend the following appropriations for the fiscal year 1940:

(1) National Emergency Council	$1,500,000
(2) National Resources Committee	990,000
(3) Puerto Rico Reconstruction Administration	10,000,000

In order that the agencies concerned may have an opportunity to formulate definite plans for the next fiscal year it is desirable that the necessary legislation be enacted at as early a date as possible and that the funds be made available on the passage of this legislation.

It may be of interest to the Congress to know that through the Department of State we have received many assertions that there are few unemployed persons in the nations which have accepted totalitarian forms of government.

In those nations private employment takes care of a smaller proportion of their employable citizens than private employment does in the United States.

This means that Government employment is responsible for the care of a larger portion of the employable population than in this country—creating, in fact, a Government employment system, based in great part on the manufacture of munitions, which costs far more than our system.

The principal difference is that in the nations to which I refer, this employment is called employment, whereas in the United States it is called relief.

Actually, our system of work relief is relatively far cheaper than the other method and as at present constituted does take care of the great majority of the needy unemployed who are able to work.

I trust that the people will not be deceived by the terminology and will not assume that the totalitarian methods of government are more effective than our own.

The system which we have favored in the United States during the past 6 years is by no means perfect. It can be improved but not at the expense of substituting the dole for work relief nor by turning the management of works projects back to the sole care of the many thousands of local governments. It will be said by history, after much political smoke has cleared away, that the Federal Government's handling of work relief has been one of our most efficient administrative accomplishments.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 27, 1939.*

TRANSCONTINENTAL TOLL ROADS, ETC. (H. DOC. NO. 272)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Roads and ordered to be printed, with illustrations:

To the Congress of the United States:

I transmit herewith a letter from the Secretary of Agriculture, concurred in by the Secretary of War, enclosing a report of the Bureau of Public Roads, United States Department of Agriculture, on the feasibility of a system of transcontinental toll roads and a master plan for free highway development.

The report, prepared at the request of the Congress, is the first complete assembly of data on the use being made of our national highway network. It points definitely to the corrective measures of greatest urgency and shows that existing improvements may be fully utilized in meeting ultimate highway needs.

It emphasizes the need of a special system of direct interregional highways, with all necessary connections through and around cities, designed to meet the requirements of the national defense and the needs of a growing peacetime traffic of longer range.

It shows that there is need for superhighways, but makes it clear that this need exists only where there is congestion on the existing roads, and mainly in metropolitan areas. Improved facilities, needed for the solution of city street congestion, are shown to occupy a fundamental place in the general replanning of the cities indicated as necessary in the report, Our Cities, issued in September 1937 by the National Resources Committee.

The report also points definitely to difficulties of rights-of-way acquisition as obstacles to a proper development of both rural highways and city streets, and makes important and useful recommendations for dealing with those difficulties.

I call the special attention of the Congress to the discussion of the principle of "excess taking" of land for highways. I lay great emphasis on this, because by adopting the principle of excess taking of land, the ultimate cost to the Government of a great national system of highways will be greatly reduced.

For instance, we all know that it is largely a matter of chance if a new highway is located through one man's land and misses another man's land a few miles away. Yet the man who, by good fortune, sells a narrow right-of-way for a new highway makes, in most cases, a handsome profit through the increase in value of all of the rest of his land. That represents an unearned increment of profit, a profit which comes to a mere handful of lucky citizens and which is denied to the vast majority.

Under the exercise of the principle of excess-taking of land, the Government, which puts up the cost of the highway, buys a wide strip on each side of the highway itself, uses it for the rental of concessions and sells it off over a period of years to home builders and others who wish to live near a main artery of travel. Thus the Government gets the unearned increment and reimburses itself in large part for the building of the road.

In its full discussion of the whole highway problem and the wealth of exact data it supplies, the report indicates the broad outlines of what might be regarded as a master plan for the development of all of the highway and street facilities of the Nation.

I recommend the report for the consideration of the Congress as a basis for needed action to solve our highway problems.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 27, 1939.*

INTERTERRITORIAL FREIGHT RATES (H. DOC. NO. 271)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed:

To the Congress of the United States:

Herewith I submit a survey entitled "Supplemental Phases of the Interterritorial Freight Rate Problem of the United States," which survey was conducted by the board of directors of the Tennessee Valley Authority, pursuant to Executive Order No. 6161 (June 8, 1933), by which are delegated to it certain powers granted to me by sections 22 and 23 of the Tennessee Valley Authority Act of 1933.

I am, also, herewith submitting a letter from the Tennessee Valley Authority, dated the 6th day of February 1939, forwarding the aforesaid survey to me, explaining its relation to the initial report on this subject submitted to the Congress on June 7, 1937, and published as House Document No. 264 (75th Cong., 1st sess.). This letter also restates the views of the Authority on the effects upon our national economy of the regional freight-rate discrimination disclosed in the two reports, and urges the adoption of appropriate legislation to eliminate this discrimination.

I invite the attention of the Congress to the suggestion, contained in the Authority's letter, that the report, with its accompanying tables and charts, be published as an official document.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 27, 1939.*

PERMISSION TO SIGN ENROLLED BILL

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent, notwithstanding the adjournment of the House, that the Clerk of the House be authorized to receive from the Senate the bill H. R. 5219 and House Joint Resolution 279, and that the Speaker be authorized to sign the enrolled bill and the joint resolution.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, I reserve the right to object. I suppose this is so that the money may be spent before Monday?

Mr. RAYBURN. The gentleman should know. The matter comes from his committee.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent, because of the peculiar situation next week, that the business in order on Calendar Wednesday may be in order on Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

RATIFICATION BY CONNECTICUT OF CONSTITUTIONAL AMENDMENTS 1 TO 10

The Speaker laid before the House the following communication which was read:

STATE OF CONNECTICUT,
Hartford, April 25, 1939.

Hon. WILLIAM B. BANKHEAD,
Speaker of the House of Representatives,
House of Representatives, Washington, D. C.

SIR: Pursuant to the direction of His Excellency, Raymond E. Baldwin, Governor of the State of Connecticut, there is sent to you herewith a copy of a joint resolution of the General Assembly of the State of Connecticut, ratifying articles of the amendments 1 to 10, inclusive, of the Constitution of the United States of America.

Respectfully yours,

SARA B. CRAWFORD,
Secretary of the State.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SPARKMAN (at the request of Mr. STARNES), on account of official business.

To Mr. TERRY, for today, on account of illness in family.

PERMISSION TO ADDRESS THE HOUSE

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent that on Thursday, May 4, after the reading of the Journal and the disposition of business on the Speaker's table, I may be permitted to address the House for 30 minutes.

The SPEAKER. The gentleman from Ohio asks unanimous consent that on next Thursday, May 4, after the reading of the Journal and the legislative program of the day, he may have permission to address the House for 30 minutes. Is there objection?

There was no objection.

VISIT TO NEW YORK

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I take this occasion to invite the delegation from the House which will visit the world's fair on next Sunday to take some time off and visit our slums and our tenements and to sit down and discuss the situation with those people who have received discharge notices from the W. P. A.

[Here the gavel fell.]

THE PRIVATE CALENDAR

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RAYBURN. Mr. Speaker, since making the request with reference to calling Calendar Wednesday business on Tuesday, a great many Members have asked if we would set aside the Private Calendar. I understand the Private Calendar will not take more than 30 minutes. I make the announcement that we will not set aside the Private Calendar.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. MARTIN of Massachusetts. Could the gentleman tell us what will be taken up on Calendar Wednesday business?

Mr. RAYBURN. Frankly, I do not know. The gentleman from Texas [Mr. MANSFIELD] has been ill in the hospital. His committee has the call. I have not been notified, but it is probable that the river and harbor authorization bill will be considered on that day.

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to insert in the RECORD a letter from various farm groups with reference to the wage and hour proposed amendment.

The SPEAKER. Is there objection?

There was no objection.

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a speech by the Honorable JAMES J. DAVIS, of Pennsylvania, in the Senate before the National Rivers and Harbors Committee.

The SPEAKER. Is there objection?

There was no objection.

Mr. BUCK. Mr. Speaker, I ask unanimous consent to extend my own remarks and include two Government statistical tables.

The SPEAKER. Is there objection?

There was no objection.

Mr. LYNDON B. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an address by Rev. James W. Donahue and sundry letters.

The SPEAKER. Is there objection?

There was no objection.

Mr. ZIMMERMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an open letter from the Farmers' Educational Cooperative Union of America, signed by the president and directors, addressed to the Members of the Congress of the United States and the Committee on Agriculture.

The SPEAKER. Is there objection?

There was no objection.

Mr. COLMER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a compilation of certain figures bearing on the bill (H. R. 4833) which I have introduced, and inasmuch as this exceeds the two-page rule, I have requested an estimate upon it.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief statement by Senator O'MAHONEY, of Wyoming.

The SPEAKER. Is there objection?

There was no objection.

Mr. RUTHERFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an editorial from the New York Inquirer.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague, Mr. SCHIFFLER, may be allowed to speak for 20 minutes on next Wednesday, after the legislative program and any special order that may have hitherto been entered.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The gentleman from Missouri, Mr. ANDERSON, is recognized for 20 minutes.

Mr. ANDERSON of Missouri. Mr. Speaker, every thoughtful American is familiar with the life and career of Thomas Jefferson. Probably more than any other man, he is responsible for the first 10 amendments to our Constitution, called the Bill of Rights. He founded a great university at Charlottesville; he was the author of our Declaration of Independence; and his philosophy in recent years has now become the popular political philosophy of all thinking Americans.

On his birthday it is customary for patriotic Americans to visit his tomb and go through the university that he founded and secure inspiration from the historic surroundings of Monticello, his home.

The mayor of the city of St. Louis with some of the high officials of the administration, accompanied by civic, business, and professional leaders of that city, made a pilgrimage to Monticello on April 13. It was a visit made by St. Louisans or from that district which may be determined as Greater St. Louis, and, therefore, did not include residents of the State in general.

Among the 125 men who came by special train were many leading Republicans, patriotic Americans, who, differing in some ways from the present tenets of the Democratic Party, wanted to do homage to the great statesman.

Accompanied by Senator CLARK and Senator TRUMAN, representing the State of Missouri at large, and, of course, this particular district as well, I was present that day, 100 miles away, witnessing a wreath placed on the monument from the President of the United States, flowers from the American Federation of Labor, flowers and wreaths from patriotic organizations throughout the Nation. It was a solemn and inspiring occasion. It made better Americans. People at that grave had the thought of work well done for all Americans.

But for those citizens of St. Louis who made the trip it had a particular significance, because it was through the purchase of Louisiana Territory that Missouri and a number of other States came into the Union. Over the little city of St. Louis flew the flags of Spain, the flags of France, and the flags of the English. It was because of the navigable rivers in this vicinity that St. Louis became the great center of fur trade of the continent and is still the great fur market of the West. From this point came the great conquests of the Southwest over the Santa Fe Trail and the great conquests of the unexplored territory of the Northwest. Here started the first fast delivery of mail to the Pacific coast. None of these things could have been done if it had not been for the forethought and statesmanship of Thomas Jefferson.

The St. Louis visitors then went to the home of Patrick Henry at Williamsburg and to old Jamestown, one of the first white settlements in the New World.

But on this same day, while absent from this Chamber, 100 miles away at the time, accompanied by our Senators and two Congressmen from St. Louis, a Congressman from Kansas took the floor and, on Jefferson's birthday, while civic leaders and officials had their heads bowed in prayer, watching the annual event of historical importance, the gentleman from Kansas indulged in an assault upon the integrity of these men. If I had been present, the answer to the assault would have been made on that day, or maybe, if the St. Louis Representatives had been present, the attack would never have been made. It was only a 1-minute speech, but when printed in the RECORD, occupied 15 or 20 minutes, but unfortunately copies were furnished in advance to Missouri newspapers, which was of no interest to Kansas. It was news to Missouri and was printed there in full.

I hope that the gentleman from Kansas, who on one occasion attacked the Irish-American citizens of the United States on the floor of Congress and then apologized for it, may on some occasion, when he knows the facts, withdraw or apologize for the remarks he made during the absence of the St. Louis Congressmen.

Mr. Speaker, I am positive that both our Senators—Senators CLARK and TRUMAN—would take pleasure and delight in excoriating this Representative if the Senate rules would permit, and I am confident that my two colleagues from St. Louis, Mr. COCHRAN and Mr. HENNINGS, will thoroughly endorse my remarks today. I know they will be sympathetic with what I have to say and that it meets with their approval and, in fact, the approval of all Congressmen from the State of Missouri.

The gentleman from Kansas has made no personal investigation of the situation in St. Louis. He merely asked 1 minute and then placed in the RECORD some canned propaganda casting a probe in the civil government of our metropolitan city and abusing unjustly its civic leaders.

Let me say that I was not a Member of Congress when this Commission was created. I had no voice in it then and have taken no action in regard to it since I have been in the House. This project is wholly outside of my district, and I do not live within the city limits of St. Louis. But I cannot sit here and permit the name of our city, of our mayor, and of our finest citizens to be slandered without the slightest basis in reason or fact.

First, I want to speak not in defense of—for actually he needs no defense—but in deepest respect and appreciation of Mayor Dickmann, of St. Louis. It is to be deplored that he has been made the target for political rapiers and criticism of the most vicious nature. Mayor Dickmann in his two terms as mayor of St. Louis has given the people of that city more for their tax dollar than all his Republican predecessors put together. As a monument to a quarter of a century of Republican rule in St. Louis, there stood the courthouse, one of the finest in America, with rotten wooden steps because funds that had been voted in a bond issue had been squandered and wasted by the Republican city administration. The same

thing was true of many other projects throughout the city. This was what Mayor Dickmann faced when he took office. The handling of the city administration by his Republican predecessor was a real and an actual national scandal. Since Mayor Dickmann has been in power all of these projects have been completed. Thousands of miles of streets have been paved and improved; hundreds of street lights have been erected; and all at no additional cost to the property owners. In addition to these visible and tangible accomplishments of Mayor Dickmann's administration, everyone realizes that the national significance of St. Louis has been brought to the fore by our mayor, who enjoys the greatest popular support and approval of any mayor in the history of St. Louis.

Now, let us discuss the pilgrimage and a few of the men who made it. Let us take a look at them and see that they are not, as you are asked to believe, a group of Democratic ward politicians. I was going to ask that the entire list of those names be placed in the RECORD, but the gentleman from Kansas has already relieved me of that task. The names appear on page 4236 of the CONGRESSIONAL RECORD of April 13, 1939. That is the very day the gentleman took advantage of the St. Louis Representatives being in Monticello to launch his attack, knowing that we were not here to give answer.

I urge you all to read this list of names. There are, of course, members of the city administration. But does the gentleman know that a great many of his party kinsmen were in that group? Does he infer that these fine business and professional men are aiding and abetting in what only he believes is a great national scandal? I wonder if the gentleman knows that the Honorable Robert W. Otto, a former judge of the Missouri Supreme Court and attorney general of our State, and one of the Republican leaders of Missouri, was a part of that pilgrimage.

Mr. PARSONS. Mr. Speaker, the gentleman from Missouri is making a very fine speech. I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count.

Mr. SCHAFER of Wisconsin. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. SCHAFER of Wisconsin. Why delay this fine speech when it is obvious there are 414 Members on the floor of the House? I hope the gentleman from Illinois will withdraw his point of order.

Mr. PARSONS. Mr. Speaker, in deference to the gentleman from Wisconsin I withdraw my point of order.

The SPEAKER pro tempore. The gentleman from Illinois withdraws his point of order. The gentleman from Missouri will proceed.

Mr. ANDERSON of Missouri. Mr. Speaker, I have personal knowledge that a great many of the men on that pilgrimage are opposed to the Jefferson Memorial project in St. Louis. If you will but read the list of names that the gentleman from Kansas has placed in the RECORD, you will observe such men as James Dunbar, president of the Tower Grove Bank; Thomas N. Dysart, president of the Chamber of Commerce; Sidney Maestre, president of the Mississippi Valley Trust Co.; Milton N. Johnson, of the Ford Motor Co.; E. E. Pershall, of the Moss Tie Co.; P. J. Watson, president of the Terminal Railroad Association; and many others. These men are among the outstanding business leaders not only in St. Louis but of the Nation. In addition, if they are not devoted Republicans, they are independents in the fullest sense of that word.

I regret deeply that a Member of this body totally unacquainted with St. Louis would have the temerity to berate a group of our most distinguished citizens as representatives of bossism and political corruption. I regret that the necessity has been created whereby I am called to the defense of these men, whose sole purpose in making the pilgrimage to Monticello was to pay respect to the memory of Thomas Jefferson.

Proceeding on from the pilgrimage, let us observe for a moment the Commission created by Congress to consider and supervise the Jefferson Memorial project. It is plainly the most distinguished group of men you might hope to get together in a common purpose. Three members were appointed by the President of the United States. They are J. Lionberger Davis, of St. Louis; Gen. Jefferson Randolph Kean, of Washington, D. C.; and William Thornton Kemper, of Kansas City. Three members were appointed by the President of the Senate. They are Senator BARKLEY, of Kentucky; Senator DAVIS, of Pennsylvania; and Senator VAN NUYS, of Indiana. The Speaker of this House appointed three members. There are now two vacancies, and Mr. KELLER, of Illinois, is still serving. The Jefferson National Memorial Expansion Association appointed Hon. Newton D. Baker, of Ohio; Amon Carter, of Texas; Charles Merriam, of Chicago; Matthew Woll, of New York; Luther Ely Smith, of St. Louis; and the greatest Kansan of them all, William Allen White. The executive committee is composed of Luther Ely Smith, of St. Louis; J. Lionberger Davis, of St. Louis; and William Allen White, of Kansas. I wonder if the gentleman from Kansas [Mr. LAMBERTSON] desires to convey the thought that Mr. White, the greatest citizen Kansas ever produced, is a disciple of political corruption and bossism.

Hon. Charles Nagel, of St. Louis, who served in President Taft's Cabinet, is honorary vice chairman of the Commission.

If this project in St. Louis is the shameful and wanton public scandal that the gentleman from Kansas [Mr. LAMBERTSON] would have you believe, do you think for one moment that the distinguished members of this Commission would remain silent and permit their names to be linked with this project? The fact that this group of distinguished Americans, including Members of the House and Senate and two former members of the Cabinet, have served and are continuing to serve on this Commission seems to evaluate properly whatever the gentleman from Kansas might say.

In conclusion I want to repeat that I was not in Congress when this Commission was created. I have never had an opportunity of taking any kind of action with regard to this project; I do not live within the city limits of St. Louis, and this proposed memorial is entirely outside of my district. Furthermore, when I sought the nomination to this office in 1936, the city administration of St. Louis was arrayed solidly against me.

My only interest in this whole matter is to see that men who live in my district are protected from false and slanderous malignment on this floor; to see that the mayor of St. Louis is given the respect to which he is entitled; and to see that the names of the great men who compose the United States Territorial Memorial Expansion Commission are not bantered about in these Halls in a category with purveyors of vice and political corruption. [Applause.]

I ask unanimous consent to extend my remarks to include a letter I have received from Mr. Luther Ely Smith, chairman of the executive committee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The letter referred to follows:

JEFFERSON NATIONAL-EXPANSION MEMORIAL ASSOCIATION,
St. Louis, Mo., April 21, 1939.

Hon. C. ARTHUR ANDERSON,
House of Representatives, Washington, D. C.

DEAR MR. ANDERSON: I would like to urge your support of the amendment offered by Senator BENNETT C. CLARK to the Interior Department Appropriations bill, reappropriating the fund for the United States Territorial Expansion Memorial on the western bank of the Mississippi River on the site of "Old St. Louis." To the fund totaling $9,000,000 the United States contributed three-fourths or $6,750,000. St. Louis paid into the United States Treasury on May 16, 1936, one-fourth or $2,250,000 (proceeds of bonds voted by the citizens of St. Louis under a State enabling act, Laws of Missouri (1935, p. 193), thereby fully performing its part under Executive Order No. 7253, December 21, 1935 (as held in *Balter* v. *Ickes* (89 F. (2d) 856)).

This great national project was planned and is sponsored by a Federal Commission known as the United States Territorial Expansion Memorial Commission created by act of Congress of June 15, 1934. The project has been national in its scope, supported from the beginning on civic, educational, and patriotic grounds by highly representative citizens of the Nation at large as well as of the Louisiana Purchase, Missouri, and St. Louis. It has been and is wholly nonpartisan and nonpolitical. Republicans as well as

Democrats (as it happens, in approximately equal numbers), have been and are working earnestly for its success.

Charges, arising from misinformation, but which in fact are wholly unfounded, have been made that this project is a real-estate conspiracy.

There has been, and, under the law, can be no scheme or successful plot to unload real estate at inflated prices. No land has been or will be acquired except by condemnation proceedings filed in the United States District Court for the Eastern District of Missouri, presided over by three able judges, namely: Charles B. Davis, George H. Moore, and J. Caskie Collet, and no prices will be paid except at figures approved by the court upon valuations fixed by commissioners appointed by these judges, or at lower prices, where (as in many cases) title can be acquired by direct negotiation after condemnation.

The proceedings have been tested in the courts: Missouri Supreme Court (*Vrooman* v. *St. Louis*, 337 Mo. 933, 89 S. W. (2d) 189), opinion by Judge Collet; United States Court of Appeals for the District of Columbia (*Balter* v. *Ickes*, 89 F. (2d) 856), opinion by Justice Van Orsdel (certiorari denied, 57 S. Ct. 941); United States Circuit Court of Appeals for the Eighth Circuit, January 27, 1939 (*Barnidge* v. *U. S.*, 101 F. (2d) 295), opinion by Judge A. K. Gardner, Judges Kimbrough Stone and Seth Thomas concurring. Excluding the unappealed condemnation cases, there have been 17 suits and appeals testing the validity of the proceedings. All have been won by the Government. The objections now urged were pressed upon the courts in those cases—to no avail. The case of *Franklin Township* v. *Tugwell*, recently cited by opponents, was repeatedly pressed upon the court by appellants in *Barnidge* v. *U. S.* as requiring reversal—without success.

The funds have been scrupulously conserved in the strictest economy. No expenditures have been made except for administrative purposes, and these, notwithstanding obstructive delays, total substantially less than 10 percent of the St. Louis contribution.

No person can charge iniquity, fraud, or corruption against the sponsors of the project, or any step that they have taken, without ignoring or distorting the facts.

The national character and historic significance of the area and the project have been considered and approved by the Secretary of the Interior, by the President, and by a special committee of the National Historic Sites Commission. The courts, after full consideration of the objections now urged, refused to disturb their action (*Barnidge* v. *U. S.*, 101 F. (2d) 295).

This is a memorial not to any one man, but to the territorial expansion of our great country and to the men who made it possibe, from Thomas Jefferson, and Lewis and Clark, the fur traders; Daniel Boone, Father de Smet, Zebulon Pike, Moses and Stephen Austin; and Robert E. Lee, on through John C. Fremont, Abraham Lincoln, Ulysses S. Grant, to the pioneers of later years.

The area in question is sacred soil and the country is fortunate in being able to acquire and develop it as a national heritage. The original membership of the United States Commission included Members from the House appointed by the late Speaker Henry T. Rainey (Hon. Lloyd Thurston, of Iowa; Hon. John N. Sandlin, of Louisiana; and Hon. Kent E. Keller, of Illinois), three Senators appointed by Vice President Garner (Hon. Alben W. Barkley, of Kentucky; Hon. Frederick Van Nuys, of Indiana; and Hon. James J. Davis, of Pennsylvania), three appointed by the President (Gen. Jefferson Randolph Kean, of Washington, D. C.; Mr. William T. Kemper, of Kansas City; and Mr. J. Lionberger Davis, of St. Louis), and six appointed by the Jefferson National Expansion Memorial Association of St. Louis (Mr. William Allen White, of Emporia, Kans.; Mr. Newton D. Baker, of Cleveland, Ohio; Mr. Amon G. Carter, of Fort Worth, Tex.; Dr. Charles E. Merriam, of Chicago, Ill.; Mr. Matthew Woll, of New York; and the undersigned). Mr. Kemper and Mr. Baker have died and the terms of Mr. Thurston and Judge Sandlin have expired. Col. James M. Thomson, of New Orleans, has been appointed to succeed Mr. Kemper.

This is in no sense a partisan measure. It is entirely free from political implications. It is national. Your support will be deeply appreciated.

Cordially yours,

LUTHER ELY SMITH,
Chairman Executive of United States Territorial Expansion Memorial Commission.

The executive committee consists of William Allen White, J. Lionberger Davis, and Luther Ely Smith, chairman.

The SPEAKER pro tempore (Mr. SHEPPARD). Under the previous order of the House the gentleman from California [Mr. VOORHIS] is recognized for 20 minutes.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield.

EXTENSION OF REMARKS

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial published in the Pottsville, Pa., Republican on Wednesday, April 26, 1939, entitled "Still a Soldier." This editorial refers to our colleague, the gentleman from Pennsylvania [Mr. FENTON], a distinguished soldier and a conscientious and able legislator.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HEINKE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address made by me on April 22, 1939.

On this occasion the Nebraska delegation in Congress and Nebraskans planted an elm tree from Arbor Lodge State Park at Nebraska City in honor of J. Sterling Morton, author of Arbor Day. The tree is planted at the northeast corner of the grounds occupied by the Department of Agriculture.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

THE DESTINY OF DEMOCRACY

Mr. VOORHIS of California. Mr. Speaker, the remarks I make this afternoon are addressed to one theme. This theme is that the destiny of democracy may well lie in the hands of this House and the body at the other end of the Capitol.

I am convinced that there is at present introduced in the House legislation whose passage would demonstrate once and for all the effectiveness of parliamentary government in dealing with difficult economic situations and would put us on the road toward proving the superiority of our democratic system over that of any other in the world.

Our problem in a nutshell, Mr. Speaker, is that we apparently have too many producers and too few effective consumers; that we have too much value in goods and services produced and not enough active demand; and that we have more income paid out by industry and other kinds of producers than we can have dollars coming back to these same producers.

REASON FOR SYSTEM OF RETIREMENT PENSIONS

The old idea—and it was a sound one—was that in order for a man to be entitled to consume he must first have taken part in production. Certainly it was a happy and successful time when this rule could be universally applied with justice. With the development of machine industry, unfortunately, with the development of financial monopoly control, we have a situation in which this principle can no longer be universally applied for the reason that millions of people are denied through no fault of their own the opportunity of taking part in production at all.

Under the circumstances we have a growth of public employment, together with a certain amount of relief which nobody likes very much and very few people want to receive if they can avoid it, but which we know to be necessary as a very minimum and paltry kind of justice to those citizens who find themselves without work or income. Under these circumstances it appears to me that the only decent and reasonable answer to the problem lies in the establishment of a system of retirement pensions for persons who have passed the age where they can reasonably expect employment, who have earned the right by their production in the past to be consumers although they do not currently take part in production, and who by such a system might be given the opportunity to continue to consume their share of the national production without taking part in it or competing for the jobs. This is the just, the socially sound method of bringing about a balance between producers and consumers. It is the Christian thing to do, as well, I believe, as the economically necessary thing to do.

I am somewhat disappointed over the fact it has so far proven difficult to unify and unite the Members of the House who are in one way or another committed to this cause, for I believe by such uniting together, with a sincere determination to carry through with the substantial pledges that many people have made in connection with their election, a real progress along this line could be made at this session of the Congress. For my part though my first interest is

in H. R. 11, I feel so deeply on this subject that even if I cannot have a measure which I believe to be 100 percent perfect, I stand ready to cooperate in any way I can for the passage of a pension bill.

To establish such a system would mean fewer producers and more consumers. It would mean much larger active demand, and the machine age certainly requires this, as I pointed out. We are, of course, faced with the problem of where the money shall be raised, various answers to which have been given in a number of different proposals contained in certain bills and in the speeches of various individuals.

My own preference is that funds for the pension be raised by income taxes so levied that they will operate to reduce the volume of what would otherwise be idle surplus savings. But I am willing to accept some other sound method of raising this money if need be to establish the principle of general Federal pensions to our people over 60 as a matter of right and on the basis of age rather than charity.

The junior Senator from California [Mr. DOWNEY] made a speech in the Senate on April 7 which to me was a very challenging speech. The burden of that speech was to the effect there had to be a substitution of a system of retirement pensions in this country for that portion of surplus savings which now lie idle and do not return to the producers of goods and services in the form of active demand. I wish to acknowledge a very real debt to Mr. DOWNEY for the help that speech has been to my own thinking.

THE HISTORY OF "GOVERNMENT SPENDING"

Let us look for a moment at our national record. The New Deal has been criticized for its spending program. In the next few minutes I will show that, as a matter of fact, there has always been some kind of a spending program in effect in this country at any time, when there has been a reasonably prosperous condition. I believe it can be demonstrated that only at times of rising prices and property values, inflation of debt, and substantial additions to the buying power to some or all groups in the population have we had prosperity. The real reason for the attacks on the New Deal spending is that it has been carried on largely by payment of wages to poor people—plus, of course, the natural concern over increasing debt. I think it is a fundamental deception of the people for anyone to lead them to forget the whole experience of the 1920's and try to persuade them that the mere abolition of the progressive measures that have been passed in the last few years is going to reemploy our people.

CAPITAL-GOODS EXPANSION AND INVESTMENT CANNOT SOLVE PROBLEM

We have at present a very large volume of unused productive capacity in this country, and until we have a very marked increase in the volume of consuming purchasing power this unused capacity will not be used, let alone a large amount of money expended to add to plant capacity. I have here one of the confidential news letters for business executives, that are sent out from Washington, D. C., which is supposed to give the news of the situation in the National Capital. I find here a very significant sentence which says:

> Inventories are not low relative to consumption, and any worsening in the prospects would cause processors and dealers to lighten up on their inventories.

Which is to say that even at present the volume of consuming power is not keeping up with current production.

The only value there can be in capital goods, after all, is that somewhere, somehow, some consumers will buy the products produced by the capital goods. Unless you have that consuming power present the investment in those capital goods itself is not a sound investment. The analysis which has underlain the New Deal has been briefly that the depression beginning in 1929 was caused by the failure of consuming power to keep pace with the increases in inventory. Installment buying held up production for a while but eventually the whole structure of it collapsed of its own weight. That is to say, that in attempting to keep up with production the consumers of the Nation acquired so large a volume of installment debt that they could not continue to carry it. Furthermore, these installment purchases represented the attempt of the Nation to make up for the large percentage of income paid out by industry which was set aside into surplus savings during this period. We found the gap widening between the amount of production the consuming power of the people could sustain and the amount of production that industry had to achieve to run profitably. So, beginning with 1933, various devices have been used to increase the consuming power of the people. For example, the P. W. A., the farm program, the W. P. A., the various lending agencies, the C. C. C., and many others.

I think it is fundamentally true that in this field of increased consuming power lies the mainspring to production of all sorts and at all times. I believe this analysis has been right. I point out that improvement was continuous until the year 1937, when, as a matter of fact, that program was substantially changed, temporarily at least, and an attempt at retrenchment made with what amounted to disastrous consequences.

ADDITIONS TO TOTAL VOLUME OF CONSUMER BUYING POWER BY GOVERNMENT ARE NOT NEW

It seems to me that there is no difference essentially between what the New Deal has been doing and what has happened in this country before, and I will now address myself to attempting to prove that point. There has been this one difference, however. In the case of the New Deal a conscious effort has been made to see that the consuming power was increased at the point where it was most needed. Otherwise I would say that a net addition to the buying power of the people over and above that currently distributed by industry has been necessary throughout the whole period of American history in order to secure anything like decent prosperity.

Let us examine the record. In the first place, we had over a long period of time the phenomena of westward expansion. Free land was being given away or sold at a very cheap cost upon which to settle. While this was happening, new cities were growing up, new lands being settled, and we find that the banks were constantly monetizing the anticipated increase in value of property, by which I mean that new debts were being created on the basis, not of current values, but of anticipated future values, and the contraction of those new debts was constantly putting into circulation an additional amount of purchasing power over and above what industry at that time was able to pay out.

We have heard numerous criticisms that by the present increase in the national debt we are spending future income. Indeed, the people of 1850 or 1870 were doing precisely that same thing, because, as I have said, they were monetizing in the form of an additional contraction of debt the anticipated value of property in the future.

May I say at this point it is my fundamental conviction that unless the Government exercises its sovereign right to bring an added volume of money into circulation to keep pace with additional production, new debt must always be contracted to equal current withdrawals from the purchasing power stream by savings or investment, and unless we are to anticipate an increase in that indebtedness or accept depression as permanent, we must look to the field of monetary reform, and particularly to the field of restoration to the Government and to the Congress of the right to bring its money into circulation, if we are to have a solution to the problem.

Mr. HARRINGTON. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to my very good friend from Iowa.

Mr. HARRINGTON. The bill the gentleman has introduced along that line has for an objective that very thing; is that not true?

Mr. VOORHIS of California. That is right.

Mr. HARRINGTON. The theory under this bill is that bringing into being an increased amount of money will enable us to enjoy a national income of upward of $100,000,000,000?

Mr. VOORHIS of California. Exactly. I believe the reason prosperity has always been choked off after it had gone so far is because the Nation or its people has always been trying to borrow into circulation the amount of new purchasing power necessary to keep pace with the growth of production and to compensate for idle savings and for the amount of current income stored up in new capital formation. I do not believe we can continue that forever. I am grateful to the gentleman because that bill—H. R. 4931—is one about which I care a great deal.

I should like to say that certain features of the bill, such as the establishment of 100-percent reserves behind the demand deposits in the banks, are included in order to make it perfectly safe and sound for us to bring into circulation that additional volume of consuming power through Government action and debt-free, which it might not be safe to do if, as at present, we were running the risk every time we brought a new dollar into circulation of having a six for one expansion of bank credit on the basis of the additional reserves created.

I should like to say further that this bill does not provide just a hit-or-miss increase in the volume of money, but provides that the increase shall keep pace with the increase in productive capacity and population of the Nation, and shall be so geared to it as to give us a dollar of constant purchasing and debt-paying power whose value in terms of goods will not seriously fluctuate.

Now, as we got out of the period when westward expansion was a means of putting into circulation an additional volume of consuming power, we might have had the situation with which we are now confronted had it not been for the coming of the World War. But with the coming of the World War a considerable number of producers were taken out of the possibility of continuing production to become soldiers and a great destruction of wealth took place, so that a balance was reached between production and consumption and we had prosperity. I do not think it makes sense but that is what happened, and it is illustrative of the fact that what we do not know how to do is to keep our consumptive power in line with our power to produce wealth and that the only time we have our people continuously employed is when we have an artificial destruction going on, such as war.

The Government was adding tremendously, of course, to current consuming power at that time, but once again on the basis of additional debt. It is my hope that we in this Congress are not going to condemn our sons to a hero's death because we refuse to establish promptly a system of decent retirement pensions for the veterans of American agriculture and industry, and to lay patriotic hands on the private financial monopoly which now exercises the right to monetize our national growth, our people's property, and the resourcefulness of our people.

With the close of the World War we were confronted with another period where production might well have speedily outrun consumption had it not been for a new and ingenious device, namely, the device of marketing questionable foreign bonds in this country in very large amounts. That, plus the World War debts that were outstanding, meant that America contributed literally $22,000,000,000 to foreign purchasers of goods in the period 1914 to 1929. The bubble burst when it became evident that those debts were not going to be repaid and when the installment-debt burden of the American people domestically became so great as to be no longer able to be carried. Then we had the depression of 1929, which deepened continuously as long as a deflationary policy was followed and was only checked with the coming into power of the New Deal and President Roosevelt in 1933.

Why is it necessary in order to have prosperity to increase the total volume of active buying power of the consumers of the Nation over and above that amount which industry is able to currently pay out? It is of course true that real buying power is equivalent to the goods and services produced, but the right to exercise that buying power is expressed in money. Since some people do not exercise that right but instead of spending currently their income save a portion of it, that amount must be subtracted and industry does not recover it. Since further an additional amount is invested in new capital equipment—that is, put into increase of productive capacity—therefore we have once again another item from the currently paid-out income which cannot return to industry again in the purchase of its goods.

In 1929 we find the following figures: There was a realized national produced income of over $81,000,000,000. There was a paid-out national income of $78,500,000,000, the difference being represented by corporate savings. We also find that in that year total savings of individuals and corporations amounted to $20,000,000,000 and gross capital formation to $11,000,000,000. The depression resulted because the debt-formation bubble burst, because the foreign bonds bubble burst, and because installment debt contraction had reached its limit. The depression came further for two more basic reasons: First because we had no machinery for compensating without increase in debt and by a direct increase in the volume of actively circulating consumer demand for the $11,000,000,000 of new capital formation insofar as that represented not merely the payment of wages to create this new capital formation but the actual storing up in new machinery of production of a portion of the income paid out by industry.

In the second place, the depression came because excess savings represented idle and inactive buying power not used in the purchase of the goods and services that the American people had produced. Perhaps the major cause of these surplus savings was and still is the power of monopoly to exact an undue share of the total buying power of the people. But this is a problem too great for me to more than mention today.

I point out again that in order to avoid depression, industry and agriculture must recover for every dollar paid out a dollar which must come back to them in order to cover their cost. So I say that I believe there are two essential adjustments that have to be made; first, that we have to make it possible through governmental action to bring an additional volume of active consuming power into circulation to match that portion of investment which does not go to wages in construction but is stored up in the value of new equipment itself; and second, that we have to reduce surplus savings to the point where they will equal only the amount of needed capital equipment; and in order to do that it is evidently necessary that we have a system of old-age-retirement pensions. At a later date I shall set forth in more detail how I believe we should constructively attack this central problem. [Applause.]

[Here the gavel fell.]

SUBCOMMITTEE OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent that the subcommittee on the truth-in-fabrics bill of the Committee on Interstate and Foreign Commerce may sit next Tuesday afternoon during sessions of the House.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is that agreeable to the Republican Members of the subcommittee?

Mr. MARTIN of Colorado. This was an understanding had with the gentleman from Ohio [Mr. BROWN], a member of the subcommittee.

Mr. MARTIN of Massachusetts. The gentleman has reached an agreement with him and this is satisfactory to him?

Mr. MARTIN of Colorado. Yes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

EXTENSION OF REMARKS

Mr. HARNESS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter just received from Ruth Steed, of Portland, Ind.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

SHOULD AMERICA TAKE SIDES IN EUROPEAN WARS?

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, on April 14 last, a significant event took place at Mount Vernon. The President of the United States and other officials, together with many citizens, gathered at Washington's home to celebrate the one hundred and fiftieth anniversary of his notification of election as first President of the United States of America. As we sat on the broad verandas of this historic mansion, looking out over the Potomac River and the lovely landscape which was dear to the heart of Washington, our thoughts instinctively went back to that memorable day in our Nation's history when Washington took over the Presidency of the new Republic. It was Washington upon whom the burden fell of guiding our destinies in the conflict between the American Colonies and the mother country from which came the new Nation and our liberty, and it was Washington who had the burden of making a democracy work. One could not but wonder what Washington, if he were with us now, would say with reference to the part we should take in the impending conflicts in the Old World. After guiding the destinies of America for 8 years, Washington voluntarily surrendered his office and in doing so laid down a plan for the guidance of America in its foreign relations which has been our course for 150 years, with one exception. It is important that we consider again what Washington said in determining for ourselves whether his advice is applicable to our times and conditions.

NO FOREIGN ENTANGLEMENTS

George Washington, in his Farewell Address, said:

> Against the insidious wiles of foreign influence (I conjure you to believe me, fellow citizens), the jealousy of a free people ought to be constantly awake, since history and experience prove that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike of another cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.
>
> The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little political connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith. Here let us stop.
>
> Europe has a set of primary interests which to us have none, or a very remote relation. Hence she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics or the ordinary combinations and collisions of her friendships or enmities.
>
> Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation; when we may choose peace or war, as our interest, guided by justice, shall counsel.

Our foreign policy, with one exception, has always been directed along the lines of the admonition of the Father of his Country. George Washington, perhaps more than any other man in our Nation's history, was familiar with the history of foreign nations and with the wiles, intrigues, and subtle influences, desires, and motives that controlled their actions in their relationships with one another. He had led the struggling, infant nation through the trials and vicissitudes of the Revolution to gain our independence. Out of this wealth of experience he said:

> Against the insidious wiles of foreign influence (I conjure you to believe me, fellow citizens) the jealousy of a free country ought to be constantly awake, since history and experience prove that foreign influence is one of the most baneful foes of republican government.

Washington realized, as we should realize today, that our natural advantages, by reason of our detached geographical position, protected by two great oceans, and separated by 3,000 miles or more from the warring nations of Europe and Asia, are our first line of defense. In his words:

> Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?
>
> It is our true policy to steer clear of permanent alliances with any portion of the foreign world.

Thomas Jefferson adhered to and advised this same course. He said, in his inaugural address, we should maintain "peace, commerce, and honest friendship with all nations, entangling alliances with none."

SHOULD WASHINGTON'S ADVICE, "AVOID ENTANGLING ALLIANCES," BE DISCARDED?

Mr. Speaker, America today is at the crossroads. We have come down through a century and a half of development and expansion observing the advice of the Father of his Country. During that short span, as the history of nations is reckoned, we have become a great nation and occupy a commanding position in the family of nations. We have developed in power, influence, and in the material possessions and advantages of our people more than any nation of the world in a like period. Should we now abandon our foreign policy which we have followed through the years and enter into combinations and commitments with Old World nations? Should we abandon our time-honored, independent position and assume the roll of world policeman to settle the disputes of Europe?

The one time we departed from Washington's advice, when we joined in the World War, we proceeded on the false premise that by so doing we could preserve democracy and, as the slogan said, "Make the world safe for democracy." Our American boys, 2,000,000 strong, crossed the seas following the mirage that it was a "war to end war." Instead of accomplishing those great objectives the nations of Europe, after that struggle of death, were bankrupted and thrown into a welter of turmoil, dissension, jealousies, conquests, wars, and rumors of wars, in keeping with the history of European nations for more than 2,000 years.

As a result there has now developed in Europe the Berlin-Rome axis. This combination, together with Japan, has been remaking the map of the Eastern Hemisphere. We have witnessed the conquest of Ethiopia and China, the dismemberment of Czechoslovakia, the taking over of Albania, and the threatened invasion of many other nations in the field of operations of these European powers. Opposed to Germany, Italy, and Japan are England, France, and Russia, with whom other smaller European nations are allied or in the process of alinement. The armed forces of the world are better prepared with armaments for conflict than at any other time in the world's history, and they stand ready for mobilization and ready to strike. They only await the order.

Mr. Speaker, it is said that this threatened conflict is one between the democracies and the totalitarian governments to determine which shall survive and rule the world. When we examine the alinement of these forces and the motivating causes of the unrest, we find this to be untenable. Certainly Russia, standing with England and France, cannot be fighting for the preservation of democracy. The dividing line between these two groups of armed countries is not the line between the democracies and the totalitarian governments. The bones of contention today, as they have always been throughout European history, are territory for expansion and development, boundary lines, natural resources,

raw materials, property and property rights, trade lanes, and routes of commerce, all climaxed with selfishness, the urge for conquest, and the greed for spoils and power.

The struggle today is the same that has been going on for 20 centuries for the control of the balance of power in Europe. It involves the control of the Mediterranean and Gibraltar, the Suez Canal and the Dardanelles, the control of Spain and the lands rich in natural resources lying east of Germany and Italy, giving an outlet to these nations to the Black Sea and the East. Such a control cuts across the life lines of England and its world-wide colonial possessions and leaves France exposed to crushing attacks from every side but the Atlantic. Its accomplishment would mean the destruction of the Balkan entente consisting of Rumania, Greece, Yugoslavia, and Turkey.

The conflict was aptly stated in the Washington Post of April 23 last, as follows:

THE RACE FOR SUPREMACY IN THE MEDITERRANEAN

Two great powers—Great Britain (with the aid of France) and Italy (with the support of Germany)—are today engaged in a vital race for supremacy in the Mediterranean.

Not since the galleys of ancient Greece sailed to the destruction of Troy has there been such a concentration of might in that strategic sea. The major powers are strengthening their naval and air bases to protect their "life lines" in the event of war.

Control of the Mediterranean is vital to Great Britain to maintain its commerce with South Africa, India, and Australia. Italy seeks to keep in contact with its north African territory and with Ethiopia and Italian Somaliland on the east coast of Africa.

France, in addition to its territory in north Africa, also has colonies in east-central Africa. Germany has no colonies affected by control of the Mediterranean but it has colonial ambitions and is united with Italy in combating Britain and France.

In the glory of their empire, Romans called the Mediterranean Mare Nostrum (our sea), and it was long a Roman sea. But by the seventeenth century Britain's men-of-war had begun to rule the seas, and soon after the French dug the Suez Canal in 1869, Britain had control of the Mediterranean at both ends and later in the middle.

Britain, backed by France, seemed impregnable—with mighty fortifications at Gibraltar on the west, the even less vulnerable Suez Canal on the east (the nearest Italian base is 400 miles away), and the heavily fortified island of Malta between Italian Sicily and French Tunisia.

But today Fascist Italy threatens this domination. It now controls the Dodecanese Islands, the island of Rhodes, and the colony of Libya in North Africa. It has fortified the small island of Pantelleria to checkmate Malta's grip on the bottleneck between Sicily and Tunisia. With Italy's help, Gen. Francisco Franco's Spanish regime planted German guns in north Africa commanding Gibraltar.

It's a game of strategic moves to control the Mediterranean—with the loser's lifeline strangled in the case of war.

It is urged that the United States should join with England, France, and Russia in this impending conflict. Such an alinement means a Washington-London-Paris-Moscow axis opposing the Berlin-Rome axis. Such a policy is in direct opposition to the foreign policy we have always followed, and the one promulgated by Washington. It is maintained by the supporters of this contention that we should take a part in world affairs; that while we should not necessarily engage in actual war for the purpose of protecting world democracies, nevertheless, we should do everything short of war necessary to accomplish these ends.

WASHINGTON KNEW OLD-WORLD CONFLICTS

In determining our course of action as to whether or not we should follow Washington's and Jefferson's advice, and avoid entangling alliances, or whether we should join with England, France, and Russia in their impending conflicts with totalitarian governments, it is important to review the considerations which must have been uppermost in the mind of Washington when he delivered his Farewell Address. He spoke of the "insidious wiles of foreign influence," "the baneful foe of republican government," and also:

Europe has a set of primary interests which to us have none, or a very remote, relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics or the ordinary combinations and collisions of her friendships or enmities.

He said:

Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice? It is our true policy to steer clear of permanent alliances with any portion of the foreign world.

In considering the European rivalries which motivated Washington in advising this course for young America, it is of interest to refer to the history of the European countries with which it is now contended we should aline ourselves in a world-wide movement for the protection of democracy and the policing of the world. In doing so it is not my purpose to criticize the nations referred to, but to ascertain, if we may, the basis for Washington's statement that Europe had a set of primary interests which had a very remote relationship to our own, and that she was engaged in frequent controveries, the causes of which were essentially foreign to our concerns, and also to determine if these same fundamental differences obtain today. History teaches that what has happened will happen again. The student of world affairs finds no assurance that there will not continue to arise in Europe and the Old World controversies which will embroil those countries in warfare.

ENGLAND AND EUROPEAN CONFLICTS

Mr. Speaker, I have great admiration for the English Nation and its people; in fact, my own paternal American forebear came from England and settled with Roger Williams in Rhode Island early in the sixteenth century. I want to see the British Empire and the French Republic prosper and go forward in the march of civilization. They are a great civilizing force in the world. Neither do I have any words of praise for the powerful totalitarian nations that have crushed to earth their smaller rivals, torn up their treaties, and have stamped out all vestage of civil rights and personal liberties. But what I am saying with reference to England and France and the other countries of Europe is for the sole purpose of ascertaining if Washington's and Jefferson's advice was sound when given and is equally sound today, and should be followed in that we should avoid entangling alliances with European nations. We are confronted with grave domestic problems today as was Washington. We are far removed from the Old World, and our first duty is to our own people. Let us consider the history of England and the controversies in which she has been engaged and which, no doubt, were in Washington's mind when he delivered his Farewell Address.

England, up until about the year 1035, was the victim of many aggressors. Celt, Roman, Caledonian, Jute, Saxon, Angle, Dane, and Norman in turn had invaded her country. Thereafter England, instead of remaining the victim of aggressors, took part in numerous conflicts as a result of which her dominion was extended until at the present time the British Empire covers approximately one-quarter of the world's habitable land area, and according to the last census figures, its aggregate population is some 15,000,000 more than one-quarter of the world's inhabitants. The British dominions and population are distributed over the world's area as follows:

Population

British Isles	46,189,176
Europe	3,572,839
Asia	356,957,089
Africa	58,561,068
North America	10,665,922
Central America	51,347
West Indies	2,050,351
South America	314,034
Australia	8,956,179
Oceania	412,536

The British Empire has a total population of 494,870,104 and a territory of 13,253,240 square miles. By contrast the United States has a population of some one hundred and thirty millions, being only 7 percent of the world's population, and has only 6 percent of the world's area.

FRANCE AND WORLD CONFLICTS

No doubt Washington, in advising the new republic against foreign entanglements, also had in mind the contests in which France, one of the great European nations of his day, had engaged. In 481 the French Monarchy was established, and Paris was made its capital in 510. Down through the centuries France has been engaged in conflicts and warfare with the various nations of the Old World. Her territory has been overrun and she has been crushed to earth on many occasions, only to rise again and throw off her conquerors and extend her boundaries and dominions.

Today France holds a mandate over Syria, with 2,800,000 population. Her colonists in French India number 286,000. In French Indochina she has 21,500,000 under French rule. Her dependents in Asia number nearly 25,000,000 people. In Africa she has a protectorate over Morocco with 6,000,000; she controls Algeria, with 7,000,000; Tunisia, with 2,600,000; French West Africa, with fourteen and a half million; and holds a mandate over Togoland and Cameroon, and also rules 3,000,000 people in the Congo in French Equatorial Africa. Her other African possessions are Madagascar, Comoro Islands, and Somaliland.

In addition to 24,000,000 subjects in Asia, France rules 38,000,000 in Africa. The possessions of France in America are relatively small. St. Pierre, Miquelon, Guadeloupe, Martinique, and French Guiana number approximately 525,000. In Oceania, New Caledonia, and Tahiti she rules around 100,000. In all, France has 42,000,000 population at home and some 60,000,000 in her colonies.

The histories of all other European countries are of like tenor. I have discussed only England and France because it is contended we should form a military alliance with them or come to their aid in case of a European war.

When we consider the contests in which England and France had engaged up to the time of Washington, we and the far-flung possessions and interests of these two nations alone at once see the meaning of his admonition when he said that Europe has a set of primary interests which to us have a very remote relation and that she must be engaged in frequent controversies, the causes of which are foreign to our concerns. Considering the history of these two nations, can there be any doubt that the advice of Washington was sound?

OUR BITTER EXPERIENCE IN THE WORLD WAR

Mr. Speaker, as I have stated, only once in a century and a half since Washington's time have we failed to follow his advice and have joined hands with the Old World powers in an endeavor to settle a controversy which was not of our making and with which we should not have concerned ourselves. In entering that conflict it is true we were deluded into believing we were fighting to protect our ideals, our democracy, and to make the world safe for democracy. We were told it was a war to end war. In considering our foreign policy, which is now threatening to embroil us again in a new European war, it is of interest to stop and take note of the price we paid in money, suffering, sacrifice, and human life for our part in the one great war of the Old World in which we took part. Let us look at this record; it should keep us out of any other foreign war.

AMERICAN SOLDIERS AND CASUALTIES IN THE WORLD WAR

From official sources I have secured compilations of the number of Americans who engaged in the World War, number of casualties resulting therefrom, costs accruing to the United States, the disabled veterans receiving compensation, the monetary cost of the war to the United States, and the obligations still outstanding owing to us by foreign countries, growing out of this world conflict.

According to the records of the War Department altogether 4,057,101 individuals served in the United States Army during the World War, of whom 2,059,629 served overseas. A classification of the total number of deaths among the World War Army personnel by cause is as follows:

Battle deaths:	
Killed in action	37,568
Died of wounds received in action	12,942
Total battle deaths	50,510
Died of disease	62,670
Accidental and other deaths	6,776
Total deaths	119,956
Individuals wounded not mortally	182,674

This compilation does not include members of the United States Marine Corps who served with the Army in France.

According to the records of the Navy Department, 47,315 officers and 551,736 enlisted men served in the United States Navy and Naval Reserve force in the World War, and the total expenditures of the Navy from April 1917 through November 1918 were $2,124,558,689.

The estimated money cost of the World War to the United States to June 30, 1934, as shown by the report of the Secretary of the Treasury, is as follows:

To June 30, 1921 (revised)	$25,729,000,000
Continuing costs:	
Veterans' Administration	6,391,000,000
Interest on war debt	9,557,000,000
Settlement of War Claims Act of 1928	88,000,000
Total to June 30, 1934	41,765,000,000

The President, under proclamation dated November 14, 1921, declared the end of the war with Germany to be July 2, 1921, the date on which the joint resolution of Congress terminating the state of war was approved. The figures contained herein are on the basis of warrants issued. They make allowance for estimated normal expenditures under the War and Navy Departments on a peacetime basis; receipts on account of the sale of war supplies and surplus Government property, and assets held on June 30, 1921, a large part of which has subsequently been converted into cash and covered into the Treasury. Necessarily some of the figures represent approximations, since no cost records relating to the war were maintained.

COMPENSATION BENEFITS TO WORLD WAR VETERANS AND DEPENDENTS

The total living World War veterans and deceased veterans whose dependents were receiving compensation or pension benefits, on the roll as of February 28, 1939, and the amounts disbursed for these benefits to January 31, 1939, are as follows:

	Number on roll Feb. 28, 1939	Total disbursements to Jan. 31, 1939
Living veterans:		
Service-connected disability	341,421	$2,810,896,148.61
Nonservice connected	50,524	263,123,637.29
Emergency officers' retirement pay	1,818	64,661,453.78
Total living veterans	393,763	3,138,691,239.68
Deceased veterans:		
Service connected	98,334	588,599,676.72
Nonservice connected	10,838	8,752,490.18
Total deceased veterans	109,172	597,352,166.90
Grand total World War veterans	502,935	3,736,043,406.58

The nonservice-connected item includes amounts disbursed for disability allowance under the amendment of July 3, 1930, to the World War Veterans' Act and discontinued by the act of March 20, 1933.

As of February 28, 1939, benefits under term and automatic insurance were being paid in monthly installments to 12,525 permanently and totally disabled veterans and to the beneficiaries of 26,907 deceased veterans. In addition, lump-sum payments had been made to beneficiaries of 47,392 deceased veterans and payments of 240 monthly installments were completed in 93,041 cases.

The total amount disbursed for military and naval insurance was $2,116,678,040.73 as of January 31, 1939.

The anticipated amount that will be required for compensation and pension benefits to World War veterans or their dependents during the fiscal year 1940 is approximately $246,665,000, and for military and naval insurance $26,791,000.

In considering the total money cost of the World War to the United States account must be taken of the loans which were made to foreign governments. This indebtedness as of March 1, 1939, as shown by the records of the Treasury Department, is set forth in the following table:

Statement showing total indebtedness of foreign governments to the United States, Mar. 1, 1939

Country	Total indebtedness	Principal unpaid [1]	Interest postponed and payable under moratorium agreements	Interest accrued and unpaid under funding and moratorium agreements
Funded debts:				
Belgium	$449,080,212.01	$400,680,000.00	$3,750,000.00	$44,650,212.01
Czechoslovakia	165,729,490.80	165,241,108.90		488,381.90
Estonia	20,736,660.17	16,466,012.87	492,360.19	3,778,287.11
Finland	8,248,799.24	8,122,086.44	126,712.80	
France	4,100,824,820.69	3,863,650,000.00	38,036,500.00	258,538,320.69
Germany (Austrian indebtedness) [2]	26,011,672.09	25,980,480.66		31,191.43
Great Britain	5,419,388,374.72	4,368,000,000.00	131,520,000.00	919,868,374.72
Greece	34,068,437.00	31,516,000.00	449,080.00	2,103,357.00
Hungary	2,364,620.70	1,908,360.00	57,072.75	398,987.95
Italy	2,022,745,422.62	2,004,900,000.00	2,506,125.00	15,339,297.62
Latvia	8,546,036.99	6,879,464.20	205,989.96	1,460,582.83
Lithuania	7,650,387.79	6,197,682.00	185,930.46	1,266,775.33
Poland	259,502,346.55	206,057,000.00	6,161,835.00	47,283,511.55
Rumania	63,990,795.60	63,860,560.43		130,235.17
Yugoslavia [3]	61,740,546.89	61,625,000.00		115,546.89
Total	12,710,628,623.86	11,231,083,955.50	184,091,606.16	1,295,453,062.20
Unfunded debts:				
Armenia	23,303,395.87	11,959,917.49		11,343,478.38
Nicaragua [4]				
Russia	385,372,179.65	192,601,297.37		192,770,882.28
Total	408,675,575.52	204,561,214.86		204,114,360.66
Grand total	13,119,304,199.38	11,435,645,170.36	184,091,606.16	1,499,567,422.86

[1] Includes principal postponed under moratorium agreements and principal amounts not paid according to contract terms.
[2] The German Government has been notified that the Government of the United States will look to the German Government for the discharge of the indebtedness of the Government of Austria to the Government of the United States.
[3] This Government has not accepted the provisions of the moratorium.
[4] The United States holds obligations in the principal amount of $289,398.78, which, together with accrued interest thereon, are to be canceled pursuant to agreement of Apr. 14, 1938, between the United States and the Republic of Nicaragua, ratified by the United States Senate on June 13, 1938.

NOTE: Indebtedness of Germany to the United States on account of costs of Army of Occupation and awards under Settlement of War Claims Act of 1928, as amended, not shown in above statement.

Payments received on account of indebtedness of foreign governments up to March 1, 1939, are as follows:

Total payments received on account of indebtedness of foreign governments to the United States as of Mar. 1, 1939

Country	Total payments received	On funded debts		On debts prior to funding [1]	
		Principal	Interest	Principal	Interest
Belgium	$52,191,273.24	$17,100,000.00	$14,490,000.00	$2,057,630.37	$18,543,642.87
Cuba	12,286,751.58			10,000,000.00	2,286,751.58
Czechoslovakia	20,134,092.26	19,829,914.17			304,178.09
Estonia	1,248,432.07		1,246,990.19		1,441.88
Finland	5,495,905.77	877,913.56	4,308,676.94		309,315.27
France	486,075,891.00	161,350,000.00	38,650,000.00	64,689,588.18	221,386,302.82
Germany (Austrian indebtedness) [2]	862,668.00	862,668.00			
Great Britain	2,024,848,817.09	232,000,000.00	1,232,770,518.42	202,181,641.56	357,896,657.11
Greece	4,039,888.01	981,000.00	1,896,812.00	2,922.67	1,159,153.34
Hungary	497,950.80	73,995.50	423,202.26		753.04
Italy	100,829,880.16	37,100,000.00	5,766,708.26	364,319.28	57,598,852.62
Latvia	761,549.07	9,200.00	621,520.12		130,828.95
Liberia	36,471.56			26,000.00	10,471.56
Lithuania	1,237,956.58	234,783.00	1,001,626.61		1,546.97
Nicaragua	168,575.84			141,950.36	26,625.48
Poland	22,046,297.55	1,257,297.37	19,310,775.90		2,048,224.28
Rumania	4,731,007.22	2,700,000.00	29,051.46	1,798,632.02	203,313.74
Russia	8,750,311.88				8,750,311.88
Yugoslavia	2,588,771.69	1,225,000.00		727,712.55	636,059.14
Total	2,749,492,491.37	475,631,771.60	1,320,515,892.16	281,990,396.99	671,354,430.62

interest
[2] The German Gove
Government of Austria to the Government of the United States.

The Government of Germany is indebted to the United States on account of the costs of the American army of occupation and the awards of the Mixed Claims Commission of the United States and Germany. This indebtedness is not included in the tables I have given. Under the armistice convention of November 11, 1918, the Government of Germany agreed to reimburse the Allied and United States Governments for the upkeep of the troops of occupation in the Rhine districts. The Versailles Treaty provides that the German Government shall pay the total costs of all armies of the Allied and associated powers in occupied German territory from November 11, 1918. This indebtedness, as of January 31, 1938, is shown by the following table:

Indebtedness of Germany to the United States, Jan. 31, 1938

[In reichsmarks]

	Indebtedness as funded	Total indebtedness as of Jan. 31, 1938	Principal	Interest accrued and unpaid [1]
Army costs	1,048,100,000	1,010,352,175.64	997,500,000	12,852,175.64
Mixed claims	2,121,600,000	2,074,170,000.00	2,040,000,000	34,170,000.00
Total	3,169,700,000	[2] 3,084,522,175.64	3,037,500,000	47,022,175.64

	Total payments received as of Jan. 31, 1938	Payments received, payments of principal	Payments of interest
Army costs (reichsmarks)	51,456,406.25	50,600,000.00	856,406.25
Mixed claims (reichsmarks)	87,210,000.00	81,600,000.00	5,610,000.00
Total (reichsmarks)	138,666,406.25	132,200,000.00	6,466,406.25
Amounts received (in dollars)	33,587,809.69	31,539,596.84	2,048,213.85

[1] Includes interest accrued under unpaid moratorium agreement annuities.

Indebtedness of Germany to United States, Jan. 31, 1938—Continued

AMOUNTS NOT PAID ACCORDING TO CONTRACT TERMS, JAN. 31, 1938

[In reichsmarks]

Date due	Funding agreement		Moratorium agreement	Total
	Principal	Interest		
Sept. 30, 1933		2,498,562.50	1,529,049.45	[1] 4,027,611.95
Mar. 31, 1934	122,400,000		1,529,049.45	123,929,049.45
Sept. 30, 1934	20,400,000	3,855,687.50	1,529,049.45	25,784,736.95
Mar. 31, 1935	82,900,000	4,534,250.00	1,529,049.45	88,963,299.45
Sept. 30, 1935	29,700,000	5,212,812.50	1,529,049.45	36,441,861.95
Mar. 31, 1936	29,700,000	5,891,375.00	1,529,049.45	37,120,424.45
Sept. 30, 1936	29,700,000	6,569,937.50	1,529,049.45	37,798,986.95
Mar. 31, 1937	29,700,000	7,248,500.00	1,529,049.45	38,477,549.45
Sept. 30, 1937	28,600,000	7,927,062.50	1,529,049.45	38,056,111.95
Total	373,100,000	43,738,187.50	13,761,445.05	430,599,632.55

[1] Includes 4,027,611.95 reichsmarks deposited by German Government in the Konversionskasse für Deutsche Auslandsschulden and not paid to the United States in dollars as required by the debt and moratorium agreements.

The following statement indicates the amount now due the United States from Germany on account of Army costs:

Total Army cost charges (gross), including expenses of Interallied Rhineland High Commission (American department)			$292,663,435.79
Credits to Germany:			
Armistice funds (cash requisition on German Government)	$87,509,605.97		
Provost fines	159,033.64		
Abandoned enemy war material	5,240,759.29		
Armistice trucks	1,532,068.34		
Spare parts for armistice trucks	355,546.73		
Coal acquired by army of occupation	756.33		
		44,797,790.30	
			$247,865,645.49
Payments received:			
Under the Army cost agreement of May 25, 1923, which was superseded by agreement of Jan. 14, 1925	14,725,154.40		
Under Paris agreement of Jan. 14, 1925	39,203,726.89		
Under debt agreement of June 23, 1930	12,069,631.84		
		65,998,512.13	
Unpaid balances of original Army costs			$181,867,133.36

In considering the financial contribution of America toward the cost of the World War, it should be remembered that when our soldiers began landing on French soil we were required to pay duty on all of the food, war supplies, munitions, and merchandise which were shipped to France to help in the prosecution of that war. Many of our soldiers were carried in foreign transports and we paid from $140 to $180 for each man thus landed on French soil. We paid damages to the French for injury to the ground on which our American armies fought and we paid France for the French property destroyed in the prosecution of the war. At our own expense we dredged harbors, built docks, erected thousands of miles of telephone and telegraph lines and railroads, all of which was left behind when our soldiers came home as the permanent property of the French Government.

The immense sums of money which America poured into some 20 or more European countries to provide them with the sinews of war for carrying on that great contest were loaned on the express agreement that they would be repaid with interest. The moneys loaned by our Government were borrowed from American citizens, often at great sacrifice and privation to the lenders. We are still paying interest on these borrowed funds which have not been repaid because the foreign governments have not paid us. We now find that these countries, who were so eager to have us join as an ally in the prosecution of the war which was not of our making and did not directly involve America, and who so eagerly received immense loans advanced by the American people, have repudiated their obligations, broken their word to America, and have allowed the advances to go unpaid. We have even been characterized as a "shylock" nation when we called attention to the overdue installments. It should be noted, however, that the little country of Finland has kept her promise and is repaying her loan. Also Cuba and Liberia paid their loans in full with interest. Their good faith and honesty are to be commended.

It should be remembered that after the war ended the United States continued to advance great sums of money to the various nations for rehabilitation, the feeding of their people, and, in many instances, for taking care of cash payments which these nations were obliged to make on war obligations.

Over $13,000,000,000, which came from the earnings of American citizens as a result of heroic sacrifice and privation, have been confiscated by these foreign powers. These countries, instead of using their earnings for meeting their obligations with us, have expended infinitely larger sums for battleships, airships, submarines, and other instruments of war, preparing to again engage in a world conflict.

The Saturday Evening Post of April 22 last discussed the foreign-debt problem. I desire to quote from that editorial:

So it was that, beside lending Europe money for every other conceivable purpose, we lent her the money to pay all that she ever did pay on account of her war debts to the United States Treasury. When at last she had borrowed the American purse empty, and every big and little American bank's investment portfolio was stuffed with her bonds, she stopped paying anything. That was of all Europe, save only for one little honorable state named Finland.

Between cause and effect there was no decent delay. As soon as the stream of American loans stopped, Germany purposely went bankrupt again, the payment of war reparations stopped, our European war debtors treated their bonds in the United States Treasury with satire, and in American banks from Maine to California foreign securities were tied up in bundles like old newspapers and kicked into the cellar.

To save less than $200,000,000 a year Great Britain dishonored her bond at the United States Treasury. How many times that sum does she spend on new armament?

For $125,000,000 a year France dishonored her bond at the United States Treasury. Yet now she can find the cash to buy a fleet of bombing planes in the United States.

The value of Italy's word is known. It is worth less than $20,000,000 a year.

Germany's word was not worth writing.

British word, French word, Nazi, or Fascist—which will you take on a bond? If you will not take it on a bond, what will you take it for? On a treaty, perhaps.

The idea that united them worked. Victor and vanquished together, they made the Americans pay.

Item, the cost of our own military exertions in the World War; item, the war and postarmistice loans made to the governments of Europe by the United States Treasury; item, the loss on European loans made from the private American purse; item, accrued interest—add it all up and it comes to this: That our passion to save Europe has already cost us more than $50,000,000,000.

What have we learned? The righteous warrior dream now is 22 years old and we are still asleep.

Again the fires of revenge are lighted. Again the tracings of scar tissue on the map of Europe are tumescent and red. The aggressor is loose and heavily armed—more heavily than ever before, thanks to not having paid his American debts. The nonaggressors also are heavily armed—more heavily than ever before, thanks to not having paid their American debts—and yet, as they think, not heavily enough. Again France and England are calling to America for help. To help them? No, no. To help them save for mankind the priceless legacy that is Europe.

Well, what more shall be again?

My colleagues, I do not know what lesson you take from these pages of history. To me they point the way. For my own part our course seems clear. Not another penny should be advanced to any of our debtor nations who have repudiated their obligations. They should pay their just debts to us. The war chorus should be silenced and made to understand that no amount of war-inspired hysteria and propaganda will budge us from our fixed purpose to make no alliances with European countries, to enter no war except a war of defense, and never again to send our soldier boys abroad to be slaughtered. We want to remain at peace with the world and be permitted to mind our own business and work out our own destiny. Other nations should be granted the same rights free from our intermeddling. The American

people are determined that come what may in Europe, America must keep out, and take no part, directly or indirectly, in European entanglements. We must maintain absolute neutrality with all foreign nations to the end that we be not led into war. We must make no commitments, nor enter into any relationships, understandings, or agreements with any foreign nation with respect to Old World affairs. Furthermore, we should refuse to furnish a single American dollar for another foreign war.

We must preserve and maintain the Monroe Doctrine, limited as it is to the Western Hemisphere, which is a command to the nations of the Old World "Hands off America," a domestic policy of self-defense. Likewise, we must not meddle in European affairs. We cannot say to foreign nations, "Keep out of the Western Hemisphere," and in the same breath seek to inject ourselves into their world and attempt to influence and direct the decisions that they shall make. Our concern is to preserve, maintain, and perfect American democracy, and make it work. This should be done here, in our own country and for our own people. Except by example, we should not attempt to project our democracy or ideology into the governments of other nations.

Whenever we shall, by commitments, collaboration, embargoes, commercial restrictions, quarantine of aggressors, or any other means, endeavor to shape the course of European affairs, we are taking the first step toward war which will ultimately lead us into full and complete participation therein. We should mind our own business, maintain strict neutrality, hold aloof from European turmoil, and not take this first step toward war. Once started down the war road there will be no turning back. We must not under any circumstances become a party to a foreign war.

There is one thing that has caused more heartache and misery in the world than any other, and that is war. The sole objective of war is destruction. Brute force is its mainspring; the dead and the maimed are its harvest. It not only bankrupts nations in their material welfare but it robs them as well of all spiritual values. It not only sets nation against nation but breeds in the hearts of men, hate and the desire to destroy and tear down. It never builds; it never ennobles. Worst of all, its fruitage is the death and maiming of the young manhood of the country. It feeds not upon the old and the maimed but devours the flower of the youth of the country and leaves the living impoverished, sickened, and spiritually weakened for generations, and casts its spell and its burdens upon generations yet unborn. Over 10,000,000 soldiers were killed or died in the World War and over 20,000,000 wounded. It is estimated that it cost the United States to date over $60,000,000,000 and the nations engaged in it over three hundred and thirty-eight billions. Nothing truer was ever said than the words of Washington in his Farewell Address, that America should avoid entangling alliances. America should adopt as an unalterable policy that it shall never again engage in war upon a foreign soil; that our soldier boys, if fight they must, shall spill their life blood only on American soil in the defense of America and the liberties of our democracy which have made us a great Nation.

We are being importuned again to go to the relief of some of these same nations as the war clouds gather over them. If we yield to the call, it will only mean one thing should war break over Europe, and that will be that we will be thrown again into the maelstrom of a war-mad world with all our resources and our American youth. With a $40,000,000,000 debt to start with, we could not finance another world conflict. We will be bled white and our own democracy may be destroyed. American blood will again run on foreign soil. Thousands, and perhaps millions, more of the little white crosses pointing heavenward will be added to those now standing in the poppy fields on distant shores—saying to the world they, our boys, made the supreme sacrifice; here they lie to

> Sleep the sleep that knows no breaking
> Morn of toil or night of waking.

Mr. ANGELL asked and was given unanimous consent to revise and extend his remarks and to include therein certain tables from Federal departments with reference to the World War and the World War debts, and also quotations from the Saturday Evening Post, the Washington Post, and Washington's Farewell Address.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5287. An act relating to the importation of distilled spirits for consumption at the New York World's Fair, 1939, and the Golden Gate International Exposition of 1939, and to duties on certain articles to be exhibited at the New York World's Fair, 1939.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 5287. An act relating to the importation of distilled spirits for consumption at the New York World's Fair, 1939, and the Golden Gate International Exposition of 1939, and to duties on certain articles to be exhibited at the New York World's Fair, 1939.

ADJOURNMENT

Mr. SOUTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 17 minutes p. m.) the House, in accordance with its previous order, adjourned until Monday, May 1, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet again Friday, April 28, 1939, in the committee room, Capitol, for the purpose of continuing open hearings on the following bills and resolutions on the subject of neutrality: House Resolution 100, to prohibit the transfer, loan, or sale of arms or munitions (by Mrs. ROGERS of Massachusetts); House Joint Resolution 3, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States (by Mr. LUDLOW); House Joint Resolution 7, to implement the Kellogg-Briand Pact for World Peace (by Mr. GUYER of Kansas); House Joint Resolution 16, to prohibit the exportation of arms, ammunition, or implements or materials of war to any foreign country when the President finds a state of war to exist between or among two or more foreign states or between or among two or more opposing forces in the same foreign state (by Mr. KNUTSON); House Joint Resolution 42, providing for an embargo on scrap iron and pig iron under Public Resolution No. 27 of the Seventy-fifth Congress (by Mr. CRAWFORD); House Joint Resolution 44, to repeal the Neutrality Act (by Mr. FADDIS); House Joint Resolution 113, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States (by Mr. FISH); House Joint Resolution 226, to amend the Neutrality Act (by Mr. GEYER of California); House Joint Resolution 254, to keep the United States out of foreign wars, and to provide for the neutrality of the United States in the event of foreign wars (by Mr. FISH); House bill 79, to keep America out of war by repealing the so-called Neutrality Act of 1937 and by establishing and enforcing a policy of actual neutrality (by Mr. MAAS); House bill 163, to establish the neutrality of the United States (by Mr. Ludlow); House bill 4232, to limit the traffic in war munitions, to promote peace, and for other purposes (by Mr. VOORHIS of California); House bill 5223, Peace Act of 1939 (by Mr. HENNINGS); House bill 5432, to prohibit the export of arms, ammunition, and implements and materials of war to Japan, to prohibit the transportation of arms, ammunition, implements, and materials of war by vessels of the United States for the use of Japan, to restrict travel by American citizens on Japanese ships, and otherwise to prevent private persons

and corporations subject to the jurisdiction of the United States from rendering aid or support to the Japanese invasion of China (by Mr. COFFEE of Washington); House bill 5575, Peace Act of 1939 (by Mr. HENNINGS).

COMMITTEE ON THE CIVIL SERVICE

The Committee on the Civil Service will hold a public hearing on Friday, April 28, in room 246, Old House Office Building, beginning at 10 a. m., on H. R. 5101, dealing with veterans' preference in Federal employment.

COMMITTEE ON ROADS

The Committee on Roads will hold public hearings on Tuesday, May 2, 1939, at 10 a. m., in the Roads Committee room, 1011 New House Office Building (ground floor), on the following acts and bills:

S. 1109 and H. R. 3522, to amend the act entitled "An act to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways, free bridges, and for other purposes," by providing that funds available under such act may be used to match regular and secondary Federal-aid road funds.

S. 1985, to extend the time within which the States may cause toll bridges to be made free in order to qualify for aid under the act of August 14, 1937.

H. R. 4541, to provide for the completion of a part of the Lewis and Clark Highway between Kooskia, Idaho, and a point near Lolo, Mont.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads at 10 a. m. Tuesday, May 2, 1939, for the consideration of House Joint Resolution 228, to declare certain papers and writings nonmailable.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 a. m. Wednesday, May 3, and Thursday, May 4, 1939, on bills H. R. 3657, H. R. 5401, H. R. 5402, and H. R. 5403. These hearings will be public.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, May 3, 1939, at 10 a. m., on H. R. 5584, amending the Canal Zone Code.

On Thursday, May 4, 1939, at 10 a. m., on H. R. 4650, making electricians licensed officers; and H. R. 5130, merchant marine bill, 1939. Hearings will be held on sections 1, 3, 5 to 11. Sections 2, 4, and 12 will be heard at some later date.

On Tuesday, May 16, 1939, at 10 a. m., on H. R. 4051, relating to hiring of seamen on Government vessels.

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4985, relating to fishery educational service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

676. A letter from the Secretary of the Navy, transmitting the draft of a proposed bill to authorize major overhauls for certain naval vessels; to the Committee on Naval Affairs.

677. A letter from the Secretary of War, transmitting the draft of a proposed bill to promote the efficiency of the national defense; to the Committee on Military Affairs.

678. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of inland waterway from Chesapeake Bay to Chincoteague Bay, Va., authorized by the River and Harbor Act approved August 30, 1935 (H. Doc. No. 268); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

679. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 27, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of waterway connecting the Tombigbee and Tennessee Rivers, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 27, 1934 (H. Doc. No. 269); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

680. A letter from the Administrator of the Federal Housing Authority, transmitting the Fifth Annual Report of the Federal Housing Administration (H. Doc. No. 273); to the Committee on Banking and Currency and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ANDERSON of California: Committee on Public Buildings and Grounds. H. R. 5328. A bill to authorize a sale of the old Carson City (Nev.) Mint site and building notwithstanding the provisions of Joint Resolution No. 18, of February 23, 1865; without amendment (Rept. No. 511). Referred to the Committee of the Whole House on the state of the Union.

Mr. THOMASON: Committee on Military Affairs. H. R. 5735. A bill to authorize the acquisition of additional land for military purposes; without amendment (Rept. No. 512). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANHAM: Committee on Public Buildings and Grounds. H. R. 5836. A bill to authorize the Secretary of the Treasury to accept real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and for other purposes; without amendment (Rept. No. 513). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. S. 1369. An act to authorize necessary facilities for the Coast Guard in the interest of national defense and the performance of its maritime police functions; without amendment (Rept. No. 514). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. S. 1876. An act to readjust the commissioned personnel of the Coast Guard, and for other purposes; with amendment (Rept. No. 515). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 2184. A bill to authorize the Secretary of the Interior to convey certain property to Washington County, Utah, and for other purposes; without amendment (Rept. No. 516). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on the Public Lands. H. R. 2185. A bill to authorize the addition to Glacier National Park, Mont., of certain property acquired for the establishment and operation of a fish hatchery, and for other purposes; without amendment (Rept. No. 517). Referred to the Committee of the Whole House on the state of the Union.

Mr. ENGLEBRIGHT: Committee on the Public Lands: H. R. 2415. A bill to authorize the addition of certain lands to the Plumas National Forest, Calif.; with amendment (Rept. No. 518). Referred to the Committee of the Whole House on the state of the Union.

Mr. ENGLEBRIGHT: Committee on the Public Lands. H. R. 4635. A bill to transfer certain lands from the Sierra National Forest to the Yosemite National Park, in the State of California, and for other purposes; without amendment (Rept. No. 519). Referred to the Committee of the Whole House on the state of the Union.

Mr. FADDIS: Committee on Military Affairs. H. R. 4647. A bill to increase the amount of Federal aid to State or Territorial homes for the support of disabled soldiers and sailors of the United States; with amendment (Rept. No. 521). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on Labor. H. R. 5435. A bill to amend the Fair Labor Standards Act of 1938; with amendment (Rept. No. 522). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 1904. A bill for the relief of Filiberto A. Bonaventura; without amendment (Rept. No. 520). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 5605) granting a pension to Alexander Hamric, and the same was referred to the Committee on World War Veterans' Legislation.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARNESS:

H. R. 6035. A bill to provide for the exclusion from the United States of persons who have been convicted of desertion from the military or naval forces of the United States while the United States was at war; to the Committee on Military Affairs.

By Mr. SCHWERT:

H. R. 6036. A bill providing for compensation to firemen injured while answering a call on property owned by the United States of America; to the Committee on the Judiciary.

By Mr. SUMNERS of Texas:

H. R. 6037. A bill to amend section 194 of an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909 (35 Stat. L. 1088); to the Committee on the Judiciary.

By Mr. WOOD:

H. R. 6038. A bill to eliminate certain oppressive labor practices affecting interstate and foreign commerce, and for other purposes; to the Committee on Labor.

By Mr. BLAND:

H. R. 6039. A bill to amend laws for preventing collisions of vessels, to regulate equipment of certain motor boats on the navigable waters of the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HAVENNER:

H. R. 6040 (by request). A bill to authorize elective reports and returns and payment of taxes under titles II, VIII, and IX of the Social Security Act, and for other purposes; to the Committee on Ways and Means.

By Mr. HENDRICKS:

H. R. 6041. A bill to authorize the erection of a United States Veterans' Administration general medical-surgical hospital and domiciliary facility on, or as near to the central east coast of Florida as is feasible; to the Committee on World War Veterans' Legislation.

By Mr. KRAMER:

H. R. 6042. A bill to provide for permanently affixed numbers on undocumented vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. MAAS:

H. R. 6043. A bill to exempt certain employees from titles II and IX of the Social Security Act; to the Committee on Ways and Means.

H. R. 6044. A bill to regulate the number of warrant and commissioned warrant officers in the Marine Corps; to the Committee on Naval Affairs.

By Mr. MAGNUSON:

H. R. 6045. A bill to authorize the Secretary of the Navy to accept on behalf of the United States certain land in the city of Seattle, King County, Wash., with improvements thereon; to the Committee on Naval Affairs.

By Mr. MYERS:

H. R. 6046. A bill to provide that two battalions of colored infantry combat troops be organized and maintained as a part of the National Guard of the State of Pennsylvania; to the Committee on Military Affairs.

By Mr. SATTERFIELD:

H. R. 6047. A bill to provide for the hearing of certain criminal cases by United States commissioners; to fix the compensation of United States commissioners; and for other purposes; to the Committee on the Judiciary.

By Mr. BOREN:

H. R. 6048. A bill providing for the disclosure of the interest of nonresident aliens and others in securities registered upon national securities exchanges; to the Committee on Interstate and Foreign Commerce.

By Mr. GRISWOLD:

H. R. 6049. A bill authorizing the village of Cassville, Wis., or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Cassville, Wis., and to a place at or near the village of Guttenberg, Iowa; to the Committee on Interstate and Foreign Commerce.

By Mr. HANCOCK:

H. R. 6050. A bill to authorize the appointment of official reporters in the courts of the United States and to fix their duties and compensation; to the Committee on the Judiciary.

By Mr. HEALEY:

H. R. 6051. A bill to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign countries; to the Committee on the Judiciary.

By Mr. STEARNS of New Hampshire:

H. R. 6052. A bill to amend section 3 of the Bankhead-Jones Farm Tenant Act; to the Committee on Agriculture.

By Mr. KRAMER:

H. R. 6053. A bill conveying to John J. Cantwell, archbishop of Los Angeles a corporation, sole title to site heretofore conveyed to the United States Government; to the Committee on Public Buildings and Grounds.

By Mr. BUCKLER of Minnesota:

H. R. 6054. A bill authorizing the Secretary of the Interior to pay salaries and expenses of tribal officials of the Minnesota Chippewa Tribe; to the Committee on Indian Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Minnesota, memorializing the President and the Congress of the United States to consider their Senate File No. 1375, Resolution No. 25, relating to deficiency judgments against borrowers from Federal land banks; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Minnesota, memorializing the President and the Congress of the United States to consider their House File 1301, Resolution No. 27, with reference to restoring to Congress the right to fix and regulate the value of money under the Constitution; to the Committee on Coinage, Weights, and Measures.

Also, memorial of the Legislature of the State of Minnesota memorializing the President and the Congress of the United States to consider their House File No. 888, Resolution No. 26, with reference to sugar treaties; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Minnesota, memorializing the President and the Congress of the

United States to consider their Senate File No. 1106, Resolution No. 23, with reference to the Frazier-Lemke plan for Federal refinancing of farm mortgages; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARTER:

H. R. 6055. A bill for the relief of John T. Phifer; to the Committee on Military Affairs.

By Mr. FADDIS:

H. R. 6056. A bill for the relief of Antal or Anthony or Tony Zaicek or Zaiczek; to the Committee on Immigration and Naturalization.

H. R. 6057. A bill granting an increase of pension to Jennie Mae Parkinson Dunkle; to the Committee on Pensions.

By Mr. JOHNSON of Indiana:

H. R. 6058. A bill granting an increase of pension to Regina Matilda King; to the Committee on Invalid Pensions.

By Mr. JOHN L. McMILLAN:

H. R. 6059. A bill granting a pension to Samuel W. Mabrey; to the Committee on Invalid Pensions.

By Mr. SABATH:

H. R. 6060. A bill for the relief of John P. Hart; to the Committee on Claims.

By Mr. SHEPPARD:

H. R. 6061. A bill for the relief of Hazel Thomas; to the Committee on Claims.

By Mr. SOMERS of New York:

H. R. 6062. A bill for the relief of Jose O. Enslew; to the Committee on Claims.

By Mr. WALTER:

H. R. 6063. A bill for the relief of Franklin C. Richardson; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2749. By Mr. ANDERSON of California: Resolution, signed by R. McAllister, president, and Albert H. Randall, secretary, San Mateo Central Labor Council, of San Mateo County, Calif., opposing building construction under the Works Progress Administration program; to the Committee on Banking and Currency.

2750. By Mr. BROOKS: Petition of Police Jury Association of Louisiana, opposing any change in the present activities or set-up of the National Youth Administration; to the Committee on Education.

2751. By Mr. CHIPERFIELD: Petition of the secretary of the State of Illinois and 24 other citizens, urging the elimination of color and racial tests from the immigration and naturalization laws; to the Committee on Immigration and Naturalization.

2752. By Mr. HINSHAW: Petition containing the signatures of 30,000 residents of Los Angeles County, Calif., asking that the Congress enact legislation to end traffic in war materials with Japan; to the Committee on Foreign Affairs.

2753. By Mr. MARTIN J. KENNEDY: Petition of Local Union, No. 149, Sheet Metal Workers' International Association, Bronx, N. Y., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2754. Also, petition of Lodge No. 496, International Brotherhood of Boiler Makers, Iron Ship Builders and Helpers of America, Huron, S. Dak., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2755. Also, petition of Mile Square City Lodge, No. 1134, International Association of Machinists, Hoboken, N. J., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2756. By Mr. KRAMER: Resolution of the Assembly and Senate of the State of California, relative to providing for Kern River flood control; to the Committee on Flood Control.

2757. Also, resolution of the Assembly and the Senate of the State of California, relative to the continuation of the Works Progress Administration Federal art project; to the Committee on Appropriations.

2758. Also, resolution of the Assembly and Senate of the State of California, relative to Federal aid to State or Territorial veterans' homes; to the Committee on Appropriations.

2759. By Mr. MERRITT: Resolution of the Elevator Constructors' Local 35 of Albany, N. Y., endorsing the Starnes bill (H. R. 4576) in its entirety because the construction industry is still dependent upon Federal aid and without their support there will be many unemployed in this field in the Nation; to the Committee on Appropriations.

2760. By Mr. MOTT: House Joint Memorial No. 3 of the House of Representatives of the State of Oregon, asserting the principle of State ownership and control of both navigable and nonnavigable waters of the State, subject only to such control by the United States as may be necessary in the actual preservation of the navigability of navigable streams and requesting the Representatives in Congress from the State of Oregon to oppose any action upon the part of the Federal Government tending to deprive this State of such rights; to the Committee on Rivers and Harbors.

2761. By Mr. PFEIFER: Petition of the Mystic Steamship Co., Boston, Mass., opposing the Wheeler-Truman bill (S. 2009) and the Lea bill (H. R. 4862); to the Committee on Interstate and Foreign Commerce.

2762. By Mr. SANDAGER: Memorial of the Alpha-Rho Chapter of the Tau Kappa Epsilon Fraternity of Rhode Island State College, Kingston, R. I., favoring and urging the adoption of the proposed amendment known as House bill 143, by which college fraternities and sororities are to be exempted from the provisions of the Social Security Act, especially appertaining to student employees of fraternities and sororities; to the Committee on Ways and Means.

2763. By Mr. SCHAEFER of Illinois: Petition of Estelle Turner and other members of clubs affiliated with Illinois Federation of Women's Clubs, Twenty-second District, urging Congress to enact more rigid neutrality laws to further guarantee preservation of peace; to the Committee on Foreign Affairs.

2764. By Mr. SCHIFFLER: Petition of Marion County (W. Va.) Industrial Union Council, Fairmont, W. Va., urging immediate action to be taken for the relief of the coal miners of West Virginia; to the Committee on Labor.

2765. By Mr. SHAFER of Michigan: Resolution of Michigan Laundryowners Association, endorsing certain amendments to the Social Security Act; to the Committee on Ways and Means.

2766. By the SPEAKER: Petition of the Civic Study Club, by Mrs. R. A. Cornell, Dearborn, Mich., petitioning consideration of their resolution with reference to our American form of government; to the Committee on Foreign Affairs.

SENATE

MONDAY, MAY 1, 1939

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Thou desire of nations, by whom of old the prophets spake, for whom our fathers longed, and to whom they ever prayed for guidance: Grant unto us such prudence, sagacity, and moderation as characterized the life of the Father of his Country, and may we also have courage that never falters, patience that never wearies, an overruling judgment, truth that disdains all artifice, and magnanimity without alloy.

May we know no glory but our country's good, as again we pledge, at this altar of devotion, integrity of character and firmness of purpose in the fulfillment of this high and holy calling as servants of the Republic. Make us, there-

fore, willing to be what we were meant to be, by losing ourselves in Thy being, and by finding our joy and peace in the doing of Thy will. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, April 27, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Reed
Andrews	Downey	La Follette	Russell
Ashurst	Ellender	Lodge	Schwartz
Austin	Frazier	Logan	Schwellenbach
Bailey	George	Lucas	Sheppard
Bankhead	Gerry	Lundeen	Slattery
Barkley	Gibson	McCarran	Smith
Bilbo	Gillette	McKellar	Taft
Bone	Glass	McNary	Thomas, Okla.
Borah	Green	Maloney	Thomas, Utah
Brown	Guffey	Mead	Tobey
Bulow	Gurney	Miller	Townsend
Burke	Hale	Minton	Truman
Byrd	Harrison	Murray	Tydings
Byrnes	Hatch	Neely	Vandenberg
Capper	Hayden	Norris	Wagner
Caraway	Hill	Nye	Walsh
Chavez	Holman	O'Mahoney	Wheeler
Clark, Idaho	Holt	Overton	White
Clark, Mo.	Hughes	Pepper	Wiley
Connally	Johnson, Calif.	Pittman	
Danaher	Johnson, Colo.	Radcliffe	

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is detained from the Senate because of illness.

The Senator from Iowa [Mr. HERRING], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Oklahoma [Mr. LEE], and the Senator from Tennessee [Mr. STEWART] are detained on important public business.

The Senator from New Jersey [Mr. SMATHERS] is unavoidably detained.

Mr. AUSTIN. I announce that the Senator from Pennsylvania [Mr. DAVIS] is necessarily absent.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE DURING ADJOURNMENT—ENROLLED BILL SIGNED

Under authority of the order of the 27th ultimo,

On April 28, 1939, the following message was received by the Secretary from the House of Representatives: That the Speaker had affixed his signature to the enrolled bill (H. R. 5219) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes, and it was signed by the Vice President.

RELATIONSHIP BETWEEN THE AMERICAN REPUBLICS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of State, transmitting draft of a proposed amendment to authorize the creation of advisory committees which may prove essential to the fulfillment of the purposes of the legislation recommended by the President of the United States to authorize cooperation with the other American republics in accordance with certain international undertakings of the Government of the United States, which, with the accompanying paper, was referred to the Committee on Foreign Relations.

DEATH OF POPE PIUS XI—EXPRESSION OF APPRECIATION OF THE HOLY SEE

The VICE PRESIDENT laid before the Senate a letter from the Chief of Protocol, Department of State, transmitting copy of a despatch from the American Ambassador at Rome, forwarding a communication received from the Papal Nuncio expressing the appreciation of the Holy See for the Senate's message of sympathy upon the death of Pope Pius XI, which, with the accompanying papers, was ordered to lie on the table, and a translation of the communication from the Apostolic Nuncio to Ambassador Phillips was ordered to be printed in the RECORD, as follows:

[Translation]

APOSTOLIC NUNCIATURE OF ITALY,
Rome, April 5, 1939.

To His Excellency Mr. WILLIAM PHILLIPS,
Ambassador of the United States of America, Rome.

EXCELLENCY: In my respectful note of March 14 last I informed your excellency that I had transmitted to the Most Eminent Cardinal Luigi Maglione, secretary of state of His Holiness, the text of the resolution of condolence voted by the American Senate on the occasion of the death of the Holy Father Pius XI.

I can now communicate to Your Excellency that the spontaneous participation of the high American body in the mourning of the Catholic Church was noted with particular appreciation by the Holy See, which is profoundly grateful for such a significant expression of devoted homage to the great Pontiff, universally mourned.

I have had the honor of being entrusted by the Holy See to request Your Excellency, who so worthily represents the noble American Nation in Italy, to communicate to your Government the profound gratitude of the Holy See.

I avail myself of this opportunity to express to Your Excellency the assurances of my high esteem and consideration.

F. BORGONGINI DUCA,
Apostolic Nuncio.

BULLETIN OF THE TREASURY DEPARTMENT

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to authorize the sale of the monthly document prepared by the Treasury Department entitled "Bulletin of the Treasury Department," which, with the accompanying papers, was referred to the Committee on Banking and Currency.

RATIFICATION BY CONNECTICUT OF BILL OF RIGHTS AMENDMENTS TO THE CONSTITUTION

The VICE PRESIDENT laid before the Senate the following joint resolution of the General Assembly of the State of Connecticut, which was ordered to lie on the table:

Resolution ratifying articles of the amendments 1 to 10, inclusive, of the Constitution of the United States of America

Resolved by the General Assembly of the State of Connecticut, That articles 1 to 10, inclusive, of the amendments to the Constitution of the United States of America be, and the same are hereby, ratified by the General Assembly of the State of Connecticut; and

Resolved, That certified copies of the foregoing resolution be forwarded by the Governor of the State of Connecticut to the President of the United States, the Secretary of State of the United States, the President of the Senate of the United States, and the Speaker of the House of Representatives of the United States.

EXPRESSION OF APPRECIATION TO SENATORS KING AND TYDINGS—SUGAR QUOTAS AND HAWAII

Mr. TYDINGS presented the following concurrent resolution of the Legislature of the Territory of Hawaii, which was ordered to lie on the table:

Concurrent resolution

Whereas there is every indication that the House of Representatives of the Congress of the United States of America is unwilling to consider favorably the Ellender bill, which, if passed, would be detrimental to Hawaii's chief industry; and

Whereas opposition by the administration in Washington to legislation on the subject of the production of sugar which would be harmful to home industry is becoming increasingly pronounced, so that there is reason to believe that no such harmful legislation will be enacted during the present session of the Congress of the United States; and

Whereas not only has our Delegate in Congress worked unceasingly to protect the best interests of Hawaii, but has enlisted the support of others, among whom are Senator W. H. KING and Senator MILLARD TYDINGS; and

Whereas, as always, Senator KING and Senator TYDINGS have come to the aid of Hawaii; and

Whereas the efforts of these gentlemen have resulted in great good to our people: Now, therefore, be it

Resolved by the House of Representatives of the Twentieth Legislature of the Territory of Hawaii (the senate concurring), That we do hereby give expression of our appreciation of the friendship of Senators KING and TYDINGS, manifested in their consistently effective efforts in the interests of Hawaii; and be it further

Resolved, That certified copies of this concurrent resolution be forwarded to the Delegate in Congress from Hawaii and to the Honorable W. H. KING and to the Honorable MILLARD TYDINGS.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of South Carolina, which was referred to the Committee on Military Affairs:

Concurrent resolution relating to the return of a Confederate cannon

Whereas there is located at Madison Barracks, N. Y., a Regular Army post, a cannon used by the Confederate Army and cast in Columbia, S. C., in 1862 at Congaree Iron Works: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the United States Senators and Congressmen from South Carolina be, and they are hereby, requested to make proper application to the War Department or such authorities as may be necessary to have said cannon returned to this State; and be it further

Resolved, That a copy of this resolution be sent to the Honorable ELLISON D. SMITH and the Honorable JAMES F. BYRNES, Senators in Washington.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of Michigan, which was referred to the Committee on Agriculture and Forestry:

House Concurrent Resolution 27

Concurrent resolution respectfully memorializing the Congress of the United States, the President of the United States, and the Secretary of Agriculture to grant immediate remedy and adjustment, by correlating the estimate of consumption to actual needs, based upon the actual consumption of 1938 and the extraordinarily large carry-over inventory of sugar as of January 1, 1939, and that the Sugar Act be amended to provide a larger share of the American sugar market for the American farmer

Whereas the fact that in the continental United States we produce less than 30 percent of the sugar we consume, and sugar is practically the only nonsurplus agricultural product of the United States; and every acre of land utilized in the production of sugar, either from beets or cane, invariably takes such acreage out of the production of some surplus agricultural product such as cotton, rice, wheat, corn, beans, etc.; and

Whereas the production of sugar on our continental farms, especially the production of sugar from sugar beets, is conducive to the employment of labor on a large scale at profitable wages or rates, and the increased employment of labor on a larger scale in the production of sugar in the continental United States would be a great stimulus to prosperity and the general welfare of such sugar-producing areas, and the United States as a whole. The increased prosperity of the sugar-producing farmer would enable him to purchase much needed agricultural machinery, tractors, trucks, etc., and would reflect directly in increased employment in industry producing such agricultural machinery; and

Whereas we believe it is the inherent fundamental economic right of the American farmer to produce nonsurplus agricultural products, such as sugar, up to the limit of his ability, without restriction, and such production should be protected in our United States market so that sugar will sell at a price comparable or equivalent to the index value of all foods. Foreign sugars should not be permitted to enter the United States market in excess of the amount which, when added to our production of sugar, the total will equal our consumption, so that both the interest of producers and consumers of sugar in the continental United States will be adequately protected, and the production of sugar in the continental United States fostered on a basis of common defense and general welfare, so that regardless of peace or war the citizens of the United States will be protected in their supply of such an essential food as sugar; and

Whereas we believe that the Sugar Act of 1937 was a step in the right direction, but with the removal of restrictions on United States production of sugar, coupled with a proper administration of the act, the sugar industry of the United States can go forward on a sane, sound basis for the best interests of the United States as a whole; and

Whereas excessive sugar consumption estimates out of all proportion to the actual consumption have been made since the adoption of the act, thereby permitting increased importation of foreign sugars, which has depressed prices in the sugar market to its all-time low. There is now available upward of 600,000 tons of cane sugar out of the 1938 quotas, which sugars are mainly the product of foreign countries, and a consumption estimate for 1939 by the Secretary of Agriculture, Hon. Henry A. Wallace, of 6,755,000 tons permits the importation of 3,000,000 tons of foreign sugar to further glut and complicate our American sugar market. It is estimated that on December 31, 1939, the end of the current year for sugar quotas, there will be upward of 800,000 tons of foreign sugars available, over and above our current needs, which sugars are all eligible to be marketed in the continental United States. This in view of the fact that in 1938 a kindly providence, on a limited acreage, saw fit to give us one-quarter million tons of beet sugar and 150,000 tons of Louisiana and Florida cane sugar over and above our Government marketing allotments for 1939, and this practically 400,000 tons of sugar produced by American farmers in 1938 constitutes a further surplus of sugar. Also, the recommendation of the United States Department of Agriculture is that certain districts, some of them in Michigan, shall not be permitted to market in 1939 a single pound of sugar produced in 1939. This situation, if not remedied in the near future, will destroy the sugar industry of the United States. The enforced carry-over to 1940 of practically 400,000 tons of continental beet and cane sugar produced in 1938 will have the immediate effect of eliminating the opportunity for 64,000,000 hours of labor directly utilized in the sugar industry, and possibly several times that number indirectly employed. Unless immediate adjustment is made on the recommended sugar-marketing allotments at least one and possibly more Michigan sugar plants, it appears, will be unable to operate this year, thus throwing more American laborers out of work and depriving more American farmers from marketing beets and producing sugar, which is our only nonsurplus agricultural product, at a profit: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the Legislature of Michigan hereby memorialize the Congress of the United States, the President of the United States, and the Secretary of Agriculture to grant immediate remedy and adjustment by correlating the estimate of consumption to actual needs, based upon the actual consumption of 1938 and the extraordinarily large carry-over inventory of sugar as of January 1, 1939, and that the Sugar Act be amended to provide a larger share of the American sugar market for the American farmer; and be it further

Resolved, That copies of this resolution be sent to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, and to all Senators and Congressmen from Michigan.

The VICE PRESIDENT also laid before the Senate the following resolution of the Legislature of Nebraska, which was referred to the Committee on Interstate Commerce:

Legislative Resolution 25

Whereas it is the sense of this legislature that the granting of equal transit privileges as between localities where mills and other processors are located or where grain is stored, cleaned, or otherwise handled, is essential to prevent discrimination and prejudice in the transportation of grain and grain products and the successful conduct of the grain and milling business; and

Whereas it is the belief of the legislature that the Interstate Commerce Act should include in section 3 a specific inhibition against discrimination or prejudice by reason of inequality in the granting of transit privileges as among such localities: Now, therefore, be it

Resolved, That the Congress of the United States is respectfully requested to amend subdivision (1) of section 3 of the Interstate Commerce Act, as amended February 28, 1920, March 4, 1927, August 9, 1935, and August 12, 1935, by striking the period, inserting a semicolon, and adding the following language:

"The granting of transit privileges to any locality, port, port district, gateway, or transit point, upon any route over which through rates have been or shall be established, and the denial of like transit privileges to any other locality, port, port district, gateway, or transit point upon said route under the same through rate, shall be deemed to be an undue and unreasonable prejudice and disadvantage to the locality, port, port district, gateway, or transit point denied such privilege."

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the Territory of Hawaii, which was referred to the Committee on Agriculture and Forestry:

Be it resolved by the House of Representatives of the Twentieth Legislature of the Territory of Hawaii (the senate concurring), That the Congress of the United States be, and it is hereby, requested to amend the Bankhead-Jones Farm Tenant Act so as to make possible the benefits of such act being applicable to holders of homesteads in the Territory of Hawaii; and be it further

Resolved, That copies of this concurrent resolution be forwarded to the Secretary of the Interior of the United States, to the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to the Delegate in Congress from Hawaii.

The VICE PRESIDENT also laid before the Senate the following resolution of the Senate of the Territory of Hawaii, which was referred to the Committee on the Judiciary:

Senate Resolution 52

Whereas it has come to the attention of the people of Hawaii, through the press of the Territory and otherwise, that the term of office of the Honorable James Leslie Coke as chief justice of the Supreme Court of Hawaii has expired; and

Whereas the Honorable James Leslie Coke has become a native son of Hawaii by adoption and by his brilliant career as a senator from the third senatorial district from the year 1913 to the year 1915, and by his enviable record as an eminent and distinguished jurist from the year 1916 to the present date; and

Whereas the Honorable James Leslie Coke has always been a loyal citizen of the Territory of Hawaii and a steadfast defender of the constitutional rights of all of the people; and

Whereas the social, political, and economical progress of any American community is dependent in no small measure on the efficiency of the judiciary; and

Whereas, for the best interest of all the people of the Territory of Hawaii, it is most desirable and urgent that the Honorable James Leslie Coke be reappointed to the office of chief justice: Now, therefore, be it

Resolved by the Senate of the Territory of Hawaii, That we do by this means beg the President of the United States, the Senate of the Congress of the United States, and the Attorney General of the United States to seriously consider the reappointment of the Honorable James Leslie Coke; and be it further

Resolved, That we do by this means extend to the Honorable James Leslie Coke our sincerest and heartiest congratulations and aloha upon the completion of his very successful and enviable term as chief justice, and do also by this means acknowledge his efforts in behalf of justice; and be it further

Resolved, That a certified copy of this resolution be transmitted to the President of the United States, the Senate of the Congress of the United States, the Attorney General of the United States, and to Hawaii's great chief justice, the Honorable James Leslie Coke.

The VICE PRESIDENT also laid before the Senate the following resolution of the Senate of the Territory of Hawaii, which was referred to the Committee on Territories and Insular Affairs:

Senate Resolution 58

Memorializing the Congress of the United States of America to amend the Hawaiian organic act to provide for reapportionment of the Senate and House of Representatives of the Legislature of the Territory of Hawaii and to create districts from which such senators and representatives shall be elected

Whereas section 55 of the Hawaiian organic act reads, in part, as follows:

"The legislature, at its first regular session after the census enumeration shall be ascertained, and from time to time thereafter, shall reapportion the membership in the senate and house of representatives among the senatorial and representative districts on the basis of the population in each of said districts who are citizens of the Territory"; and

Whereas no succeeding Legislature of the Territory of Hawaii has been enabled to reapportion the membership of the senate and house on the aforesaid basis because the Federal decennial censuses have failed to enumerate the numbers of citizens domiciled in each of the six representative districts listed in section 38 of said Hawaiian organic act; and

Whereas the report of the joint committee on Hawaii rendered to the Congress on February 15, 1938, made certain recommendations to the Legislature of said Territory regarding reapportionment of the membership of said legislature: Now, therefore, in accordance with said recommendations, be it

Resolved by the Senate of the Territory of Hawaii of the Twentieth Regular Session of the Legislature of the Territory of Hawaii, That the Congress of the United States of America be, and it hereby is, respectfully requested and urged to amend the Hawaiian organic act by enacting a bill containing in substance the following words and figures:

"An act to amend the Hawaiian organic act so as to provide for reapportionment of the membership of the House of Representatives of the Legislature of the Territory of Hawaii, and to create districts from which said representatives shall be elected, and to provide for reapportionment within each county of the membership of the senate of said legislature

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled:

"SECTION 1. Sections 32, 33, 35, 38, and 39 of the Hawaiian organic act are hereby amended to read, respectively, as follows:

" 'SEC. 32. Senatorial districts: That for the purpose of representation in the senate, until otherwise provided by law, the Territory is divided into the following representative districts, namely:

" 'First district: The first and second representative districts.

" 'Second district: The third and fourth representative districts.

" 'Third district: The fifth representative district.

" 'Fourth district: The sixth representative district.

" 'Fifth district: The seventh and eighth representative districts.

" 'Sixth district: The ninth and tenth representative districts.

" 'Seventh district: The eleventh and twelfth representative districts.

" 'Eighth district: The thirteenth and fourteenth representative districts.

" 'SEC. 33. Apportionment of senators: That the electors in the said districts shall be entitled to elect senators as follows: In the first district, two; in the second district, two; in the third district, one; in the fourth district, two; in the fifth district, two; in the sixth district, two; in the seventh district, two; in the eighth district, two.

" 'SEC. 35. Number of representatives: That the house of representatives shall be composed of 42 members, elected every second year.

" 'SEC. 38. Representative districts: That for the purpose of representation in the House of Representatives, until otherwise provided by law, the Territory is divided in to 14 representative districts, each comprising the geographical areas included in the the following voting precincts of the then existing representative districts of the Territory which were established and used at the general elections of 1938 for the Territory, as set forth in proclamations of the Governor of the Territory dated August 2, 1938, as follows:

" 'First district: The first to the twelfth precincts, inclusive, of the present first representative district.

" 'Second district: The thirteenth to the nineteenth precincts, inclusive, of the present first representative district.

" 'Third district: The twentieth to the twenty-ninth precincts, inclusive, of the present first representative district, and the first and second precincts of the present second representative district.

" 'Fourth district: The third to the fifteenth precincts, inclusive, of the present second representative district.

" 'Fifth district: The first to the sixth, inclusive; the eleventh and the twenty-ninth to the thirty-fourth, inclusive, precincts of the present third representative district.

" 'Sixth district: The seventh to the tenth, inclusive, and the twelfth to the twenty-eighth, inclusive, precincts of the present third representative district.

" 'Seventh district: The first to the fifth, inclusive, the twenty-eighth to the thirty-first, inclusive, and the thirty-third precincts of the present fourth representative district.

" 'Eighth district: The sixth to the tenth, inclusive, and the twelfth, thirteenth, fourteenth, seventeenth, and thirty-fourth precincts of the present fourth representative district.

" 'Ninth district: The eleventh, fifteenth, sixteenth, eighteenth to the twenty-fourth, inclusive, and the thirty-second precincts of the present fourth representative district.

" 'Tenth district: The twenty-fifth, twenty-sixth, and twenty-seventh precincts of the present fourth representative district; the twenty-first to the twenty-fifth, inclusive, the twenty-seventh and twenty-eighth precincts of the present fifth representative district.

" 'Eleventh district: The twelfth to the twentieth, inclusive, and the twenty-sixth precincts of the present fifth representative district.

" 'Twelfth district: The first to the eleventh, inclusive, and the twenty-ninth precincts of the present fifth representative district.

" 'Thirteenth district: The first to the fourth, inclusive, and the eighth to the eleventh, inclusive, precincts of the present sixth representative district.

" 'Fourteenth district: The fifth, sixth, and seventh precincts of the present sixth representative district.

" 'SEC. 39. Apportionment of representatives. That the electors in the said districts shall be entitled to elect representatives as follows: In the first district, two; in the second district, two; in the third district, two; in the fourth district, two; in the fifth district, two; in the sixth district, four; in the seventh district, four; in the eighth district, four; in the ninth district, four; in the tenth district four; in the eleventh district, four; in the twelfth district, four; in the thirteenth district, two; in the fourteenth district, two.'

"SEC. 2. Section 55 of said Hawaiian organic act is hereby further amended by substituting for that portion thereof reading:

" 'The legislature, at its first regular session after the census enumeration shall be ascertained, and from time to time thereafter, shall reapportion the membership in the senate and house of representatives among the senatorial and representatives districts on the basis of the population in each of said districts who are citizens of the Territory;' the following:

" 'The legislature, not later than July 1, 1941, and every 10 years thereafter, shall reapportion the membership in the house of representatives among the representative districts on the basis of the total number of registered voters who actually voted at the last preceding general election for the office of Delegate to Congress from Hawaii;'.

"SEC. 3. Section 65 of said Hawaiian organic act is hereby amended to read as follows:

" 'SEC. 65. That the legislature of the Territory may from time to time establish and alter the boundaries of representative districts and of the voting precincts in both senatorial and representative districts, and may apportion the representatives to be elected from such representative districts.'

"SEC. 4. The persons holding office as senators from the existing senatorial districts on the effective date of this act shall continue to hold their respective offices until the expiration of their respective terms. At the general elections for the Territory to be held in the year 1940, and every 2 years thereafter, one senator shall be elected in each senatorial district except in the third, in which district one senator shall be elected every 4 years commencing with the general election in the year 1942. During the regular session of the legislature of the Territory in the year 1941, the senate shall determine to which of the reapportioned senatorial districts each of the senators whose term will not expire until the succeeding general election shall be assigned, in order that there shall be two senators for each such reapportioned district except the third.

"SEC. 5. This act shall take effect from and after the date of its approval."

Resolved, That duly certified copies of this resolution shall, upon its approval, be forwarded to the Secretary of the Interior and the Presiding Officer of each of the two Houses of the Congress of the United States of America; to the Honorable WILLIAM H. KING, Senator from Utah and chairman of the Joint Committee on Hawaii; and to the Delegate to Congress from the Territory of Hawaii.

The VICE PRESIDENT also laid before the Senate resolutions adopted by the convention of the Texas Cotton Gin-

ners' Association at Dallas, Tex., favoring the adoption of the domestic allotment plan pertaining to cotton, and also the enactment of other legislation to aid the cotton farmer, which were referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a resolution of the Empire Typographical Conference of New York, protesting against amendment of the National Labor Relations Act at the present session of Congress, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution of the Civic Study Club of Detroit, Mich., protesting against the United States becoming involved in foreign entanglements of any nature, and pledging support to the American form of government, which was referred to the Committee on Foreign Relations.

He also laid before the Senate the petition of the Jewish Peoples Committee, signed by E. Schwartzman, national secretary, New York, N. Y., praying for the enactment of Senate Joint Resolution 64 and House Joint Resolution 168, authorizing the admission to the United States of 10,000 refugee children each year, in 1939 and 1940, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a petition of sundry citizens of Birmingham, Ala., praying for the enactment of the so-called Wagner-Van Nuys-Capper antilynching bill, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution of the Hawaiian Civic Club, of Honolulu, T. H., favoring the reappointment of Hon. James Leslie Coke, to be Chief Justice of the Supreme Court of Hawaii, which was referred to the Committee on the Judiciary.

Mr. WALSH presented a resolution adopted at a rally and mass meeting held in the Old South Meeting House, Boston, Mass., favoring a policy of nonparticipation in Japanese aggression in China, which was referred to the Committee on Foreign Relations.

Mr. MEAD presented a resolution of the Mayor and City Council of Newburgh, N. Y., favoring extension of the W. P. A. rules to permit deserving taxpayers to be registered and employed on W. P. A. projects, which was referred to the Special Committee to Investigate Unemployment and Relief.

Mr. CAPPER presented a petition of officers and members of Townsend Club No. 1, of Downs, Kans., praying for the enactment of general-welfare and old-age assistance legislation embodying the provisions of the so-called Townsend plan for national recovery, which was referred to the Committee on Finance.

He also presented a petition of members of Evergreen Camp No. 3157, Royal Neighbors of America, of Kiowa, Kans., praying for the enactment of legislation to exempt fraternal societies from the tax provisions of the Social Security Act, which was referred to the Committee on Finance.

Mr. JOHNSON of California presented the following joint resolution of the Legislature of California, which was referred to the Committee on Claims:

Assembly Joint Resolution 26

Relative to memorializing Congress to enact proposed legislation directing the allowance and payment of travel and other expenses to certain soldiers of the Spanish-American War in the Philippine Islands

Whereas certain members of the Regular Army of the United States, who enlisted therein for the duration of the War with Spain, were honorably discharged from such enlistment while serving in the Philippines and were unable to secure transportation therefrom to the continental limits of the United States by Government transport for a period of approximately 3 months thereafter; and

Whereas the cost of such transportation by private carrier was prohibitive to men of limited funds such as newly discharged veterans; and

Whereas the cost of lodging and subsistence in the Philippines pending such governmental transportation, necessitated a financial outlay which such veterans could not have been expected to bear, but did bear; and

Whereas the expression by such veterans of their patriotism as manifested by such enlistment, could fittingly be met by a similar expression of thankfulness on the part of the people of the United States by authorizing the War Department, upon application to it by such former members of the Regular Army of the United States, under such regulations as the Secretary of War shall prescribe, to allow and pay their actual necessary expenses, if any, for lodging and subsistence in the Philippines for the period, not exceeding 3 months, during which they awaited transportation by Government transport and, in addition, for the distance from Manila, P. I., to San Francisco, Calif., the travel pay and commutation of subsistence formerly allowed under sections 1 to 90, Revised Statutes of the United States, to soldiers of the Regular Army honorably discharged which comprises all enlisted men, less any sum or sums of money actually paid by the Government to such persons respectively, at the time of such discharge or subsequent thereto by way of travel pay or allowances for transportation and subsistence between said places; and

Whereas a House Resolution No. 2197 has been introduced in the Seventy-sixth Congress, first session, so providing: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Congress of the United States is hereby respectfully urged to enact such legislation; and be it further

Resolved, That the chief clerk of the assembly is hereby requested to transmit copies of this resolution to the Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States, and that such Senators and Representatives from California are hereby respectfully urged to support such legislation.

Mr. JOHNSON of California also presented the following joint resolution of the Legislature of California, which was referred to the Committee on Commerce:

Assembly Joint Resolution 18

Relative to memorializing the President and Congress to provide for Kern River flood control

Whereas floods on the Kern River from time to time constitute a serious menace, causing erosion, damage to homes and farms, destruction of farm crops, and the necessity of maintaining expensive constructions and levees to protect the city of Bakersfield; and

Whereas the construction of dams for storage and to control the waters of the river would create a supply of stored waters which could be used to irrigate a large acreage of very fertile land in Kern County; and

Whereas the present system of storage in the open valley results in a high percentage of evaporation of the waters so stored which are thereby lost for use for purposes of irrigation; and

Whereas construction of storage reservoirs and hydroelectric power plants in connection therewith would furnish power during the growing season, which power would lower the cost of pumping in those districts where pumping is done, and at the same time would eventually pay the entire cost of all the storage dams, reservoirs, and power plants in connection therewith; and

Whereas the construction of such storage reservoirs and hydroelectric power plants is of such an extensive and intricate nature as to require handling as a Federal project: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the President and Congress of the United States be memorialized to include the construction of dams and hydroelectric power plants in connection therewith on the Kern River as one of the Federal construction projects and that Federal moneys be appropriated in sums sufficient to complete the construction of the dams and other works in connection therewith at the earliest possible moment; and be it further

Resolved, That the chief clerk of the assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives of the Congress of the United States, to each Senator or Member of the House of Representatives from California in the Congress of the United States, and that the Senators and Representatives from California are hereby respectfully requested to urge such action.

Mr. JOHNSON of California also presented the following joint resolution of the Legislature of California, which was referred to the Committee on Interstate Commerce:

Assembly Joint Resolution 36

Relative to construction of railway connecting link along northern California coast

Whereas the vitally important stretch of the Pacific coast from Eureka, Calif., north through the rich, productive, but utterly defenseless area of California and Oregon to Marshfield, Oreg., sometimes called "the last frontier," is unserved by any coast-line railway and forms a hiatus in the otherwise continuous coast-line rail route for the Pacific coast; and

Whereas the connecting of these two points by a coast-line railway would, from an economic standpoint, be justified in that—

1. It would afford adequate service for the natural passenger and freight traffic flow between Washington, Oregon, and California cities;

2. It would permit the development of millions of acres of virgin territory for homes, business opportunities, agriculture, lumbering, and mining activities; and

3. It would afford adequate facilities for the marketing of extensive natural lumber and mineral resources of a territory nearly as large as the State of Oregon; and

Whereas the existing state of world affairs has required the Government of the United States to take measures designed to provide adequate means to defend the Nation; and

Whereas the defense of the California coast is of utmost importance and the exigencies of natural defense of the Pacific coast and, of necessity, the United States requires that there be an unbroken rail route paralleling and adjacent to the coast line as essential in order to assure—

1. Rapid troop, supply, and material movements to point of threatened invasion;

2. The maintenance of the only practical and, in most cases, possible means for transportation of artillery, munitions, and other heavy military tonnage;

3. The only practical means of transport of all classes of supplies to army, corps, and divisional railheads;

4. Defeat of attempts by enemy forces to effect landings, cut inland communication lines, and reduce coast-defense fortifications;

5. Availability for troop and supply transportation all the transcontinental railway lines to the Pacific coast, two-thirds of which approach through the Columbia River Basin; and

6. Access to the vast supplies of essential timber and mineral wealth of the area for wartime need; and

Whereas the construction of such connecting link is actively desired by the coastal cities and counties of this State from San Francisco north and by the Governors of the Pacific Coast States and other important substantial public leaders of such States: Now, therefore, be it

Resolved by the Assembly and Senate on the State of California jointly, That the President and Congress of the United States be memorialized to allocate, from funds available and which may become available for national defense, for the purpose of assisting in the construction of, or of constructing, such a railroad project, such moneys as shall be necessary to assure the initiation and completion thereof; and be it further

Resolved, That the chief clerk of the assembly be instructed to transmit a copy of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and to each Member of the House of Representatives from California in the Congress of the United States, and that the Senators and Representatives from California are hereby respectfully requested to urge such action.

Mr. JOHNSON of California also presented the following joint resolution of the Legislature of California, which was referred to the Committee on the Library:

Assembly Joint Resolution 19 relative to memorializing the President and the Congress of the United States to continue the Works Progress Administration Federal art project

Whereas the Works Progress Administration Federal art project has been in existence over a period of 3 years, providing employment for workers of all arts crafts; and

Whereas the number employed on the Federal art project has tended to relieve, to a certain extent, long periods of unemployment for a great number of artists of all the arts; and

Whereas the Federal art project has given to many workers in the fine arts and crafts a chance to rehabilitate themselves for future employment in this industrial world; and

Whereas private enterprise is now unable to absorb musicians, actors, painters, and workers of other art crafts because of technological development and mechanical devices which reproduce and supplant the necessity for their personal presence; and

Whereas art of all phases in itself is a necessity for upright, honest, sincere, wholesome, and enjoyable living: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California hereby respectfully urges, requests, and memorializes the President and the Congress of the United States to pass such legislation as will make it imperative that the Works Progress Administration Federal art project be continued in its present form; and be it further

Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States.

Mr. JOHNSON of California also presented the following joint resolution of the Legislature of California, which was referred to the Committee on Military Affairs:

Assembly Joint Resolution 20, relative to Federal aid to State or Territorial veterans' homes

Whereas there exists in the State of California one of the outstanding State homes of the Nation for the care of disabled veterans, who are disabled by age, disease, or otherwise and by reason of such disability are incapable of earning a living; and

Whereas the per-capita cost for maintaining such veterans has greatly increased due to advancing age and physical disabilities; and

Whereas the State of California is deluged with veterans who came from other States who become disabled and by reason of their becoming legal residents, must be cared for in California; and

Whereas the $120 per year per capita Federal aid represents a very small part of the total cost of maintaining a veteran in the California State facility: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the President and the Congress of the United States are respectfully urged to enact legislation that will result in increasing the Federal aid: *Provided,* That any State shall not be paid a sum exceeding one-half the per-capita cost of maintaining a veteran; and be it further

Resolved, That the chief clerk of the assembly of the State of California is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House, and to the Senators and Representatives of the State of California in Congress.

ADVERTISING OF ALCOHOLIC BEVERAGES BY RADIO—PETITIONS

Mr. BORAH. Mr. President, I ask permission to present sundry and numerous petitions; and I should like to read a portion of one of the petitions, in order that it may be understood and properly designated:

To the Members of the Senate and House of Representatives of the Congress of the United States:

We, the undersigned citizens of Nampa of the county of Canyon of the State of Idaho, do respectfully petition you to help promote the general welfare of the people of the United States by securing the passage of legislation which will stop, so far as is possible by Federal law, the great advertising campaign for the sale of alcoholic beverages now going on by press and radio.

The States cannot adequately regulate or prohibit the advertising of liquor so long as Congress permits such advertising through the medium of interstate commerce. Therefore, we must earnestly urge your assistance in securing this proposed legislation in order that State regulations and laws upon the subject may thereby be made more adequate and effective and that radio advertising of alcoholic beverages may be stopped entirely.

I presume the petitions should lie on the table.

The VICE PRESIDENT. The Senator is correct, as the bill in question was reported from the Committee on Interstate Commerce during the last adjournment under authority of the order of the Senate of the 27th ultimo.

Mr. BORAH. And the Senate will observe that this is another form of stream pollution, the subject dealt with by the unfinished business.

The VICE PRESIDENT. The petitions presented by the Senator from Idaho will be received and lie on the table.

REPORTS OF COMMITTEES FILED DURING ADJOURNMENT

Under authority of the order of the 27th ultimo,

On April 28, 1939:

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (H. R. 3221) to authorize the Secretary of War to provide for the sale of aviation supplies and services to aircraft operated by foreign military and air attachés accredited to the United States, and for other purposes, reported it without amendment and submitted a report (No. 337) thereon.

Mr. JOHNSON of Colorado, from the Committee on Interstate Commerce, to which was referred the bill (S. 517) to amend the Communications Act of 1934 to prohibit the advertising of alcoholic beverages by radio, reported it with amendments and submitted a report (No. 338) thereon.

Mr. GURNEY, as a member of the Committee on Interstate Commerce, submitted minority views on the foregoing bill (S. 517), which are printed as a part of Report No. 338.

REPORTS OF COMMITTEES

Mr. McCARRAN, from the Committee on the Judiciary, to which was referred the bill (S. 198) to provide that records certified by the Court of Claims to the Supreme Court, in response to writs of certiorari, may include material portions of the evidence, and for other purposes, reported it without amendment and submitted a report (No. 339) thereon.

Mr. SCHWARTZ, from the Committee on Military Affairs, to which was referred the bill (S. 682) relative to the military record of Charles C. Rascoe, deceased, reported it without amendment and submitted a report (No. 340) thereon.

Mr. BULOW, from the Committee on Civil Service, to which was referred the bill (S. 1904) relating to age requirements for persons in the classified civil service, reported it with amendments and submitted a report (No. 341) thereon.

He also, from the same committee, to which was referred the bill (S. 1730) to amend the civil-service law to permit

certain employees of the legislative branch of the Government to be transferred to positions under the competitive classified civil service, reported it with an amendment and submitted a report (No. 343) thereon.

Mr. WHEELER, from the Committee on Interstate Commerce, to which was referred the bill (S. 1307) authorizing the Secretary of War to grant a revocable license to the Union Pacific Railroad Co. to maintain certain railroad trackage on the Fort Leavenworth Military Reservation, reported it with an amendment and submitted a report (No. 342) thereon.

Mr. CONNALLY, from the Committee on Public Buildings and Grounds, to which was referred the bill (S. 2244) to authorize the Secretary of the Treasury to accept real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and for other purposes, reported it without amendment.

Mr. AUSTIN, from the Committee on Military Affairs, to which was referred the joint resolution (S. J. Res. 62) to reinter the bodies of Mary McDonough Johnson Daughtery and Sarah Phillips McCardle Whitesides near the body of former President Andrew Johnson, reported it without amendment and submitted a report (No. 344) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1683. A bill to amend the act of June 7, 1935 (49 Stat. 332), and for other purposes (Rept. No. 345);

S. 2222. A bill to provide for a Deputy Chief of Staff, and for other purposes (Rept. No. 346); and

S. 2223. A bill to authorize the acquisition of additional lands for military purposes (Rept. No. 347).

Mr. MEAD, from the Committee on Post Offices and Post Roads, to which was referred the bill (H. R. 3812) granting postal employees credit for Saturday in annual and sick leave law, thereby conforming to the 40-hour workweek or 5-day-week law, reported it with amendments and submitted a report (No. 348) thereon.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, to which was referred the bill (H. R. 3230) to amend the statutes providing punishment for transmitting threatening communications, reported it with amendments and submitted a report (No. 349) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 3231. A bill to authorize the mailing of pistols, revolvers, and other firearms capable of being concealed on the person, to officers of the Coast Guard (Rept. No. 350);

H. R. 3811. A bill to provide for the appraisal of the pneumatic mail tube systems in New York and Boston (Rept. No. 351);

H. R. 4771. A bill limiting working hours of pneumatic-tube system employees to 8 in 10 hours a day (Rept. No. 352);

H. R. 4772. A bill to provide time credits for substitutes in the pneumatic-tube service (Rept. No. 353);

H. R. 4785. A bill to provide a differential in pay for night work to pneumatic tube system employees in the Postal Service (Rept. No. 354); and

H. R. 4786. A bill to extend the provisions of the 40-hour law to pneumatic tube system employees in the Postal Service (Rept. No. 355).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. AUSTIN:

S. 2268. A bill for the relief of Roxie Richardson; to the Committee on Claims.

By Mr. McKELLAR:

S. 2269. A bill for the relief of Davis-Mize & Co., Inc.; to the Committee on Claims.

By Mr. SMITH:

S. 2270. A bill to authorize the Secretary of Agriculture to purchase refuge lands within the State of South Carolina for the perpetuation of the eastern wild turkey and to provide pureblood brood stock for restocking within its native range, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. LOGAN:

S. 2271. A bill for the relief of Barnet Warren; to the Committee on Claims.

By Mr. SCHWELLENBACH:

S. 2272. A bill for the relief of Alvic A. Gould; to the Committee on Claims.

S. 2273. A bill to authorize the Secretary of the Navy to accept on behalf of the United States certain land in the city of Seattle, King County, Wash., with improvements thereon; to the Committee on Naval Affairs.

By Mr. LA FOLLETTE (for himself and Mr. GILLETTE):

S. 2274. A bill authorizing the village of Cassville, Wis., or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Cassville, Wis., and to a place at or near the village of Guttenberg, Iowa; to the Committee on Commerce.

By Mr. BROWN:

S. 2275. A bill for the relief of Floyd M. Dunscomb; and

S. 2276. A bill for the relief of the R. G. Schreck Lumber Co.; to the Committee on Claims.

S. 2277. A bill for the relief of Nicholas Contopoulos; and

S. 2278. A bill for the admission to citizenship of aliens who came into this country prior to February 5, 1917; to the Committee on Immigration.

S. 2279. A bill to provide for the acquisition by the United States of the Grosse Ile Airport; to the Committee on Naval Affairs.

S. 2280. A bill granting a pension to Nora J. Buchanan; and

S. 2281. A bill granting a pension to Viola J. Buchanan; to the Committee on Pensions.

By Mr. NYE:

S. 2282. A bill to grant permission to school districts to tax certain land used for migratory-bird sanctuaries, and for other purposes; to the Committee on Finance.

By Mr. WALSH:

S. 2283. A bill to authorize major overhauls for certain naval vessels, and for other purposes; and

S. 2284. A bill to amend the act of May 4, 1898 (30 Stat. 369), so as to authorize the President to appoint 100 acting assistant surgeons for temporary service; to the Committee on Naval Affairs.

By Mr. THOMAS of Oklahoma:

S. 2285. A bill granting a pension to Rufus Sadler (with accompanying papers); to the Committee on Pensions.

By Mr. CHAVEZ:

S. 2286. A bill to amend section 10, as amended, of the act of June 28, 1934, known as the Taylor Grazing Act, with respect to the use of moneys paid to the several States under the provisions of such act; to the Committee on Public Lands and Surveys.

By Mr. PEPPER:

S. 2287. A bill for the relief of H. A. Dixon; to the Committee on Claims.

By Mr. GURNEY:

S. 2288. A bill for the relief of John H. Balmat, Jr.; to the Committee on Military Affairs.

By Mr. ANDREWS:

S. 2289. A bill for the relief of the Leesburg Welding & Garage Co.; to the Committee on Claims.

S. 2290. A bill for the relief of the estate of Lewis Washington; to the Committee on Finance.

S. 2291. A bill to provide for the erection of a library building in Lake Worth, Fla., as a monument to the memory of the late Maj. Gen. William Jenkins Worth; to the Committee on the Library.

By Mr. SHEPPARD:

S. 2292. A bill relating to loans by the Reconstruction Finance Corporation to churches and religious corporations; to the Committee on Banking and Currency.

S. 2293. A bill for the relief of Thomas E. Wheeler; to the Committee on Claims.

S. 2294. A bill to provide for the protection and the conservation of equities or rights accruing to the Government because of railroad land grants; to the Committee on Interstate Commerce.

S. 2295. A bill authorizing the President to reappoint and honorably discharge David J. Sawyer, second lieutenant, National Army, as of May 11, 1919; and

S. 2296. A bill to amend section 5, act of April 3, 1939 (Public, No. 18, 76th Cong.), so as to restrict application thereof to personnel who are paid out of War Department appropriations; to the Committee on Military Affairs.

S. 2297. A bill to correct the naval record of John Edward Anderson (with accompanying papers); to the Committee on Naval Affairs.

By Mr. JOHNSON of California:

S. J. Res. 124. Joint resolution authorizing the President to invite foreign countries to participate in the San Diego-Cabrillo Quadricentennial Celebration to be held in 1942; to the Committee on Foreign Relations.

By Mr. LODGE:

S. J. Res. 125. Joint resolution proposing an amendment to the Constitution of the United States relating to old-age assistance; to the Committee on the Judiciary.

CHANGE OF REFERENCE

On motion by Mr. SHEPPARD the Committee on Finance was discharged from the further consideration of the bill (S. 2227) for the relief of John B. Jones, and it was referred to the Committee on Military Affairs.

AMENDMENTS TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL—CONTROL OF OUTBREAKS OF INSECT PESTS AND PLANT DISEASES

Mr. MURRAY (for himself, Mr. LEE, Mrs. CARAWAY, Mr. THOMAS of Oklahoma, Mr. DOWNEY, Mr. SHIPSTEAD, Mr. MCNARY, Mr. CAPPER, Mr. CLARK of Idaho, Mr. REED, Mr. FRAZIER, Mr. NYE, Mr. SCHWARTZ, Mr. JOHNSON of Colorado, Mr. LA FOLLETTE, Mr. GILLETTE, Mr. NORRIS, and Mr. WILEY) submitted amendments intended to be proposed by them, jointly, to House bill 5269, the Agricultural Department appropriation bill, 1940, which were referred to the Committee on Appropriations, and ordered to be printed, as follows:

On page 59, between lines 11 and 12, to insert the following:

"Control of incipient and emergency outbreaks of insect pests and plant diseases: For an additional amount, fiscal year 1939, to be immediately available and to remain available until December 31, 1939, for carrying out the purposes and provisions of, and for expenditures authorized under, the joint resolution entitled 'Joint resolution making funds available for the control of incipient or emergency outbreaks of insect pests or plant diseases, including grasshoppers, Mormon crickets, and chinch bugs,' approved April 6, 1937, as amended, $2,417,000."

On page 59, line 13, to strike out "$4,967,401" and insert in lieu thereof "$7,384,401.

LABOR DAY ADDRESS BY SENATOR MINTON

[Mr. MINTON asked and obtained leave to have printed in the RECORD an address delivered by him at the Labor Day ceremonies held in Boonville, Ind., September 5, 1938, which appears in the Appendix.]

RADIO ADDRESS BY SENATOR GREEN AT PROVIDENCE, R. I.

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a radio address delivered by Senator GREEN on April 21, 1939, which appears in the Appendix.]

VICE PRESIDENT GARNER—ARTICLE FROM COUNTRY GENTLEMAN

[Mr. SHEPPARD asked and obtained leave to have printed in the RECORD an article relative to the Vice President of the United States, published in Country Gentleman for May 1939, which appears in the Appendix.]

THERE'LL BE NO WAR—EDITORIAL FROM WASHINGTON DAILY NEWS

[Mr. GIBSON asked and obtained leave to have printed in the RECORD an editorial from the Washington Daily News of Wednesday, April 12, 1939, entitled "There'll Be No War," which appears in the Appendix.]

APPROPRIATIONS FOR THE TREASURY AND POST OFFICE DEPARTMENTS—CONFERENCE REPORT

Mr. GLASS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 8, 11, 12, 14, 28, 29, 32, and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 5, 6, 7, 10, 17, 19, 22, 24, 27, and 30, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$146,660"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed insert $400,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$136,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$477,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$24,790,550"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$570,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$388,500"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$579,260"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$92,500"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$6,975,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$7,725,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$455,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$10,450,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 34 and 36.

CARTER GLASS,
KENNETH MCKELLAR,
PAT MCCARRAN,
JOSIAH W. BAILEY,
Managers on the part of the Senate.

LOUIS LUDLOW,
EMMET O'NEAL,
GEORGE W. JOHNSON,
GEORGE H. MAHON,
JOHN TABER,
CLARENCE J. MCLEOD,
Managers on the part of the House.

The report was agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4492, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES,
April 27, 1939.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 34 to the bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes, and concur therein with an amendment as follows:

In line 2 of said Senate engrossed amendment strike out "one-half" and insert "three-fourths"; and

That the House recede from its disagreement to the amendment of the Senate numbered 36 to said bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment insert:

"SEC. 6. On and after July 1, 1939, no executive department or independent establishment of the Government shall transmit through the mail, free of postage, any book, report, periodical, bulletin, pamphlet, list, or other article or document (except official letter correspondence, mail concerning the sale of Government securities, and all forms and blanks necessary in the administration of such departments and establishments), unless a request therefor has been previously received by such department or independent establishment or such transmission is required by law. For each quarter, beginning with the quarter commencing July 1, 1939, the head of each independent establishment and executive department (other than the Post Office Department) shall submit to the Postmaster General, within 30 days after the close of the quarter, a statement of the weight of the mail matter by classes of mail that the independent establishment or department has transmitted free of postage during such quarter, and he shall also certify to the Postmaster General at the end of each such quarter that nothing was transmitted through the mail free of postage by the independent establishment or department in violation of the provisions of this section: *Provided*, That nothing herein shall be construed to prohibit the mailing free of postage of lists of agricultural bulletins or of lists of public documents which are offered for sale by the Superintendent of Documents: *Provided further*, That this prohibition shall not apply to the transmission of such books, reports, periodicals, bulletins, pamphlets, lists, articles, or documents to educational institutions or public libraries."

Mr. KING. Mr. President, I should like to ask the Senator from Virginia whether any material changes were made.

Mr. GLASS. In a word, one of the amendments of the House relates to the purchase of cotton twine, and alters the amendment presented on the floor of the Senate by the Senator from Georgia [Mr. GEORGE]. The Senator from Georgia agreed to the alteration made by the House. The other amendment relates to the penalty mail provision, which was inserted in the Senate upon motion of the Senator from Wyoming [Mr. O'MAHONEY]. The Senator from Wyoming has agreed to the alteration.

I move that the Senate concur in the House amendments to the amendments of the Senate numbered 34 and 36.

The motion was agreed to.

CALLING OF CALENDAR DISPENSED WITH

The VICE PRESIDENT. Routine morning business having been concluded, the calendar under rule VIII is in order.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the calling of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

FLORIDA SHIP CANAL

Mr. VANDENBERG. Mr. President, in connection with the calendar, I should like to address an inquiry to the able majority leader [Mr. BARKLEY]. One of the new bills that is now upon the calendar is order No. 349, which relates to the Florida ship canal. The bill comes to the Senate from the Committee on Commerce without recommendation, thank God. I should like to inquire if it is the intention to take this bill up during the course of the present week?

Mr. BARKLEY. I will say to the Senator that I cannot answer his question now, because I have not conferred with the author of the bill and the chairman of the committee about it. I will say that, so far as I am concerned, it would be entirely agreeable to do so, because we are a little slack in business this week, anyway. But I will be glad to advise the Senator later in the day.

Mr. VANDENBERG. It is perfectly agreeable to me to go ahead with it so long as I know 1 day in advance what is to be done.

Mr. BARKLEY. I will see that the Senator has that information.

Mr. VANDENBERG. I thank the Senator from Kentucky.

STREAM-POLLUTION CONTROL

Mr. BARKLEY. I ask unanimous consent that the Senate resume the consideration of the unfinished business, which is the stream-pollution control bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (S. 685) to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes.

Mr. HOLMAN. Mr. President, in the debate on Senate bill 685, which has to do with an attempt to prevent or regulate the pollution of the navigable streams of our country, I rise to speak in favor of the amendment in the nature of a substitute offered by the Senator from Missouri [Mr. CLARK].

The matter of stream pollution was an issue in the recent election in Oregon, and I had the honor of being president of the Oregon Stream Purification League. Just as in the Senate, so there, during the discussion of various proposals, the voices raised in protest against any remedial legislation were so numerous that a spectator might believe public opinion was against any progressive measures aimed at the purification of our streams.

It has always appeared strange to me that many of those who are individually clean and favorable to sanitation are favorable to a continuance of filthy and insanitary conditions when the subject is considered as a social question. The point I want to make at the moment is that when this question is put to the people themselves, as it was put to the people in Oregon, we find that there is overwhelming public support for sanitation, cleanliness, and the preservation of natural values.

At the general election in Oregon on November 8, 1939, the voters of Oregon overwhelmingly approved a bill for water purification and prevention of stream pollution. We had no campaign funds. I myself individually carried the financial responsibility of the campaign, and nobody has ever accused me of being careless of my money. Approximately 77 percent, or a ratio of over 3 to 1, of the persons voting registered their approval of the bill, and I am convinced that the same percentage of the people of the Nation would do the same thing if they had an opportunity to vote upon the principle of sanitation and cleanliness and the restoration of the natural conditions of our streams.

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

Mr. HOLMAN. Yes, sir.

Mr. McCARRAN. At the outset of the Senator's remarks I understood him to say that this was a bill for the prevention of pollution of navigable streams. Does the Senator understand that the bill is confined to navigable streams?

Mr. HOLMAN. Navigable in the broad sense and character, out to the *n*th degree, so far as the law will stretch. That will cover the waters of the country.

Mr. McCARRAN. Does not the Senator understand that the bill relates to all streams that may be interstate?

Mr. HOLMAN. I understand that, yes; but in our section of the country we call a navigable stream one that will float a shinglebolt. Does the Senator know what a shinglebolt is? It is something about as large as a piece of unsplit stove wood.

Mr. McCARRAN. Let me say to the Senator that that definition is not acceptable to the War Department.

Mr. HOLMAN. My understanding of the bill is, as I say, that it covers streams in the broadest sense, whatever the interpretation of that term may be. So far as I am concerned, I would go clear back to the springs.

Does the Senator wish to ask me any further questions?

Mr. McCARRAN. I wish the Senator from Oregon to understand that I did not interrupt him save and except to protect the record as he goes along, because in this bill we are not dealing with navigable streams. We are dealing with streams within the confines of a law as the Federal Government may apply the law. There may be some question as to whether the Federal Government may apply the law to an intrastate stream entirely within a State; but it may apply the law, whether it be the Clark amendment or the original bill, to an interstate stream. So when the Senator used the words "navigable stream" he aroused my interest, because the Senator knows that many streams in the West are interstate, but are not necessarily, nor indeed possibly, navigable.

Mr. HOLMAN. Mr. President, I am very grateful to the distinguished Senator from Nevada for elucidating that idea and amplifying my remark, and making clear to all present the great extent of spread in the meaning of the bill.

I have been advised by reliable authority that the Army engineers are ready to proceed pursuant to the provisions of the Clark bill, Senate bill 1691, under which we would be taking an effective step toward the accomplishment of stream purification. I am not opposed to the bill of the Senator from Kentucky [Mr. BARKLEY]; but I favor the amendment of the Senator from Missouri [Mr. CLARK], because it goes further into the subject, and would be more effective in accomplishing the regulation of the apparently unregulated contamination of our streams, and would ultimately effectuate a degree of purification that is vital to the public health, and preservative of fish life and the restoration of material and recreational values in our streams.

Mr. BARKLEY obtained the floor.

Mr. CLARK of Missouri. Mr. President, will the Senator from Kentucky yield to me for the purpose of offering two perfecting amendments to my amendment in the nature of a substitute?

Mr. BARKLEY. Yes.

Mr. CLARK of Missouri. I desire to modify my amendment in two particulars by two amendments, which I send to the desk.

Mr. McCARRAN. Mr. President, may I ask a question of the author of the original bill, with the attention of the Senator from Missouri? Are we not driving at the same point by both of these measures, the original bill and the substitute? In other words, the original bill proposes to put the control of this matter in one hand, and the substitute proposes to put it in—if I may use a homely expression—a broader spread of authority. Am I correct in that statement?

Mr. BARKLEY. In a sense the Senator is correct. Both bills—the original bill and the substitute—aim at the same thing, and that is to clean up the pollution in our streams. The main differences between the two bills are these: The substitute proposes to put this work under the Army engineers, while the original bill puts it in the Public Health Service. The substitute also empowers the Federal Government to bring injunction suits against cities, towns, and individuals in order to abate what is called a nuisance in the event that they are notified to do so by the Chief of Engineers, or the board set up under him, and fail to do so. Those are the main differences between the two bills.

Mr. McCARRAN. Mr. President, in elaboration of my question let me say that I am interested in that which I think the Federal Government may without serious objection accomplish, namely, interstate activity for the elimination of pollution. In other words, I think a question might be raised as to an intrastate stream; but, in my judgment, in the case of an interstate stream the Government may always step in to clear up the stream. I am interested in such a body of water, whether it be a navigable stream or a nonnavigable stream, because in any event the water is used by humanity.

What I have in mind is that there should be a central authority to carry out the provisions of the bill. The authority itself may bring into its general scope all the other agencies of the Government. So, with that in mind, I had hoped that the author of the bill—and I commend the author of the bill and I commend the policy of the bill—might get together with the author of the substitute, so that we might go ahead with this worthy project.

Mr. BARKLEY. Unfortunately, there is an irreconcilable difference between the two bills. I shall explain the difference a little later, when I address the Senate in opposition to the substitute offered by the Senator from Missouri.

Mr. CLARK of Missouri. Mr. President, if the Senator from Kentucky will permit me, I think he and I will agree on the statement that the only irreconcilable difference between our bills is in the matter of enforcement. My bill contains an ultimately drastic enforcement provision. The bill of the Senator from Kentucky does not. I do not think the question of agency is of such tremendous importance.

Mr. BARKLEY. Mr. President, I will say to the Senator from Nevada that the bill I introduced originally, which is the bill now being considered, contemplates cooperation between the Federal Government and the States. It takes into consideration not only navigable streams but tributaries to navigable streams from which polluting substance may find its way into navigable streams. I do not think that the authority of the Federal Government in dealing with a sanitary health matter of this sort is necessarily limited to the portions of streams which may be navigable.

Mr. CLARK of Missouri. I agree with that statement.

Mr. BARKLEY. It can and does deal with tributaries which may pollute navigable streams, although there may be no discharge into the navigable part of the stream itself which would pollute the water.

Mr. McCARRAN. May I interrupt the Senator?

Mr. BARKLEY. Certainly.

Mr. McCARRAN. The reason for my question grew out of a remark of the able Senator from Oregon. I did not want the RECORD to show that we were dealing entirely with navigable streams.

Mr. BARKLEY. That is true; the bill does not.

Mr. CLARK of Missouri. If the Senator from Kentucky will permit me to interrupt him just a moment on that point—and I do not wish to interfere with the statement of the Senator from Kentucky—it is my thought in connection with this matter that since the Government of the United States has recognized, for instance, in the case of flood control, that there is a responsibility on the Government as to tributary streams, because from them water may flow into the main stems of the various rivers which will bring about a flood situation, since we have assumed, as to navigable streams, to compel the removal of obstructions which may interfere with navigation, it seems to me perfectly clear that Congress has the same right and jurisdiction, either by way of appropriations or by regulations, not only as to the main stems of the navigable streams but as to any streams which may empty into navigable streams and contribute to a condition deleterious to the public health.

Mr. McCARRAN. Let me use an expression which no doubt accords with the view of the Senator from Missouri, that the Federal Government may take over and control a stream system.

Mr. CLARK of Missouri. That is exactly my idea.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. MCNARY in the chair). Does the Senator from Kentucky yield to the Senator from Nebraska?

Mr. BARKLEY. I yield.

Mr. NORRIS. I should like to ask the Senator from Missouri a question which is raised in my mind by reason of the question propounded by the Senator from Nevada. Is there, after all, any limit to the jurisdiction of the Federal Government in the matter of controlling pollution, although the pollution may occur in a stream which is entirely intrastate, if that stream empties into an interstate stream? In other words, would the Federal Government be debarred from taking action with regard to the pollution of an entirely intrastate stream, assuming that the water of such stream, as is true in the case of practically all streams, eventually flows into an interstate stream?

Mr. CLARK of Missouri. Let me say to the Senator from Nebraska that so far as I am concerned I have not the faintest doubt on earth of the jurisdiction of Congress in the matter.

Mr. NORRIS. Covering every stream?

Mr. CLARK of Missouri. Yes; as a matter of protecting the public health.

Mr. NORRIS. I think the Senator is correct about that, because pollution of a stream which itself rises and empties within a State may be the means of polluting an interstate stream. If we had no jurisdiction over such a stream we could not accomplish the end sought by the bill.

Mr. BARKLEY. There is no difference of opinion on that subject.

Mr. CLARK of Missouri. I may say to the Senator from Nebraska that that question does not enter into the differences between those supporting the original bill of the Senator from Kentucky and those supporting my substitute, because I think all concerned are agreed upon that proposition.

Mr. NORRIS. If we are agreed on that, then I should like to know from the Senator from Missouri or the Senator from Kentucky their idea of just what the difference is between these two measures.

Mr. BARKLEY. I expect to explain the difference.

Mr. CLARK of Missouri. The Senator from Kentucky is going to explain the difference, and after he concludes I may have some slight explanation to make.

Mr. McCARRAN. Mr. President, I should like to ask the Senator from Nebraska a question.

Mr. BARKLEY. I yield to the Senator to ask the Senator from Nebraska a question. But I should like to ask the Senator from Missouri whether he wants his amendments to his amendment read.

Mr. CLARK of Missouri. I should like to have my amendments read for the information of the Senate, because in some degree they tend to modify the effect of my substitute as originally proposed.

Mr. McCARRAN. I wish to ask a question of the Senator from Nebraska. I think the Senator from Nebraska realizes that if a stream is entirely intrastate there might be a question as to the right of the Federal Government to take jurisdiction over it. Does the Senator acquiesce in that statement?

Mr. NORRIS. There might be a question, though I do not see just what it could be so far as pollution is concerned. If the Federal Government, in attempting to control pollution on interstate streams, cannot control the tributaries, regardless of whether they are interstate or intrastate, then the right to control interstate streams is entirely nullified.

Mr. McCARRAN. The Senator fails to distinguish between a stream which, by reason of its contacts, becomes an interstate system, and a stream which is entirely intrastate.

Mr. NORRIS. By an intrastate stream does the Senator mean a stream which rises and ends in a State?

Mr. McCARRAN. That is the meaning.

Mr. NORRIS. I should say Congress would not have jurisdiction if there is such a stream.

Mr. McCARRAN. I wanted to have that clear. I hope a law on the subject of stream pollution will be enacted in some form, and I should like to have in the law some expression so that there may be Federal jurisdiction to clean up all streams where human life is at all affected.

The PRESIDING OFFICER (Mr. LODGE in the chair). The clerk will state the amendments by which the Senator from Missouri modifies his substitute.

The LEGISLATIVE CLERK. On page 6, after line 15, it is proposed to modify the original amendment by adding the following subsection:

(c) Where compliance with standards of purity fixed by Chief of Engineers be impossible or impracticable before effective date of this act because no adequate method of disposal or treatment of polluting material is presently known, the Chief of Engineers may grant an extension of time, not exceeding 5 years from such effective date, to permit such industry to perfect and provide adequate means of disposal or treatment of such polluting material. The burden of proving necessity for such extension shall be upon the industry seeking it, and no extension shall be granted except after public hearing and a finding by the Chief of Engineers of necessity.

The amendment is further modified on page 9, line 7, by amending section 12 so that it will read as follows:

All provisions of this act applicable to States shall also be applicable to the District of Columbia, and shall take effect 3 years after the passage of this act, except for additional or new sources of pollution, in which case the provisions of the act shall become immediately effective.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute, as modified.

Mr. BARKLEY obtained the floor.

Mr. MALONEY. Mr. President, I do not know whether I am entirely in order, but I have an amendment to the bill which has been accepted by the Senator from Kentucky, and I should like to have the amendment accepted by the Senator from Missouri, the author of the proposed substitute. If it is in order, I ask that the amendment be read.

The PRESIDING OFFICER. It is in order to have the amendment stated. The clerk will read the amendment.

The CHIEF CLERK. In the original bill, on page 3, line 18, after "Sec. 3", it is proposed to insert "(a)"; and on page 3, after line 25, it is proposed to insert the following new subsection:

(b) The Division, upon the request of any municipality, shall make a periodic test of the water at any bathing beach within the limits of such municipality, and shall make a report to such municipality as promptly as possible with respect to the existence of water pollution at such bathing beach and shall make definite recommendations for the correction and elimination of any deleterious conditions which are found to exist.

Mr. CLARK of Missouri. Mr. President, I shall be very glad to accept the amendment to the substitute.

Mr. KING. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. KING. If I understand the full scope of the amendment, it seems to me that it is too broad. To illustrate what I mean, there is in my State a lake formed by streams from the mountains. It has no outlet except into Salt Lake, and Salt Lake has no outlet. So it cannot be said that the lake falls into the class of interstate waters.

I should be unwilling to have the Federal Government given authority to demand of the City Council of Provo City, which is upon the lake, that they adopt plans prescribed by Federal authority for the purification of the water.

Mr. MALONEY. Mr. President, I am sure the Senator did not understand the amendment. The amendment merely provides that in an instance where a municipality requests the authority set up to examine the water, the examination may be made by this Federal agency.

Mr. BARKLEY. And that the report be made to the city. There is no authority to be given to the Federal Government to do anything about it.

Mr. KING. I should be opposed to it, myself, because it is merely another entering wedge to have the municipalities and the people turn over to the Federal Government obligations which rest upon them.

Mr. MALONEY. I am sorry, but the Senator entirely misunderstands the amendment. The amendment does not turn anything over to the Federal Government. The amendment, if the Senator will hear me a moment——

Mr. KING. I shall be glad to listen to what the Senator has to say.

Mr. MALONEY. The amendment provides that a local agency, a municipality, may ask the Federal agency proposed to be set up under the so-called Barkley bill to inspect or examine the waters within the municipality and report back to the municipality a proper method of correcting any conditions which may exist.

Mr. KING. If the Senator will pardon me, the point I make is that there is a duty resting upon the municipality——

Mr. MALONEY. Not at all.

Mr. KING. There is a duty now resting upon it, an obligation to supply suitable water for culinary purposes, and to prevent the waters supplying the municipality from being foul, if that would affect the health of the people.

That is not a duty resting upon the Federal Government with respect to purely intrastate streams. It seems to me that the Federal Government is now being asked to look after matters which belong exclusively to the States and to municipalities within the States with respect to streams that are wholly and purely intrastate. I know that the bill makes it optional—that the Federal Government is not compelled to enter upon the tasks.

Mr. MALONEY. Mr. President, that is not the intention, and I am certain that it is not so. It merely asks the Federal Government to make an analysis when there is some fear of danger. It does not propose to do anything more.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HOLMAN. In support of the amendment offered by the Senator from Connecticut, I wish to state that I was

advised by the health officer of the State of Oregon that many people who had journeyed to the seaside, to our ocean beaches, had, after returning to their homes, become ill with typhoid or kindred ailments, sometimes with fatal results. This, in his own opinion, was the result of infections incident to bathing in the ocean waters at places where I, myself, have observed the outflow of the streams coming back with the tide and in some places making a very noisome and dangerous condition. I presume the same insanitary and dangerous conditions are to be found in other parts of our country.

I may add further, because I believe many Senators may not realize the extent of the contamination of our streams and ocean waters at some bathing beaches, and the danger to health and the destruction of game life incident to these conditions, that a group of us took a number of perfectly healthy fish from our fish hatcheries, but them in wire cages, and submerged the cages in the waters of the Willamette River at Portland. We have there no such population as there is in the eastern part of the United States. We are much nearer virgin country. Yet in three different places in that river where such experiments were made every fish was dead in 7 minutes, due to the fact they could not live in the contaminated water of the Willamette River at those points.

I thank the Senator from Kentucky for yielding.

Mr. BARKLEY. Mr. President, so far as the amendment offered by the Senator from Connecticut is concerned, which I accepted on Thursday as part of the bill which I have introduced and which has been accepted, with modification, by the Senator from Missouri, I imagine that no city authority in charge of any pool would request the Division of Stream Pollution to make a survey of it unless the city itself were incapable of doing so adequately.

The Public Health Service, in this particular instance, cooperating with the State health departments of all the States, has facilities for the investigation of matters of this kind that are not possessed by the cities and towns and municipalities.

In the case of the cities envisioned by the Senator from Connecticut, if a city requested the Division to survey its waters, that, of course, would be done by the Division, at its expense, I presume, and then the results would be reported back to the city which made the request, and then if the city did not see fit to correct the situation there scarcely would be any harm done, and the amendment confers on the Federal Government no power to do anything about it.

Mr. President, I wish briefly to comment on the amendment in the nature of a substitute offered by the Senator from Missouri, which I hope will not be adopted. In the first place, all those who have studied the conditions brought about by stream pollution in this country have recognized the fact, as I stated on Thursday last, that most of the stream pollution has come about by an accumulation of conditions over which no one in particular has had any control. It did not come about by design. No one has deliberately set out to poison the waters of any stream from which the people derive their drinking water; but the rapid development of our industrial sections, and also the rapid growth of our municipalities, many of them with not sufficient revenues to enable them to carry on stream purification or water purification activities, have resulted in an accumulation of conditions which are now endangering the health and the lives of people in many sections of the United States.

Mr. President, a gradual approach to the question of stream purification has been advocated by all who are interested in the matter, with the exception of one organization, for which I have the greatest respect, and which has been in fact the motive power behind the substitute offered by the Senator from Missouri, or the bill which he introduced, and a similar bill which was introduced in the last Congress by the Senator from Connecticut [Mr. LONERGAN]. That organization is the Izaak Walton League. The Izaak Walton League is a conservation organization interested in the preservation of fish life and animal life, and various sorts of recreation and sports activities in which the members engage. It is a worthy organization with an entirely laudable and worthy motive. But all those in the Government and outside of it, with the one exception, I think, and perhaps one or two others, have advocated a gradual approach to the question of stream purification.

I certainly have no desire to work any injustice on any manufacturing plant or on any city in the effort to bring about the purification of our streams, and those of us who have been working for years on the type of legislation represented in the bill which I have introduced and which was unanimously reported from the Committee on Commerce, have felt that in the beginning the law ought to be limited to cooperation among the States and cooperation between the Federal Government and the States, with such help as the Federal Government may give voluntarily to the States, and the cities, and the counties, and to private industries, to enable them to bring about the stream purification which I have felt, as those who sponsor the bill I have introduced have felt, ought not to be made drastically compulsory at the beginning.

The Senator from Missouri has now modified his substitute by postponing the operation of compulsory features of the substitute for 3 years. While, of course, that does modify to some extent the substitute which he has offered, I do not believe it is wise at the beginning to put into the proposed law any compulsory provisions under which the Government of the United States may go into the Federal courts through the district attorneys, and bring injunction suits against corporations, or persons, or organizations, or counties, or municipalities, to compel them to install appliances designed to purify the waters that are being consumed by the people. That, together with the agency which is to have jurisdiction, constitutes the difference between the Clark substitute and the original bill.

Mr. President, I have great respect for the Army engineers. I have been their defender and their friend all my life. I live on the Ohio River. All my life I have lived on the Ohio and Mississippi Rivers. I have been constantly in touch with the Army engineers in their great work of canalizing the Ohio River, and in their work of protecting the people in the Mississippi Valley from the recurring floods that do such great damage to the people in those valleys. But this is a sanitary measure, not primarily a civil engineering measure. It is a health measure, and the Public Health Service now is and has been for years cooperating with the health departments of all the States of the Union in order to bring about better health conditions and sanitation. The Public Health Service is already cooperating in the matter of investigation of insanitary waters, and is equipped through its health engineers and its sanitary engineers to continue the cooperation. The bill which I have introduced and which is on the calendar and under consideration, requires the Surgeon General of the United States Public Health Service and the Division of Stream Pollution which is proposed to be set up in the Public Health Service to cooperate with the Chief of Engineers of the United States Army in working out the plans of the Public Health Service. It provides for recommendations and surveys, and for cooperation between the Federal Government and the States, counties, cities, and private industries in trying to clean up this situation.

The Senator from Missouri on Thursday last referred rather ironically, or sarcastically, or humorously to the fact that the President had by his recent consolidation order put the Public Health Service and the Social Security Board and other welfare agencies in one group. He envisioned Mr. Altmeyer, who is the head of the Social Security Board, cleaning up the streams of the country, as compared with the Chief of the Engineer Corps of the Army. The President has consolidated certain welfare agencies, and I think very properly so; but he has not abolished the Public Health Service. He has only consolidated it with other welfare agencies. It will still remain the Public Health Service. It will still have a Surgeon General; and instead of being a Bureau in the Treasury Department, it will be a division in the new agency, which is

called Federal Security Agency. It might have been called Federal Welfare Agency.

So, with all due respect to the facility of my friend for humorous discussion, I think that objection really ought not to be taken seriously.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CLARK of Missouri. I would not have the Senator or anybody else understand anything I said on last Thursday as being a reflection on the head of the Social Security Board. I have great respect for his opinions, information, and recommendations on any subject about which he knows. I did say that it seemed to me very much preferable to put the matter of the control of stream pollution in the hands of an organization which has particular knowledge of all the streams in the United States, and has an organization already set up in all parts of the United States dealing with the problems of the streams, rather than to transfer such authority to even so eminent a man as Dr. Altmeyer, or even so useful a bureau as the Social Security Board.

Mr. BARKLEY. The Public Health Service will still be the Public Health Service, at the head of which will be the Surgeon General of the United States. That Service is now cooperating and for years has been making surveys in cooperation with every State health department in the United States for the purpose of improving the health and sanitation of our country. It is no reflection upon the Corps of Engineers to say that whenever devices are put in navigable streams which might be calculated to interfere with navigation it may be necessary, and doubtless will be necessary, for some technical engineer to be consulted. The bill I have introduced compels the Public Health Service to consult and cooperate with the Chief of Engineers, and that means anybody under him. Primarily, the problem is one of sanitation. Up little streams which are tributary to navigable rivers, it may be necessary for private industries and municipalities to install plants of one sort or another to purify the waste that goes into the streams which finally run into navigable rivers.

However, as I stated a moment ago, the bill does not deal merely with navigable rivers. The problem is not one of navigation. It is a matter of protecting the life and health of the people of the United States all over the country from the effects of stream pollution, whether the stream be a creek in the county where I live or whether it be the Father of Waters, which drains 31 States of the Union. In view of the fact that already the machinery is in motion between the Public Health Service of the United States and the public-health departments of all the States dealing with the question, it strikes me that the most appropriate place for the location of the Division of Stream Pollution is in the Public Health Service, and not in the Corps of Engineers of the Army.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McCARRAN. Dealing with the last few expressions of the able Senator from Kentucky, I am interested in having the law become operative on interstate streams regardless of whether those interstate streams are navigable or otherwise. A stream, even though it may not be navigable, may affect public health and human life. I have in mind such streams. I should like to see the bill so effective that in the view of the author either of the original bill or of the substitute, whichever may be adopted, it would apply to interstate streams, whether navigable or otherwise.

Mr. BARKLEY. I will say to the Senator that I entirely agree with the idea he has expressed. That idea has been embodied in the bill. There is in the bill no distinction between streams which are interstate and those which are intrastate. The fact of the matter is that the Federal Government's power over rivers does not depend upon whether or not they are interstate. So far as navigation alone is concerned, if they are navigable, under the power of Congress to regulate commerce Congress has the power to provide for navigation and to protect navigation in navigable rivers all over the United States, whether or not such streams be boundaries between States.

Mr. McCARRAN. I realize that the Senator is entirely correct in that statement; but if I may be specific, I have in mind a stream which rises in Lake Tahoe, in California, flows across the State line, and sinks in the central part of the State of Nevada. It is an interstate stream. It is not navigable, but it should come under the terms and provisions of the bill.

Mr. BARKLEY. I will say to the Senator that undoubtedly it does.

As to the other question, the question of the power of the Federal Government in the initial law to bring about the institution of injunction suits to compel the abatement of what is called a nuisance, it may be that some day we ought to go to that length. I should be in favor of doing so if the voluntary method provided in the bill should not succeed. However, Mr. President, there are hundreds of companies and individuals in the country who, without intentionally violating any State or National law, but because of the nature of their business, have emptied into streams, big and little, matter which results in pollution. I have in mind certain cities in the country where the disposal of refuse from a concentrated area of population has brought about stream pollution. I do not wish to name them, because I have no desire to advertise the disadvantages of any community from the health standpoint. There are many communities, incorporated towns, cities, and even counties where such conditions exist. The people of those communities have suddenly awakened to a condition which exists, which they did not know existed until a survey was made by the State health authorities or by the Public Health Service of the United States, and in some cases both of them working together.

The bill which I am sponsoring authorizes cooperation between the Federal Government and the States, cities, and counties. It provides for loans and grants-in-aid to communities which are eligible. All communities are made eligible if they are discharging into the streams deleterious matter calculated to poison and pollute the waters.

The bill also provides for loans and aids to private industries which desire to clear up the streams; industries which have no desire to endanger life or health, but which may not now be financially able to incur the expense of doing the necessary thing to bring about a correction of the stream-polluting wastage, or of the conditions which exist.

The bill provides for aid to such communities. It authorizes and consents to the making of compacts among States in order that they may locally clear up the conditions which exist.

It has seemed to me, and it now seems to me, that before we clothe the Federal Government with the power to bring suit and obtain an injunction, against a city, a corporation, or an individual whose industry, without his knowledge, or without any premeditation on his part, may have brought about the conditions of which I speak, the towns, counties, and industries ought to be given a chance, under a cooperative measure, to work out their own local problems.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. DANAHER. Does not the Senator understand that today a State has the power to abate a nuisance within its own jurisdiction?

Mr. BARKLEY. It has the legal power.

Mr. DANAHER. There is no question about that in the Senator's mind; is there?

Mr. BARKLEY. Of course the power conferred upon the State depends somewhat upon its own particular constitution and laws. However, I think, by and large, the States have the power to abate nuisances which may endanger the life and health of the people.

Mr. DANAHER. I agree with the Senator. Granting that that is the law, and I agree that it is, let me follow up that statement by asking the Senator if he will take a few minutes in his interesting discussion to explain upon what

possible basis the United States Government could undertake to make loans in advance, before a polluter even builds a factory, in order that thereafter he may not pollute the waters. Why may we not expect that the State, which has the power to suppress that form of public nuisance, will do so, particularly if it is a signatory to a compact?

Mr. BARKLEY. The Senator's question opens up a very wide field for speculation and discussion. Undoubtedly a State, under its constitution and under its laws, has the power to build highways. However, for 25 years we have been granting aid to the States in the building of highways, because highways are a public necessity, and we wanted to hold out to the States an inducement to build highways. We have required the States to match, dollar for dollar, all the money put into such highways by the Government of the United States. I was a Member of Congress when that law was debated. There were arguments against it on the ground that it was the duty of the local authorities to build highways, and that Uncle Sam had no duty to perform in providing public highways, either for pleasure or as a matter of necessity.

But for nearly a quarter of a century Congress has been annually appropriating money for that purpose. So also Congress has been appropriating money nearly every year to be expended by the Public Health Service in cooperation with the health officers of all the States in bringing about rural sanitation. Undoubtedly the States had the power to do that under their laws and were doing it; but just as the Federal Government has regarded highways as a national problem; just as it has regarded floods as a national problem and so declared in the laws which have been enacted; just as it has regarded the agricultural element of our population and their prosperity as a national problem; just as we have regarded the regulation of practices in connection with sale of securities as a national problem, we have no less regarded the health and happiness and lives of our people, as a whole, as a national problem. We are making a beginning here to try to solve what is a national problem by helping the States, by helping the cities, and by helping their industries, when they themselves are unable to do it, to work out locally their salvation by appropriating money to loan them and to grant them, and this bill provides that in no case shall the Federal Government contribute more than 33⅓ percent of the cost of any local project.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Wisconsin.

Mr. WILEY. The last statement of the Senator partially answered the question I had in mind, that in no instance shall the Federal Government contribute over 33⅓ percent. I am wondering, however, if the bill provides any kind of a check so that one State shall not get all the money or a number of States shall not get all the money to the exclusion of others? Is there any provision of that kind in the bill?

Mr. BARKLEY. In the bill which I have introduced it is all, of course, ultimately under the control of the Secretary of the Treasury. The surveys are made—and, of course, the local community will have a fairly good idea of the type of project necessary in order to accomplish its purpose—and the recommendations come up through the Division of Stream Pollution, through the Budget Bureau, and through the Secretary of the Treasury. I imagine it will be impossible for the Congress to lay down an ironclad rule distributing the money according to population and other elements that are included in the highway appropriations and may be included in some formula that will be required hereafter for allotments in the matter of relief appropriations.

Mr. WILEY. I appreciate that; but what I am wondering about is whether or not it will not present another opportunity for a "pork barrel" of some kind to be used in a political way?

Mr. BARKLEY. I do not think so, I will say to the Senator, because the bill lays stress upon cooperation not only among the States that may enter into compacts but cooperation between the States and the Federal Government. There is no formula laid down, and I do not think there ought to be a formula laid down in the bill, because we cannot do all this at once; it will take years. As our population grows and our industries develop and concentrate on the highways, where they have access to their raw materials and egress for their finished products, it will take years to work out such a perfect condition that we may feel that ultimately we will have been able to protect the lives and health of our people and incidentally all other life that dwells in the water, for this bill requires that aquatic life of all sorts be taken into consideration in determining the feasibility of a project.

Mr. LUCAS. Mr. President——

Mr. BARKLEY. I yield to the Senator from Illinois.

Mr. LUCAS. As I stated in the debate last Thursday, I am very much interested in this stream-pollution control bill because all my life has been spent in the Illinois Valley, and I have had occasion to observe the effects of stream pollution in the Illinois River. I should like the Senate to know that at one time for 100 miles from the head of the Illinois River south there was not a single living organism of plant or fish life, as attested by the biological experts of the State of Illinois. That pollution was caused primarily by industries located in the city of Chicago; but, to the everlasting credit of those large industries, after realizing what was going on with respect to the pollution of the Illinois River, they constructed large sewerage and disposal plants at a cost of millions upon millions of dollars. Those plants have just recently been finished after years of labor and the expenditure, as I have said, of vast sums of money.

If the amendment of the Senator from Missouri should be adopted, it seems to me that it would work a distinct hardship upon some communities along the Illinois River. These communities are just as much interested in the purification of the Illinois River as are any other communities that have constructed disposal and sewage plants up to this point; but they may be in financial trouble. They may not be ready to move forward because of lack of adequate funds. Their objectives are the same but obtaining them is impossible. If this bill is enacted by the Congress, it will do something more than purify for health and sanitation. With just a little aid from the Federal Government, and a little cooperation upon our part, and with a continuance of the program of education for the purification of the streams for sanitary purposes, I am confident that ultimately, for example, the Illinois River will regain the place it once had back in the eighties and nineties, when it was the greatest fish-producing stream in the United States except the Columbia River in the Northwest. As the result of the pollution of that river, practically all fish life was destroyed at one time, and those who depended upon the river to obtain their living through commercial fishing were practically eliminated. As a result many of those people are today on relief. The passage of the so-called Barkley bill would be a long step in the right direction to bring back the tremendous fishing industry which once was ours in the Illinois River and aid in establishing again the rights of individuals to make a living from the catching and marketing of fish.

I am happy to say, as the result of what has been done by the city of Chicago and other cities along the river in the establishment and construction of sewage-disposal plants, that our fish life is gradually coming back and the commercial fisherman is gradually gaining a foothold again, as well as the fisherman who indulges in fishing for the purposes of recreation and pleasure.

I am in sympathy to a certain extent with the amendment of the Senator from Missouri; but what he proposes should not be done at this particular time.

Mr. President, I thank the Senator from Kentucky for permitting me to make this observation as an important incident to the primary object to the bill.

Mr. BARKLEY. I thank the Senator from Illinois for his very illuminating contribution to the discussion.

There has been some objection made to the provision that authorizes grants-in-aid and loans. The provision to loan money or even to grant it out of the Treasury is not for the

purpose of aiding some corporation or saving it expense; it is not for the purpose of substituting Federal money for local, county, city, or State money; but it is for the purpose of aiding both public corporations and private corporations to do this work in the interest of public health where they themselves cannot do it alone.

Mr. CLARK of Missouri. That is provided for in both measures.

Mr. BARKLEY. It is provided for in both measures, and there is no controversy over that feature, but there has been objection raised. The Senator from Connecticut [Mr. DANAHER] suggested a while ago a question that, I think, implied, at least, an objection. This is a measure in behalf of the public; it is a measure to preserve and protect the health and lives of our people and as well to protect and conserve the aquatic life within the streams, as pointed out by the Senator from Illinois [LUCAS].

If it were a bill simply to loan Government money in order to help some private industry or even some city to protect itself against higher taxes or in order that a corporation might declare greater dividends, I would not be in favor of it. But the theory upon which that provision is based is that it is in the public interest. It is a very modest sum, and it will be, of course, determined by the Congress itself from year to year how much money will be appropriated, and that will depend altogether on the number of communities that make application for loans and grants-in-aid.

I agree with the Senator from Illinois that it would be unfair, that it would be a hardship now to impose compulsion when we are just beginning the program and when these conditions have grown up without any violation of law anywhere by anybody. They have grown up like Topsy. Now that we realize the conditions, we certainly ought try voluntary cooperation among the States and with the Federal Government before we authorize the United States district attorneys to go into the Federal courts and bring suit against a city or a county or an industry because of its inability, financially or otherwise, to bring about, without Federal help, a correction of the conditions which are the subject of this proposed legislation.

Mr. NORRIS. Mr. President——

Mr. BARKLEY. I yield to the Senator from Nebraska.

Mr. NORRIS. Has the Senator made any estimate, or have any of the experts made any estimate, that will give us any idea as to the demands that will probably be made upon the Federal Treasury for loans and grants?

Mr. BARKLEY. I do not think so, Mr. President. The President of the United States recently designated the National Resources Board to make an investigation and survey of the whole pollution situation all over the United States. The estimate is that the ultimate cost of all these projects in the future, over a period of years, may be as much as $2,000,000,000; but, of course, that is over a long period of years. It cannot all be done, I should say, within a period of 10 years, perhaps not in 20 years; but if, over that period, all of the activities were engaged in that would be necessary to purify all the streams in the whole United States, and keep them purified, it would take about $2,000,000,000.

Mr. NORRIS. Faced with the offer of the Federal Government to make loans and grants, and faced also with the fact that ultimately the various communities will have to change the present conditions and make this expenditure, is there danger that they will come in with a rush, and that all of them will want the money at once?

Mr. BARKLEY. I doubt that, because under the bill the communities have to put up at least two-thirds of the cost themselves. Some communities probably are waiting now to get whatever aid the bill provides, because they themselves have not the money to do the work, and under their constitutional limitations they cannot raise it. Under their borrowing limitations some of them have already reached the peak of what they may borrow.

Mr. NORRIS. This loan and grant provision applies to private individuals and corporations just as it does to municipalities.

Mr. BARKLEY. That is true; yes; it does. That is on the theory, as I mentioned a while ago, that the thing to be done is in the interest of the public, and that without this help it would be impossible to do it.

Mr. DANAHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Connecticut?

Mr. BARKLEY. I yield to the Senator.

Mr. DANAHER. In answer to the question of the Senator from Nebraska, I desire to say that the Engineering News Record for February 23, 1939, contains the statement that the additional annual cost of treating mining and industrial wastes, while not known accurately, will entail operating charges which will exceed $225,000,000. That is the additional annual cost, and it has reference to private industries only.

Mr. BARKLEY. Of course, it is not contemplated that the Federal Government will put up any such sum as that because it can put up only a third of the total cost, and it will put up only what Congress appropriates for that purpose from year to year.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Oregon.

Mr. HOLMAN. I simply want to state for the RECORD, in support of the general idea of regulating and preventing further stream pollution, that the salmon fishermen on the lower Columbia River have described the scenes and the condition of their nets in such a way that if they were generally known I doubt if many persons would care to consume fish that have to go through the polluted streams of our country. Even on a great river such as the Columbia—one of the largest on the continent and in a new territory—conditions are such that the fishermen actually become sick when they draw in their nets.

I am convinced that the Federal Government must be the agency which will eventually bring about a reform in this matter. In our State we found that many of the smaller municipalities waited to see what Portland, the metropolis, would do. Portland, in turn, would say, "Let the up-river towns and cities and communities and mills and factories act first. Why should we, on the lower reaches of the river, take the initial steps in this matter if those above do not first clean up their part of the river?" So it is a continual "buck passing" proposition; and unless the agency of the National Government is invoked and becomes effective, I fear there will be no reform in this matter in our day.

When I reflect on this subject and view our country, I often think of the verse:

> Though every prospect pleases,
> And only man is vile.

Mr. BARKLEY. Mr. President, just one other word:

The Senator from Missouri put into the RECORD last week a letter from the Secretary of War urging that the Corps of Engineers would be the proper agency to perform this service. I can understand that. The Secretary of War has the Corps of Engineers under his Department, and naturally is loyal to it, and I do not blame him.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. I should like to say to the Senator from Kentucky that the reason why I put that letter into the RECORD was not that I did not fully realize the fact just stated by the Senator from Kentucky. Every head of a department naturally desires to have the administration of any additional agency or anything else put under his department, just as the head of the Social Security Board will now wish to have this activity put under the Public Health Service. I put the letter into the RECORD for the reason that the letter arrived after the conclusion of the hearings; and inasmuch as a man by the name of Wolman had appeared at the hearings representing an extraofficial and extralegal activity and said that he was authorized to state that the Bureau of the Budget was opposed to the bill which I introduced, I thought it was worth while to put into the RECORD the fact that the Secretary of War was authorized to say

that the Bureau of the Budget was also opposed to the bill of the Senator from Kentucky. I put the letter into the RECORD for the purpose of showing that so far as the Bureau of the Budget is concerned, the Senator from Kentucky and I are on the same footing.

Mr. BARKLEY. What I was about to say is that I have here a letter from the Secretary of the Treasury, which was put into the hearing, in which he urges that the Bureau of the Public Health Service is the proper agency to administer this proposed law. Of course, at that time the Public Health Service was in the Treasury Department, and I suppose we might check these two Cabinet loyalties against each other.

Mr. CLARK of Missouri. If the Senator will yield, since the Public Health Service has been transferred from the Treasury Department to Dr. Altmeyer, in the Social Security Board, I suggest that the fair thing to do would be to ask the Secretary of the Treasury now whether he has had a chance to revise his opinion.

Mr. BARKLEY. I do not think it is sufficiently important to go to that trouble.

Mr. CLARK of Missouri. Neither do I.

Mr. BARKLEY. In the first place, I do not know whether or not Dr. Altmeyer is going to be the head of this new agency. He has not been appointed, and nobody has said that he will be appointed. I do not know whether or not he will be. There is no use in naming Dr. Altmeyer, even if he is named as the head of this agency, for he will probably know as much about stream pollution as will the Secretary of the Treasury, in whose Department the Bureau of the Public Health Service has been for a hundred years; and both of them together will know as much about it as will the Secretary of War, in whose Department the Corps of Engineers is located.

Mr. CLARK of Missouri. The Senator's bill still puts heavy responsibilities on the Secretary of the Treasury in the matter of determination. I do not think that provision has been changed in the Senator's bill.

Mr. BARKLEY. That was not because the Bureau of the Public Health Service was in the Treasury Department but because the Secretary of the Treasury must pass upon these requests for allotments, since the money comes out of his Department.

Mr. CLARK of Missouri. All money comes out of the Treasury Department.

Mr. BARKLEY. That would be entirely logical, no matter where this activity is put.

Mr. CLARK of Missouri. Mr. President, it would be no more logical than to provide that the Secretary of the Treasury should have the determination of every appropriation. Even the Bureau of the Budget is no longer in the Treasury Department.

Mr. BARKLEY. I understand that; but the Secretary of the Treasury was put in the bill in this connection not because the Public Health Service was in that Department but because it was necessary, just as the Secretary of the Treasury is also concerned in the administration of the law creating the R. F. C. The Secretary of the Treasury has to perform certain duties with respect to turning over money to the R. F. C. for the purpose of administering that law.

Mr. President, I wish to include in my remarks the letter from the Secretary of the Treasury, found on pages 84, 85, 86, and down to the top of page 87 of the hearings on the pending bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

Hon. JOSIAH W. BAILEY,
Chairman, Committee on Commerce,
United States Senate.

MY DEAR MR. CHAIRMAN: Further reference is made to your letter of March 4, 1939, requesting a report on S. 1691, a bill to prevent the pollution of the navigable waters of the United States, and for other purposes.

This bill is the same in principle as bills S. 3958 of the Seventy-fourth Congress and S. 13 of the Seventy-fifth Congress, except that S. 1691 would establish a Division of Water Pollution Control in the Corps of Engineers of the United States Army, whereas S. 3958 and S. 13 proposed to make the National Resources Committee the agency responsible for the administration of the act. In addition, S. 1691 would establish an advisory committee composed of the Surgeon General of the United States Public Health Service, the Chief of the United States Biological Survey, the Commissioner of Fisheries, and the Chief of the United States Forest Service.

The Treasury Department on February 26, 1936, submitted to the Senate Committee on Commerce a report on S. 3958 which is printed on pages 98–99 of the published hearings on that bill. The Treasury Department likewise submitted a report to the Senate Committee on Commerce on S. 13 under date of March 9, 1937. Both of these reports by the Treasury Department recommended against the enactment of legislation having regulatory features for the reasons which are again stated in subsequent paragraphs of this letter.

Before outlining the views of this Department with particular respect to S. 1691, it is desired to invite the attention of your committee to certain developments in connection with proposed water pollution control legislation during the past several years, which would tend to indicate that the Public Health Service should be considered as the logical agency for administering Federal functions in water-pollution control in addition to the functions which the Public Health Service now has under the provisions of section 1 of the act of August 14, 1912 (37 Stat. 309, U. S. C., title 42, sec 7), and section 3 of the act of February 15, 1893 (27 Stat. 450, U. S. C., title 42, sec. 92). These developments are as follows:

1. On August 27, 1937, the President, when approving the river and harbor bill, issued the following statement:

"In signing the so-called river and harbor bill, I note that provision is made for a pollution survey of the Ohio River by the War Department. Obviously a survey of this nature falls properly under the jurisdiction of the Public Health Service. I am, however, asking the Secretary of War and the Secretary of the Treasury to join in the appointment of a committee of three to conduct this survey—an Army engineer, a representative of the Public Health Service, and a non-Government expert on pollution problems."

2. The Seventy-fifth Congress passed a bill, H. R. 2711, providing for the creation of a Division of Water Pollution Control in the Public Health Service, and for other purposes, which did not receive the approval of the President, because it conflicted with the concept of the Budget system. In his memorandum of disapproval, dated June 25, 1938, the President made the following statement:

"I appreciate the importance of the results sought to be accomplished by the legislation, and I fully approve the establishment of a Division of Water Pollution Control in the Public Health Service."

3. The Senate Committee on Commerce in Report No. 1199, Seventy-fifth Congress, first session, on bill H. R. 2711, providing for the creation of a Division of Water Pollution Control in the Public Health Service, made the following statement:

"Your committee decided, as the public health is the main object to be considered in connection with this legislation, that the Bureau of Public Health Service is the logical division in which to place the administration of this legislation. This Bureau has been making studies and investigations of this subject for 30 or more years, the records of which are in its files. Also, there is in each State a health agency, and the majority of these agencies have a division of sanitation which is more or less familiar with pollution problems."

4. The President in his message of February 15, 1939, to the Congress, transmitting a report on Water Pollution in the United States (H. Doc. No. 155, 76th Cong., 1st sess.), stated as follows:

"It is my opinion that pending further experimentation with interstate and State-enforcement activities, Federal participation in pollution abatement should take the general form of establishing a central technical agency to promote and coordinate education, research, and enforcement. On the basis of recent experience, it should be supplemented by a system of Federal grants-in-aid and loans organized with due regard for the integrated use and control of water resources and for a balanced Federal program for public works of all types. The time is overdue for the Federal Government to take vigorous leadership along these lines."

5. In the report on Water Pollution in the United States (H. Doc. No. 155, 76th Cong., 1st sess.), prepared at the request of the President by a special advisory committee composed of representative experts from the Departments of War, Treasury, Interior, Agriculture, and Commerce, and from private and State agencies, it is stated that the committee believes that no basic changes in Federal law with reference to Federal regulation of pollution should be made at this time. The committee recommends that legislation based on certain principles be considered as a means for continuing and expanding the rapid progress in pollution abatement which recently has been made. Among these principles are the following:

"An appropriate Federal agency (presumably the United States Public Health Service) should be authorized to study water pollution and its abatement; to stimulate State, municipal, and private studies; to cooperate with States in securing needed State legislation and interstate action; to study the activities and administrative procedures of local and State agencies responsible for pollution abatement; to review and appraise pollution-abatement work for which Federal aid is requested; and to report its findings to the President."

The statement continues:

"The Treasury Department considers the Public Health Service to be the proper and logical agency for exercising the Federal func-

tions in water-pollution control to the extent that the Congress may deem it appropriate to authorize at this time. With this in mind, the views of the Treasury Department on S. 1691 are as follows:

"The proposed legislation would direct the Division of Water Pollution Control in the Army Engineer Corps to cooperate with agencies of the several States authorized or designated by State law to deal with water pollution with a view to (1) coordinating the State activities relating to the prevention and abatement of water pollution, (2) encouraging the enactment of uniform State laws relating to water pollution, (3) encouraging compacts between the several States for the prevention and abatement of water pollution, and (4) making studies, surveys, and experiments to determine the need for, and to devise methods for carrying out preventive and corrective measures relating to water pollution in the several States. The division would be authorized to make available to State agencies the results of studies, surveys, and experiments conducted by it and by other public and private agencies, to collect and disseminate information, to make loans or grants, or both, to States and political subdivisions, and to make loans to persons or corporations for the construction, enlargement, or improvement of sewage-disposal plants and plants for the treatment of trade wastes. The division would be directed to classify the navigable waters of the continental United States into sanitary water districts and to fix standards of purity in each district for the navigable waters. There would be a board in each district, which would include representatives of the several State agencies concerned, the duties of which board would be to prevent the pollution of waters within the district by voluntary methods insofar as practicable, to investigate the desirability of making loans or grants in such district, to recommend the making of such loans or grants and to institute proceedings for the prevention and abatement of water pollution.

"The legislation proposed would declare the discharge or deposit, directly or indirectly, of any waste (with certain exceptions) of other substance into any of the navigable waters of the United States, in violation of regulations promulgated by the division, if such waste or other substance is or may be injurious to human health or any form of life, or impairs the utility of such waters for navigation purposes, to be against the public policy of the United States and to be a public and common nuisance. An action to prevent or abate any such nuisance could be brought in the name of the United States by any United States attorney, and it would be the duty of such attorney to bring such an action when requested to do so by the division or the sanitary water district board."

The Treasury Department is fully cognizant of the magnitude and urgency of the water-pollution problem in the United States, of the importance of this problem in its relation to the various uses of water and in relation to public health, and of the inability of States and local authorities to control the pollution of interstate waters without cooperation and assistance from a central coordinating agency. This office would be in sympathy with any legally sound or practical program for abating present and preventing future pollution of the waters of the United States, where such pollution is injurious to the public health and impairs the legitimate use of water, and when the application of preventive and remedial measures is economically justifiable. Furthermore, it is the view of this Department that any special legislation on this subject should provide for more active cooperation with State authorities by the Federal Government; but it is believed that enforcement of actual control measures should be reserved to the States.

Assuming that so broad an extension of Federal jurisdiction as is proposed in S. 1691 would be constitutional, this Department feels, nevertheless, that such legislation would be unwise. It is believed that, if regulations under the proposed act were to attempt to deal with pollution of water in local communities throughout the Nation, strong resentment would be aroused. The Treasury Department in dealing with public-health matters, through the Public Health Service, has endeavored to avoid federalization of public-health administration within the States and has directed its efforts toward improvement of health conditions in this country chiefly by encouraging and assisting State and local authorities in the development of their own laws, regulations, and facilities for protection of the public health. This policy has brought about the establishment of a cordial relationship between the Federal Government and the States which has made it possible for the Public Health Service to contribute in large measure to protection of the health of the citizens throughout the Nation. It would be unfortunate if this relationship should be impaired.

The Treasury Department favors the features of the bill which provide for interstate compacts, financial assistance to States and local communities, and assistance from the Federal Government in studies of stream-pollution problems. As before stated, it believes, however, that the Public Health Service would be most logically the agency of choice for carrying out such functions so far as the Federal Government might be concerned.

The Department has been advised by the Bureau of the Budget that S. 1691 in its present form would not be in accord with the program of the President.

Very truly yours,

———,

Secretary of the Treasury.

Mr. BARKLEY. Mr. President, I have here a list. I desire to say that so far as the opinion of these two Cabinet officers is concerned, there is a higher authority even than they—the President of the United States, who appointed this Commission and asked it to make a survey, and who, at this session of Congress, sent their report here recommending legislation of this type, not exactly in terms as provided in my bill, but recommending the voluntary method of undertaking to approach the subject. With his approval he sent the report here, and advocated legislation of the type included in the bill which I have introduced, and which is now under consideration.

I have here a list of organizations all over the United States, including practically all the State health departments, which have endorsed the so-called Barkley bill. I shall not read them all, but the list contains the name of the health department of practically every State in the Union.

Mr. CLARK of Missouri. Mr. President, will the Senator yield on that point?

Mr. BARKLEY. I yield.

Mr. CLARK of Missouri. Of course, the Senator must be familiar with the fact that the health department of practically every State in the Union is the recipient of funds which are being doled out to it partly in the discretion of the head of the Public Health Service. The Chief of the Public Health Service, a very excellent man, a very able Surgeon General, has not only claimed but has exercised a good deal of discretion in the administration of the various health services in the particular States, to the extent that in some cases he has written letters to the Governors of the States telling them whom or what sort of men they should appoint as the heads of the public-health services, under the threat of withholding Federal funds. So when the Surgeon General of the Public Health Service produces letters from the chiefs of the State health services, to whom he is doling out funds day after day and week after week and month after month, it is not very much more impressive than if he were to produce letters from the Assistant Surgeon General, and various bureau chiefs of the Public Health Service.

Mr. BARKLEY. I think it is a pretty serious indictment of these men, who are appointed as the heads of the health services in the various States, to state that they are endorsing the pending bill because the Public Health Service of the United States is doling out money to them. I do not think there is any evidence, certainly there is none in the hearings, that the Surgeon General of the Public Health Service has sent out letters threatening the State health authorities because of their attitude on this bill. I do not think the Senator could have meant that.

Mr. CLARK of Missouri. I meant exactly what I said. The Surgeon General of the Public Health Service holds meetings in Washington from time to time of the heads of the health services of the various States. He held one last week. They come here at public expense and get together and hold meetings on various matters of public importance. When the Surgeon General of the Public Health Service actually controls the allocation of Federal funds to the States, it is perfectly obvious that he will have a great deal of influence, and, being on friendly terms with these officials, can naturally procure letters from them.

Mr. BARKLEY. I think the conferences of the public-health authorities of the States held from time to time are commendable.

Mr. CLARK of Missouri. I did not say they were not commendable, but I say that the relationship between the Public Health Service and these State officials makes it inevitable that they would favor that agency against such an agency as the Corps of Army Engineers, with whom they have no particular contact.

Mr. BARKLEY. The American Public Health Association certainly is not receiving any doles from the Public Health Service. The American Society of Civil Engineers is not the object of any dole from the Public Health Service, or from anyone else. The American Water Works Association is not. The Camp Fire Club of America is not receiving any help from the Public Health Service. The Chamber of Commerce of the United States is not receiving any help from the Public Health Service, or, so far as I know, from the Federal Government. The board of health of the city of Cincinnati is

not, so far as I know, receiving any assistance from the Public Health Service. The chamber of commerce of the city of Cincinnati is not receiving any help from the Public Health Service. I might include the Conference of State Sanitary Engineers, the Construction League of the United States, the Dayton Business and Civic Association, of Dayton, Ohio, and many others. While I shall not read the whole list, I shall ask that I be permitted to insert the list in the RECORD. There are 71, some of which are public-health authorities, some of which are commercial organizations, chambers of commerce, civic organizations of all sorts, which have gone on record endorsing the type of legislation provided in the bill now under consideration.

I do not wish to take any further time, but I sincerely trust that the amendment in the nature of a substitute offered by the Senator from Missouri will not be agreed to.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky that the list he has presented be inserted in the RECORD?

There being no objection, the list was ordered to be printed in the RECORD, as follows:

EXPRESSIONS OF APPROVAL OF BARKLEY-VINSON TYPE OF FEDERAL STREAM-POLLUTION LEGISLATION

1. Alabama Department of Health (1937 hearings, House of Representatives, p. 170, March 10, 1937).
2. American Association for the Advancement of Science (Science, vol. 81, No. 2092, p. 111; 18,000 members, 725,000 affiliated).
3. American Public Health Association (A. P. H. A. Yearbook, 1937–38, February 1938, p. 35; 5,300 members).
4. American Society of Civil Engineers (Civil Engineering, March 1936, p. 211; 15,500 members).
5. American Water Works Association (Journal A. W. W. A., February 1937, p. 35; 3,000 members).
6. Arizona State Department of Health, March 12, 1937 (1937 hearings, House of Representatives, p. 171).
7. Arkansas State Board of Health, March 13, 1937 (1937 hearings, House of Representatives, p. 171).
8. Brewers' Association of Greater Cincinnati, September 12, 1935 (1936 hearings, House of Representatives, p. 16).
9. Camp Fire Club of America, March 18, 1937 (1937 hearings, House of Representatives, p. 303).
10. Chamber of Commerce of the United States (1936 hearings, Senate, p. 430; 1936 hearings, House of Representatives, p. 57; 700,000 members).
11. Cincinnati (Ohio) Board of Health, October 27, 1934 (1936 hearings, Senate, p. 433).
12. Cincinnati Chamber of Commerce (committee on stream pollution).
13. Colorado Division of Public Health, March 10, 1937 (1937 hearings, House of Representatives, pp. 171–172).
14. Conference of State and Provincial Health Authorities of North America (1937 hearings, House of Representatives, p. 179).
15. Conference of State and Territorial Health Officers, April 7–8, 1937 (1937 hearings, House of Representatives, p. 288).
15–A. Conference of State sanitary engineers.
16. Construction League of the United States (1937 hearings, House of Representatives, p. 70).
17. Dayton Business and Civic Association (1937 hearings, House of Representatives, p. 119).
18. Delaware State Board of Health (1937 hearings, House of Representatives, p. 172).
19. District of Columbia Health Department, March 20, 1937 (1937 hearings, House of Representatives, p. 173).
20. Evansville (Ind.) Chamber of Commerce (1937 hearings, House of Representatives, p. 120).
21. Florida section, A. P. H. A. (1937 hearings, House of Representatives, p. 173).
22. General Health Council of Allegheny County, Pa. (1937 hearings, House of Representatives, p. 114).
23. Great Lakes Board of Engineers (1937 hearings, House of Representatives, p. 203).
24. Great Miami Valley Taxpayers Association, March 11, 1937 (1937 hearings, House of Representatives, p. 115).
25. Greenup (Ky.) Chamber of Commerce (1937 hearings, House of Representatives, p. 302).
26. Health Officers (municipal) Association.
27. Idaho Department of Public Welfare (1937 hearings, House of Representatives, p. 174).
28. Indiana State Board of Health, March 16, 1937 (1937 hearings, House of Representatives, p. 175).
29. Interstate Commission on Delaware River Basin (their news letter, January 1938). One hundred and seventy-five registered members.
30. Jefferson County (Ky.) fiscal court (1937 hearings, House of Representatives, p. 177).
31. Kansas State Board of Health (1937 hearings, House of Representatives, p. 176).
32. Louisiana State Department of Health (1937 hearings, House of Representatives, p. 177).
33. Louisville (Ky.) Board of Trade (1936 hearings, Senate, p. 473).
34. Ludlow (Ky.) Business Men's Association (1937 hearings, House of Representatives, p. 115).
35. Maryland State Department of Health (1937 hearings, House of Representatives, p. 178).
36. Mason County (Ky.) Health Department, March 12, 1937 (1937 hearings, House of Representatives, p. 177).
37. Massachusetts Department of Public Health (1937 hearings, House of Representatives, p. 178).
38. Master Brewers Association of America, October 7, 1935 (1936 hearings, House of Representatives, p. 17).
39. Minnesota Department of Health (1937 hearings, House of Representatives, p. 178).
40. Missouri State Board of Health (1937 hearings, House of Representatives, p. 181).
41. New England State health officers (1936 hearings, Senate, p. 273).
42. New England Water Works Association (1936 hearings, Senate, p. 273). Eight hundred members.
43. Newport (Ky.) Chamber of Commerce (1937, hearings, House of Representatives, p. 120).
44. New York State Board of Health (1937 hearings, House of Representatives, p. 182).
45. New York State Sewage Works Association (Sewage Works Journal, March 1937, p. 304). Three hundred and seventy members.
46. Norfolk, Va., Association of Commerce (1937 hearings, House of Representatives, p. 302).
47. Ohio Chamber of Commerce (1937 hearings, House of Representatives, p. 113; 1936 Hearings, Senate, p. 431).
47–A. Ohio Conference on Sewage Treatment (Eleventh Annual Report, p. 9. Ninety-nine members).
48. Ohio State Medical Association (1937 hearings, House of Representatives, p. 119. Six thousand members).
49. Ohio Valley Conference of Food, Drug, and Health Officials (1936 hearings, Senate, p. 434).
50. Ohio Valley Improvement Association, March 11, 1937 (1937 hearings, House of Representatives, p. 116).
51. Ohio Valley Regional Planning Commission.
51–A. Ohio Valley Water Sanitation Conference, January 17, 1938. Proceedings, second conference of delegates appointed to draft an Ohio River Valley water sanitation compact.
52. Oklahoma Department of Public Health, March 12, 1937 (1937 hearings, House of Representatives, p. 183).
53. Public Health Federation, March 5, 1937, Cincinnati, Ohio (1937 hearings, House of Representatives, p. 117).
54. Sanitary engineering division, American Society of Civil Engineers, minutes of meeting, January 20, 1938.
55. South Dakota State Board of Health (1937 hearings, House of Representatives, p. 184).
56. Southwestern Ohio Sportsman's Club (1937 hearings, p. 208).
57. Tennessee Department of Public Health (1937 hearings, p. 185).
58. Texas State Board of Health (1937 hearings, p. 185).
59. Texas State Legislature (House Journal, May 21, 1937).
60. Texas Water and Sewage Conference (Water Works Engineering, March 17, 1937, p. 355. Seventy-five members).
61. Upper Mississippi River Board of Engineers (1937 Hearings, p. 203).
62. West Virginia State Board of Health, March 11, 1937 (1937 hearings, p. 187).
63. Wisconsin State Committee on Water Pollution (March 12, 1937 (1937 hearings, p. 188).
64. Thirty-fourth Annual Conference State and Territorial Health Officers with the Public Health Service, April 13–14, 1936 (excerpts from Transactions, pp. 178–179).
65. State Water Commission of Connecticut (hearings before Committee on Rivers and Harbors, March 17, 18, 19, 24, 1937, p. 301).
66. American Institute of Park Executives (resolution mentioned in letter of April 20, 1939).
67. American Park Society (resolution mentioned in letter of April 20, 1939).
68. Youngstown, Ohio, Chamber of Commerce (brief, March 28, 1939).
69. Interstate Sanitation Commission, New York and New Jersey (testimony of J. Spence Smith, Commerce Committee hearing March 22, 1939).
70. Michigan Stream Control Commission (Report to Michigan Legislature, March 15, 1939).
71. Great Lakes and Upper Mississippi River drainage basin sanitation agreement (New York, Pennsylvania, Ohio, Michigan, Indiana, Illinois, Wisconsin, Minnesota, Iowa, Missouri) (resolution of March 1, 1939).

Mr. KING. Mr. President, I wish to ask the Senator from Kentucky one question for information. Does the reorganization order which has been sent to the Congress by the President take from the Surgeon General or from the Public Health Service the status which it now occupies or which they occupy, so that the Surgeon General and the Public Health Service would be superseded in all of the activities they now perform by Mr. Altmeyer's organization?

Mr. BARKLEY. No. The President's order merely transfers the Public Health Service out of the Treasury into the new group, but it does not affect its functions. It does not dissipate it, it does not disorganize it. It is just lifted up

and taken into this new organization, without interference with its functions or duties. Of course, there will be an over-all head, in the person of an administrator of the new Federal Security Agency, as I believe it is to be called, and in a sense I suppose it might be considered that his duties as the head of the old group would be somewhat analogous to the duties of the Secretary of the Treasury with respect to this particular bureau when it was in the Treasury. But there is no disintegration at all of the functions and duties of the Public Health Service.

Mr. KING. That is what I desired to know, because there is considerable confidence in the Surgeon General, and many believe that it would be unwise to disorganize the public-health organization.

Mr. BARKLEY. I agree with the Senator entirely. In my opinion the Public Health Service is one of the outstanding agencies of the Federal Government, and has rendered conspicuous service in every field it has attempted to occupy.

Mr. CLARK of Missouri. Mr. President, I should like to join in that opinion of the Public Health Service, because I very strongly entertain that opinion. Of nearly all the activities of the Public Health Service I have been a very great admirer, and am very glad to cooperate in all those activities.

Mr. TAFT. Mr. President, I should like to say a few words in support of the bill of the Senator from Kentucky, in opposition to the amendment offered by the Senator from Missouri. As I see the matter, there are two main points involved. One is whether the administration is to be given to the Army engineers or to the Public Health Service.

I began to take an interest in this matter nearly 4 years ago at the place where the idea of the bill, no doubt, originated, namely, the city of Cincinnati. We consulted with the Army engineers and with officers of the Public Health Service. We discussed for some time the question as to which should have jurisdiction over the activity, and I am certain that the Army engineers with whom I talked had no particular desire for this jurisdiction. Only after long consideration did we decide that we should place it in the Public Health Service, because, in the first place, sanitary engineering is a special and technical study, and the Army engineers are not trained in that particular study. The Army engineers are now making a survey, which was referred to on Thursday, but I understand that no single Army engineer is actually detailed to any active work in the survey. On the other hand, the Public Health Service has a great many sanitary engineers, and they are peculiarly fitted to consider the problems which arise in this connection.

The Public Health engineers have had a long and very friendly relationship with the health departments of the various States. The State health officials have been doing excellent work. The pending bill, no matter in what form it may be passed, will be no more than a supplemental measure. A large number of sewage-disposal plants have been built. Nearly all the States have laws on the subject. Constant and steady work has been done in closing abandoned mines. I do not know how many thousands have already been closed. We do not want to do anything except to supplement the work that is being done and give some direction and assistance. For that purpose all the public-health services with whom I have conferred are extremely anxious that this matter be in the hands of the Public Health Service rather than in the hands of the Army engineers, who are not schooled in these problems, and who have no direct experience in building the kind of plants needed.

Everyone agrees that the Public Health Service is an exceedingly competent body. The difference between the bill of the Senator from Kentucky and the substitute is that the substitute offered by the Senator from Missouri contains a provision under which the flowing of sewage into any navigable stream, and possibly into waters above any navigable stream, may be enjoined. Such an injunction process seems to me impossible. For instance, consider the city of Cincinnati. It would cost the city of Cincinnati approximately $20,000,000 to build a proper sewage disposal plant. It would be necessary to build an intercepter sewer 20 miles long along the Ohio River, and a very considerable number of additional plants. Of course, the difficulty is that even if that were done, it would not affect the city of Cincinnati particularly. Today in spite of having a fine filtration plant our water is polluted. Our filtration plant has almost reached its capacity to purify the water of the river polluted by cities and plants up the river above Cincinnati, many of them in the State of Kentucky. In addition, there are two large cities immediately opposite Cincinnati in the State of Kentucky.

Mr. President, whenever it is urged that we in Cincinnati build a sewage disposal plant, and spend $20,000,000 to build it, there is immediate opposition on the ground that while that would be all very well, yet we ourselves would not derive any good from building it, and that it is the people below, in other States, who are interested in our building a sewage disposal plant.

Under the proposed substitute a Federal court may be asked to issue an injunction saying, "You must stop pouring sewage into the river," but how is such an injunction to be enforced? Would the city officials of Cincinnati be put in jail? It cannot be done. Incidentally, since it cannot be done in a large number of places, since it is admitted that it is going to take 20 years at least to eliminate all the serious pollution from the rivers, who is going to decide against whom an injunction suit shall be brought, and against whom such a suit shall not be brought?

The amendment of the Senator from Missouri places in someone the arbitrary power to single out a particular city or plant and seek to obtain an injunction against it. In other words, the Congress is not passing a law which makes no discrimination, but under the amendment it gives to some administrative officer the power to discriminate against one State and against one locality. So, I feel very strongly that we should not pass a bill which provides for that injunctive process and places in the hands of an administrative officer the power of deciding against whom to proceed.

It seems to me that if we want to carry out this plan we have to do it on a cooperative basis, we have to plan gradually; we have to encourage people to construct the plants necessary to eliminate pollution.

I do not see why there should be any fear of a "grab bag," because, as I have said, if it will cost us in Cincinnati $20,000,000 to build a sewage disposal plant, we are not going to spend $15,000,000 simply because by doing that we might get $5,000,000 from the Federal Government. The cost to the locality would be so great that I see no danger whatsoever that it would undertake the expense unless the building of the disposal plant were absolutely necessary. The providing of Federal money is merely an encouragement to the city to build such a plant, instead of using the money for some other construction which will benefit us much more than the elimination of sewage below Cincinnati by the construction of a sewage-disposal plant.

Mr. CLARK of Missouri. Mr. President, it is quite evident from the remarks of the Senator from Ohio that he has never read the substitute amendment, because his own speech answers itself. He speaks of the necessity of the city of Cincinnati being relieved of its present condition, and then states in the same breath that Cincinnati is not willing to take the responsibility and do the things necessary to contribute its part to the elimination of the condition about which he complains.

The purpose of the proposed substitute is not to allow any administrative official to play favorites, to make selections between municipalities, or sections, or cities, or corporations, or States. The purpose is to lay down a rule according to principles set forth in the measure itself, which declares it to be a violation of public policy to permit either a municipality, or an individual, or a corporation to contaminate the waters of streams of the United States. This measure

lays down in section 9 various theories upon which this public policy is set up. Section 9 provides:

SEC. 9. Pursuant to the powers of the United States to regulate interstate commerce and navigation; to extend, change, and amend the admiralty and maritime law; to give due effect to the migratory bird treaties; and to protect the fisheries, including the anadromous fish, Congress hereby declares the discharge or deposit, directly or indirectly, of any waste, except the normal discharge of sewage from toilets of boats or from the galley sink drains or the normal amount of oil that may be discharged from the exhaust pipe of a motorboat, or other substance, whether in a solid, gaseous, or liquid state, into any of the navigable waters of the United States, in violation of regulations promulgated by the Division, if such waste or other substance is or may be injurious to human health or to any form of life, including aquatic life, or to migratory birds as defined in the Migratory Bird Treaty of August 16, 1916, and , 1937, or impairs in any manner the utility of such waters for navigation purposes, to be against the public policy of the United States and to be a public and common nuisance.

Mr. President, the Senator from Ohio says that Cincinnati cannot be expected to refrain from dumping its raw sewage into the Ohio River simply because it will be a benefit to municipalities in the States lower down the river. Cities on the Ohio River above Cincinnati undoubtedly may take the same position.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield to the Senator from Ohio.

Mr. TAFT. What would the Senator do? Would he bring an injunction suit against the city of Cincinnati if his measure were enacted into law? How would he carry it out?

Mr. CLARK of Missouri. Does the Senator have any doubt that the United States Government can maintain an injunction suit against the city of Cincinnati?

Mr. TAFT. How would the order of the injunction be enforced? The city of Cincinnati has a debt limit. It has no possibility of borrowing $20,000,000. There are a thousand sewers running into the river today. How, by injunction, could the city of Cincinnati be made to do anything, and what would happen if the city should not obey the injunction?

Mr. CLARK of Missouri. If the Senator from Ohio takes the position that the city of Cincinnati would disobey the injunctive process of a court of competent jurisdiction in a proceeding such as was brought against the city of Chicago in the case of the Chicago Drainage Canal, that is a matter which will have to be threshed out in the courts. I personally do not have any doubt that the authority of the United States Government over navigable streams can be maintained by injunctive process.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. Let me finish my answer to the argument made a moment ago by the Senator from Ohio, and then I shall yield.

The Senator from Ohio said the city of Cincinnati cannot be expected to spend the money necessary to enable it to refrain from dumping the raw sewage into the Ohio River simply because it will benefit the municipalities of the States lower down. The municipalities of the States higher up will undoubtedly take the same position.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. TAFT. I did not say that. I said the incentive not to do it is very strong, and I do not see how the doing of it can be forced. Therefore I am in favor of offering all cities—of which Cincinnati is only an example; Pittsburgh is larger and worse from the standpoint of pollution below the city—some assistance in the matter of sewage disposal, but not to proceed by an injunction process which cannot be enforced by any means of which I know.

Mr. CLARK of Missouri. I am offering assistance to the cities, and it is provided for in the substitute amendment I have offered. But I say that there is no sense or justification in the United States Government spending its money, and then in the final analysis having no control whatever over the situation, and no means whatever of enforcing the public policy declared by the law. In other words, Mr. President, suppose the city of Cincinnati spent the $20,000,000 that is necessary—and I mention that amount merely because it was an illustration used by the Senator from Ohio—to install an efficient sewage disposal system; suppose the city of Pittsburgh also put in an efficient sewage disposal system, and then suppose a number of other towns and cities on the Ohio River refused to install such a system. The city of Cincinnati and the city of Pittsburgh, after all their expenditures, would remain in just as bad a position as they had previously been.

Suppose, for instance, that the city of Chicago discontinued its dumping of pollution into the Illinois River, which flows into the Mississippi River, and then that my own city of St. Louis refused to do anything about the situation there, and persisted in dumping raw sewage and deleterious products from our manufacturing plants into the Mississippi River, there is nothing on earth in the bill of the Senator from Kentucky to prevent us from doing it. Or suppose the city of Chicago, the city of St. Louis, the city of Kansas City, the city of St. Paul, and the city of Minneapolis were willing to cooperate and put in efficient methods to prevent the pollution of the streams, and Paducah, the city of the Senator from Kentucky, and Cincinnati, the city of the Senator from Ohio, and various other cities up and down the Ohio River, or the Missouri River, or the upper Mississippi River persisted in dumping pollution into the streams, there would be nothing on earth in the bill of the Senator from Kentucky to prevent them from doing it. So we would have spent our money, we would have assumed an obligation as a Federal Government, without any method on earth of insuring any results whatever.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. BARKLEY. In the first place, I suggest to the Senator that there is no city which is deliberately dumping waste matter into the streams and polluting them. That is a condition which has grown up, for which they have not been able to find a remedy.

Mr. CLARK of Missouri. I agree with the Senator from Kentucky. That is why I have included a saving clause in the proposed substitute to permit a postponement of the operation of the act.

Mr. BARKLEY. Suppose the Federal Government, through the district attorney's office, brings a lawsuit to enjoin the city of Paducah, or the city of Cincinnati, or the city of St. Louis, or any other city; that injunction is not only to prevent them from doing something, but it is an effort to compel them to do something else. Suppose there is a limitation of debt, as there is in many cities; as there is in my own city, and, as the Senator from Ohio [Mr. TAFT] says there is in his city. The amount which the city may borrow is limited. Suppose the constitution limits the amount of taxes which may be levied, and the chief of engineers notifies the city that it must abate a nuisance within a certain time. It does not do so, and the chief of engineers notifies the district attorney, who brings a lawsuit and obtains an injunction. The injunction cannot raise the money. The Federal Government cannot raise the money. The only authority in the city which can raise the money is the city council, or the board of commissioners, whichever it may be. If they cannot do it under the law, what is going to happen? Shall we bring the municipal authorities into court and punish them for violating an injunction, when the law of their own State and their own city prohibits them from levying the necessary taxes, or incurring the necessary indebtedness? How shall we enforce the law?

Mr. CLARK of Missouri. An injunction would not affirmatively direct the municipal authorities to do anything. It would direct them to cease polluting the streams.

Mr. BARKLEY. That means that it would direct them to abate the nuisance; and in order to abate the nuisance they would have to spend hundreds of thousands or even millions of dollars in order to install new plants. If they should not do so, and thereby should not abate the nuisance, they would be guilty of violating the injunction, and could be cited for contempt of court, for violating an injunction which it would be impossible for them to obey.

Mr. CLARK of Missouri. Suppose some city had built an obstruction in the Mississippi River at some point, has the Senator any doubt that the United States Government could go into court and obtain an injunction compelling the city to remove the obstruction?

Mr. BARKLEY. In the first place, the city has no authority to build an obstruction without the consent of Congress, either through legislation or through the Chief of Engineers.

Mr. CLARK of Missouri. Does the Senator contend that after Congress makes it unlawful to discharge sewage or chemical byproducts, or anything else, into a stream, a city has authority to do so?

Mr. BARKLEY. If any city or individual citizen of the United States should, without the consent of Congress, build in a navigable river something which obstructed navigation, of course the city or individual could be compelled to remove it, or be punished. The consent of Congress is usually given in legislation, or it is given in general terms through the Chief of Engineers.

Mr. CLARK of Missouri. The two situations are precisely the same.

Mr. BARKLEY. Not at all. In the case of stream pollution, conditions have existed for years. They have grown up without any violation of law. No violation of law exists in any such situation. The question is quite different.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. TAFT. I do not agree with the statement that if the dumping of sewage is eliminated in only one place the money is thrown away. It is not.

Mr. CLARK of Missouri. I agree with that statement.

Mr. TAFT. The pollution of the rivers of the country can never be controlled to the extent that the people can safely drink the water from those rivers. We never shall get to the point where there will be no danger of typhoid fever. However, every time a large pollution of a river is eliminated, the pressure on the purifying plants is relieved, and we come closer and closer to a condition under which fish can live. We bring about an improvement. We do not throw away the money in any event.

Mr. CLARK of Missouri. Of course, that is true; but it is only a matter of degree. If the pollution which Chicago puts into the Mississippi River, let us say, is removed, and St. Louis, Kansas City, Cincinnati, Pittsburgh, Minneapolis, and St. Paul continue to pollute the river, of course, it would be erroneous to say that elimination of the sewage from Chicago is entirely a waste of money. However, such improvement would be only a minor palliative unless general cooperation on that river were obtained. Therefore, Mr. President, I hope it never will be necessary to use the stringent enforcement provisions of the substitute. I believe the inclusion of the provision in the proposed substitute would provide a tremendous incentive for municipalities, industrial concerns, mining corporations, and individuals all over the country to cooperate in compliance with the law. However, I also believe that the inclusion of a club, or some residuary power in the controlling authority, is necessary to bring about that condition, and to eliminate the small number of what are called "chiselers" who do not desire to conform to the law.

I heard the testimony of Colonel Lee, of the Corps of Engineers, before the Committee on Commerce. He has had perhaps more successful experience than anyone else in any branch of the Government service in eradicating conditions of the sort described. He testified that, with regard to the Delaware River, the Schuylkill River, and later with regard to the Willamette River, he had found most municipalities and industrial concerns willing to cooperate; but he said that the fact that he was able to call the attention of those who were reluctant to cooperate to the provisions of the Rivers and Harbors Act of 1889 and the provisions of the Oil Pollution Act of 1914—both of which were, in the operation which he was conducting, very shadowy authority for taking offenders into court—had brought about cooperation in many instances in which it would otherwise have been impossible to bring it about.

Therefore, Mr. President, I say that if the Federal Government is to assume control of the subject as a Federal responsibility, and if we are to spend the money, we ought to have authority somewhere to compel those who do not wish to cooperate with the great majority of the people who are willing to cooperate to come in and do their part.

Mr. President, I desire to call attention to one or two other features of the proposed substitute.

Mr. NORRIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TOBEY in the chair). Does the Senator from Missouri yield to the Senator from Nebraska?

Mr. CLARK of Missouri. I yield.

Mr. NORRIS. Do both the original bill and the proposed substitute contain provisions under which the Government can force compliance?

Mr. CLARK of Missouri. No.

Mr. NORRIS. That statement applies only to the substitute amendment?

Mr. CLARK of Missouri. It applies only to the substitute amendment. I will say to the Senator from Nebraska that the point he mentions is the only essential difference between the two measures. There are one or two minor differences which I intend to point out in just a moment.

Mr. President, I desire to call attention to the fact that under the provisions of the substitute amendment a district board is set up in each sanitary district which is to be established by the division having to do with watersheds. The board is to contain representatives of various State and local agencies. The substitute provides for—

> At least one representative from State health departments or other State agencies charged with control of pollution, State fish and game agencies, State departments of agriculture and State departments of labor embraced within the district, and one representative of industry and one representative of municipalities on the board.

The substitute further provides that—

> Wherever any two or more States have heretofore or may hereafter enter into any compact for the prevention or abatement of stream pollution and providing an agency to enforce the provisions of the compact, said agency shall be designated the district board of that particular watershed.

I understand that such action has already been taken in one instance. Where several States in the same watershed have entered into an interstate compact and set up an interstate board in that watershed or that district for the control of the situation, the interstate board appointed by the various States, subject to the general provisions of the Federal division, are to constitute the district board.

The substitute provides further:

> (b) It shall be the duty of each district board:
> 1. To prevent by voluntary methods insofar as practicable the pollution of waters within the district;
> 2. To investigate the desirability of making loans or grants in such districts for the construction of sewage-disposal plants and works for the treatment of trade and municipal wastes and to recommend the making of such loans or grants to the division; and
> 3. To institute proceedings for the prevention and abatement of water pollution in such district: *Provided*—

I think this is a very important proviso—

> *Provided*, That where a duly constituted State agency or interstate compact with authority to enforce the provisions of this act is in existence, that action by the district board will be taken only after such existing authorities have been given an opportunity to act and, after due notice, have failed to do so.

So, Mr. President, in the substitute there is every incentive for cooperation between the Federal Government and the States, municipalities, and private agencies. The substitute contains every such incentive which is contained in the original bill, with some additional machinery set up in the substitute to insure cooperation by the inclusion of representatives of various State and local authorities on the district board.

Let me say further, Mr. President, that while I prefer the Corps of Engineers of the United States Army as the administrative authority, because of their experience, I do not regard that point as an essential difference between the two measures. I should gladly take the Public Health Service

as the administrative agency if the Public Health Service had not declared itself to be not in sympathy with the provisions of the substitute with regard to enforcement.

Mr. President, the essential difference between the two measures is in the enforcement provision contained in the substitute, which is not contained in the original bill. In my opinion it would be better for no bill at all to pass than for a bill to pass bearing the semblance of authority to clean up the situation, with no actual authority to do so. It would be better to wait until the situation can be further canvassed, and a bill can be passed containing sufficient authority in the Federal agency set up to bring about the desired reforms, than to have a bill passed which would hold out a hope which could not be realized under its terms.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield to the Senator from Arkansas.

Mr. MILLER. What was the modification the Senator proposed to his amendment in the nature of a substitute which was offered and stated this morning? I should like to ask a question about it.

Mr. CLARK of Missouri. It was to postpone the enforcement provisions for 3 years.

Mr. MILLER. That is, as to new construction?

Mr. CLARK of Missouri. As to anything except new pollution. As to any existing pollution it would postpone the operation of the enforcement section for 3 years.

Mr. MILLER. That is, the injunction section would be postponed 3 years in its application to existing pollution?

Mr. CLARK of Missouri. That is correct. The other amendment or modification provides that if, as happens to be in some cases possible, there is no method known at the present time of disposing of mine waste or some other commercial byproduct, the operation shall be postponed, in the discretion of the Chief of Engineers, for 5 additional years.

Mr. MILLER. There is another provision in the proposed substitute which provides for grants not to exceed 50 percent of the cost, is there not?

Mr. CLARK of Missouri. That is correct.

Mr. MILLER. As I understand, in the original bill grants are not to exceed one-third. Is that correct?

Mr. BARKLEY. Mr. President, yes; that is true. The grants cannot exceed one-third, or 33⅓ percent.

Mr. MILLER. That is under the original bill, while under the substitute they may not exceed 50 percent?

Mr. CLARK of Missouri. I will say to the Senator from Arkansas that there is no particular dispute on that point, because I will accept a limitation of one-third or any other limitation that may be agreed upon, for I do not regard the specific percentage to be contributed under the loan-grant system to be the material element in difference, and I would be very glad, indeed, to agree to any reasonable limitation as to the amount of the Federal contribution.

Mr. MILLER. I do not agree with the Senator. In the event his amendment in the nature of a substitute should be adopted, I think that 50-percent grants should be permitted, because the Senator has in mind making an effective anti-pollution measure.

Mr. CLARK of Missouri. That is correct, and that is the reason for raising the limitation, but I do not regard that as the essential point of difference between the bill and the proposed substitute.

Mr. MILLER. From my standpoint, I think it is a point of difference.

Mr. BARKLEY. Mr. President, under the original bill the 33⅓-percent limitation applies only to grants; it does not take into consideration the amount that may be loaned either to a corporation or to a municipality; so the two together might equal 50 percent.

Mr. WHITE. Mr. President, I wish to say a very brief word about this proposed legislation. In the first instance, I must confess that I have paid very little attention to the testimony taken at the present session of the Congress. I did, however, give considerable study to the problem when it was before the Senate in the last Congress, and I served on the committee of conference between the two Houses on the measure which was then passed.

Mr. President, if the amendment in the nature of a substitute offered by the Senator from Missouri [Mr. CLARK] should be adopted, I would still vote for the bill, for I want to see some legislation enacted on the subject at this time; but it is my deliberate judgment that the so-called Clark substitute is not the wise course for us now to take. I feel that the enactment of the Barkley bill would be a forward step which would make for the accomplishment of desirable results in the future.

The essential difference—and I agree with the Senator from Missouri in this respect—or the difference which seems to me to be essential between the bill and the substitute is in the inclusion in the Clark substitute of what I call the punitive provisions, provisions for use of the injunctive process. Those provisions are not in the Barkley bill. The Barkley bill provides for a definite scheme of cooperative effort between the Federal Government and the several States and municipalities in an endeavor to bring about a betterment of conditions.

I think, Mr. President, we all realize that something must be done to eradicate stream pollution. We cannot allow the conditions of past years to continue. Those conditions have destroyed fish life; they have caused infinite harm to bird life, and have brought a threat to the health of our people. I sometimes think however, that, while we accept all that to be true, we do not appreciate the complexity and gravity of the problem which is presented.

Something has been said here this morning about the cost of the correction of the evils of stream pollution. I remember that in the hearings during the last Congress some estimates were submitted of the cost of taking care of the municipal sewage of the country. The figures were that in towns of over 2,500 population in the United States there is an aggregate population of something over 68,000,000, and the estimated cost of disposal of municipal sewage ran from $5 per capita to $100 per capita. It was calculated that, taking an average of only $25 per capita, the cost of the disposition of what is called municipal sewage would amount to more than $1,750,000,000. There were no estimates, so far as my knowledge goes, of the cost of disposing of or avoiding industrial waste, which constitutes almost as great an evil as municipal sewage. It is impossible to estimate the cost of caring for industrial waste, because we do not know how to care for industrial waste of many kinds. The pulp and paper manufacturers in my State tell me that the pulp and paper industry has spent more than $2,000,000 in research in an endeavor to find a way to keep from the streams industrial waste that flows from pulp and paper plants; but they further tell me that up to this time the chemical research of the country has found no way to keep from our streams and to render innocuous the liquid waste which comes from these particular industrial plants. So, at the moment, if the injunctive process is made possible, such plants scattered along the streams of my State must either move from their present sites or must cease to operate as they have operated in the past and as only they know how to operate.

Waste does not enter the streams alone from what we call industrial plants. It comes from agricultural sources as well as from the mills that line the banks of the streams of the eastern seaboard. I listened last night to the Senator from Wisconsin [Mr. LA FOLLETTE] speak on the cheese and dairy industry of his State. One of the sources of pollution in many of the States is the milk and the sugar and the fat which come from the butter and cheese factories scattered all over the United States. Waste comes from canneries; waste enters our streams from the beet-sugar plants; it comes from the breweries; it comes from a great many sources that ordinarily we do not regard as industrial plants, as we commonly use that term, but it is waste of agricultural origin.

As I have thought about the situation it seems to me that we ought to take the initial step proposed by the Senator from Kentucky. We ought first to undertake the cooperative effort he proposes to solve the problem and to find the means

of eliminating wastage. Then we ought to take those steps which are available to us to make effective the known methods.

I myself rather shrink from writing into the law the provision of the substitute offered by the Senator from Missouri which makes it a public nuisance to pour into a stream something that a board here in Washington says is or may be deleterious, and to subject a person to penalties because of violation of such an intangible and indefinite provision, something so difficult of understanding.

Personally, I am quite content to make the beginning proposed by the Senator from Kentucky. I think, after a short experience under the terms of his bill, we may know whether or not we are making progress, and if it appears to our satisfaction that cooperative methods involving research and endeavor by all concerned to eliminate this wastage are not effective, then it will be the time to write into the law the teeth, the punitive provisions, which are proposed by the Senator from Missouri; but in the first instance I much prefer the approach suggested by the bill pending before the Senate.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. WHITE. I yield.

Mr. NORRIS. I am very much impressed by what the Senator from Maine says, because I know he possesses much more knowledge on this subject than do I; but regardless of the knowledge we possess, we all, I think, are equally interested in this proposed legislation. I think it is very important. I dislike to delay, if I can avoid delaying, anything that affects directly the health of the people generally and of the aquatic life in the streams. I confess that I was very much impressed by the provision in the so-called Clark substitute which the Senator from Maine has called the punitive provision. The Senator's remarks have caused me to doubt the wisdom of that provision.

When we find an evil which is admitted to exist generally over the country, which affects the public health, and one which has come about gradually, innocently I will say—in the beginning, anyway—and we undertake to remove it or prevent it by a law that has nothing punitive in it, is there not great doubt as to the effectiveness of the law? And if we provide in the law for some punitive measure, even thought we do not expect always to enforce such a provision, will it not be a great incentive to municipalities, corporations, or individuals who are polluting streams to go further and do more toward complying with the law than they would do if they knew there was no way to punish them for evasion of the law? After all, is it not a sort of a policeman around the corner?

Mr. WHITE. The Senator's question is a difficult one for me to answer, even to my own satisfaction. There is, of course, great force in what he says. It may be that if we rely on these cooperative efforts we shall accomplish little or nothing. It may be that immediately we should accomplish more by the punitive methods, as I call them, incorporated in the Clark substitute; but although the Barkley bill does not have punitive provisions, it at least has persuasive provisions in the authority to the Federal Government to make contributions to the cost of working out the elimination of waste. Personally, I think that authority will be tremendously helpful. I think it will stimulate research. I think it will stimulate desire. I think it will be a warning to those who are guilty of stream pollution that they must, with greater diligence than in the past, give their thought and their efforts to the elimination of waste.

I always come back to my belief that if this course of action does not prove successful, if it does not meet our reasonable expectations, then we may apply punitive provisions, and perhaps even more drastic provisions than those contained in the Clark substitute.

That is the way the matter rests in my mind. Whether or not I am right about it is still a matter of some question to me; but I believe that is the wise approach. I should like to see this beginning made, and I should like to see it made under the proposals of the Barkley bill.

Mr. CLARK of Missouri. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Reed
Andrews	Downey	La Follette	Reynolds
Ashurst	Ellender	Lodge	Russell
Austin	Frazier	Logan	Schwartz
Bailey	George	Lucas	Schwellenbach
Bankhead	Gerry	Lundeen	Sheppard
Barkley	Gibson	McCarran	Slattery
Bilbo	Gillette	McKellar	Smith
Bone	Glass	McNary	Taft
Borah	Green	Maloney	Thomas, Okla.
Brown	Guffey	Mead	Thomas, Utah
Bulow	Gurney	Miller	Tobey
Burke	Hale	Minton	Townsend
Byrd	Harrison	Murray	Truman
Byrnes	Hatch	Neely	Tydings
Capper	Hayden	Norris	Vandenberg
Caraway	Hill	Nye	Wagner
Chavez	Holman	O'Mahoney	Walsh
Clark, Idaho	Holt	Overton	Wheeler
Clark, Mo.	Hughes	Pepper	White
Connally	Johnson, Calif.	Pittman	Wiley
Danaher	Johnson, Colo.	Radcliffe	

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

The question is on the amendment in the nature of a substitute, as modified, proposed by the Senator from Missouri [Mr. CLARK].

Mr. CLARK of Missouri. I ask for a division.

On a division, the amendment in the nature of a substitute as modified was rejected.

Mr. DANAHER. Mr. President, I send an amendment to the desk, and I ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In section 6, on page 5, line 5, after the words "to be", it is proposed to strike out the remainder of the section and to insert in lieu thereof the following:

> The perpetrator of a common nuisance against whom proceedings for the abatement of such nuisance shall be brought in the name of the United States of America by the United States attorney for the district in which such nuisance shall exist and the courts of the United States shall have jurisdiction to hear and determine such actions and to make appropriate orders for the abatement of any such nuisance.

Mr. DANAHER. Mr. President, while I spoke a few days ago in opposition to the grants-in-aid and loans provision of the pending bill, and the Senate rejected the amendment which I then offered, I feel that the debate this morning has elicited one other line of approach which ought very properly to be considered.

Section 6 of the bill contains a provision for aid to any person who is now discharging or who is building works which will discharge polluted matter into the tributaries of streams and into our navigable waters. We provide for grants-in-aid to manufacturers, or industrialists of whatever character, disregarding entirely the worth-while, reputable industrialist who has spent millions of dollars to equip his plant, and perhaps millions of dollars in the industry generally, to eliminate waste.

It seems that the "chiseler," a term I heard one of the Senators apply to this other type, before he builds a mill at all can say that he wants a loan or grant-in-aid to eliminate pollution. I submit that if anyone is polluting or is about to pollute water within a State, the State should properly compel the offender to conform to the intendment of the bill, and if the State does not do so, then the Federal Government ought to have power to act.

Insofar as municipalities are concerned, the amendment would not be needed, for I believe that there is adequate jurisdiction in the courts at the present time to entertain actions against municipalities. It can be done. For instance, as stated by the Senator from Ohio, action can be taken by the State of Ohio against the city of Cincinnati. It can be taken by the State of Kentucky against the State of Pennsylvania. Such an action was brought in the United States Supreme Court by the State of New York against the State of New

Jersey, and out of it there came an order for the construction of an intercepting sewer. So, it is not necessary to have this type of enforcement provision with reference to municipalities. But it is certainly needed with reference to individuals, and I believe that section 6 as written would extend a principle which the Senate should not approve, for once we grant that this is a Federal function at all, if we go further and grant that there is a need, there is no reason why we should stop at contributing one-third of the cost of eliminating future pollution. Once we have established the principle of Federal contribution we cannot stop at a third; we have to go all the way. So, it seems to me that the very principle to which I am calling attention is the principle involved in section 6 of the bill. As drawn, it permits Federal grants-in-aid to manufacturers and industrialists who from now on intend to pollute our streams and our waters in violation of the purpose sought to be achieved.

It seems to me that if we strike from section 6 the language which begins on line 5, page 5, after the words "to be", to the end of the section, and insert in lieu thereof a declaration that pollution shall constitute a common nuisance, and that the United States district courts shall have power to enforce compliance with the law, we will have taken a long step toward reaching the individual polluter, and bringing the principle in line with what is sought by the Senator from Missouri, and at the same time save the salutary and worthy features of the bill as offered by the Senator from Kentucky.

I respectfully ask that the Senator from Kentucky discuss that point if he will.

Mr. BARKLEY. Mr. President, sections 5 and 6 of the bill are the two sections which provide for loans and grants-in-aid. Section 5 provides that any municipality or other public body which is discharging untreated or inadequately treated sewage or waste into the navigable streams or streams contributary thereto is eligible for the loans and grants.

Section 6 makes the same provision with respect to private corporations or persons or industries. It proceeds in almost the same language, and makes them eligible for the loans and grants-in-aid, as I stated a few days ago and reiterated today, on the theory that these grants-in-aid and loans will help private industries to clean up conditions in the public interest.

The Senator's amendment would make them ineligible for loans or grants, and make them guilty as perpetrators of a common nuisance. They could not apply for help, under the Senator's amendment, even though, with a little help, they were willing to go ahead and work out their local situations. The Senator's amendment would withdraw even the eligibility the bill would grant them for this assistance, which we all want to give, if the public is to be protected. Instead of making them eligible for loans and grants, it would make them eligible for prosecution and the issuance of injunctions against them as perpetrators of common nuisances. They could not even ask for help. Under the Senator's amendment, they would be made guilty if they were discharging prohibited sewage into the waters. In my judgment, that would destroy the effect of the provisions of the bill. The bill undertakes to extend assistance to concerns which are polluting waters, whether innocently or not. I think all of them are innocent; that is, they started in the construction and operation of their plants without any intention of polluting the water, but it has turned out that some of them are guilty of discharging into the streams matter which pollutes the water.

Many of them are not themselves able, out of their own funds, without credit or without assistance, to correct the evils which have come about. The Senator would make them guilty as perpetrators of a common nuisance immediately, regardless of their intention, regardless of the situation, and would withdraw from them any help which would enable them to clear up the situation themselves, but it would be necessary immediately to proceed against them as perpetrators of a common nuisance.

Mr. DANAHER. Mr. President, I asked the distinguished Senator from Kentucky an hour or so ago whether or not, if an individual were a water polluter, an action to abate the nuisance would lie in the State court, to which naturally his answer was in the affirmative. The law does today permit and admit of the State taking action to protect the individual State against pollution of waters. Now to permit a man who contemplates the building of a mill, or a factory, or an industry, involving the discharge of waste of some sort, to gain an advantage, a contribution of one-third, if you will, or an amount up to a one-third, in order to keep him from polluting water, when he knows he is going to pollute it, seems to me the extension of a principle far beyond anything we have ever undertaken.

Mr. BARKLEY. The Federal Government does not have to enact a law in order to empower a State to sue for an injunction if it has any cause of action against the perpetrator of a common nuisance. A State could do that without any law passed by the Congress. The Senator's amendment would withdraw any assistance from the perpetrator, and make him subject to an injunction by the United States of America, without offering him any help, which he may need, as most of them do need it in order that they may clear up the situation, and install the necessary plants to purify the water.

I think it is really not necessary to apply the injunctive process, even in the case of private industry. If we could lend private industries some assistance, if we could cooperate with them, I think it would be found that they all want to clean up their own situations, because it is not of any benefit to the reputation of a private industry to have it known that it is polluting the water of the community. It does not do it any good for the whole community to become afraid of it and suspicious of it. If we offer help, which the Senator would withdraw, it seems to me we at least take the first step we ought to take in attempting to protect the public.

I would certainly regret to see an amendment adopted which would withdraw the help proposed, and make the parties ineligible for assistance, but immediately make them subject to injunction brought by the United States in order to abate what the Senator calls a nuisance.

Mr. DANAHER. Mr. President, if there be need for the proposed legislation at all it exists on the ground that streams are being polluted, and that contributing causes are the industrialists who are contemplated by section 6 of the bill. If the need exists, it is because the water is being polluted. If it is being polluted, the pollution ought to be stopped. If it is not going to be stopped by the State governments, all the amendment would do would be to give the United States attorney in the district in which the pollution was occurring the power to seek to have the nuisance abated.

If the Federal Government is to extend this particular function in the particular direction involved, it seems to me that in order to cure the evil contemplated we ought to stop it at once. There is no other way out of it.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. NORRIS. I have not seen the amendment, and only heard it read at the desk. I should like to ask the Senator whether his amendment would apply to a manufacturing establishment, for instance, which is now polluting a stream, or would it apply only to subsequent or newly established manufacturing establishments contemplated, about to be built, or which were to be built after the law was passed?

Mr. DANAHER. Mr. President, in answer to the question propounded by the senior Senator from Nebraska, I will say that I adopted the very language appearing in line 1, which contemplates not only present pollution but also future pollution. Consequently, while this discussion was going on, for the purpose of bringing the matter to a head, I adopted the very language in the bill as drawn, subject to the phraseology necessary to meet the situation. So to answer the Senator's question specifically, the amendment would apply not only to future pollution, but to existing pollution, and, since we understand that any such action would be brought in a court of equity, we simply say that the court shall by appropriate order deal with the situation. The appropriate order obviously, Mr. President, could

be dated ahead and therefore, in the event that pollution had not been removed by a given day certain, say 2 years or whatever would be reasonable, then the injunction could become permanent.

In such circumstances it seems to me we could very properly rely upon and depend upon the language appearing in line 1 of section 6.

Mr. NORRIS. Mr. President, I should now like to ask the Senator from Kentucky a question about the bill. Is there anything now in the bill which, after it is passed, would prevent a man or a corporation from building an establishment which would pollute a stream?

Mr. BARKLEY. No; there is nothing in the way of compulsory prohibition.

Mr. NORRIS. I wish to ask the Senator if he does not feel that there ought to be something of that kind in the bill? Let us assume, for instance, that the bill were passed today and it became a law, and there was no possibility of an injunction restraining me from doing what I contemplate doing, and I start tomorrow to build some kind of a manufacturing plant which it is conceded will pollute a stream. I do this after the bill is passed. It was argued when the so-called Clark amendment was being considered that we ought not to put it in the law now, but should wait a while. Proceeding on that theory, after I had, in the face of this law, built an establishment which was polluting a given stream, would it be right for me to apply for and get a gift or a loan to correct the error I made in the face of the law? Or if we find later on, as the Senator from Maine very well suggested, that we must put more teeth into the law, and provide for injunction, or for some similar process to bring about a cessation of the pollution of streams, and if such process could have been invoked against me when I polluted the stream in the face of the law, does not the Senator think there ought to be some provision in the bill now with respect to just such a situation? That was one of the reasons I was impelled to vote for the Clark amendment. It seems to me there ought to be something in the bill to meet the contingency when, after the bill is passed, a business is commenced by an individual or a corporation which in its operation pollutes a stream.

Mr. BARKLEY. I will say to the Senator from Nebraska that of course a difficulty arises there because we cannot always tell in advance whether the operations of a particular plant which is under construction or is about to be built will result in stream pollution. The provision of section 6, which is the subject of the amendment offered by the Senator—and he has properly construed it to mean that it applies to present as well as future pollution—provides:

> SEC. 6. Any person discharging, or building works which will discharge, untreated or inadequately treated sewage or waste in character or quality sufficient to be deleterious to the navigable waters of the United States or streams tributary thereto is hereby declared to be eligible to Federal aid—

And so forth. His amendment strikes out all the remainder of the section, and simply declares such persons to be the perpetrators of a common nuisance, so there is no difference between us as to the interpretation of his amendment.

Section 6 now provides that when a plant is already in existence, or is under construction, or is being built, which would result in the discharge of deleterious material into any stream, the person operating the plant, or who is constructing it, assuming that he does not have sufficient financial backing or ability to install in the new plant the necessary machinery to prevent the disposal of the wastage into a stream that would result finally in the pollution of the water, may apply for loans and grants.

Of course, in determining whether any person contemplating the building of such a plant would be entitled to the loan or the grant, the Division of Stream Pollution, its report coming on up through the Surgeon General to the Secretary of the Treasury finally, would be required to pass on the question in advance whether the operation of the new plant or its construction would be calculated to bring about the discharge of wastage into the stream so as to pollute it. It might be that that could not be determined at the time of the construction, and if it could not be determined, I imagine that the application for the loan would be turned down.

Let us assume that neither application for a loan nor a grant is made at the time construction is begun. If a provision is placed in the measure that before the construction of a plant, or during its construction, the injunctive process would be applicable so as to stop the construction or further operation, it might in many cases bring about the cessation of work on plants which ultimately would not pollute the stream. So it is difficult in advance to draw that line.

Of course, there are certain types of plants which it might be safe to assume in advance would pollute streams. It might be safe to say that with respect to an oil refinery, or certain types of coal mines; but there are innumerable kinds of manufacturing operations that might or might not pollute a stream, depending on what would happen after they begin operations. If the Government could in advance enjoin the construction or the completion of a plant under construction on the mere guess that when in operation it would pollute a stream, it seems to me that that would be giving the injunctive process a latitude that would not be wise.

Mr. NORRIS. I should like to say to the Senator that I hardly believe he is correct when he says that we would not know until the establishment was built and operations started, whether or not it would pollute a stream. It seems to me that at the very beginning we would know whether it would or would not. But even though the Senator is correct in that contention, the Government or anyone else who applied for an injunction on the ground that the business, whatever it might be, would pollute a stream, would be faced immediately with the necessity of proving that it would pollute a stream, and if that could not be proved the injunction would not be granted.

Mr. BARKLEY. That is why we have put industries on the same basis with municipalities, States, and counties in obtaining financial assistance.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. It seems to me the amendment suggests that whenever anyone discharges any waste into a river it is a common nuisance. I do not see why it is a common nuisance. Suppose a sewer was built a hundred years ago in Cincinnati, and has been discharging into the Ohio River for 100 years, being connected with a dozen houses. The city has not even touched the sewer. I do not agree that it can be assumed that that is any common nuisance. The common nuisance arises from the fact that thousands of additional sewers have been added, that hundreds of additional plants have come to the city. I seriously doubt that it can be assumed that there can be any right to enjoin any particular sewer, or any particular city because it does not stop the operation of a particular sewer. I disagree with the basis of the Senator's analogy.

Mr. BARKLEY. Of course, if the State has the authority to enjoin a nuisance, which we have concluded that it has——

Mr. TAFT. It may pass a law to prohibit such a thing, yes.

Mr. BARKLEY. It may pass a law to prohibit such a thing and declare it a nuisance and enjoin it; but in the absence of legislation by the State dealing with its local situations, it seems to me that at least in taking this first step we ought not to project the Federal Government in ahead of the State in order that the Federal Government may bring an injunction suit when the State is not authorized under its law to bring such a suit.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. DANAHER. Of course, the Senator will recall that the whole theory of operation is on an interstate compact basis, and if our interstate compact basis is not going to provide for interstate agreement looking for legislation within the States which in turn will abate pollution, then we are wasting a great deal of time here.

Mr. BARKLEY. The Senator is mistaken in saying that this whole matter depends upon compacts among the States. It does not. That is one of the features. Congress intends to give its consent to compacts that have been entered into among the States.

However, regardless of compacts, the bill attempts to hold out the cooperative effort of the Federal Government in dealing with the matter. In the compacts among the States there may be set up, subject to the consent of Congress, the necessary machinery not only to abate the pollution of water but even to put a stop to it by some sort of process, assuming that Congress can give its consent in advance or would give its consent after the compact is entered into. Certanly it does not seem to me to be necessary at this juncture of our legislative procedure to provide, according to the Senator's amendment, that instead of these individuals and corporations being eligible for help they shall be eligible for prosecution, without the hope of any help from the Federal Government.

Mr. KING. Mr. President, there are some provisions of this bill with which I am not in accord, although the reputed purpose of the same would incline me and others to give it hearty support. If the amendment offered by the Senator from Connecticut [Mr. DANAHER] should be adopted, I would have no hesitancy in voting against the bill.

The Senator from Kentucky [Mr. BARKLEY], it is evident, has given considerable attention to this measure, and the same may be said of those who have been instrumental in formulating it and in presenting it to the Senate. Nevertheless it possesses infirmities, and largely rests upon the theory that the Federal Government must take over additional functions, some of which may be considered to be beyond the authority of the Government.

I do not wish it to be understood, in the few observations which I shall make, that I purpose to introduce political questions into the consideration of the bill. However, I feel warranted in stating that support is given to it by both Republicans and Democrats. The bill undoubtedly does increase the authority of the Federal Government and enlarges its functions beyond those which in the past it has assumed. The contention was made for many years by our Republican brethren, following the philosophy of Hamilton, that there should be a strong central government, and it was contended by Democrats that such philosophy encroached upon the States and deprived them of authority which they possessed.

It is thought by some that some Democrats are accepting Hamilton's philosophy and joining in movements which make for an increase in the authority of the Federal Government.

It is apparent that there is a growing disregard of the rights of States and of individuals. It is obvious that the Federal Government is extending its activities beyond boundaries fixed in the Constitution. Many Americans fail to recognize that we have a dual form of government; that the Federal Government's authority is only that delegated to it by the States, and that the Constitution surrounds it with limitations which are, in effect, prohibitions. As indicated, however, we are departing from the faith of the fathers, and both Republicans and Democrats are joining in weakening the States, so that it may be said the Federal Government is merging into a powerful national government. Many Democrats and some of my Republican brethren support measures and policies that, in my judgment, may not be defended, if we accept the view that the States are supreme in all matters which were reserved by them, and that the Federal Government may perform only those duties which, under the Constitution, it is given the power to perform.

The amendment presupposes that the States are not competent to handle their internal affairs; that they are not sufficiently interested in the welfare of their citizens to result in the discharge of duties and obligations which it is their duty to discharge.

Mr. President, I believe that the States are competent to deal with their own domestic and internal affairs, and that the movements which are so apparent, tending to augment the power of the Federal Government at the expense of the States, will, if continued, result in changing our form of government. Throughout the world there are contests between democracy and aggressive and powerful central governments. Many persons are influenced by the gaudy trappings of military power, and support policies which tend to destroy democracy, local self-government, and individualism, and to magnify the authority of the general government. They forget that liberty is often lost by inertia, or by acquiescence in the gradual usurpations of political and economic authority. In my opinion there is a dangerous expansion of Federal Government which will result in the weakening of the States and reducing them to shadowy forms.

We have perverted the interstate-commerce provision of the Constitution as well as the so-called general-welfare clause. I think that some recent decisions of the Supreme Court of the United States give some support to this statement. Certain it is that Congress is reaching out to increase the authority of the National Government. Laws are enacted which would have been condemned by the courts and by the people only a few years ago, but which now, without any change in the Constitution of the United States, or without, in my opinion, justification by reason of any economic or political developments, encounter but slight opposition, and, in some instances, receive the benediction of the judiciary. If the Constitution is not fractured by some of the enactments by Congress, it certainly is stretched and wrenched, resulting in distortion and the creation of disequilibrium in our political institutions and in our form of government. It is rather common to hear the expression nowadays that the Constitution has been changed without amendment; changed by construction, by legislation, and judicial interpretation. There is a growing sentiment that there are no fundamental principles of government; that constitutions must yield to economic or political pressure and to idealogical forms and developments, no matter how they may undermine and subvert immutable principles. Change is the order of the day. Iconoclasts are active in religious as well as in political fields.

I recur to my former suggestion that people in many parts of the world are captivated by the display of political and governmental authority and yield their independence, indeed their conscience, to meet changes made and demanded by forces sinister and destructive.

I am still a believer in the rights of individuals, and that the preservation of this Republic as it was given to us by the fathers is indispensable to the enjoyment of the highest degree of liberty. We hear but little these days about State rights and State-rights Democrats. I still believe that the Federal Government is one of limited authority, and that if the States are absorbed by a powerful National Government, not only will the Republic as such be destroyed but the liberties of the people will be lost.

I believe that the maintenance of democratic institutions and the principles upon which the Republic was founded depend upon the maintenance of the States in all of their constitutional authority and power. They, and not the Federal Government, are the source of the Federal Government's authority. They created the Federal Government. And it has no power, as I have indicated, except that which the States conferred upon it.

Undoubtedly that was the view of Jefferson, the founder of the Democratic Party. And may I add that the immortal Lincoln entertained the same political views as to the rights of the people, and the authority of the States, and the limitations upon the Federal Government as those entertained by Jefferson. Senators will recall that Lincoln upon a number of occasions spoke in generous—indeed, eulogistic—terms of Jefferson, and stated in substance that his political philosophy was that which he obtained from Thomas Jefferson. But it seems now that both political parties have abandoned, in part at least, the principles of Jefferson and Lincoln. Their policies tend to weaken the States, to undermine their authority, and, indeed, to make of them vanishing shadows.

The amendment offered by my friend from Connecticut, I cannot help but feel, tends to support the views which I am

so imperfectly expressing, namely, to increase the authority of the Federal Government and to strengthen the movement which seeks to devitalize the States and to devolve upon the Federal Government duties and responsibilities which belong exclusively to them.

I am opposed to increasing the authority of the Federal Government. I am opposed to the view, which seems to be growing in strength, that a powerful government is more important than democracy, and that if the people and States are touched with the hand of a representative of the National Government, our imperfections will be overcome and happiness and prosperity will be the inheritance of all.

Mr. AUSTIN. Mr. President, I cannot remain silent after listening to the eloquent address of the Senator from Utah [Mr. KING]. It behooves me to do something which I did not intend to do, and that is briefly to discuss the amendment.

I must say generally that I concur in the fundamental principles which are so ably presented from time to time by the learned Senator from Utah. Those principles have made the United States of America the leader of thought and of economic development, and the promoter of science, art, higher education, and religion. Those principles have made our people the smartest people on earth. In my opinion, our working men and women are the best-conditioned working people on earth, and live under the highest standards of life. All these things are founded upon the principles to which the Senator from Utah has today referred. From time to time I think I have given evidence of the fact that nearly every vote I have cast in the Senate is materially affected by a desire firmly to adhere to those fundamental principles.

Mr. President, in promoting the type of legislation before us I think we are not departing from our fundamental principles. Moreover, I think we must be realistic about the degree of sanction which we place behind a public-health regulation. Governments, both State and National, have been concerned with the public health for many years; in fact, throughout the life of the States and of the Nation. When we embark upon the policy of increasing the degree of regimentation and control that shall be exercised in the interest of the public health, we are nearly always confronted by the balancing up of costs and hazards, in money and in principle.

It seems to me we have one of such questions before us very vividly presented by the amendment. The States, the factory, the farmer, the riparian landowner, the fisherman, the summer resident, and all who are interested in the shining waters have taken part, in greater or lesser degree, in the effort toward purification of our streams and lakes. However, as we go along we must have the cooperation of all in order to make progress with the purification of our waters. We cannot expect one segment of the society called the public to assume all the burden of purifying our waters in the interest of public health. To put it crudely, Could we ask the factory owners on our shining rivers in the State of Vermont to assume all the burden of purification of those streams? We should do that if we should adopt such an amendment as the one before us.

The amendment would make of every little factory owner who turns his mill waste into a stream to a degree sufficient to come within the terms of the bill such an offender that he could be put in jail for continuing the practice. He would be forced to divert the waste at his own cost, with such aid as he could obtain from the Government.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. BARKLEY. If the amendment were adopted, such an offender could obtain no help from the Government because the amendment eliminates altogether his eligibility for loans or grants and makes him subject to proceedings at once.

Mr. AUSTIN. The amendment is much worse than I thought it was. I thought the amendment merely put in the law the sanction of punishment for continuing the practice, but still tendered to the offender the possibility of going to his Government and obtaining a grant of any amount below 33⅓ percent of the cost of diversion. However, if the effect of the amendment is as I now understand it to be, certainly it would put upon the offender the entire burden of relieving the stream of that part of the pollution for which he and perhaps his forebears for a hundred years have been responsible.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield to the Senator from Connecticut.

Mr. DANAHER. In the interest of accuracy of phraseology, may I ask whether the Senator means that the amendment is worse than he thought it was, or whether it goes further than he originally thought?

Mr. AUSTIN. I do not know exactly what the question means. I will say that the way I interpret the question, the amendment means just what I have said. If the amendment cuts off any right whatever that the private manufacturer might have had under the bill as originally drawn, and makes him an offender under the law for continuing practices which he and his forebears have followed perhaps for centuries, then I say that the entire cost of what society should bear is dumped on him and his associates along the stream.

So, we have this simple problem: Does it appeal to us, as reasonable men, that we should, all of a sudden, load down the mill owners on the small streams who throughout the life of the State have maintained the only source of support for little villages, averaging perhaps 20 families, up and down the streams with a burden that means, without doubt in over 50 percent of the cases, that they must shut down and turn men and women out of employment and afford them no possible way of gaining a livelihood? Shall we do that; and if we should do it what would we accomplish? Would we purify the streams along which we spread such desolation? I think not. As I know country life as a small-town boy, I know that a law that is so unreasonable as that cannot be enforced. We would absolutely stultify the objective of society which has been moving along in the direction of stream purification as well as could reasonably be expected.

The question was asked, "If we do not put a sanction into this bill expressly and directly, what will there be to cause men to make the appeal to do the work that is aimed at"? Let me suggest that, without any such law at all, various representatives of society have been at work trying to clean up the streams, with the result, so far as my State is concerned, that a high percentage of the little lakes lying between the mountains of Vermont are now unpolluted, all by virtue of the activity and the idealism of the people who reside on those lakes. I met last year representatives of the Associated Industries of Vermont at an annual meeting where this subject was discussed. There is an earnest desire to work toward this ideal and to arrive at it as early as possible; but I know perfectly well if we, the Congress of the United States, fail to cooperate on our part but, on the contrary, impose such an obstacle in their way as this amendment would create, that we would stop right away the things that are going on in a legislative way today. Legislation is being enacted within the State itself. The sanction we already find in the bill is in these words:

> Such loans and grants-in-aid shall be made upon such terms and conditions as the President upon the recommendation of the Secretary of the Treasury may prescribe, subject to the following limitations: (1) Grants-in-aid or loans shall be made only upon the certification of the State health authority having jurisdiction and upon approval and recommendation of the Surgeon General.

Mr. President, you will find in my State, and I imagine in every other State in the Union, progress already achieved in the way of State statutes which are suitable and which are exclusive in their right and in their jurisdiction over the domestic business of regulating manufacture and production on little streams, notwithstanding the fact that perhaps they may be tributaries to some great river. The sanction which I have just read is a natural one; it rests in the hearts and the intelligence and the patriotism of the people; and it will be effective if we do not destroy it by undertaking to come forward with the big Government at Washington idea, which our people are resenting more and more every day it gains momentum. If we do not come

forward with that big stick, we will continue to have cooperation; we will have the sanction of the public-health authorities of the several States in laying down conditions upon which the applications will be founded, and gradually, in the proper way, build up a system of cooperation between the Federal Government and the separate States for the purification of our lakes and rivers.

I hope the pending amendment and every other amendment that has for its objective force from Washington to compel the doing of something by someone inside my State and every other State in the Union, and every amendment, even if it aims at public health, that has to do with Federal Government control of manufacturing and production inside my State and other States will be defeated.

Mr. DANAHER obtained the floor.

Mr. ADAMS. Mr. President, I should like to make an inquiry of the Senator from Connecticut.

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Colorado?

Mr. DANAHER. I yield for that purpose.

Mr. ADAMS. In the State of Colorado we are interested in the development of our mineral resources. We go into the upper reaches of streams, where ore is taken out and crushed, and the dross is frequently washed down in the shape of tailings. We are compelled to let it flow into our streams. I am wondering whether or not that situation comes within the Senator's amendment. The waste from such mines is unquestionably detrimental to fish. The stream is made "milky" for a time, but the sediment gradually settles, and it is not unhealthy to any extent. Our communities tolerate it because they are anxious to have the minerals developed.

As I caught the amendment, it seems to be immediate, it seems to be mandatory; that is, that if there is a certain condition the United States district attorney must move in. There may be a mine which is 20, 30, or 50 miles really from a habitation some of the tailings of which would be washed into a stream. Under these conditions, I am wondering if, under the Senator's amendment, if the United States Attorney would be compelled to go in immediately and stop the mining process which is the cause of the stream pollution?

Mr. DANAHER. Mr. President, in answer to the question propounded by the Senator from Colorado I would say that I used the word "shall" in the amendment as drawn within the definition of the Supreme Court itself in a similar instance to mean "may." So far as the jurisdiction of the United States district attorney to institute a proceeding is concerned, it would authorize the United States attorney to bring suit. But no matter as to that, to come back if I may to the general subject, let us first take up the position of the Senator from Utah [Mr. KING.]

On Thursday afternoon I spoke in favor of striking out the grants-in-aid provision entirely. I am in sympathy with the objective of abating and preventing the pollution of our streams. I am in favor of interstate compacts and local State legislation to remove pollution within the States. I merely wish to eliminate the business of having the United States Government contribute a third of the cost to the States and individuals and municipalities, which may pollute the streams on the one hand, and then come in and say to the Government of the United States, "Give us a third of the cost of removing the pollution we have caused." But my amendments were defeated. They would have protected the Senator from Utah in his maintenance of the effulgence of the doctrines of the Democratic Party, if we choose to bring that into the situation, and would do no violence to the notion of the Senator from Vermont [Mr. AUSTIN], who says that he resents "the big Government" interposing, but wants its money, if you choose, at least to the extent of a third of the cost of removing the sources of pollution from the rivers and shining streams of Vermont.

Oh, Mr. President, the amendment comes down to this: If we have pollution, then we should eliminate it. It seems to me that the only alternative to a voluntary, carefully thought-out plan of eliminating stream pollution, which would have permitted under the bill as it stood as I had proposed to amend it last Thursday is, as now provided, that the pollution is such that we must bring the United States Government in and we must "encourage" the polluters to get rid of their pollution.

Mr. President, we are even going to assist the man who has yet to build an industrial plant. We are going to give him a third of the cost of removing the pollution that will follow from the plant when he has one. That is what we are doing under section 6.

It seems to me that if we ought to eliminate pollution, the thing to do is to start to eliminate it, and in order to make it possible, if the State itself, within its own sphere, which has the police power to do it, does not abate the source of pollution, then the Government, which provides a third of the money, ought permissively, at least, to have the right to go in and abate the sources of the pollution that have engaged us in this legislation.

With those thoughts and those general observations I answer the Senator from Colorado, and, of course, pay my respects to my distinguished associates who have given us their views.

I hope the amendment will prevail.

Mr. BARKLEY. Mr. President, I do not want to take any further time, except on the point made by the Senator from Colorado.

If the Senator from Connecticut will let me have the amendment for a moment, the language of the bill provides that—

> Any person discharging, or building works which will discharge, untreated or inadequately treated sewage or waste * * * is hereby declared to be eligible to Federal aid.

The Senator from Connecticut proposes to strike out all after the words "to be," and to amend the language so as to read:

> Any person discharging, or building works which will discharge, untreated or inadequately treated sewage or waste * * * is hereby declared to be the perpetrator of a common nuisance—

Instead of being eligible for a loan, and a suit to abate the nuisance—

> shall be brought in the name of the United States by the United States attorney for the district in which such nuisance shall exist.

It may be that under some interpretations of the word "shall" it will be regarded as equivalent to "may"; but it strikes me that that is a mandatory instruction to the district attorney in any such district to bring a suit against the person who is declared by the amendment to be the perpetrator of a common nuisance. Instead of holding out aid to the man or corporation, instead of cooperating with him, instead of permitting him to come to the Government and say, "I want to clean up the situation, but I have not quite enough money to do it; I have two-thirds of it, and I should like to have the Government help me out on the other third," the amendment says, "We will not help you to get rid of the pollution, but we will prosecute you at once, bring suit against you, haul you into court, and punish you under the authority of the United States."

It seems to me there cannot be any doubt about the interpretation of the language.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. DANAHER].

The amendment was rejected.

Mr. BARKLEY. Mr. President, by oversight there was omitted a section making the provisions of the bill applicable to the District of Columbia and the Territories. I wish to add a new section to the bill, to be designated as section 14, and then to change the number of the present section 14 to 15. The new section is to read as follows:

> All provisions of this act applicable to the States shall also be applicable to the District of Columbia and the Territories.

I offer that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky.

Mr. KING. Mr. President, may I ask the Senator a question?

Mr. BARKLEY. I yield to the Senator from Utah.

Mr. KING. Has the Senator any information from Governor Winship, or the Interior Department, or the responsible authorities in Puerto Rico, or the responsible authorities in Alaska or the Virgin Islands or Hawaii, to the effect that they would favor this amendment?

Mr. BARKLEY. Yes; I will say that I have offered the amendment at the suggestion not only of those gentlemen but of the Senator from Maryland [Mr. TYDINGS], who is the chairman of the Committee on Territories and Insular Affairs.

Mr. KING. At this moment I have some doubt as to the wisdom of incorporating in the bill this provision in its present broad terms.

Mr. BARKLEY. Of course, it only makes the District and the Territories eligible. They are asking that they be included. Whether or not they will qualify is, of course, another matter.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5324) to amend the National Housing Act, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STEAGALL, Mr. WILLIAMS, Mr. SPENCE, Mr. WOLCOTT, and Mr. GIFFORD were appointed managers on the part of the House at the conference.

SUPPLEMENTAL APPROPRIATIONS FOR TREASURY DEPARTMENT

Mr. ADAMS. Mr. President, from the Committee on Appropriations I report back favorably, without amendment, House Joint Resolution 279, making supplemental appropriations for printing and binding and stationery for the Treasury Department for the fiscal year ending June 30, 1939.

The joint resolution calls for an emergent appropriation in order to provide the Treasury Department a supply of stationery and blanks of various kinds which will be required, such as social-security blanks, and various other tax blanks. The Department cannot wait for the passage of a deficiency bill; and I therefore ask unanimous consent for the immediate consideration of the joint resolution.

Mr. KING. Mr. President, may I ask the Senator a question?

Mr. ADAMS. I yield to the Senator from Utah.

Mr. KING. The Treasury and Post Office Departments appropriation bill has been passed; has it not?

Mr. ADAMS. It has been passed.

Mr. KING. Was there not in that bill ample authority to meet this situation?

Mr. ADAMS. There was not, and I submit for the RECORD a letter from the Treasury Department dealing with the subject. I shall not read the letter, but ask unanimous consent to have it incorporated in the RECORD as a full explanation of the necessity of enacting this legislation.

The PRESIDING OFFICER. Without objection, the letter will be printed in the RECORD.

The letter referred to is as follows:

TREASURY DEPARTMENT,
Washington, April 29, 1939.

Hon. CARTER GLASS,
Chairman, Committee on Appropriations,
United States Senate.

MY DEAR MR. CHAIRMAN: Reference is made to House Joint Resolution 279, which was passed by the House of Representatives on April 27, and provides the following supplemental appropriations:

Priting and binding, Treasury Department:
For an additional amount for printing and binding, Treasury Department, fiscal year 1939, including the same objects specified under this head in the Treasury Department Appropriation Act, 1939 ..... $163,000

Stationery, Treasury Department:
For an additional amount for stationery for the Treasury Department, fiscal year 1939, including the same objects specified under this head in the Treasury Department Appropriation Act, 1939 113,400

These two items were submitted by the President to the President of the Senate under date of March 29, 1939, together with a letter from the Acting Director of the Bureau of the Budget, and are contained in Senate Document No. 53, Seventy-sixth Congress, first session.

The justification for these additional appropriations is as follows:

PRINTING AND BINDING ($163,000)

A supplemental appropriation of $163,000 for printing and binding, 1939, is necessary for the reason that the regular appropriation of $850,000 is inadequate to meet the essential requirements of the Department during the current fiscal year. On December 19, 1938, the obligations against this appropriation were over $649,000, leaving a balance for the remainder of the current fiscal year of only $200,000. At the present time the Department is withholding over 500 requisitions for printing of an urgent nature which cannot be filled because of the lack of funds.

A statement is hereto attached showing, by bureaus and divisions, the specific forms and other items of printing which cannot be furnished until additional funds are made available. This statement, it will be noted, contemplates a shortage of $245,340, which was the amount of the estimate submitted to the Bureau of the Budget, which estimate was reduced by the Bureau of the Budget to $163,000. It should be explained, however, that in submitting the enclosed information showing its gross additional requirements, the Department should not be regarded as protesting the reduction made by the Bureau of the Budget. As a matter of fact, the Treasury will find it possible to meet its urgent needs if it is granted a supplemental appropriation for printing and binding in the amount of $163,000 as approved by the House of Representatives.

Attention is called to the urgent need of the Bureau of Internal Revenue for 8,000,000 copies of the Social Security tax return, 1,280,000 copies of the capital stock tax return, and over 50,000,000 copies of miscellaneous tax returns and other record and report forms essential to the collection of income taxes and other revenue. With respect to the social-security tax and capital stock tax forms, it is imperative that these returns be available for distribution well in advance of July 1. The lack of either of these forms, or of any of the other record and report forms relating to internal revenue would seriously jeopardize the collection program and might conceivably result in an actual loss of revenue. These items are cited merely as examples of the type of material which will be required to be printed within the next few weeks and without which the operations of this Department unquestionably will be seriously impaired. The requirements of other bureaus are set forth, as stated, in the attached exhibit.

STATIONERY $113,400

A supplementarly appropriation of $113,400 for stationery, 1939, is necessary for the reason that the regular appropriation of $505,000 is inadequate to meet the essential requirements of the Department for stationery during the current fiscal year. On December 31, 1938, the obligations against this appropriation were over $318,000, leaving a balance for the remainder of the current fiscal year of only $186,000. At the present time the Department is withholding over 500 requisitions for stationery which is urgently needed but which cannot be supplied because of the lack of funds As a matter of fact, all stationery requisitions for the last quarter of the fiscal year are being denied, and as a consequence many field offices of the Department, including particularly the Internal Revenue and Customs Services, are appealing either by telegraph or mail for immediate replenishment of their depleted stocks of stationery vitally necessary in the performance of their official functions.

A statement is attached hereto showing the specific items of stationery which cannot be furnished until additional funds are made available. This statement, it will be noted, contemplates a shortage of $171,010, which was the amount of the estimate submitted to the Bureau of the Budget, which estimate was reduced by the Bureau of the Budget to $113,400. In this connection it should likewise be explained that in submitting the enclosed information showing its gross additional requirements the Department should not be regarded as protesting the reduction made by the Bureau of the Budget. As a matter of fact, the Treasury will find it possible to meet its urgent needs if it is granted a supplemental appropriation for stationery in the amount of $113,400, as approved by the House of Representatives.

In conclusion, may I again emphasize the necessity for the two supplemental appropriations in the respective amounts approved by the House of Representatives, and may I also respectfully point out the necessity for early consideration of these two items by the Senate Committee on Appropriations. As previously stated, the funds under both appropriations are practically exhausted, and the operations of the Department will face the likelihood of serious impairment unless the supplemental funds are promptly made available. I shall be pleased to furnish any additional information that your committee may require, and if you deem it desirable I shall be pleased to have representatives of this Department appear before your committee for further presentation of the facts.

Very truly yours,

H. MORGENTHAU, Jr.,
Secretary of the Treasury.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution referred to by the Senator from Colorado?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 279) making supplemental appropriations for printing and binding and stationery for the Treasury Department for the fiscal year ending June 30, 1939, which was ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department for the fiscal year ending June 30, 1939, namely:

Printing and binding, Treasury Department: For an additional amount for printing and binding, Treasury Department, fiscal year 1939, including the same objects specified under this head in the Treasury Department Appropriation Act, 1939, $163,000.

Stationery, Treasury Department: For an additional amount for stationery for the Treasury Department, fiscal year 1939, including the same objects specified under this head in the Treasury Department Appropriation Act, 1939, $113,400.

REGULATION OF TRUST INDENTURES, ETC.

Mr. BARKLEY. I move that the Senate proceed to the consideration of Senate bill 2065, calendar No. 266, to provide for the regulation of the sale of certain securities in interstate and foreign commerce and through the mails, and the regulation of the trust indentures under which the same are issued, and for other purposes.

I will state that I have no intention of entering upon a discussion of the bill today; but I desire to have it made the unfinished business, so that it may be considered tomorrow.

Mr. KING. Mr. President, so far as the Senator knows, is that the only measure which will be before the Senate tomorrow?

Mr. BARKLEY. Yes; so far as I know.

Mr. KING. Have the hearings been printed?

Mr. BARKLEY. Yes; they have been printed.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the bill S. 2065, which had been reported from the Committee on Banking and Currency without amendment.

Mr. BARKLEY. Mr. President, I repeat that I have no intention of entering upon the discussion of the bill today. It will go over until tomorrow as the unfinished business.

Mr. McNARY. It is the understanding that the bill will not be proceeded with today?

Mr. BARKLEY. Yes.

Mr. McNARY. Very well.

EMPLOYMENT WEEK AND EMPLOYMENT SUNDAY

Mr. BARKLEY. I ask unanimous consent to have printed in the RECORD a proclamation issued by the President on Employment Week and Employment Sunday.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

EMPLOYMENT WEEK AND EMPLOYMENT SUNDAY

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

As industry and business make substantial progress toward recovery there are ever-increasing employment opportunities for all groups. It is important to our social equilibrium that these opportunities be equitably shared, and that no group in the population shall feel itself discriminated against in hiring policies. It is particularly important that those men and women who have reached the age where their family responsibilities are at a peak receive their fair share of the new jobs, and are at least allowed to compete for these openings on the basis of their actual qualifications, freed from the handicap of an unfounded prejudice against age alone.

I am mindful of the fact that among those over 40 years of age are a great body of our most experienced, able, and competent workers; that this group as a whole is not sharing as fully as other age groups in the employment revival; that many of those over 40 have lost their jobs through no personal failing but because of circumstances over which they, and their employers, had no direct control; that among those over 40 and still actively in the labor market are practically the entire group of World War veterans (whose average age is 46), a group that is surely entitled to look to our society for security and economic independence.

A committee of distinguished representatives of industry, labor, and the public has recently issued its report to the Secretary of Labor in which it analyzes the factual basis for the alleged prejudice against hiring middle-aged workers and finds no good reasons that would support the continuance of this prejudice.

In view of these considerations, I should like to ask employers throughout the country to give special consideration to this problem of the middle-aged worker, to review and reexamine their current policies in order to determine whether applicants who are over 40 years of age are being given a fair opportunity to qualify for jobs, and to study their various departments and processes with a view to seeing where the qualifications and abilities of these older applicants could be utilized. I want to urge social agencies, labor organizations, and the general public to join in giving this problem their earnest consideration:

Now, therefore, I, Franklin D. Roosevelt, President of the United States of America, do hereby declare the week beginning April 30, 1939, as Employment Week, and do hereby declare Sunday, April 30, 1939, as Employment Sunday, and urge all churches, civic organizations, chambers of commerce, veterans' organizations, industry, labor, and the press throughout the United States to observe that week and that Sunday as Employment Week and Employment Sunday to the end that interest in the welfare of the older workers may be stimulated and employment opportunity afforded them.

In witness whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 26th day of April A. D. 1939, and of the independence of the United States of America the one hundred and sixty-third.

[SEAL] FRANKLIN D. ROOSEVELT.

By the President:

CORDELL HULL,
Secretary of State.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. TOBEY in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of several officers for promotion in the Marine Corps.

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Lipe Henslee, of Dickson, Tenn., to be collector of internal revenue for the district of Tennessee, to fill an existing vacancy.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

CIVIL AERONAUTICS AUTHORITY

The legislative clerk read the nomination of Edward P. Warner to be a member of the Civil Aeronautics Authority.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That concludes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 21 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 2, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 1, 1939

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Daniel C. Roper, of the District of Columbia, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Canada.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named senior surgeons to be medical directors in the United States Public Health Service, to rank as such from the dates set opposite their names:

Joseph Bolten, July 26, 1939.

Walter L. Treadway, July 28, 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 1, 1939

CIVIL AERONAUTICS AUTHORITY

Edward P. Warner to be a member of the Civil Aeronautics Authority.

POSTMASTERS

CALIFORNIA

William E. Dixon, Jr., Elk Grove.

IDAHO

Lynn S. Kearsley, Victor.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 1, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord of life and King of glory, we thank Thee that for the heart which knows Thy love there is a sacred temple. In its hush we wait in prayer. Thou who didst tread the wine press alone, speak within: "I am thy salvation, thy peace, and thy life." Oh, there was no other good enough to pay the price of sin. In Thee may our souls find forgiveness and rest of spirit. We pray Thee come to the rescue of the world's starved heart and give it the love and strength it needs. Amid whirling eddies and rapids of hate, in which the forces of vengeance violate every just law, prepare our hearts and humble our souls when the rest of the world goes wrong. While it goes thundering past, oh, hold our country free from fear; keep it calm and quiet. Allow not the famine and the pestilence of war to shrink and shrivel our Nation's soul, and forbid that its poison virus may ever course the veins of our Republic. The Lord God in His great goodness so direct our President that all our people may rise to a sympathy, tenderness, and helpfulness never known before. Bless abundantly our Speaker and the Congress with calmness, confidence, and with directive wisdom. In the blessed name of the world's Redeemer. Amen.

The Journal of the proceedings of Thursday, April 29, 1939, was read and approved.

MESSAGE FROM THE SENATE

Pursuant to a special order agreed to April 27, 1939, a message from the Senate, received by the Clerk of the House on April 28, 1939, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5219) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendment of the Senate No. 12 to the foregoing bill.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker on April 28, 1939, pursuant to a special order agreed to April 27, 1939.

H. R. 5219. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5324. An act to amend the National Housing Act, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WAGNER, Mr. BANKHEAD, Mr. BROWN, and Mr. DANAHER to be the conferees on the part of the Senate.

EXTENSION OF REMARKS

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a brief commentary by Fulton Lewis, Jr., radio commentator, on the bill, H. R. No. 2.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a news release from Oslo, under date of April 27.

The SPEAKER. Is there objection?

There was no objection.

SESSION OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may be allowed to sit throughout the balance of the day.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mrs. O'DAY. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a short editorial from the Herald Tribune on the child conference which was held here last week.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein several speeches made at the celebration yesterday in New York City at the opening of the New York World's Fair of 1939 and the celebration of the one hundred and fiftieth anniversary of the inauguration of George Washington as first President of the United States under the Constitution, also speeches made at the dedication at the monument to George Washington and other ceremonies held at that time, together with reports on the same.

The SPEAKER. Is there objection?

There was no objection.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that the Committee on Immigration and Naturalization may sit on May 3 and 4 during the sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is the particular reason for the afternoon sessions?

Mr. DICKSTEIN. The committee has held no hearings for over a month. There are a number of important public bills which should be heard, and we cannot dispose of the hearings in an hour and a half.

Mr. MARTIN of Massachusetts. Has the gentleman consulted the minority members of the committee?

Mr. DICKSTEIN. Yes. We always agree on these matters. There is no objection on the minority side at all. We just want an opportunity to have the witnesses heard on both sides, and we will not have time to do it in the morning.

Mr. RANKIN. Mr. Speaker, reserving the right to object, has the gentleman from New York consulted the other majority members of the committee?

Mr. DICKSTEIN. I have not.

Mr. RANKIN. Well, I object until the other majority members of the committee have been consulted.

PENSIONS FOR VETERANS AND THE DEPENDENTS OF VETERANS OF THE REGULAR ESTABLISHMENT

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent that the Committee on Pensions be discharged from further consideration of the bill (H. R. 75) to liberalize the laws providing pensions for veterans and the dependents of veterans of the Regular Establishment for disabilities or deaths incurred or aggravated in line of duty other than in wartime, and that said bill be rereferred to the Committee on Invalid Pensions.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

AMERICAN INDIAN FEDERATION

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to withdraw H. R. 5921, and to file herewith my reasons therefor, including a short letter from the Secretary of the Interior.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

The matter referred to is as follows:

THE SECRETARY OF THE INTERIOR,
Washington, April 28, 1939.

Hon. USHER L. BURDICK,
House of Representatives.

MY DEAR MR. BURDICK: House Resolution 5921, introduced by you, is before me. I am sure that you have sponsored this bill in a desire to obtain all possible benefits for the Indians, and without a knowledge of the details of the money-getting enterprise of which the bill is a part. I am setting down the facts in the confidence that you will withdraw the bill and will make an effective public declaration detaching your name from the scheme which the bill represents.

Some time ago I gave to the press a statement dealing with the money-raising activity of the American Indian Federation among needy Indians. That organization was soliciting from living Indians $1 each, and $1 in the names of dead ancestors. In return it was undertaking to seek from Congress $3,000 to be delivered to each Indian who paid his dollar, and $3,000 to be delivered in the name of each dead ancestor. I stated that the activity was in effect a racket or swindle. At about the same date, Commissioner Collier gave to the press evidence showing a working relationship between the American Indian Federation and certain groups such as the James True Associates and the German-American Bund.

In spite of these exposures, the so-called federation was able to collect a substantial total of dollar memberships from misled Indians. The bill you have introduced lists by name the Indians, who, during this preliminary phase of the racketeering enterprise, have fallen victims to the federation. They number 4,664, most of them being residents of Oklahoma but some being residents of other areas in the country.

With the introduction of this bill, whose text is extraordinary indeed, the federation's enterprise enters upon a new and far more deluding and dangerous stage.

The bill expressly states that each of the 4,664 Indians named therein, "being voluntary members of the American Indian Federation, * * * shall be paid the sum of $3,000."

The bill continues, in section 3, to the effect that all other Indians shall be entitled to an identical payment "provided application therefor is made within 1 year from the date of the introduction" of your bill. The clear implication, and even statement, is that within 1 year from April 20, 1939, Indians who pay their $1 to the American Indian Federation shall become eligible to the fabulous benefits of your bill, and that those who do not pay their $1, and pay it within the year, shall be excluded from eligibility.

The American Indian Federation has attempted to make its scheme appear reasonable by asserting that when these payments, totaling $900,000,000 if only 300,000 Indians should receive them, have been made, the Government will be put to no further expense in Indian matters. The bill conveys the identical impression. Yet the bill provides "that this act shall in no manner destroy or affect vested tribal property rights or tribal privileges." The bill uses the language of "settlement of claims." The only claims, of legal validity, which Indians can maintain against the Government are tribal claims. They receive governmental services and "privileges" by virtue of being members of tribes under Federal guardianship. Hence the bill would not discontinue the existing governmental expenditures incidental to Indian affairs.

The federation, in its solicitations of money, has held out the hope that $3,000 would be procured in the name of each dead ancestor in whose name a living Indian might contribute an additional dollar. The bill introduced by you unmistakably writes that hope into a congressional document. This it does in section 1, line 5, on page 2, line 5, and again, with particular force, in section 3, line 24. Thus the bill will enable the canvassers of the federation to ask for additional dollars in the names of dead ancestors of its victims.

Those who prevailed upon you to introduce their bill have, obviously, no legislative intent. They know that their bill can never pass Congress or become law. They are engaged in a particularly cynical scheme of which Indians are the victims. With this actual House resolution in their hands they can accelerate and expand their victimization to an enormous extent. And so long as they hold this resolution in their hands, no amount of publicity will avail to protect fully ignorant and needy Indians.

I am entirely confident that with the facts made known to you, you will withdraw the resolution and denounce the scheme which it incorporates. Your record of friendly service to the Indians is an assurance of this.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

MAY 1, 1939.

Hon. HAROLD L. ICKES,
Secretary, Department of the Interior,
Washington, D. C.

DEAR MR. SECRETARY: I acknowledge receipt of your letter of April 28 setting forth your objections to H. R. 5921, which I recently introduced. I have gone over your objections carefully and find that with the charges you make, I must withdraw the resolution for the present and entirely in its present form.

I have always made a practice of introducing any matter which any considerable group of Indians want. In this instance Mr. Bruner, of Oklahoma, a full-blood Indian, I believe, came to my office and showed me the resolution backed by a mass of names that would equal in size an ordinary Sears-Roebuck catalog. I introduced the resolution according to my practice.

Since receiving your objections and the charges of corruption which this resolution is likely to lead to, although all the evidence I have of that is your ex parte statement, I think it is only just that the resolution be withdrawn and a further study be made of the matter. I will not willingly lend my influence to the putting over of any money collection scheme among the Indians. I do not, however, think that collecting a membership fee in any group is wrong if their purpose is to alleviate their present condition.

I find you are correct about the possible interpretation of the bill—that it holds out a hope that would be likely to cause Indians to pay in a dollar—and section 3 of the resolution was not properly drawn, and I did not consider it when the resolution was handed to me.

The fundamental objection to the bill, I find, after reading it, is that it attempts to liberate the individual Indians and at the same time perpetuates the tribal relations. This would be an impossibility, and that section of the resolution is, of course, a contradiction.

I will ask to withdraw the resolution and attempt to prepare one that will meet what the Indians want, or what I find those want who come to Washington.

Nearly every group wants to be paid what they have coming and be liberated from any further subrogation by the Bureau. I am in hopes that we can get a general jurisdiction bill or a Claims Commission bill passed that will settle the Indians' claims for good. After that, I hope we can abolish the Indian Bureau altogether and make the Indians full citizens.

I finally wish to state that it is because I have the utmost confidence in your honesty and opinions that I am accepting your statement ex parte in this matter. I know nothing about what the organization of Indians is doing in the field of which you speak, but I could hardly presume to go ahead with the present resolution in view of the charges of dishonesty which you present. For that reason I am glad to withdraw the resolution and present one again only when I am certain that it will be for the best interests of the Indians and when I am sure that it will give no one any opportunity to mislead the Indians. I do not know that the present resolution will do that, but I am perfectly willing to accept your opinion on the matter until I am in possession of more evidence than I now have.

Sincerely yours,

USHER L. BURDICK.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include two tables on imports and exports.

The SPEAKER. Is there objection?

There was no objection.

WORKERS' ALLIANCE IN CALIFORNIA

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I would like to draw the attention of Congress to some of the things that are happening in California, and perhaps other places, as a result of the activities of that C. I. O. union—the Workers' Alliance.

First, I wonder just how many Congressmen really know what the Workers' Alliance is and what, in plain English, their objective or racket is. Very briefly, the C. I. O. Workers' Alliance Union is a union made up of people most of whom are misled by their communistic leaders, and all of whom are on some form of relief or other, the total amount of which relief is paid by some governmental unit—either city, county, State, or Federal.

The object of this group is to receive greater amounts of relief. As an illustration one might take Los Angeles County, Calif., where some $43,000,000 were paid out last year for relief. This is supposed to be paid to indigent unemployables, for in order to qualify for relief in that county the relief clients must come within the scope of the law and not only be unemployables but must actually come within the pauper class, the law is actually called the pauper law.

Now, if the leaders of this group can collect an initiation fee of 50 cents each from the 111,000 who are on the relief rolls of Los Angeles County, that is an amount of $55,500. After collecting this $55,500 for initiation fee, if they can continue to collect 25 cents per month, this is an amount of $27,750 per month that it would be possible for the Workers' Alliance group to get out of Los Angeles County alone, if they got into their union all on the indigent unemployable roll.

It would be easy to see that the first year they would have collected the $55,500 initiation fee, plus $333,000 a year for dues, or a total the first year of $388,000. I claim that the $388,000 is the main objective of the officials of the Workers' Alliance. And I claim further that, so far as the welfare of the poor individual and the poor devil who has to go on these rolls is concerned, the Workers' Alliance are not interested in them. The only thing that they are interested in is getting more money for those on relief in order that they can take it away in the form of initiation fees and dues. This they are doing. Does any Congressman in this House think it is either fair or proper that these unfortunate people who are on relief should have to contribute in the form of dues or initiation fees any part of that money that they have to receive from some government in order to live?

Does any Congressman in this House, considering this set-up, think for a minute that the Workers' Alliance group will ever try to lower the amounts of relief or to make fewer the number of individuals who are receiving relief? The answer is, apparently, that they will not, for as soon as these people are placed in jobs and taken off the rolls then their racket ceases and these officials will no longer receive these tremendous amounts that they are receiving from those on relief. It is apparent to me and I believe that the Workers' Alliance is a parasite on relief, and I further believe that the most despicable form of low-down racketeering is that which would prey on what were set up to be charitable and relief institutions.

Apparently the Workers' Alliance are not satisfied with their present racket, but are now seeking to increase it and have become so bold as to actually seek, by strong-arm tactics and threats to persons and property, to attempt to control the votes in legislative bodies, and by their threats and attempted coercion to deny legislators their right to vote freely and according to their respective consciences

How this group headed by Lasser, Benjamin, and other Communists or near-Communists howl to heaven for their freedom and rights under the American Constitution when anyone seeks to restrain or control them under existing laws and in a constitutional American manner. But how do they justify the strong-arm tactics and coercion that this Workers' Alliance group are trying to put over in California and elsewhere throughout the United States? Apparently with that group a legislator has no right to his own opinion. Apparently the Workers' Alliance think they have the right to coerce legislators and change their views by threats of violence, property damage, and so forth. Would they not howl to heaven through every communistic organization if this same thing were practiced upon them? Certainly they would. One cannot count, however, upon fair practice or a code of ethics from this communistic group, because their code of communistic ethics is to accomplish their ends regardless of what means they use.

I am quoting herewith the news items taken from our California papers on April 23 and 24 showing that the Workers' Alliance have threatened the mother of Gerald Kepple, assemblyman, of Whittier, Calif. This is shown on the front page of the Los Angeles Times dated April 23, and I am asking that this item be printed in the RECORD:

SACRAMENTO, April 22.—Strong-arm tactics employed by left wingers to stop amendments to the budget were reported by Assemblyman Gerald Kepple, of Whittier, today.

His mother, Mrs. Dora B. Kepple, called him from the Kepple home near Whittier and said that several carloads of men drove up to the place yesterday. They said they were members of the Workers' Alliance and that she should send word to her son to "lay off" that budget and let it go through the way it was or they would bring a thousand people to camp on his place until it was passed.

"It's just an example of the pressure that is being exerted against any economy move in reference to the budget," said Kepple. The Workers' Alliance and others interested in relief benefits have been in an uproar over the removal of the $73,000,000 relief item from the budget, to be handled as a separate bill.

Again, as shown by other threats to Dr. Jesse Kellems, on the first page of the Santa Monica Evening Outlook under date of April 24:

Bearing the message that 300 of their number would camp on his property unless he reversed his vote on the budget and relief bills, six emissaries from the Workers' Alliance yesterday visited the Bel-Air home of Dr. Jesse Randolph Kellems, assemblyman from the sixtieth, or Santa Monica Bay, district and leader of the economy bloc in the legislature.

The visitors arrived while Dr. Kellems and members of his family were at the McCarty Memorial Christian Church, of which he is the pastor, and found no one at home except a trusted Negro servant, who offered to lay violent hands on any member of the group seeking to set foot on the premises.

Taken aback by this turn of events, the spokesman for the group said: "Tell the doc to change his vote on the budget and relief bills or we'll bring an army of 300 here to camp on his front doorstep."

Kellems, who left again last night for Sacramento, said before his departure that he did not take the threats seriously. "If they do come back, I'll try and serve them coffee and doughnuts," he added.

There were other assemblymen threatened during this same period. This threat and attempted coercion went so far that under the telegraphic news item on the first page of the Santa Monica Outlook on April 24, there appears this item:

SACRAMENTO.—Demands for a police detail for "protection of families and property" of legislators picketed in the Los Angeles area for their economy votes on the budget were made today by an informal joint committee of senators and assemblymen. A telegram was sent to Sheriff Eugene Biscailuz, of Los Angeles, by Senators Jerrold L. Seawall, Roseville; Randolph Collier, Yreka; Harry Parkmen, San Mateo; and Assemblyman Gerald C. Kepple, Whittier; Jesse R. Kellems, West Los Angeles; Lee T. Bashore, Glendora; and Charles W. Lyon, Los Angeles.

Are you Congressmen aware of the actual conditions when a group of such people as the Workers' Alliance, who are all on relief, have come to a point where they are taking the law into their own hands and demanding that legislators vote as they tell them to? Does this Congress realize the danger of this condition?

Do the Members of this Congress realize that it is only through the money received from some governmental unit that these people claim to be able to live at all?

Is it not apparent that many of these people who were carrying out such threats have now made it their sole business to assemble into mobs and that these same mobs go before governmental bodies, make their demands and create riots? Is the Government of the United States going to subsidize what amounts to rioting, breaking the peace, violating the law and the preaching of the destruction of the American form of government?

I know these things to be true, and I know them to be a fact because I sat for 3½ years as county supervisor of Los Angeles County and met these conditions. I know of my own knowledge what is going on because this Workers' Alliance mob personally came to me and told me I would never leave the building unless I changed my vote. The final result of this was that the sheriff threw these people out after they created a riot scene. This was only one of many

such riots but the singular thing is true in everyone of these riots, that the same faces, the same people, appeared. In other words, they have become professional agitators and rioters and they will continue to be as long as some governmental unit will furnish them the money so they can afford this luxury of not working but may use as their vocation agitating, rioting, and becoming law violators with impunity.

Is not Lasser's and Benjamin's admission, with reference to their communistic activities, enough to make this Congress begin to think?

I think it is certainly high time that the Federal Government remove from its pay rolls and quit subsidizing these professional agitators, rioters, racketeers, and preachers of destruction of the American form of government, and it is with that in mind that I am going to offer either a bill or a resolution next week, the substance of which will be to remove everyone of such persons engaging in the activities enumerated above, from the pay rolls paid by money furnished by the Federal Government. I think that every red-blooded American and their Congressmen, regardless of party, should back this resolution and I am going to ask for your support along that line at that time.

I would like to ask unanimous consent to extend my remarks and include therein three news items, one from the Los Angeles Times and two from the Santa Monica Outlook, all three of which are short, bearing upon this subject.

The SPEAKER. Is there objection?

There was no objection.

The matter referred to is as follows:

[From the Santa Monica Evening Outlook of April 24, 1939]

SACRAMENTO.—Demands for a police detail for "protection of families and property" of legislators picketed in the Los Angeles area for their economy votes on the budget were made today by an informal joint committee of senators and assemblymen. A telegram was sent to Sheriff Eugene Biscailuz, of Los Angeles, by Senators Jerrold L. Seawell (Republican), Roseville; Randolph Collier (Republican), Yreka; Harry Parkman (Republican), San Mateo; and Assemblymen Gerald C. Kepple (Republican), Whittier; Jesse R. Kellems (Republican), West Los Angeles; Lee T. Bashore (Republican), Glendora; and Charles W. Lyon (Republican), Los Angeles.

[From the Santa Monica Evening Outlook of April 24, 1939]

KELLEMS DEFIES THREATENING RADICAL GROUP—DELEGATION ATTEMPTS TO FORCE CHANGE IN DOCTOR'S BUDGET VOTE

Bearing the message that 300 of their number would camp on his property unless he reversed his vote on the budget and relief bills, six emissaries from the Workers' Alliance yesterday visited the Bel-Air home of Dr. Jesse Randolph Kellems, assemblyman from the sixtieth, or Santa Monica Bay, district and leader of the economy bloc in the legislature.

The visitors arrived while Dr. Kellems and members of his family were at the McCarty Memorial Christian Church, of which he is the pastor, and found no one at home except a trusted Negro servant, who offered to lay violent hands on any member of the group seeking to set foot on the premises.

Taken back by this turn of events, the spokesman for the group said: "Tell the doc to change his vote on the budget and relief bills or we'll bring an army of 300 here to camp on his front doorstep."

Kellems, who left again last night for Sacramento, said before his departure that he did not take the threat seriously. "If they do come back, I'll try and serve them coffee and doughnuts," he added.

KELLEMS ANSWERS WITH NEW ATTACK ON RELIEF

SACRAMENTO.—California assemblymen bristled today in resenting pressure tactics and threats attributed to the Workers Alliance to influence economy bloc members to cease pruning the Governor's $557,000,000 budget.

Dr. Jesse R. Kellems, whose home in West Los Angeles was visited in his absence by a delegation which left word with a servant that 300 adherents of their group would camp on his property unless he changed his vote on the bill said:

"My observation is that barking dogs never bite."

WON'T BE STAMPEDED

"I am not going to be stampeded into doing anything by a bunch of radicals howling about it.

"We need a sane and sensible system of relief. I am convinced the cost of government is too high. Relief is not for politicians or any other person who can get work yet stays on the dole.

"Relief in this State is a racket."

Lee T. Bashore, Glendora assemblyman, another economy-bloc opponent of the budget, whose home was reported picketed, also was in a fighting mood.

"If they want to make a fight of it," he said, "we'll give them all the fight they want."

PROMISES TROUBLE

"It would be well for that bunch to understand their tactics will get them nothing but trouble."

Assemblyman Gerald Kepple, Whittier, whose mother reportedly was threatened with an invasion of her property unless he "about faced" on his budget position, was not immediately available for comment.

[From the Los Angeles Times of April 23, 1939]

STRONG-ARM TACTICS FOR BUDGET TOLD—ASSEMBLYMAN KEPPLE SAYS WORKERS' ALLIANCE THREATENED MOTHER

(By Chester G. Hanson)

SACRAMENTO, April 22.—Strong-arm tactics employed by left wingers to stop amendments to the budget were reported by Assemblyman Gerald Kepple, of Whittier, today.

His mother, Mrs. Dora B. Kepple, called him from the Kepple home near Whittier and said that several carloads of men drove up to the place yesterday. They said they were members of the Workers' Alliance and that she should send word to her son to "lay off" that budget and let it go through the way it was or they would bring a thousand people to camp on his place until it was passed.

"It's just an example of the pressure that is being exerted against any economy move in reference to the budget," said Kepple. The Workers' Alliance and others interested in relief benefits have been in an uproar over the removal of the $73,000,000 relief item from the budget, to be handled as a separate bill.

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to insert my own remarks in the RECORD on the subject of "encirclements."

The SPEAKER. Is there objection?

There was no objection.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and include therein an address delivered by Mr. William George Bruce, of Milwaukee, and some editorial comment thereon, from the Sheybogan Free Press, relating to the St. Lawrence Waterway.

The SPEAKER. Is there objection?

There was no objection.

Mr. EATON of California. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a short statement by former President Wilson.

The SPEAKER. Is there objection?

There was no objection.

Mr. BREWSTER. Mr. Speaker, I ask unanimous consent to incorporate in the RECORD a radio address delivered by me on Saturday night.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. THORKELSON. Mr. Speaker, generally speaking, I am opposed to constitutional changes, as my colleagues well know from my discussions on this floor. In the case of which I am about to speak, I propose the very things I have objected to in the past, namely, an amendment to the Constitution.

This is to restore equal rights to the native Americans, the people who were Americans before any of us landed on the North American Continent. It seems strange to me that we should have dealt with the native Americans, or the Indians, as a foreign nation when in reality we are the foreign people that have invaded their domain. I now propose to rectify this injustice to the Indian.

Let Congress consider this proposed joint resolution favorably, so that the words, "and with the Indian tribes," may be deleted from article I, section VIII, paragraph 3, of the Constitution, so that it will read, "To regulate commerce with foreign nations and among the several States."

The necessity for dealing with the Indian tribes as a foreign people no longer exists, and the Indian himself prefers to be recognized for what he is, a native American, and naturally he is entitled to the same rights as others living within the continental borders of the United States. I am acquainted with many of the Indian tribes, and I hope that Congress

will comply with the wishes of my Indian friends and bestow upon them the rights and privileges to which they are entitled.

Mr. Speaker, much has been said for and against old and new policies, with no satisfactory results, because the proponents and opponents are still firmly convinced that those who dissent are wrong. There are, of course, good reasons for these differences in thought, and it is our duty and the duty of those interested in the welfare of the Nation to solve and correct such differences before it is too late.

The frequently used, stereotyped expression "horse and buggy days" is used to belittle those who may differ because of their belief in sound constitutional principles. Such expression is of little value, and those who resort to similar phraseology should remember that sound principles spring from the laboratory and not from political crackpots, and that sound procedures are established upon natural laws and not upon political wisecracks.

The cause of our present trouble may be found in the constant departure of Congress from a true republican form of government. The cause of our chaotic condition and uncertainty is due to the fact that we are no longer depending upon the foundation of our Government, which is the Constitution, but we are instead searching for some panacea to take its place, and we call it democracy. To me, this departure from sound government is critical, for no democracy has ever survived for any length of time. Washington foresaw the danger of this when he said:

> The disorders and miseries which result gradually incline the minds of men to seek security and repose in the absolute power of an individual, and sooner or later the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purposes of his own elevation on the ruins of public liberty. * * * The common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.
>
> It serves always to distract the public councils and enfeeble the public administration. It agitates the community with ill-founded jealousies and false alarms; kindles the animosity of one part against another; foments occasionally riot and insurrection. It opens the door to foreign influence and corruption, which find a facilitated access to the Government itself through the channels of party passion.

This is the situation prevailing in the United States today for the majority in Congress is no longer relying upon the Constitution for its procedure but is instead directed by its leaders, and relies upon them for direction. The power which is now directing the destiny of the Nation—the invisible government—is that in control of the international and national money. The wishes of the invisible government find expression through high leaders in the Government who in turn direct those who wield the power of control in Congress. The proof that such power exists may be found in the mass of unconstitutional legislation which has been enacted by Congress over a period of several years. Today we have reached a point where reason no longer prevails in Congress, for the majority is instead guided by blind faith in its leaders, and proof of this statement may be found in the subservience of the majority to the slightest wish and desire of the administration. This indifference to constitutional law and irresponsibility of the majority in Congress can only end in the loss of rights and liberty, and will eventually deprive the people of a republican form of government.

It should be self-evident to each and every Member of Congress that our action in Congress is inexcusable and unjust to the people we represent. To those who feel inclined to contradict this statement I want to say: If all Members in Congress—and for that matter, in other branches of the Government—adhere strictly to the Constitution, little or no difference in opinion would exist because we could always retrace our steps to and prove procedure upon the Constitution itself. That is why the instrument was drafted. It is supposed to be used as the premise or the basic foundation upon which we must rely for procedure and for authority. Failure to do this is the cause of all our troubles today.

On April 21, 1939, the House passed the Reorganization Act of 1939, and on April 25, 1939, we are presented with a copy of the release which embodies the President's suggestions. There is no Member in Congress on the Republican side who objects to economy in the Government, for we realize it is necessary if the Nation is to survive. I, of course, shall speak only for myself as I am one of those who voted no to this Act. I did so because it is not going to provide economy, which, of course, the Members will discover at a later date. I believe I am justified in making this statement, for if there was any intention on the President's part to reduce Federal administrative cost, he would have advised liquidation of these unnecessary bureaus instead of transfer and consolidation. I shall not discuss the mixing of bureaus or even the transfer of the Bureau of the Budget to the supervision of the President. I only want to discuss the preamble to the President's message. We all have our opinions and I am no different from others, so I shall quote from the President's message, April 25, 1939:

> In these days of ruthless attempts to destroy democratic government, it is boldly asserted that democracies must always be weak in order to be democratic at all; and that, therefore, it will be easy to crush all free states out of existence.

I am glad to read this expression by the President, because "ruthless attempts" are deliberately made by the Socialist and the Communist to destroy our republican government, and inasmuch as the minority which is attempting this destruction is generally known, it is the duty of the Government to destroy them instead of talking about someone else. Democracies are always weak, for there is not one democracy which has survived for any length of time. Democracies are always converted into despotism of the rankest form.

> Confident in our Republic's 150 years of successful resistance to all subversive attempts upon it, whether from without or within, nevertheless we must be constantly alert to the importance of keeping the tools of American democracy up to date. It is our responsibility to make sure that the peoples' government is in condition to carry out the peoples' will, promptly, effectively, without waste or lost motion.

I believe there are many people who question whether we have maintained the same "successful resistance" for the past 7 years which our Nation enjoyed for the first 143 years. It is generally conceded that much has been lost due to "subversive attempts" upon constitutional government, both from without and from within.

The best tool which may be utilized to maintain a republican form of government is strict adherence to the Constitution, which all of us are obligated "to preserve, to protect, and defend." I feel obligated to the Nation's industry and business, for it is those which are paying the cost of the Federal administration, and I believe it is no more than right that we give them full and unstinted protection.

> These measures have all had only one supreme purpose—to make democracy work—to strengthen the arms of democracy in peace or war and to ensure the solid blessings of free government to our people in increasing measure.

This statement, "to make democracy work," is rather difficult to understand, because democracy is working here today. The unfortunate part is, all democracies undergo an evolution which usually ends in despotism or complete collapse of the democracy itself. Neither of the two would be a blessing to our people.

> We are not free if our administration is weak. But we are free if we know, and others know, that we are strong; that we can be tough as well as tender-hearted; and that what the American people decide to do can and will be done, capably and effectively, with the best national equipment that modern organizing ability can supply in a country where management and organization is so well understood in private affairs.

The strength of all governments depends upon unity within, and the strength of the Federal Government is in direct relation to that of the 48 States. The strength of the State governments depends upon the free and unmolested operation of all industries and business within the State. The Federal Government guarantees, in article IV, section 4, a republican form of government to each State. When the Federal Government fails in this, and when the States are deprived of sovereign rights by Federal invasion and usurpation of such rights, nothing but weakness remains. In such

case the Federal Government is no stronger than the State government itself, and this should be clearly evident today.

In our form of government each State must assume responsibility for its own government and for the operation of the industries and business within the State. If the Federal Government would enforce this provision of the Constitution, the cost of Federal administration might be reduced to a billion dollars per year, industries and business would operate, our idle people would be employed, and the Nation would be prosperous. The reverse is true today, and that in itself is the most glaring evidence of weakness within the Federal Government, which no planning can change.

The President's recent proposal, in which he advises Congress of his desire to shift, consolidate, and to readjust departments and bureaus, I venture to say will end in dissension within the organization itself. It becomes more objectionable as it is stirred about. It is no more than a simple gesture to distract attention, for it will not provide any saving of money. It is only a plan, and that is all. I, as a Member of the Republican side, shall not express my viewpoint either for or against the President's proposals by vote on the floor. I shall, instead, remain neutral, and leave it to the New Deal Democrats to bury their own mistakes. It is no more than right that the New Deal blunders shall fall upon their own heads, for it would be an injustice to have these accumulated mistakes collapse upon those who take control in 1941.

Much is being done to divert public interest from ills at home with little or no success. The invisible government has reached a point which requires careful manipulation to bring about desired results. These invisible rulers realize that we cannot go on with a steadily increasing army of unemployed. We have more people unemployed, on relief, and on part-time Federal employment than we have ever had at any time in the past. War, of course, would be convenient to cover up this frightful situation, but again the invisible rulers meet rebuff in the form of public indifference. No one desires war, and it will be difficult or even hazardous for the New Deal in spite of its supply of rubber to mold a stamp to read "We declare war." It is better to "take five" and look the situation over before we get too excited. We have no cause for war. We have nothing at stake in Europe and very little in the Orient. The New Deal has managed to have Uncle Sam kicked out of China, out of Mexico, and we are just about to release the Philppine Islands—to cast them adrift, if you please; so we really have nothing to go to war about, except, possibly, to rescue those who have defaulted in their obligations to us for over 22 years.

These self-appointed rulers who seem so anxious to stir up trouble through their owned and controlled press have some reason for this agitation, and it is not for the general welfare of the United States. Agitation by this invisible government began a long time ago in discussion of Russian brutality, but after the Russian Government conducted wholesale executions, many of the papers agitating for war today stopped publishing these wholesale murders for reasons best known to themselves. Little publicity was given to the invasion of Ethiopia, although thousands of innocent and defenseless inhabitants were killed. But for many months, the papers have been filled with stories relating to confiscation of property and eviction of Jews in Germany.

I do not believe the so-called Hebrew purge in Germany is cause for war. As a matter of fact, it is none of our business. I question the truthfulness of many statements published in our papers, for I find upon investigation that German-Hebrews are in a better position in Germany than many of our own people in the United States. Furthermore, I do not believe we should meddle in German affairs or disposition of her citizens. We have plenty to do at home, and should evict aliens in the United States instead of receiving them with open arms as we are now doing. This is a brief summary of information I have accumulated, and I am firmly convinced that Hebrews with German citizenship prefer to remain in Germany:

FACTS AND FIGURES ABOUT THE HEBREWS IN GERMANY

(1) The proportion of Hebrews to the total population of Germany in 1925 was about 1 percent.

(2) The proportion of Hebrews to the total population of Berlin was about 4 percent (1925).

(3) Of Hebrews living in Prussia, 42 percent lived in Berlin (1925).

(4) New York Times, November 27, 1938: In 1933 in old Germany, Hebrews of Jewish faith, 502,000; other Hebrews, 73,000. Total, 575,000 Hebrews.

(5) From Deutschland von Heute, published by Terramare, Berlin, 1935: Of 404,000 Hebrews in Prussia in 1925, 76,000 were noncitizens.

(6) From Die Juden in Deutschland, published by Franz Eher München, 1937: Of 172,672 Hebrews in Berlin in 1925, 25 percent were noncitizens, as compared with 6.9 percent in 1890, 12.6 percent in 1900, and 18.5 percent in 1905.

(7) Völkischer Beobachter, Berlin, November 18, 1938: Total German wealth, reichsmarks, 200,000,000,000 among 80,000,000 people, or average of reichsmarks, 2,500 each. Total Hebrew wealth, reichsmarks, 8,000,000,000 among 700,000 people, or average of reichsmarks, 11,428 each. Therefore, the average Hebrew was worth 4.57 times as much as the average German.

(8) Völkischer Beobachter, Berlin, November 1938: In Berlin 894 Hebrews each owned reichsmarks 300,000 or more—total reichsmarks, 700,000,000. Of these there were 346 with over reichsmarks 500,000, 37 with over reichsmarks 2,000,000, 1 each with reichsmarks eight, ten, and twelve million.

(9) Völkischer Beobachter, Vienna, November 28, 1938: In Austria, of a total wealth of 8,000,000,000 marks, 2,300,000,000 were owned by Hebrews. Among these were 102 millionaires, 27 of these with more than 2,500,000 each. The largest individual fortune was reichsmarks 26,000,000.

(10) Transocean News Service, April 11, 1939: Total Czech wealth about 150,000,000,000 Czech crowns; Hebrew wealth in Bohemia and Moravia estimated at 50,000,000,000 crowns.

(11) New York Times, November 22, 1938: Hebrews own 60 percent of real estate in Berlin.

(12) Following figures from Die Juden in Deutschland, published by Franz Eher München, 1937: In 1925, of 10 Hebrews, 7 were in large cities, 3 in country and small towns. Of 10 Germans, 3 were in large cities and 7 in country or small towns.

(13) Of the following professions, Hebrews constituted percentages as shown:

	Percent
Notaries	56
State insurance doctors	52
Lawyers	48
Doctors	42
Dentists	35
Druggists	28

(14) Prussia in 1925: Of all Hebrews, 58.8 percent were in trade, whereas of total Prussian population, 17.11 percent were in trade. Of all Hebrews, 25.85 percent were in industry and manual labor, whereas of total population, 40.95 percent were in industry and manual labor. In agricultural pursuits: Hebrews, 1.74 percent; of the total population, 29.5 percent.

(15) According to Alfred Marcus, Jew, in the Economic Crisis of the German Jew, 1930:

	Percent Jewish
Ladies clothing	60
Metal trade	57.3
Hops (wholesale)	45.8
Used metal and scrap	41
Textiles	39.4
Grain	22.7
Banking	18.7

(16) In 1925: Of Hebrews in occupation, 44.9 percent were owners of businesses; of non-Jews in occupation, 14.4 percent.

	Percent
Business employees:	
Hebrews	29.7
Non-Hebrews	10.9
Skilled workers:	
Hebrews	5.8
Non-Hebrews	32.0
Unskilled workers:	
Hebrews	2.6
Non-Hebrews	16.1

(17) Berlin Exchange, 1930:

On board of—	Hebrews	Germans
Stock exchange	25	11
Produce exchange	12	4
Metal exchange	10	2
House committee	8	2
Membership committee	18	5

Of 147 members of the board, 116 were Hebrews.

Of 1,474 brokers, about 1,200 were Hebrews.

It is quite possible that the Hebrews in the United States who own property in Germany, acquired during the inflation, are being pinched a little now because of the manner in which they came into possession of their holdings.

After reading this I do not believe anyone can discover a good reason for us to criticize a foreign nation, or a cause for punitive commercial restrictions, so this cannot be the actual reason for the beating of the war drums. The newspapers which are now in hysteria about happenings in Europe, where there is no loss of life, are not uttering a word in protest against mass destruction of life in China. The President is not protesting to Japan about happenings in the Orient, yet our interest is vitally affected there and not in Europe. As a matter of fact, our greatest enemies in Europe are those who used and then abused us, and they are now attempting to involve our Nation in another conflict to save the golden calf.

It is better for us to keep our eyes open, as the enemies are here in our midst, and they are those who harbor socialism and communism within their hearts instead of Americanism. These enemies are responsible for stagnant industry, closed factories, and dormant business. They are responsible for the idle people walking our streets, and they are responsible for the poverty and suffering. They are responsible for dissension and hatreds within our Nation, and they are the same enemies who favor participation in war.

Our greatest enemies are those who are willing to sacrifice peace to satisfy an insane desire for power by the control of our Nation's monetary wealth. When we have discovered those now in control of gold, we will have discovered the power that makes war, and that power is the invisible government of the United States. This power is firmly entrenched, and its dupes are those who for the sake of the party blindly follow pseudo leaders in abject submission only to deprive the folks at home and themselves of their constitutional rights when they vote for legislation to please constitutional rapists.

We, the people, have an absorbing interest at home which someday may become acute, and to which we may find answer in the history of other nations. The world has never been free from pirates and piracy. At one time, this gentry sailed the raging main and took tribute by brutal force. Today, they have changed their mode of operation, but are still collecting tribute in the following manner: They are now organized, and those within the magic ring in this invisible government enjoy the use of national deposits to further enrich themselves in the ownership of property, for the commodity and managed money which is now lying in the banks is used to acquire greater holdings in industry and real estate. The point I wish to make is that, in withdrawing gold and gold security from public use, a great injustice has been done to our people, for it has left our own people unsecured, and those now in control secured, by gold. This is not all, because our commodity and managed currency which is now lying on deposits in the banks, is employed by this same group to further enrich itself in the acquisition and ownership of industries and real estate. So they have the gold, and they are now using a commodity or managed money to buy the only thing which is left—the Nation's real estate. In the final accounting, the people who have been instrumental in the creation and accumulation of this wealth will find themselves in poverty, working for the money barons. This happened in Germany during the inflation, and the same system is employed in the United States at the present time. It will end as it has in other countries, in poverty and suffering to those who have been actually employed in the earning and the creation of the Nation's wealth.

I am informed that in the city of Washington alone, more than half of the commercial business and real estate is now owned and controlled by the same group which is now agitating liberal immigration from Europe. Their mode of operation lies in playing a sympathetic tune on the public's heartstrings, so that the door to immigration may be left open. The young ones come through the ports of entry and the older ones as supercargoes in ships, and over the borders at night.

Who in the Federal Government will accept responsibility for the withdrawal of gold and gold currency, and for repudiation of gold-bearing bonds and securities? Who will have the courage to step forward and say: "It is I who deprived the people of standard gold security for their savings and it is I who placed the people on a managed and commodity money, and I am now about to debase even this unstable currency with yellow and blue trading chips. It is I who deprived you of the right to be secured by money of standard value and it is I who am responsible for granting the rights of which you were deprived to foreigners and to foreign governments."

Let these questions be answered by the President, so that we, the people, may know who betrayed us. Who comprises this group that is wielding control over the Nation's gold? Gold is the only acceptable medium of exchange among foreign nations, so why is it not equally important to our own industries and to our own people?

Why is the Federal Government persistently weakening State sovereign rights by invasion of the States? Why is the Federal Government engaging in industry and business at the expense of the taxpayers? Let these questions be answered by those in the Federal Government who are constantly asking for greater delegation of power from Congress.

Is it not possible that our foreign and domestic policies are propounded by the invisible government, by the same power that is now in control of proadministration newspapers, of motion pictures, and radio? Attempts are now being made by the Federal Government to seize control of broadcasting. Why? For no other reason than to control information which in its naked truth may prove embarrassing to those responsible for conditions as they are today.

Why is it necessary for the Federal Government to engage in motion pictures so as to distribute information prepared for public consumption by Federal bureaus? There is no excuse or need for the Federal Government to expend money on publicity, in order to sell itself to those who have always paid and are still paying all Government expenses. The people may be fooled by this for a while, but that day is now passed, for we are facing a reality which no amount of conversation, moving pictures, or other propaganda can overcome. We are near the end of the road as we face disintegration.

For the past 7 years Congress has turned over to the President the power to control money and credits abroad and at home. The result of this is evidenced in stagnant industries and idleness, which is no more than we may expect, for unlimited control of money and power in the wrong hands becomes an instrument of destruction to public liberties and free governments.

I distinctly recall that when the House considered the reorganization bill one of the gentlemen who sponsored this legislation said:

> This is not the President's bill. He has made no request for this legislation. It is our bill.

In other words, the sponsors claimed all authority for its creation, and I shall not deny the majority credit for any legislation passed. On April 25 the President proposed his first reorganization plan, wherein he informed Congress that he would have to employ more help to carry out the request of Congress. This, of course, is only logical, because the President

would be fully employed if he confined himself solely to the duties as outlined in article II of the Constitution.

The duties delegated to the President by Congress, and which he has distributed among his employees, is, in fact, a constitutional duty which should be performed by Congress and for which it is held responsible. As it is now, Congress admits that the President and those employed by him possess greater ability than Congress itself. This is, if nothing else, a most extraordinary admission of incompetency by those who transferred this unconstitutional and unwarranted power to the President and his appointees, and it is a sorry day for those who have placed their faith and trust in the Congress of the United States.

It is time for the people to awaken, for danger is clearly evident, and it cannot be blamed upon a foreign power, but upon the invisible government within the United States. Congressional committees should cease to listen to columnists for advice. Dorothy Thompson knows as little about it as the man on the street, and to look to her for guidance is, if nothing else, a waste of effort. Congress is not elected by the people to listen to extensive opinions on governmental procedure as often expressed by witnesses before committees. Congress is supposed to be well informed on international and national topics and procedure, and it is time for the Members to assume their rightful position and act as statesmen instead of gossipers at an afternoon tea party.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein discussions pertinent to topics of the day.

The SPEAKER. Without objection, it is so ordered.

EXTENSION OF REMARKS

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a letter from the editor of the Record and Tribune, of Indianola, Iowa, Mr. John L. Berry, which relates to the Gwynne amendment of the Wage and Hour Act.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

HARDSHIPS OF THE WAGE-HOUR LAW

Mr. LORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LORD. Mr. Speaker, I had a letter this morning from a lady who tells me she is 73 years old. She writes that she cannot get old-age relief because she has not lived in the State for the past 5 years, but has been supporting herself by sewing, knitting, and crocheting in her home. On account of her age she cannot get work in a factory and now the only work she can do to earn a living has been taken away on account of the wage and hour law restrictions. She asks me:

What am I going to do? How am I going to make a living? I cannot work at the only work I can do, I am not able to work in the factory if I could get a job, and I could not get the job anyway; I am not able to live on relief because I have not lived in the State for 5 years.

She closes with the plea:

Do something at once to help an old lady.

I am receiving hundreds of letters along this same line. What a pity when people who can do a little work in the home like knitting, that they enjoy and at the same time earn a living, are not permitted to do so. No one intended when the wage and hour bill was passed that women in the home would come under the act. The trouble, I believe, is with the administration and this will be remedied with amendments to the act and this should be done at once, for hundreds of people are being thrown out of work in small industries and home work. But how are we going to take care of this old lady and others until the changes are made? [Applause.]

[Here the gavel fell.]

IMPORTED BRITISH WOOLENS

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I call attention to an advertisement appearing in a local paper:

Wear British fabrics.
Tailored to measure.
No two figures are exactly the same.
Someone said the ready-made suit fits the average man, but find the average man * * *. He doesn't exist. Each individual is a different type, a different personality and—most important of all—no two figures are exactly the same.
Let ——— tailor a spring suit—a suit that's made for you—for no more than the cost of a ready-made garment. Then let your mirror decide.

I also hold in my hand, Mr. Speaker, samples of British fabrics sent to me directly from London, as if I wanted to buy a British suit, which I do not. I want to buy American manufactured fabrics by American labor. We can come to no other conclusion than that the reciprocal-trade agreement with Great Britain permits these fabrics to come in here and take the place of American manufactured fabrics. American labor and the products of American farmers, American cotton growers and American wool growers should have our consideration and our patronage. Mr. Speaker, we should take care of the American people, not the British people, at this time with 12,000,000 unemployed people. Buy American!

[Here the gavel fell.]

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a statement made by the Continental Mills of Philadelphia.

Mr. RANKIN. Mr. Speaker, reserving the right to object, these British suits can be sold in Central and South America at half what they are sold for in this country because of the high tariff the tariff barons had imposed when the Republicans were in power.

Mr. RICH. Mr. Speaker, I give the gentleman these samples, showing they can be manufactured cheaper than American fabrics of this same quality, manufactured with high-price American labor and high American taxes.

The regular order was demanded.

The SPEAKER. The regular order has been demanded. The regular order is: Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I herewith present a letter from Continental Mills, Inc., of Philadelphia, which was printed in the Daily News Record Wednesday, March 15:

What's $4 anyway?

Well, to an American workman $4 a month is $48 a year, or just enough to buy a suit of clothes for himself, a dress for the missus, and an outfit for the kids.

Yet that is precisely the amount forfeited by every wool-textile craftsman in this country by reason of the imports of woolens and worsteds from Great Britain and other countries during the month of January.

In the first month of the current year we imported 1,123,310 square yards of woolens, valued at $850,004. Of this amount, Great Britain shipped us 1,000,933 square yards, valued at $749,156. We imported 478,401 square yards of worsteds, valued abroad at $320,943. Of this amount, Great Britain shipped us 417,250 square yards, valued at $294,757.

This represents an increase of approximately 200 percent in the value of wool goods and of approximately 100 percent in the value of worsteds imported during the same month in the previous year.

The American value of these imports would be approximately $2,350,000, of which labor's share, when divided among the 150,000 men in American wool-textile plants, would be roughly $4 each for the month of January.

Truly, the year of our Lord 1939 is proving a year of grace for America's trade rivals, for it marks the lowering of the barriers against the imports of products from poor-wage-paying countries in accordance with the altruistic policy of the present administration, which apparently holds that good feeling abroad must be engendered even at the expense of American industry and the American standard of living.

Of course, the money diverted from our labor goes much further abroad! For instance, an English mill operative gets only one-half of the wages paid the native textile worker, the Italian gets one-

fifth, the Japanese receives a tenth of the American scale. But, then, a full foreign stomach is essential to international amity.

Seeing that this invasion of the American market actually took place in a depressed business period like January, when hand-to-mouth buying prevailed, imagine the extent of the inroad in stabilized or boom times!

There is no doubt we are facing a tremendous growth in imports of wool textiles, to mention only one of the thousand and more items of American-made merchandise gravely affected by the reductions in tariff under the reciprocal-trade agreements. It is bound to aggravate American unemployment, to reduce the American living standard, and to impoverish our national income. Before the full effect of this new ideology is reflected in closed American plants and increased relief rolls, we suggest that American manufacturers and American workers bring strong pressure to bear on their congressional representatives for a show-down on the reciprocal trade phantasy.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent that the Committee on Immigration and Naturalization be allowed to sit during the session of the House on May 3.

Mr. RANKIN. Mr. Speaker, I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a letter from a public-school pupil on the subject of General Muhlenberg.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an article appearing in the Wheeling Intelligencer.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein an editorial appearing in the Washington Star of March 29, 1939, on the subject Up to Congress.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two or three short bulletins.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas [Mr. REES]?

There was no objection.

Mr. REES of Kansas. I have asked unanimous consent to direct the attention of this House to a problem in legislation in which Congress, as well as the American consuming public are, or should be, interested.

I direct your particular attention to H. R. 944 by Congressman MARTIN of Colorado, known as the Wool Products Labeling Act of 1939. It is intended to help protect the consuming public from fraud and deception in the purchase of woolen goods.

Then I want also to direct your attention to the situation which has resulted from the reciprocal-trade agreement we made with Great Britain sometime ago—whereby we reduced the tariff from 18 to 9 cents per pound on woolen rags, as well as a reduction of 40 percent on wool waste.

Here is what happened: During January and February 1938, we imported wool waste from foreign countries to the extent of 162,000 pounds, valued at $73,000. This year, during the same 2 months, we imported 854,000 pounds of wool waste, valued at $280,000, an increase in shipment of 425 percent.

Besides that, the European rag man sold to the American rag dealers, to be made into wool or shoddy fabrics which the American public will wear, 1,824,000 pounds of old rags valued at $506,000 which is nine times more than we bought during the same 2 months' period, 2 years ago, which was before this agreement went into effect.

Not only that, we reduced the tariff on certain woolen materials imported into this country. Two years ago, and before the agreement became effective—during the months of January and February, we imported 1,000,000 yards of these fabrics. Then during January and February of this year, and while millions of our men were out of work—we increased that import to 1,800,000 yards of fabric.

All of these millions of yards of woolen fabric imported into this country under reduced tariffs are bound to not only take away a market to which the American producer is entitled, but at the same time deprives thousands of our American laborers from employment to which they are entitled.

I would like to quote a statement from Mr. Fred Breakman, National Grange representative in Washington, when he says:

> The result of this reduction in tariff duties is undoubtely a matter of great satisfaction to European scavengers and rag dealers, and to those American woolen manufacturers who use these raw materials as substitutes for virgin wool.

These wool rags I have just mentioned are used in the manufacture of so-called woolen fabrics and clothing and are sold to the American public in competition with and taking the place of virgin wool. Deprived of specific information, you and I, as consumers, have no means of knowing the fiber content of the products which we buy, or of judging their actual merit. The only means by which the average person can judge articles sold as wool is by a casual examination, and under the methods used in adulteration of woolen products—it is practically impossible for the consumer to determine the real thing.

What we need to do is to pass the Martin bill and require exact labeling as to fiber content of wool products to disclose the presence of virgin wool, reclaimed wool, or any other fiber contained therein, and to provide legal penalties for the violation of fair trade practice rules for the wool industry. Then, readjust our reciprocal-trade agreements in favor of our producers, our manufacturers, and our laborers, so that the American public will not be wearing European rags.

Mr. REES of Kansas and Mr. ALLEN of Pennsylvania asked and were given permission to extend their own remarks in the RECORD.

EXTENSION OF REMARKS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a letter from the California Conference of Deans of Men on the N. Y. A. program in California.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. VOORHIS]?

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein an article from the St. Louis Post-Dispatch.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

Mr. RAYBURN. Mr. Speaker, on Thursday last I asked unanimous consent that business in order on Wednesday this week may be considered on tomorrow, Tuesday. The call rests with the Committee on Harbors. I have consulted the gentleman from Virginia, who would have the call following the Committee on Harbors, and the request I am about to make is perfectly agreeable to him. The gentleman from Texas [Mr. MANSFIELD] will not be able to be here tomorrow, due to the fact he has just come out of the hospital.

Mr. Speaker, I ask unanimous consent that the business on the calendar for tomorrow may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman tell us what will come up tomorrow?

Mr. RAYBURN. The Rules Committee has reported a rule on the so-called Hobbs bill and it is the intention to call that matter up tomorrow. The bill has to do with the regulation of certain people on whom deportation papers have been served but whose countries will not issue passports for them. The bill provides for taking care of them in some shape until their countries do act. I may say, however, before that matter is taken up the bills on the Private Calendar will be called.

Mr. MARTIN of Massachusetts. Is it the intention to call up the Navy appropriation bill on Wednesday?

Mr. RAYBURN. That is the intention now.

Mr. CELLER. How many hours general debate are provided?

Mr. RAYBURN. I do not know. The gentleman might ask a member of the Rules Committee or a member of the Committee on the Judiciary.

Mr. DICKSTEIN. This is the same House bill that is on the Consent Calendar today. Is that to be brought up tomorrow under a rule?

Mr. RAYBURN. It is to be brought up under a special rule reported by the Committee on Rules.

Mr. DICKSTEIN. That will be the only business to come up tomorrow?

Mr. RAYBURN. That and the Private Calendar.

Mr. BREWSTER. May I inquire of the majority leader whether the gentleman intended that Calendar Wednesday business go over 1 week?

Mr. RAYBURN. It will go over 1 week.

Mr. BREWSTER. Did the gentleman's request cover that?

Mr. RAYBURN. Yes. I made the statement on last Thursday and asked unanimous consent that business in order on Calendar Wednesday be transferred to tomorrow, Tuesday. This morning I asked unanimous consent that the business on the calendar for Tuesday be dispensed with, which will put it over until Wednesday of next week.

Mr. BREWSTER. There will not be a regular call of the calendar on Wednesday of this week?

Mr. RAYBURN. No; because it has already been dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

CONSENT CALENDAR

The SPEAKER. The Clerk will call the first bill on the Consent Calendar.

SURVEY VESSELS FOR THE UNITED STATES COAST AND GEODETIC SURVEY

The Clerk called the first bill on the Consent Calendar, H. R. 138, to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

NATIVE EMPLOYEES WHO DIE WHILE SERVING IN OFFICES ABROAD IN EXECUTIVE DEPARTMENTS OF THE UNITED STATES GOVERNMENT

The Clerk called the next bill, S. 1523, an act to authorize the payment of burial expenses and expenses in connection with last illness and death of native employees who die while serving in offices abroad of executive departments of the United States Government.

Mr. WOLCOTT, Mr. CHURCH, and Mr. SCHAFER of Wisconsin objected.

AMENDING TITLE II, SECTION 208, OF THE ACT OF JUNE 16, 1933

The Clerk called the next bill, H. R. 4679, a bill to amend title II, section 208, of the act approved June 16, 1933 (48 Stat. 205–206), to authorize the Secretary of the Interior to adjust or cancel reimbursable features of said act insofar as they apply to Indians, and for other purposes.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDING THE NATURALIZATION LAWS

The Clerk called the next bill, H. R. 4100, a bill to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or organization existing in the United States.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. JENKINS of Ohio. Reserving the right to object, Mr. Speaker, I have had this matter up with the author of the bill, the gentleman from Massachusetts [Mr. MCCORMACK], and we two, just speaking for ourselves, of course, have agreed on an amendment. If this amendment is yet satisfactory to the gentleman from Massachusetts, I will withdraw my reservation of objection.

Mr. McCORMACK. Mr. Speaker, I have no objection to the amendment's being adopted, because the bill then as passed will accomplish what I really had in mind relating to clergymen. The amendment strikes out the provision relating to a representative of a denomination. I have no objection to the amendment.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any alien who has been lawfully admitted into the United States for permanent residence and who has heretofore been or may hereafter be absent temporarily from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or organization existing in the United States, shall be considered as residing in the United States for the purpose of naturalization notwithstanding any such absence from the United States, but he or she shall in all other respects comply with the requirements of the naturalization laws. Such alien shall prove to the satisfaction of the Secretary of Labor and the naturalization court that his or her absence from the United States has been solely in the capacity hereinbefore described.

With the following committee amendments:

Page 2, line 1, after the word "or", insert "religious."

Page 2, line 9, insert the following:

"SEC. 2. The Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, shall prescribe such rules and regulations as may be necessary for the enforcement of this act."

Amend the title.

The committee amendments were agreed to.

Mr. JENKINS of Ohio. Mr. Speaker, I offer an amendment, which is, on page 1, line 7, after the word "clergymen", insert a comma and strike out all the remainder of line 7 and all of line 1 on top of page 2. This will include the new word supplied by the committee amendment, the word "religious."

Mr. McCORMACK. Mr. Speaker, may I suggest that the comma be eliminated, as there will be no necessity for the comma after the word "clergymen."

Mr. JENKINS of Ohio. That is right; it will not be necessary.

The SPEAKER. The Clerk will report the amendment with the comma eliminated.

The Clerk read as follows:

Amendment offered by Mr. JENKINS of Ohio: Beginning on page 1, line 7, after the word "clergymen", strike out the remainder of line 7 and all of line 1 on page 2.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or religious organization existing in the United States."

Mr. McCORMACK. Mr. Speaker, I have received two letters regarding the bill just passed, which are as follows:

THE BOARD OF FOREIGN MISSIONS,
UNITED LUTHERAN CHURCH IN AMERICA,
Baltimore, Md., April 5, 1939.

Hon. JOHN W. McCORMACK,
House of Representatives, Washington, D. C.

DEAR SIR: We have been informed that you have presented to the House bill H. R. 4100, which has to do with granting privilege to a clergyman who has regularly entered this country and secured his first citizenship papers to have the time he spends in another country under the direction of an organization in this land count as having fulfilled the years of residence in America when obtaining his full citizenship papers.

We have a young man who would come under this bill. We would like very much to have him serve under our board in one of our mission fields, but as sufficient time has not elapsed for him to secure his second papers, our rules do not permit of our employing him.

We are writing, therefore, to express our hearty approval of this bill and trust there will be no difficulty in having it passed. May we ask you to kindly send us a few copies of the bill?

Very truly yours,

GEORGE DRACH, *General Secretary.*
M. E. THOMAS, *General Secretary.*

INTERNATIONAL MISSIONARY COUNCIL,
New York, N. Y., April 4, 1939.

The Honorable JOHN W. McCORMACK,
House of Representatives, Washington, D. C.

DEAR MR. McCORMACK: With reference to the bill which you have introduced in the House, H. R. 4100, I am writing to let you know of my continued deep interest in the adoption of this legislation. The proposed legislation is essentially important in providing for the naturalization of clergymen of various religious denominations or others serving under recognized religious agencies existing in the United States who are sent abroad for important service before they have completed the required period of time for their naturalization as American citizens.

I have brought your bill to the attention of a few missionary organizations with the suggestion that they give you definite data regarding cases of individuals to whom your bill would apply.

I shall be greatly obliged if you will keep me informed regarding the progress that is made toward the adoption of this bill and also whether there is anything more that I can do in support of your proposal.

Yours faithfully,

A. L. WARNSHUIS.

BRIDGE ACROSS THE MISSISSIPPI RIVER AT OR NEAR DELTA POINT, LA., AND VICKSBURG, MISS.

The Clerk called the next bill, H. R. 3224, creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta, Point, La., and Vicksburg, Miss.

Mr. MILLS of Louisiana. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

AMENDING SECTION 4 OF THE ACT OF JUNE 29, 1906

The Clerk called the next bill, H. R. 5030, to amend section 4 of the act of June 29, 1906, entitled "An act to establish a Bureau of Immigration and Naturalization and to provide for a uniform rule for the naturalization of aliens throughout the United States."

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

RED LAKE BAND OF CHIPPEWA INDIANS

The Clerk called the next bill, H. R. 3248, authorizing a per capita payment of $15 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to withdraw as much as may be necessary from the fund in the Treasury of the United States arising from the proceeds of the sale of timber and lumber within the Red Lake Reservation in Minnesota, according to the provisions of the act of May 18, 1916 (39 Stat. L. 137), and to make therefrom a per capita payment or distribution of $15 to each of the living members of the Red Lake Band of Chippewa Indians of the State of Minnesota, immediately payable upon the passage of this act, under such rules and regulations as the said Secretary may prescribe: *Provided*, That the money paid to the Indians as authorized herein shall not be subject to any lien or claim of attorneys or other parties: *Provided further*, That before any payment is made hereunder the Red Lake Band of Chippewa Indians in Minnesota shall, in such manner as may be prescribed by the Secretary of the Interior, ratify the provisions of this act and accept same.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

RELIEF OF THE SUFFERERS FROM THE EARTHQUAKE IN CHILE

The Clerk called the next bill, H. R. 5031, for the relief of the sufferers from the earthquake in Chile.

Mr. SCHAFER of Wisconsin, Mr. KEAN, Mr. VAN ZANDT, and Mr. McDOWELL objected.

DETENTION OF CERTAIN ALIENS PENDING GRANT OF PASSPORTS OR DEPARTURE ARRANGEMENTS

The Clerk called the next bill, H. R. 5643, to invest the circuit courts of appeals of the United States with original and exclusive jurisdiction to review the order of detention of any alien ordered deported from the United States whose deportation or departure from the United States otherwise is not effectuated within 90 days after the date the warrant of deportation shall have become final; to authorize such detention orders in certain cases; to provide places for such detention; and for other purposes.

Mrs. O'DAY, Mr. CELLER, and Mr. MARCANTONIO objected.

TRANSFER OF HORSES AND MULES TO HUMANE ORGANIZATIONS

The Clerk called the next bill, H. R. 5485, permitting the War Department to transfer old horses and mules to the care of reputable humane organizations.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of June 15, 1938, to require that horses and mules belonging to the United States which have become unfit for service be destroyed or put to pasture, be amended to read as follows:

"That notwithstanding the first proviso in the fourth paragraph under the heading 'Division of Supply' in title I of the act entitled 'An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1930, and for other purposes', approved December 20, 1928 (45 Stat. 1030), horses and mules belonging to the United States which have become unfit for service may be destroyed or put out to pasture, either on the pastures belonging to the United States Government or those belonging to financially sound and reputable humane organizations whose facilities permit them to care for them during the remainder of their natural life, at no cost to the Government."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAIMS OF GRAIN ELEVATORS AND GRAIN FIRMS

The Clerk called House Joint Resolution 156, authorizing and directing the Comptroller General of the United States to certify for payments certain claims of grain elevators and grain firms to cover insurance and interest on wheat during the years 1919 and 1920 as per a certain contract authorized by the President.

Mr. SCHAFER of Wisconsin. I object, Mr. Speaker.

RULES OF CIVIL PROCEDURE IN UNITED STATES DISTRICT COURT FOR HAWAII

The Clerk called the next bill, H. R. 162, to make effective in the district court for the Territory of Hawaii rules promulgated by the Supreme Court of the United States

governing, pleading, practice, and procedure in the district courts of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a new section be inserted in the act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900 (31 Stat. 141), as amended, immediately following section 86 thereof, to read as follows:

"86a. That the rules heretofore or hereafter promulgated and made effective by the Supreme Court of the United States under authority of the act approved June 19, 1934 (48 Stat. 1064; U. S. C., title 28, secs. 723b, 723c), or under authority of any other statute, regulating the forms of process, writs, and motions, and the pleadings, practice, and procedure, in action of a civil nature in the district courts of the United States, and regulating appeals therefrom, shall apply to the district court of the United States for Hawaii and to appeals therefrom."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RULES OF CIVIL PROCEDURE IN UNITED STATES DISTRICT COURT FOR PUERTO RICO

The Clerk called the next bill, H. R. 4532, to make effective in the District Court of the United States for Puerto Rico rules promulgated by the Supreme Court of the United States governing pleading, practice, and procedure in the district courts of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a new section be inserted in the act entitled "An act to provide a civil government for Porto Rico, and for other purposes," approved March 2, 1917 (39 Stat. 951), as amended, immediately following section 49 thereof, to read as follows:

"49a. That the rules heretofore or hereafter promulgated and made effective by the Supreme Court of the United States under authority of the act approved June 19, 1934 (48 Stat. 1064; U. S. C., title 28, secs. 723b, 723c), or under authority of any other statute, regulating the forms of process, writs and motions, and the pleadings, practice, and procedure, in actions of a civil nature in the district courts of the United States, and regulating appeals therefrom, shall apply to the District Court of the United States for Puerto Rico and to appeals therefrom."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOSS OF UNITED STATES CITIZENSHIP IN CERTAIN CASES

The Clerk called the next bill, H. R. 5188, to provide for the loss of United States citizenship in certain cases.

Mr. SHEPPARD. Mr. Speaker, reserving the right to object, I would like to have an explanation from the gentleman from New York with respect to this bill, and I withhold my objection for that purpose.

Mr. DICKSTEIN. Mr. Speaker, this bill simply deals with loss of United States citizenship by persons who go to foreign territories and vote in plebiscites and elections to annex territory of other countries or persons who vote as citizens in order for other countries to annex territory.

I submit, Mr. Speaker, this bill passed the House unanimously last year and passed the Senate with an amendment, but it came over here about a day before we adjourned and I could not get it up from the Speaker's desk.

The bill has nothing to do with immigration, except that it concerns certain persons amounting to more than 10,000, who in the last 2 or 3 years have voted in foreign countries, although citizens of the United States, to annex territory under these foreign dictatorial governments, and I submit that the committee feels that persons who go out and interest themselves in other countries sufficiently to vote and support other governments are not fit to be citizens of the United States of America.

Mr. SHEPPARD. I withdraw my objection, Mr. Speaker.

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, I should like to ask the chairman of the Immigration Committee to permit this bill to be passed over without prejudice.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield to me?

Mr. JENKINS of Ohio. Yes; if the Speaker will allow us the time.

Mr. DICKSTEIN. Is there anything special that is in the gentleman's mind?

Mr. JENKINS of Ohio. Yes; very much so. I think the House ought to know about this. The members of the committee were not given a chance to know about the discussions of last year or to know about this measure. This bill, Mr. Speaker, has to do with elections in foreign countries. It had its basis at the time the Germans had an election in the Saar territory, and it now has no purpose except further to engender complications with foreign lands, and we ought not to pass this bill. The bill is not necessary and will have a bad effect if it is passed, and for that reason I ask the gentleman to pass it over. If he does not agree to have it passed over, I shall be constrained to object.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield for a question?

Mr. JENKINS of Ohio. Yes.

Mr. DICKSTEIN. There is another vote about to be taken in other parts of the world.

Mr. JENKINS of Ohio. That is the very reason we ought not to get mixed up in it.

Mr. DICKSTEIN. And they are calling upon American citizens, of birth in those countries, irrespective of the fact they hold a certificate of citizenship in the United States, to vote in the plebiscite in such countries within the next month.

Mr. JENKINS of Ohio. If every man who is in America will stay here and mind his own business, he will not have to go back there.

Mr. DICKSTEIN. I do not want them to go back. I do not want them to vote in other elections. I submit to the gentleman from Ohio if he wants to be strict in his interpretation and feels that Americans ought to be for America, he ought to let this bill pass now without waiting another day.

Mr. JENKINS of Ohio. No. We ought not mix in these foreign matters. Let them attend to their own business. The only way to do it is to stay out of there.

Mr. DICKSTEIN. The only way to stop them from mixing in is to cancel their papers when they attempt to vote in other parts of the world. Does the gentleman object to that? If the gentleman objects to that, then I——

Mr. JENKINS of Ohio. Will the gentleman consent that the bill be passed over without prejudice?

Mr. DICKSTEIN. Oh, it will be the same story week after week. If the gentleman wants to be in that position——

Mr. JENKINS of Ohio. My position is thoroughly satisfactory to me.

Mr. DICKSTEIN. If you want an American citizen to go over there, whether to Italy or Germany or any other dictatorial country, and participate in voting there and in this country and still hold his citizenship, then you assume that responsibility.

The SPEAKER. Is there objection to the request of the gentleman from Ohio that the bill be passed over without prejudice?

Mr. DICKSTEIN. Mr. Speaker, I object.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. JENKINS of Ohio and Mr. McDOWELL objected.

TERMS OF COURT IN NORTHERN DISTRICT OF MISSISSIPPI

The Clerk called the next bill, H. R. 1652, to amend section 90 of the Judicial Code, as amended, with respect to the terms of the Federal District Court for the Northern District of Mississippi.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the third sentence of section 90 of the Judicial Code, as amended (U. S. C., 1934 ed., Supp. III, title 28, sec. 170), is amended to read as follows: "The terms of the district court for the eastern division shall be held at Aberdeen on the first Mondays in April and October; for the western division, at

Oxford on the first Mondays in June and December; and for the Delta division, at Clarksdale on the first Mondays in May and November."

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That section 90 of the Judicial Code, as amended (U. S. C., 1934 ed., title 28, sec. 170), is amended to read as follows:

"'SEC. 90. The State of Mississippi is divided into two judicial districts, to be known as the northern and southern districts of Mississippi. The northern district shall include the territory embraced on the 1st day of December 1923 in the counties of Alcorn, Attala, Chickasaw, Choctaw, Clay, Itawamba, Lee, Lowndes, Monroe, Oktibbeha, Pontotoc, Prentiss, Tishomingo, and Winston, which shall constitute the eastern division of said district; also the territory embraced on the date last mentioned in the counties of Benton, Calhoun, Carroll, De Soto, Grenada, Lafayette, Marshall, Montgomery, Panola, Tate, Tippah, Union, Webster, and Yalabusha, which shall constitute the western division of said district; also the territory embraced on the date last mentioned in the counties of Bolivar, Coahoma, Leflore, Quitman, Sunflower, Tallahatchie, and Tunica, which shall constitute the Delta division of said district. The terms of the district court for the eastern division shall be held at Aberdeen on the first Mondays in April and October; for the western division, at Oxford on the first Mondays in June and December; and for the Delta division, at Clarksdale on the first Mondays in May and November. The southern district shall include the territory embraced on the 1st day of December 1923 in the counties of Amite, Copiah, Franklin, Hinds, Holmes, Leake, Lincoln, Madison, Pike, Rankin, Simpson, Smith, Scott, Wilkinson, and Yazoo, which shall constitute the Jackson division; also the territory embraced on the date last mentioned in the counties of Adams, Claiborne, Humphreys, Issaquena, Jefferson, Sharkey, Warren, and Washington, which shall constitute the western division; also the territory embraced on the date last mentioned in the counties of Clarke, Jasper, Kemper, Lauderdale, Neshoba, Newton, Noxubee, and Wayne, which shall constitute the eastern division; also the territory embraced on the date last mentioned in the counties of George, Hancock, Harrison, Jackson, Pearl River, and Stone, which shall constitute the southern district of said district; also the territory embraced on the date last mentioned in the counties of Covington, Forrest, Greene, Jefferson Davis, Jones, Lamar, Lawrence, Marion, Perry, and Walthall, which shall constitute the Hattiesburg division. Terms of the district court for the Jackson division shall be held at Jackson on the first Mondays in May and November; for the western division, at Vicksburg on the third Mondays in May and November; for the eastern division, at Meridian on the third Mondays in March and September; for the southern division, at Biloxi on the third Monday in February and the first Monday in June; and for the Hattiesburg division, at Hattiesburg on the second Mondays in April and October. The clerk of the court for each district shall maintain an office in charge of himself or a deputy at each place in his district at which court is now required to be held, at which he shall not himself reside, which shall be kept open at all times for the transaction of the business of the court. The marshal for each of said districts shall maintain an office in charge of himself or a deputy at each place of holding court in his district.'

"SEC. 2. This act shall take effect on July 1, 1939."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. DOXEY. Mr. Speaker, I desire to make a brief statement in regard to this bill, H. R. 1652. This bill, just passed in this House, was reported by the Committee on the Judiciary and was known as the Doxey bill. Since my bill was reported to the House, I find that the Senate has passed a bill not identical in language, but dealing with the same subject matter. The Senate bill was introduced by Senator HARRISON. The present bill which we have just considered was introduced by me. The Committee on the Judiciary has amended my bill, House bill 1652, and we have passed it as amended. I wonder if it would be in order to ask that the Senate bill be taken up and strike out all after the enacting clause in the Senate bill and substitute the House bill as amended? It is Senate 70. It deals with the identical subject matter except the language of the House bill is determined to be better language by the Committee on the Judiciary. I ask that all after the enacting clause of the Senate bill be stricken out and the House bill substituted.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DOXEY. I yield gladly.

Mr. McCORMACK. Both bills are in substance the same?

Mr. DOXEY. Both bills in substance are the same. The only distinction is that the House bill rewrites the entire section and incorporates the entire section 90 of the Judicial Code while the language of the Senate bill amends said section 90 by striking out and changing certain language in certain lines and sentences of section 90 of the Judicial Code. The House Judiciary Committee prefers and recommends the language of the House bill.

The SPEAKER. The gentleman from Mississippi asks unanimous consent for the present consideration of the bill S. 70, to amend section 90 of the Judicial Code, as amended, with respect to the terms of the Federal District Court for the Northern District of Mississippi.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the third sentence of section 90 of the Judicial Code, as amended (U. S. C., 1934 ed., Supp. III, title 28, sec. 170), is amended to read as follows: "The terms of the district court for the eastern division shall be held at Aberdeen on the first Mondays in April and October; for the western division, at Oxford on the first Mondays in June and December; and for the Delta division, at Clarksdale on the first Mondays in May and November."

SEC. 2. This act shall take effect on July 1, 1939.

Mr. DOXEY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOXEY: Strike out all after the enacting clause and insert the following:

"That section 90 of the Judicial Code, as amended (U. S. C., 1934 ed., title 28, sec. 170), is amended to read as follows:

"'SEC. 90. The State of Mississippi is divided into two judicial districts to be known as the northern and southern districts of Mississippi. The northern district shall include the territory embraced on the 1st day of December 1923 in the counties of Alcorn, Attala, Chickasaw, Choctaw, Clay, Itawamba, Lee, Lowndes, Monroe, Oktibbeha, Pontotoc, Prentiss, Tishomingo, and Winston, which shall constitute the eastern division of said district; also the territory embraced on the date last mentioned in the counties of Benton, Calhoun, Carroll, De Soto, Grenada, Lafayette, Marshall, Montgomery, Panola, Tate, Tippah, Union, Webster, and Yalabusha, which shall constitute the western division of said district; also the territory embraced on the date last mentioned in the counties of Bolivar, Coahoma, Leflore, Quitman, Sunflower, Tallahatchie, and Tunica, which shall constitute the Delta division of said district. The terms of the district court for the eastern division shall be held at Aberdeen on the first Mondays in April and October; for the western division, at Oxford on the first Mondays in June and December; and for the Delta division, at Clarksdale on the first Mondays in May and November. The southern district shall include the territory embraced on the 1st day of December 1923 in the counties of Amite, Copiah, Franklin, Hinds, Holmes, Leake, Lincoln, Madison, Pike, Rankin, Simpson, Smith, Scott, Wilkinson, and Yazoo, which shall constitute the Jackson division; also the territory embraced on the date last mentioned in the counties of Adams, Claiborne, Humphreys, Issaquena, Jefferson, Sharkey, Warren, and Washington, which shall constitute the western division; also the territory embraced on the date last mentioned in the counties of Clarke, Jasper, Kemper, Lauderdale, Neshoba, Newton, Noxubee, and Wayne, which shall constitute the eastern division; also the territory embraced on the date last mentioned in the counties of George, Hancock, Harrison, Jackson, Pearl River, and Stone, which shall constitute the southern district of said district; also the territory embraced on the date last mentioned in the counties of Covington, Forrest, Greene, Jefferson Davis, Jones, Lamar, Lawrence, Marion, Perry, and Walthall, which shall constitute the Hattiesburg division. Terms of the district court for the Jackson division shall be held at Jackson on the first Mondays in May and November; for the western division, at Vicksburg on the third Mondays in May and November; for the eastern division, at Meridian on the third Mondays in March and September; for the southern division, at Biloxi on the third Monday in February and the first Monday in June; and for the Hattiesburg division at Hattiesburg on the second Mondays in April and October. The clerk of the court for each district shall maintain an office in charge of himself or a deputy at each place in his district at which court is now required to be held, at which he shall not himself reside, which shall be kept open at all times for the transaction of the business of the court. The marshall for each of said districts shall maintain an office in charge of himself or a deputy at each place of holding court in his district.'

"SEC 2. This act shall take effect on July 1, 1939."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. Without objection, the proceedings whereby the bill H. R. 1652 was passed will be vacated, and the House bill laid on the table.

There was no objection.

CUSTODIAL SERVICE EMPLOYEES IN THE POSTAL SERVICE

The Clerk called the next bill, H. R. 892, to extend to custodial service employees employed by the Post Office Department certain benefits applicable to postal employees.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That every custodial-service employee (other than charmen and charwomen working part time) employed by the Post Office Department shall, at the end of each year's satisfactory service, be promoted to the compensation rate next higher than that of which he is then in receipt until the maximum rate of compensation for the grade to which his position is allocated is reached. This act shall be effective with respect to service after June 30, 1938.

This act shall not be applied so as to reduce the compensation of any custodial-service employee employed by the Post Office Department or so as to result in the dismissal of any such employee.

This act shall take effect July 1, 1939.

With the following committee amendment:

On page 1, line 9, after the word "reached", strike out the balance of line 9 and all of line 10.

The committee amendment was agreed to.

Mr. CELLER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CELLER: On page 1, line 5, after the word "Department", insert "and the Treasury Department."

Mr. TABER. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. TABER. I make the point of order that the amendment is not germane; that it attempts to bring into a bill relating to the Post Office Department an item relating to the Treasury Department.

The SPEAKER. Does the gentleman from New York desire to be heard on the point of order?

Mr. CELLER. Yes, Mr. Speaker. The purpose of the bill is to extend the same privileges to custodians in the Treasury Department that are extended to custodians in the Post Office Department.

Since the bill refers to persons in the custodial service, it is my belief that it would be germane to extend the provisions of the bill to another department other than the Post Office; namely, the Treasury Department.

The SPEAKER. The Chair is ready to rule.

The gentleman from New York [Mr. TABER] makes the point of order that the amendment proposed by the gentleman from New York [Mr. CELLER] is not germane to the pending bill. The Chair is clearly of the opinion that the point of order is well taken, for the reason that the pending bill deals with only one class of employees in one particular department. The amendment offered by the gentleman from New York [Mr. CELLER] undertakes to include the employees of another department.

Under the general principles of parliamentary law and the precedents that an individual proposition may not be amended by another individual proposition even though the two belong to the same class, the Chair sustains the point of order.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF NATIONAL STOLEN PROPERTY ACT

The Clerk called the next bill, H. R. 1996, to amend the National Stolen Property Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the National Stolen Property Act, approved May 22, 1934 (48 Stat. 794; U. S. C., title 18, sec. 415), be, and the same is hereby, amended to read as follows:

"SEC. 3. Whoever shall transport or cause to be transported in interstate or foreign commerce any goods, wares, or merchandise, securities, or money, of the value of $5,000 or more therefore stolen, feloniously converted, or taken feloniously by fraud or with intent to steal or purloin, knowing the same to have been so stolen, feloniously converted, or taken, or whoever with unlawful or fraudulent intent shall transport or cause to be transported in interstate or foreign commerce any falsely made, forged, altered, or counterfeited securities of the value of $5,000 or more, knowing the same to have been falsely made, forged, altered, or counterfeited, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than 10 years, or both: *Provided*, That the provisions of this section shall not apply to any falsely made, forged, altered, counterfeited, or spurious representation of (1) an 'obligation or other security of the United States' as defined in section 147 of the Criminal Code (U. S. C., title 18, sec. 261) or (2) an obligation, bond, certificate, security, treasury note, bill, promise to pay, or bank note, issued by any 'foreign government' as defined in the act of June 15, 1917, title VIII, section 4 (U. S. C., title 18, sec. 288), or by a bank or corporation of any foreign country."

SEC. 2. That section 4 of the National Stolen Property Act, approved May 22, 1934 (48 Stat. 794; U. S. C., title 18, sec. 416), is hereby amended to read as follows:

"SEC. 4. Whoever shall receive, conceal, store, barter, sell, or dispose of any goods, wares, or merchandise, securities, or money of the value of $5,000 or more, or whoever shall pledge or accept as security for a loan any goods, wares, or merchandise, or securities, of the value of $500 or more, moving as, or which are a part of, or which constitute interstate or foreign commerce, knowing the same to have been stolen, unlawfully converted, or taken, or whoever shall receive, conceal, store, barter, sell, or dispose of any falsely made, forged, altered, or counterfeited securities, of the value of $5,000 or more, or whoever shall pledge or accept as security for a loan any falsely made, forged, altered, or counterfeited securities, of the value of $500 or more, moving as, or which are a part of, or which constitute interstate or foreign commerce, knowing the same to have been so falsely made, forged, altered, or counterfeited, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than 10 years, or both: *Provided*, That the provisions of this section shall not apply to any falsely made, forged, altered, counterfeited, or spurious representation of (1) an 'obligation or other security of the United States' as defined in section 147 of the Criminal Code (U. S. C., title 18, sec. 261) or (2) an obligation, bond, certificate, security, Treasury note, bill, promise to pay, or bank note issued by any 'foreign government' as defined in the act of June 15, 1917, title VIII, section 4 (U. S. C., title 18, sec. 288), or by a bank or corporation of any foreign country."

SEC. 3. That section 5 of the National Stolen Property Act, approved May 22, 1934 (48 Stat. 794; U. S. C., title 18, sec. 417), is hereby amended to read as follows:

"SEC. 5. In the event that a defendant is charged in the same indictment with two or more violations of this act, then the aggregate value of all goods, wares, and merchandise, securities, and money referred to in such indictment shall constitute the value thereof for the purposes of sections 3 and 4 hereof, and the value of any securities referred to shall be considered to be the face, par, or market value, whichever is the greatest. For the purposes of this act, the value of any falsely made, forged, altered, or counterfeited securities shall be considered to be the apparent or purported face, par, or market value, whichever is the greatest, of the securities so falsely made, forged, altered, or counterfeited."

SEC. 4. That section 6 of the National Stolen Property Act, approved May 22, 1934 (48 Stat. 794; U. S. C., title 18, sec. 418), is hereby amended to read as follows:

"SEC. 6. Any person violating this act may be tried in any district from, into, or through which such goods, wares, or merchandise, or such securities, or money or such falsely made, forged, altered, or counterfeited securities have been transported or removed."

SEC. 5. That the National Stolen Property Act, approved May 22, 1934 (48 Stat. 794; U. S. C., title 18, secs. 413–419, inclusive), is hereby amended by inserting therein the following new section to be known as "section 7":

"SEC. 7. If two or more persons enter into an agreement, confederation, or conspiracy to violate any provision of this act, and do any overt act toward carrying out such unlawful agreement, confederation, or conspiracy, such person or persons shall be punished in like manner as hereinbefore provided by this act."

SEC. 6. That section 7 of the National Stolen Property Act, approved May 22, 1934 (48 Stat. 794; U. S. C., title 18, sec. 418), is hereby renumbered as "section 8."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PUNISHMENT FOR TRANSPORTATION OF STOLEN ANIMALS IN INTERSTATE COMMERCE

The Clerk called the next bill, H. R. 4372, to provide for the punishment of persons transporting stolen animals in interstate commerce, and for other purposes.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, in the last Congress when a similar bill was before the House I was the only Member of the House that voiced any objection. I stopped the passage of the bill by objecting to its consideration. Later I was advised by the Speaker that he proposed to recognize the gentleman from Texas [Mr. SUMNERS] to pass the bill under suspension of the rules. I

realized that I would only be taking up the time of the House were I to attempt to force my lone objection against the opinion of the entire Judiciary Committee. Therefore, in order to conserve time I told the Speaker I would speak against the bill but let it come to a vote. The bill passed the House and also passed the Senate, but it received a pocket veto from the President. Here it is again back in the House today, despite the President's veto. It is true it can no longer be referred to as the chicken-stealing bill—chickens have been eliminated.

This bill now deals with cattle, hogs, and so forth, that might be stolen and taken over State lines.

I read with a great deal of interest some outstanding speeches made by members of the Judiciary Committee, one only a few days ago, protesting against the centralization of power in Washington; yet here we find coming from that great committee a bill to place in the control of the Federal Government the protection of cattle, hogs, and so forth. In other words, we are going after the cattle and hog thieves the same as we do after the kidnapers if this bill becomes a law. Why not transfer all the police powers of the States to the Federal Government and be done with it?

The President has vetoed this bill once, not because it contained chickens but on other grounds. The Attorney General is opposed to the bill as stated by his letter included in this report.

Mr. Speaker, I have not changed by mind in reference to the advisability of placing such police powers in the hands of the Federal Government. Therefore, I must object to the consideration of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, I object.

CLEVELAND NATIONAL FOREST, SAN DIEGO COUNTY, CALIF.

The Clerk called the next bill, H. R. 169, to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Cleveland National Forest in San Diego County, Calif.

Mr. TABER. Mr. Speaker, reserving the right to object is there anybody here prepared to explain the bill?

Mr. DOXEY. Yes, Mr. Speaker; I am prepared to explain the bill. I reported the bill from the Committee on Agriculture.

Mr. TABER. The bill seems to me to be pretty well mixed up. I think the same observation applies to the following three bills.

Mr. DOXEY. They are all similar, the same principle is involved. I reported all three bills.

Mr. TABER. Beginning in line 6 on page 2, I read the following language:

Which are equal to the proportion of the net areas of said forest which are within the county of San Diego, State of California, which receipts are hereby authorized to be appropriated for that purpose until said lands have been acquired: *Provided*, That as to the receipts used in the manner herein authorized the provisions of the act approved May 23, 1908, shall not be applicable to said county of San Diego.

The thing seems to be kind of mixed up, and I would appreciate the gentleman's explaining the bill.

Mr. DOXEY. I shall be pleased to, as best I can.

Briefly, these three bills refer to the Cleveland National Forest, the Angeles National Forest, and the Sequoia National Forest, all located in California. They are, of course, separate and distinct national forests. The bill under consideration refers to the Cleveland National Forest. Within this forest area are several counties. The law passed in 1908 provided that 25 percent of the gross receipts from the national forests should revert to the counties wherein the land is located within the boundaries of the national forest. In 1911 Congress passed a law providing that an additional 10 percent should go back to the counties within the national forests for roads and trails. This made a total of 35 percent that such counties receive out of the gross receipts from the sale of timber from national forests or from other receipts of the forests, such as recreation, grazing, and so forth.

In every national forest, especially in these three, are a lot of privately owned lands that the Government has never been able to buy. These privately owned lands cannot be managed as well as the Government-owned lands. The mismanagement of these privately owned lands adversely affects the Government lands and the forest in general. The present administration, through the National Forest Reservation Commission, of which I am a member, has been endeavoring to buy some of these lands in these national forests now owned by private individuals. We have not been able to buy all of the privately held lands, because of the lack of funds and for various other reasons.

Here is a county located within the Cleveland National Forest, San Diego County, Calif., which says: "We know the wisdom of buying these privately owned lands that are within this national forest. It is necessary in order to adequately protect the balance of the forests. It is true we get 35 percent of the gross receipts, but we are so interested in buying these private lands in order to protect and improve the national forests from erosion and other destruction that we, the county, are willing to forego and give our 35 percent that is coming to us to the Government to be used in acquiring these lands. In other words, we want the Government to take the 35 percent and use it to buy these private lands within the area of the forests as they now exist."

This is, in substance, a petition from the board of supervisors of the counties in these three national forests, requesting the Government to do what these three bills provide. If the gentleman has any valid objection I want to hear it, because I have given a great deal of study to this question. When a county is willing to say to the Government that it will pay more than one-fourth to buy these lands if the Government will put up the other three-fourths, when the Government has authority to do it, I do not see where there can be any valid objection. It certainly is not a novel situation. Where the facts and circumstances justify it, as they do in these three bills, the law certainly should be enacted as provided in these bills.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture, with the approval of the National Forest Reservation Commission, established by section 4 of the act of March 1, 1911 (U. S. C., title 16, sec. 513), is hereby authorized to acquire by purchase any lands within the boundaries of the Cleveland National Forest in the county of San Diego, State of California, which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage, and to pay for said lands, from those proportions of the entire receipts from the occupancy of public land or the sale of natural resources other than mineral, within the Cleveland National Forest, which are equal to the proportion of the net areas of said forest which are within the county of San Diego, State of California, which receipts are hereby authorized to be appropriated for that purpose until said lands have been acquired: *Provided*, That so long as said receipts are used in the manner herein authorized the provisions of the act approved May 23, 1908 (U. S. C., title 16, sec. 500), shall not be applicable to said county of San Diego.

With the following committee amendment:

Page 1, after line 6, insert "or interests therein."

Page 2, line 2, after the word "lands", insert "or interests therein."

Page 2, line 10, strike out "so long as said receipts are" and insert "as to the receipts."

Page 2, after line 13, insert a colon and the following: "*Provided further*, That any appropriated amounts which are unexpended and unobligated at the close of the fiscal year for which appropriated shall be transferred to the national-forest receipts of that fiscal year and amounts so transferred and such part of the entire receipts of any fiscal year as are not appropriated shall be disposed of in like manner as other national-forest receipts."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTROL OF SOIL EROSION WITHIN BOUNDARIES OF ANGELES NATIONAL FOREST, CALIF.

The Clerk called the next bill, H. R. 2009, to facilitate the control of soil erosion and/or flood damage originating upon

lands within the exterior boundaries of the Angeles National Forest, Calif.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture, with the approval of the National Forest Reservation Commission established by section 4 of the act of March 1, 1911 (U. S. C., title 16, sec. 513), is hereby authorized to acquire by purchase any lands, within the boundaries of the Angeles National Forest, in the State of California, which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage, and to pay for said lands, from the entire receipts from occupancy of public land or from the sale of natural resources other than mineral, within the Angeles National Forest, which receipts are hereby authorized to be appropriated for that purpose until said lands have been acquired.

With the following committee amendments:

Page 1, line 7, after the word "lands", insert a comma and the following wording: "or interests therein" and a comma.

Page 2, line 2, after the word "lands", insert a comma and the following wording: "or interests therein" and a comma.

Page 2, line 6, add the following new wording: "*Provided*, That any appropriated amounts which are unexpended and unobligated at the close of the fiscal year for which appropriated shall be transferred to the national-forest receipts of that fiscal year and amounts so transferred and such part of the entire receipts of any fiscal year as are not appropriated shall be disposed of in like manner as other national-forest receipts."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTROL OF SOIL EROSION ON LAND WITHIN BOUNDARIES OF SEQUOIA NATIONAL FOREST, CALIF.

The Clerk called the next bill, H. R. 2417, to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior of boundaries of the Sequoia National Forest, Calif.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture, with the approval of the National Forest Reservation Commission established by section 4 of the act of March 1, 1911 (U. S. C., title 16, sec. 513), is hereby authorized to acquire by purchase any lands within the boundaries of the Sequoia National Forest, in the State of California, which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage, and to pay for said lands from the entire receipts from the occupancy of public land or the sale of natural resources within the Sequoia National Forest, which receipts are hereby authorized to be appropriated for that purpose until said lands have been acquired.

With the following committee amendments:

Page 1, line 7, after the word "lands", insert a comma and the following wording: "or interests therein" and a comma.

Page 2, line 2, after the word "lands", insert a comma and the following wording: "or interests therein" and a comma.

Page 2, line 6, add the following new wording: "*Provided*, That any appropriated amounts which are unexpended and unobligated at the close of the fiscal year for which appropriated shall be transferred to the national-forest receipts of that fiscal year and amounts so transferred and such part of the entire receipts of any fiscal year as are not appropriated shall be disposed of in like manner as other national-forest receipts."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

QUAPAW INDIANS (OKLAHOMA)

The Clerk called the next bill, H. R. 3796, to extend the period of restrictions on lands of the Quapaw Indians, Oklahoma, and for other purposes.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There was no objection.

PARK FIELD MILITARY RESERVATION (TENN.)

The Clerk called the next bill, H. R. 3364, to transfer the control and jurisdiction of the Park Field Military Reservation, Shelby County, Tennessee, from the War Department to the Department of Agriculture.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SCHAFER of Wisconsin. Mr. Speaker, I object.

TERMINATION OF LEASES OF THE LONG ISLAND RAILROAD CO.

The Clerk called the next bill, H. R. 3408, to authorize the Secretary of War to terminate certain leases of the Long Island Railroad Co.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. MERRITT. Mr. Speaker, I ask unanimous consent that the Senate bill (S. 1034) be substituted for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MERRITT]?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to terminate the leases between the Long Island Railroad Co. and the Secretary of War dated May 7, 1926, and November 1, 1926, of property described therein as the United States Army Base, Bay Ridge, Brooklyn, N. Y., upon the railroad company placing the railroad tracks and facilities located on the premises covered by these leases in good and safe operating condition, giving all title to the railroad company's freight station, railroad tracks, and facilities to the United States now on the said premises, and paying in addition 6 months' rental, at the going rate, from the time of the termination of the leases as the consideration for the termination thereof.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 3408) was laid on the table.

ACCEPTANCE OF CERTAIN LANDS FROM ALAMEDA, CALIF.

The Clerk called House Joint Resolution 171, authorizing the President of the United States to accept on behalf of the United States a conveyance of certain lands on Government Island from the city of Alameda, Calif., and for other purposes.

There being no objection, the Clerk read the House joint resolution, as follows:

Resolved, etc., That the President of the United States is hereby authorized to accept on behalf of the United States, without cost to the United States other than the expenses incident to the examination of title and the preparation, execution, and recording of necessary transfer papers, which expenses are hereby authorized to be paid out of funds available to the Secretary of Agriculture for such purposes, but subject otherwise to the provisions of section 355 of the Revised Statutes, title in fee simple to 35 acres, more or less, of lands above the low-water mark, forming a part of what is known as Government Island, offered by the city of Alameda, Calif., to be used for public purposes of the Government of the United States.

SEC. 2. The President of the United States is authorized to permit the lands conveyed to the United States pursuant to this resolution to be used for such Government purposes as he may deem advisable.

With the following committee amendments:

Page 1, line 5, after the word "than", strike out "the expenses incident to the examination of title" and insert "nominal consideration of $1 and expenses incident to procuring abstract of title, the examination of title."

Page 1, line 9, after the word "papers", insert "all of."

Page 2, line 1, after the word "of", strike out "funds available to the Secretary of Agriculture for such purposes" and insert "administrative funds available from the Federal Highway Act, as amended or supplemented."

Page 2, line 7, after the word "island", strike out "offered" and insert "as described and proposed by Ordinance No. 681, new series, to be conveyed to the United States."

The committee amendments were agreed to.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FORT ARMISTEAD MILITARY RESERVATION

The Clerk called the next bill, H. R. 5449, making inapplicable certain reversionary provisions in the act of March 4, 1923 (42 Stat. 1450), and a certain deed executed by the Secretary of War, in the matter of a lease to be entered into by the United States for the use of a part of the former Fort Armistead Military Reservation for air-navigation purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that an identical Senate bill—S. 2044—be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Whereas the Secretary of War, pursuant to the authority contained in the act of March 4, 1923 (42 Stat. 1450), executed a deed dated February 23, 1927, conveying to the mayor and City Council of the City of Baltimore, Md., the Fort Armistead Military Reservation, which act and deed provide for a reversion of said property to the United States when it shall cease to be used for public-park purposes; and

Whereas the United States is desirous of leasing for air-navigation purposes a part (3¼ acres, more or less) of said property: Now, therefore,

Be it enacted, etc., That the reversionary provisions of the aforesaid act and deed shall not be applicable to the aforesaid property by virtue of the leasing of said part thereof (3¼ acres, more or less) by the mayor and City Council of the City of Baltimore to the United States for air-navigation purposes.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 5449) was laid on the table.

SAN CARLOS APACHE INDIANS

The Clerk called the next bill, S. 18, authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry.

At the request of Mr. WOLCOTT and Mr. COCHRAN, by unanimous consent, the bill was passed over without prejudice.

DISPOSAL OF CEMETERY LOTS

The Clerk called the next bill, H. R. 3132, to authorize the disposal of cemetery lots.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to dispose of by sale or exchange for other lots, in the manner and upon such terms as he shall deem expedient, all the right, title, and interest of the United States of America in and to burial lots located in commercial cemeteries, and to execute and deliver in the name of the United States of America and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale or exchange, and that the expense of any sale shall be paid from the proceeds thereof and the net proceeds deposited in the Treasury to the credit of miscellaneous receipts.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE SECRETARY OF WAR TO EXCHANGE OBSOLETE, UNSUITABLE, AND UNSERVICEABLE MACHINES AND TOOLS

The Clerk called the next bill, H. R. 3587, to authorize the Secretary of War to exchange obsolete, unsuitable, and unserviceable machines and tools pertaining to the manufacture or repair of ordnance matériel for new machines and tools.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to exchange obsolete, unsuitable, and unserviceable machines and tools, and parts thereof, pertaining to the manufacture or repair of ordnance matériel for use in the national defense, for new machines and tools of the same or equivalent general character.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFUSION OF BLOOD BY MEMBERS AND FORMER MEMBERS OF THE MILITARY ESTABLISHMENT, AND BY EMPLOYEES OF THE UNITED STATES GOVERNMENT

The Clerk called the next bill, H. R. 2987, providing for the transfusion of blood by members and former members of the Military Establishment, and by employees of the United States Government.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act of February 9, 1927, entitled "An act relating to the transfusion of blood by members of the Military Establishment" (U. S. C., title 24, sec. 30) is hereby amended so as to read as follows: "That any person in the Military Establishment, or who has been a member of the Military Establishment, and any employee of the United States Government, who shall furnish blood from his or her veins for transfusion to the veins of a member or former member of the Military Establishment who is a patient in a Government hospital shall be entitled to be paid therefor such reasonable sum, not to exceed $50, as may be determined by the head of the hospital concerned, from public funds available for the operation of such hospital: *Provided*, That expenditures heretofore made to persons in Government service for blood furnished from his or her veins for transfusion to the veins of an official patient in a Government hospital are hereby authorized and validated."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY OF DULUTH, MINN.

The Clerk called the next bill, H. R. 3593, authorizing and directing the Secretary of War to execute an easement deed to the city of Duluth for park, recreational, and other public purposes covering certain federally owned lands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and empowered, under such terms and conditions as are deemed advisable by him, to grant to the city of Duluth, Minn., for park, recreational, and other public purposes, an easement for the use and occupation of that portion of lot 1 and all accretions or filled land adjacent thereto, including riparian rights, located in section 20, township 49 north, range 13 west, of the fourth principal meridian, county of St. Louis, and State of Minnesota, not necessary for river and harbor purposes.

SEC. 2. Said foregoing-described property was temporarily withdrawn from settlement, location, sale, or entry, and reserved for use of the War Department for river and harbor purposes by Executive order dated April 6, 1938.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAPATO SCHOOL DISTRICT NO. 54, YAKIMA COUNTY, WASH.

The Clerk called the next bill, H. R. 3824, to provide funds for cooperation with Wapato School District No. 54, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

WEST POINT MILITARY RESERVATION, N. Y.

The Clerk called the next bill, H. R. 3131, to authorize the Secretary of War to convey certain lands owned by the United States for other lands needed in connection with the expansion of West Point Military Reservation, N. Y., and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SCHAFER of Wisconsin. Reserving the right to object, Mr. Speaker, I should like to get some information on this bill. How many acres of land is the Government going to convey and how many acres is the Government going to receive?

Mr. COSTELLO. Mr. Speaker, I may say to the gentleman there are approximately 718 acres of ground the Government wishes to acquire. They are exchanging 416 acres of their own land for 416 acres of the new land. They will, therefore, have to purchase the balance. The cost of the balance will be approximately $10,000, or about $35 an acre. The property the War Department desires to dispose of is at the far end of the West Point Military Reservation, off in a canyon far removed from the academy itself. The ground they would acquire fits into the central portion of

the land they now own, bringing it closer to the academy itself. It adjoins part of the firing range the students of the academy are using. This land will serve to round out the academy ground and make a unified whole out of it. This simply cuts off an extreme portion of the land that is not available for practical use by the academy.

Mr. SCHAFER of Wisconsin. The total additional cost to the Government will be how many thousand dollars?

Mr. COSTELLO. Approximately $10,000.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to convey to the Palisades Interstate Park Commission, a joint corporate municipal instrumentality of the States of New York and New Jersey, all or any part of a certain tract of land, in the vicinity of Popolopen Creek, Orange County, New York, containing approximately 302 acres and constituting a part of the West Point Military Reservation, N. Y., in exchange for other lands in said county and State under the control of the said commission, the acquisition of which is authorized by the act of Congress approved March 3, 1931 (46 Stat. 1491): *Provided*, That if in the opinion of the Secretary of War the lands to be conveyed by the United States under the authority of this act do not represent fair and reasonable compensation for the lands to be conveyed to the United States as aforesaid, the Secretary of War is authorized to pay, from appropriations available for the purpose of carrying out the provisions of the aforesaid act of Congress, such additional sum as shall, in his opinion, with the lands to be conveyed by the United States, constitute fair and reasonable compensation therefor: *Provided further*, That the Secretary of War shall reserve to the United States in any conveyance made under authority of this act such rights as in his opinion shall be necessary for the preservation and protection of the water supply of the West Point Military Reservation, N. Y.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROTECTION AND PRESERVATION OF DOMESTIC SOURCES OF TIN

The Clerk called the next bill, H. R. 5840, to amend the act entitled "An act to provide for the protection and preservation of domestic sources of tin," approved February 15, 1936.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide for the protection and preservation of domestic sources of tin," approved February 15, 1936, be, and the same is hereby, amended by inserting in section 2, after the word "scrap", in the third line, the words "or other scrap, drosses, or residues the tin content of which is in excess of 10 percent in which the copper content does not exceed the tin content."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSIONS TO WIDOWS AND ORPHANS OF DECEASED VETERANS OF THE SPANISH-AMERICAN WAR, BOXER REBELLION, OR PHILIPPINE INSURRECTION

The Clerk called the next bill, H. R. 2875, to provide that pensions payable to the widows and orphans of deceased veterans of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection shall be effective as of date of death of the veteran, if claim is filed within 1 year thereafter.

Mr. MOSER. Mr. Speaker, reserving the right to object, I would like to inquire if there is anyone here to defend this bill. If not, I ask unanimous consent, Mr. Speaker, that the bill be passed over without prejudice.

Mr. SCHAFER of Wisconsin. I object, Mr. Speaker.

The SPEAKER. Does the gentleman from Wisconsin object to the request that the bill be passed over without prejudice?

Mr. SCHAFER of Wisconsin. I do, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MOSER. I object to the present consideration of the bill, Mr. Speaker.

MARKETING AGREEMENTS WITH RESPECT TO HOPS

The Clerk called the next bill, H. R. 4539, to extend the time during which orders and marketing agreements under the Agricultural Adjustment Act, as amended, may be applicable to hops.

Mr. TABER. Mr. Speaker, reserving the right to object, as I understand it, this bill extends the authority of the Secretary of Agriculture with reference to certain items of agriculture. I feel it is too important a bill to consider on the Consent Calendar, and I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

FORT SNELLING BRIDGE, MINNESOTA

The Clerk called the next bill, H. R. 1774, to authorize the transfer to the State of Minnesota of the Fort Snelling Bridge at Fort Snelling, Minn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to quitclaim to the State of Minnesota the right, title, and interest of the United States in the Fort Snelling Bridge across the Mississippi River at Fort Snelling, Minn., and the site of the bridge, approach, and abutment thereof in the county of Ramsey, acquired by the United States by decree of the United States district court dated May 23, 1908, recorded in the office of register of deeds for Ramsey County, Minn., in book 541 of deeds at page 193, including that certain easement on and across the right-of-way of the Chicago, Milwaukee & St. Paul Railway Co. in Hennepin County, acquired by decree dated October 6, 1909, recorded in the office of register of deeds for Hennepin County, Minn., in book 123 of miscellany, page 573, and an easement in lands forming the site of the abutment and bridge end on the Fort Snelling Military Reservation for so long as the bridge as now located, or as may be rebuilt or replaced with a new bridge, is maintained and used as a public bridge on said site: *Provided*, That the said conveyance shall be subject to the rights of those who contributed to the funds out of which said bridge was originally constructed as provided in the act of Congress approved March 17, 1906 (34 Stat. 66), and also subject to the State of Minnesota keeping said bridge in repair for use as a public bridge and as a part of its highway system during the economical life of said bridge or until rebuilt or a new bridge in replacement thereof is constructed: *Provided further*, That the United States shall have the right to use the bridge or any new bridge which replaces it for the support of Government water mains and other utilities serving said reservation of the United States, and for all traffic to and from said reservation, free of tolls or other charges: *And provided further*, That the existing bridge shall be maintained and operated in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

With the following committee amendments:

On page 2, line 16, after the word "its", insert the word "trunk"; strike out all of lines 17 and 18, down to and including the word "constructed", and insert in lieu thereof the following language: "until by mutual agreement between the State of Minnesota and the United States a new bridge shall be constructed reasonably near the site of the present bridge."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938

The Clerk called the next bill, H. R. 5911, to amend subsection (h) of section 344 of the Agricultural Adjustment Act of 1938, as amended.

Mr. PACE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

BOOKS FOR THE ADULT BLIND

The Clerk called the next bill, H. R. 5136, to amend the act entitled "An act to provide books for the adult blind," approved March 3, 1931.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to provide books for the adult blind," approved March 3, 1931, as amended (U. S. C., 1924 ed., supp. IV, title 2, sec. 135a), is amended by adding at the end thereof the following new sentence: "In the purchase of such books, the Librarian of Congress, without

reference to section 3709 of the Revised Statutes (U. S. C., 1934 ed., title 41, sec. 5), shall give preference to non-profit-making institutions or agencies whose activities are primarily concerned with the blind.

With the following committee amendments:

Line 11, page 1, strike out the period and the quotation marks and insert in lieu thereof a comma and the words "In all cases where the prices or bids submitted by such institutions or agencies are, by said Librarian, under all the circumstances and needs involved, determined to be fair and reasonable."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUDICIAL DISTRICT OF IDAHO

The Clerk called the next bill, S. 752, to amend section 78 of chapter 231, Thirty-sixth United States Statutes at Large (36 Stat. L., sec. 1109), relating to one judicial district to be known as the district of Idaho, and dividing it into four divisions, to be known as the northern, central, southern, and eastern divisions, defining the territory embraced in said divisions, fixing the terms of district court for said divisions, requiring the clerk of the court to maintain an office in charge of himself or deputy at Coeur d'Alene City, Idaho; Moscow, Idaho; Boise City, Idaho; and Pocatello, Idaho; and to authorize the United States District Court for the District of Idaho, by rule or order, to make such changes in the description or names to conform to such changes of description or names of counties in said divisions as the Legislature of Idaho may hereafter make.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 78 of chapter 231 of the United States Statutes at Large be amended so as to read as follows:

"That the State of Idaho shall constitute one judicial district to be known as the district of Idaho. It is divided into four divisions, to be known as the northern, central, southern, and eastern divisions. The territory embraced on the 1st day of February 1938, in the counties of Benewah, Bonner, Boundary, Kootenai, and Shoshone, shall constitute the northern division of said district; and the territory embraced on the date last mentioned in the counties of Clearwater, Idaho, Latah, Lewis, and Nez Perce shall constitute the central division of said district; and the territory embraced on the date last mentioned in the counties of Ada, Adams, Blaine, Boise, Camas, Canyon, Cassia, Elmore, Gem, Gooding, Jerome, Lincoln, Minidoka, Owyhee, Payette, Twin Falls, Valley, and Washington shall constitute the southern division of said district; and the territory embraced on the date last mentioned in the counties of Bannock, Bear Lake, Bingham, Bonneville, Butte, Caribou, Clark, Custer, Franklin, Fremont, Jefferson, Lemhi, Madison, Oneida, Power, and Teton shall constitute the eastern division of said district. Terms of the district court for the northern division of said district shall be held at Coeur d'Alene City on the fourth Monday in May and the third Monday in November; for the central division, at Moscow on the second Monday in May and the first Monday in November; for the southern division, at Boise City on the first Monday in February and the first Tuesday in September; and for the eastern division at Pocatello on the second Mondays in March and October. The clerk of the court shall maintain an office in charge of himself or a deputy at Coeur d'Alene City, at Moscow, at Boise City, and at Pocatello, which shall be open at all times for the transaction of the business of the court."

SEC. 2. That in the event the Legislature of the State of Idaho should hereafter at any time change the description or name of any of the counties embraced in the divisions hereinbefore referred to, then the District Court of the United States for the District of Idaho may by rule or order make such changes in the description or names of the counties in the said divisions to conform with any act of the Legislature of the State of Idaho.

With the following committee amendments:

Page 2, strike out all of line 1 and the first two words on line 2 and insert in lieu thereof the following: "That section 78 of the Judicial Code (36 Stat. 1109, U. S. C. title 28, sec. 151)".

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to amend section 78 of the Judicial Code, relating to the District of Idaho."

GIVING CLERKS IN RAILWAY MAIL SERVICE HOLIDAY KNOWN AS ARMISTICE DAY

The Clerk called the next bill, H. R. 4322, giving clerks in the Railway Mail Service the benefit of holiday known as Armistice Day.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the third proviso in the first section of the act entitled, "An act to fix the hours of duty of postal employees, and for other purposes", approved August 14, 1935, as amended, is amended by striking out the words "three hundred and six" days and inserting in lieu thereof the words "three hundred and five days."

The bill was ordered to be engrossed, and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING STATUTE PROVIDING FOR ESTABLISHMENT OF POSTAL SAVINGS SYSTEM

The Clerk called the next bill, H. R. 5064, to amend the act approved June 25, 1910, authorizing establishment of the Postal Savings System.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the act approved June 25, 1910, entitled "An act to establish postal savings depositories for depositing savings at interest with the security of the Government for repayment thereof, and for other purposes," as amended (U. S. C., title 39, sec. 756), is amended to read as follows:

"In order that smaller amounts may be accumulated for deposit any person may purchase from any postal-savings depository specially prepared adhesive stamps to be known as 'postal-savings stamps' and attach them to a card which shall be furnished for that purpose. A card with postal-savings stamps affixed shall be accepted as a deposit of equivalent value in sums of $1 or multiples thereof either in opening an account or in adding to an existing account or may be redeemed in cash. It is hereby made the duty of the Postmaster General to prepare such postal-savings cards and postal-savings stamps of such denominations as he may prescribe and to keep them on sale at every postal-savings depository office and at such other offices as he may designate and to make all necessary rules and regulations for the issue, sale, and cancelation thereof."

With the following committee amendment:

On page 1, beginning in line 8, insert:

"At least $1, or a larger amount in multiples thereof, must be deposited before an account is opened with the person depositing the same, and $1, or multiples thereof, may be deposited after such account has been opened, but the balance to the credit of any one person, upon which interest is payable, shall not exceed $2,500, exclusive of accumulated interest, and non-interest-paying deposits shall not be accepted.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, in connection with H. R. 4100, I ask unanimous consent that immediately after consideration of the bill I may insert in the RECORD two letters which I have received relating to that bill.

The SPEAKER. Is there objection?

There was no objection.

REDUCING DOWN PAYMENT—NONSUBSIDIZED VESSEL CONSTRUCTION

The Clerk called the next bill, H. R. 5756, to amend section 509 of the Merchant Marine Act, 1936, as amended.

The SPEAKER. Is there objection?

Mr. SCHAFER of Wisconsin and Mr. McDOWELL objected.

AGRICULTURAL MARKETING AGREEMENT ACT RELATING TO APPLES IN WASHINGTON, OREGON, AND IDAHO

The Clerk called the next bill, S. 1096, to amend section 8 (c) of the Agricultural Marketing Agreement Act of 1937, as amended, to make its provisions applicable to Pacific Northwest boxed apples.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

MINIMUM NATIONAL ALLOTMENTS FOR COTTON

The Clerk called House Joint Resolution 247, to provide minimum national allotments for cotton.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HARE. Mr. Speaker, I am sorry objection was made to the consideration of House Joint Resolution 247, providing for an allotment of cotton for the year following 1939, because I was anxious to insert the following amendment on page 1 at the end of line 8:

Provided, That allotments of acreage to the various States be based upon the ratio of the number of cotton growers and their dependents in each State bears to the total number of such persons in the United States.

Possibly the amendment would have been defeated, but I am so thoroughly convinced of the fairness and justice of this amendment to all persons who grow cotton that I was anxious to have the matter presented for discussion so that at some future date the policy provided might be accepted and adopted as a permanent policy, provided the Federal Government is going to continue to regulate acreage and allocate production.

It is not my purpose at this time to discuss the various phases of the existing agricultural program. It is sufficient to say that it has quite a number of very meritorious features, but I have to confess there are some provisions of the law or practices in the administration that operate against what might be classed as the small cotton farmer, and if the present program is to be conducted he will always be classed as a small and unsuccessful cotton grower.

The provisions of this amendment are so plain they hardly need explanation. It simply provides that in the allocation of cotton acreage to the various States the acreage should be on the basis of farm population, and this is to be obtained in each State in the proportion the number of cotton growers and their dependents bear to the total number of such persons growing cotton in the United States. Such an arrangement would give every man or person the same opportunity for growing cotton, and I submit that this is only fair, because if the Government is going to regulate acreage and production it should not discriminate against the future opportunities by limiting them to past activities. Such a program as that affords no incentive whatever for the ambitious son to improve on the farming operation of his father or whoever may have been in charge of the farm he plans to operate and live on the balance of his life.

The point I want to emphasize is that it takes as much to feed, clothe, and educate a man and his family in one section of the Cotton Belt as it does in any other section of the belt, and if his farming operations are going to be regulated by the Federal Government in order to give him what is sometimes referred to as the "more abundant life" this man and his family should have the same opportunities in one State for the purposes named as he can have in any other State. In other words, it is not fair to say to Mr. A and his family that he is entitled to only 10 acres of cotton and then say to Mr. B, who has the same size family and same equipment as Mr. A, that he shall be entitled to 30 acres. That is, one is expected to work out his future economic salvation with 10 acres whereas another similarly situated is given 30 acres with which to do the same thing. I am fully aware that this situation exists in many cases and when left to the discretion and ambitions of each of these families there is no injustice, but the point I am making and emphasizing is that if the Federal Government is going to exercise such authority as to control and regulate the possibilities and opportunities of these two families there is no reason why it should not be fair and just enough to say to them that they will have the same opportunity if they want it and are willing to discharge their obligation to themselves and their families. I know there will be objections to this amendment by the very large cotton farmer because it decreases his opportunity for making and amassing money by the program we have heretofore adopted. It is primarily for the purpose of assisting farmers in making a decent living and affording a fair chance to give all farmers and their children an equal opportunity in life. It is not for the purpose of affording protection to enormous landholders to profit by this policy and make more money, while others only eke out a subsistence. If such matters were left to the individuals to do and act as they have done in former years there could be no objection, but when the Federal Government comes in and undertakes to make plans for the future economy of the people who are engaged in this particular occupation it should inaugurate a program that will give each an opportunity in a program or policy.

In case my proposed amendment is proven to be wrong I will not hesitate to admit that I am mistaken, but my reason in taking up your time now is to submit the proposal and to say that it shall be my purpose to prosecute this idea until it is shown to me that it is not wise, just, or fair to all concerned.

MINIMUM NATIONAL ALLOTMENTS FOR WHEAT

The Clerk called House Joint Resolution 248, to provide minimum national allotments for wheat.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

AMENDING SECTION 344 OF THE A. A. A. OF 1939, AS AMENDED

The Clerk called the next bill, H. R. 5498, to make applicable to the years after 1939 the special provisions relating to cotton baleage and acreage allotments which apply for 1939.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to dispense with further proceedings under the call of the Consent Calendar.

The SPEAKER. That request is not necessary. Under the rules all bills have been called that are eligible for call.

PENSIONS FOR WIDOWS AND ORPHANS OF DECEASED VETERANS

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to return to Calendar 135, H. R. 2875.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. TABER. Mr. Speaker, reserving the right to object, was that bill passed over or was it objected to?

Mr. SMITH of Washington. It was objected to through a misunderstanding.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any provisions of law or veterans' regulation, awards of death pension shall be effective as of the date of death of the veteran of the Spanish-American War, including the Boxer Rebellion and Philippine Insurrection, if claim is filed within 1 year after the death of such veteran.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD in regard to the bill just passed, H. R. 2875, and to include therein a report by Gen. Frank D. Hines, Administrator of Veterans' Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, in view of the fact that the bill H. R. 2875 was first inadvertently objected to through a misunderstanding, so I am informed by the gentleman who made the objection, I desire to place in the RECORD a full explanation of the bill. The bill provides that pensions payable to the widows and orphans of deceased veterans of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection shall be effective as of date of death of the veteran if the claim is filed within 1 year thereafter. It has been favorably recommended by the Veterans' Administration and the Bureau of the Budget. The report of Gen. Frank T. Hines, Administrator of Veterans' Affairs, fully explains the purpose of the bill. The report is as follows:

VETERANS' ADMINISTRATION,
Washington, March 29, 1939.

Hon. MARTIN F. SMITH,
Chairman, Committee on Pensions,
House of Representatives, Washington, D. C.

MY DEAR MR. SMITH: This is with further reference to your letter of January 23, 1939, requesting a report on H. R. 2875, Seventy-sixth Congress, a bill to provide that pensions payable to the widows and orphans of deceased veterans of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection shall be effective as of date of death of the veteran, if claim is filed within 1 year thereafter, which provides as follows:

"That notwithstanding any provisions of law or veterans' regulation, awards of death pension shall be effective as of the date of death of the veteran of the Spanish-American War, including the Boxer Rebellion and Philippine Insurrection, if claim is filed within 1 year after the death of such veteran."

Under the general pension law original awards of death pension to widows and children commence the day following the date of the veteran's death. Under the Spanish-American War Service Pension Acts original awards of death pension to widows commence the date of filing formal application. The same is true as to children, except that under the act of May 1, 1926, in case of death or remarriage of a pensioned widow or forfeiture of her title to pension, then payments commence from the date of such death, remarriage, or forfeiture.

Under Public, No. 2, Seventy-third Congress, and the veterans' regulations, awards of death pension to widows and children of the Spanish-American War, Boxer Rebellion, and the Philippine Insurrection are fixed in accordance with the facts found, except that no award of death pension or compensation shall be effective prior to the date of the veteran's death, date of the happening of the contingency upon which death pension or compensation is allowed, or the date of receipt of application thereof, whichever is the later date.

Section 210 of the World War Veterans' Act, 1924, as amended, provided in part "That no compensation shall be payable for any period more than 1 year prior to the date of claim therefor. * * *." However, that provision was superseded by the rule prescribed by the veterans' regulation under Public, No. 2, referred to above.

It should be borne in mind that there is no law providing a service pension for widows and children of World War veterans, the nearest approach to such legislation being Public, No. 484, Seventy-third Congress, as amended, "An act to compensate widows and children of persons who died while receiving monetary benefits for disabilities directly incurred in or aggravated by active military or naval service in the World War."

Under the provisions of that act it was provided "That payment shall be effective from the date of enactment of this act in all cases where death occurred prior to the date of enactment of this act and in all other cases payment shall be made from the date the application of the widow, child, or children in the form prescribed by the Administrator of Veterans' Affairs, is filed in the Veterans' Administration: * * *." However, the rules prescribed by the veterans regulations and by Public, No. 484, Seventy-third Congress, as amended, were superseded by the provisions of section 6 of Public, No. 304, Seventy-fifth Congress, August 16, 1937, which provides "That notwithstanding any provision of law or veterans regulation, awards of death compensation shall be effective as of the date of death of the World War veteran if claim is filed within 1 year after the death of such veteran."

Summing up, widows and children of veterans of the Spanish-American War, Boxer Rebellion, or the Philippine Insurrection, lose monetary benefits in the form of service pensions for every day that they delay in filing claim for such benefits after the veteran's death, and it appears rather harsh to require such persons to protect themselves against such loss by taking steps as soon as the next day following the date of the veteran's death in order to receive maximum benefit. No matter how long the veteran may have been sick and his death imminent, the passing on of the husband and father inevitably results in considerable shock to members of his family. Furthermore, most people are reluctant in taking steps immediately after the death of a loved one toward the collection of money due on account of the death. There is the further consideration that most people do not know that an application, no matter how informal, will protect their rights, and, of course, they do not have formal application at hand, nor do they always have the information necessary to execute such applications. It appears that these were at least some of the considerations which led to the enactment of section 6 of Public, No. 304, Seventy-fifth Congress, liberalizing the effective date of awards of death-compensation benefits to dependents of World War veterans, including such grants for death not due to service under Public, No. 484, Seventy-third Congress, as amended.

It is estimated that this bill would affect 500 cases at an estimated cost for the fiscal year 1940 of approximately $35,600.

It is the recommendation of the Veterans' Administration that the bill receive favorable consideration by your committee.

Advice has been received from the Acting Director, Bureau of the Budget, that there would be no objection by that office to the presentation of this report to your committee.

Very truly yours,

FRANK T. HINES, *Administrator.*

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to return to Calendar No. 111, House Joint Resolution 156, objected to by the gentleman from Wisconsin [Mr. SCHAFER]. I explained the purpose of the bill to him, and he has withdrawn his objection.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

House Joint Resolution 156

Joint resolution authorizing and directing the Comptroller General of the United States to certify for payment certain claims of grain elevators and grain firms to cover insurance and interest on wheat during the years 1919 and 1920 as per a certain contract authorized by the President.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

Mr. COCHRAN. Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a copy of the bill (H. R. 4190), a short bill, together with a copy of a letter sent by the Civil Service Commission to the Chairman of the Civil Service Committee of the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered by Clinton M. Hester, Administrator of the Civil Aeronautics Authority, on the subject Will Rogers and His Relationship to Aviation, before the Will Rogers memorial dinner on the night of April 28.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on House Joint Resolution 247.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DARDEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech made on yesterday by the Honorable R. Walton Moore, Counselor of the State Department.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief editorial from the Pittsburgh Post Gazette.

The SPEAKER. Without objection it is so ordered.

There was no objection.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4492) entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 34 and 36 to the foregoing bill.

The message also announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 279. Joint resolution making supplemental appropriations for printing and binding and stationery for the Treasury Department for the fiscal year ending June 30, 1939.

BENEFITS FOR WORLD WAR VETERANS

Mr. RANKIN. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 5452) to provide certain benefits for World War veterans and their dependents, and for other purposes.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of Public Law No. 484, Seventy-third Congress, June 28, 1934, as amended, is hereby amended to read as follows:

"SECTION 1. That the surviving widow, child or children, or dependent mother or father of any deceased person who served in the World War before November 12, 1918, or if the person was serving with the United States military forces in Russia before April 2, 1920, who dies or has died from a disease or disability not service-connected and at the time of death had a disability directly or presumptively incurred in or aggravated by service in the World War for which compensation would be payable if 10 percent or more in degree, shall upon filing application and such proofs in the Veterans' Administration as the Administrator of Veterans' Affairs may prescribe, be entitled to receive compensation: *Provided*, That payment of compensation under the provisions of this act shall not be made to any unmarried person whose annual income exceeds $1,000, or to any married person or any person with minor children whose annual income exceeds $2,500, and in determining annual income, payments of war-risk term insurance, United States Government life (converted) insurance, and payments under the World War Adjusted Compensation Act, as amended (U. S. C., title 38, ch. 11), and the Adjusted Compensation Payment Act, 1936, as amended, shall not be considered: *Provided further*, That no compensation shall be paid to a dependent mother or father, or both, in excess of an amount which if added to the monthly payment of automatic insurance or yearly renewable term insurance to either or both such parents would exceed the amount of compensation herein authorized: *Provided further*, That except as provided in section 6 of Public Law No. 304, Seventy-fifth Congress, August 16, 1937 (U. S. C., title 38, sec. 472 (d)), compensation authorized by this act shall not be payable effective prior to the receipt of application therefor in the Veterans' Administration, but in no event shall compensation herein authorized be effective prior to the date of enactment of this act."

SEC. 2. Section 4 of Public Law No. 484, Seventy-third Congress, June 28, 1934, as amended by section 2 of Public Law No. 304, Seventy-fifth Congress, August 16, 1937 (U. S. C., title 38, sec. 506), and Public Law No. 514, Seventy-fifth Congress, approved May 13, 1938 (U. S. C., title 38, sec. 506), is hereby amended to read as follows:

"SEC. 4. For the purpose of awarding compensation under the provisions of this act, as amended, service connection of a disability at the date of death may be determined in any case where a claim has been or is filed by the widow, child, or children, or dependent mother or father, of a deceased World War veteran, except that proof of disability at the date of death and evidence as to service connection may be filed at any time after the date of enactment of this act or the date of death, and evidence required in connection with any claim must be submitted in accordance with regulations prescribed by the Administrator of Veterans' Affairs."

SEC. 3. Section 2 of Public Law No. 484, Seventy-third Congress, as amended (U. S. C., title 38, sec. 504), is hereby amended to read as follows:

"That monthly rate of compensation shall be as follows: Widow but no child, $30; widow with one child, $38 (with $4 for each additional child); no widow but one child, $15; no widow but two children, $22 (equally divided); no widow but three children, $30 (equally divided) (with $3 for each additional child; total amount to be equally divided); dependent mother or father, $45 (or both) $25 each.

"As to the widow, child, or children, the total compensation payable under this paragraph shall not exceed $64. Where such benefits would otherwise exceed $64, the amount of $64 may be apportioned as the Administrator of Veterans' Affairs may prescribe."

SEC. 4. Section 3 of Public Law No. 484, Seventy-third Congress, as amended (U. S. C., title 38, sec. 505), is hereby amended by adding thereto a new paragraph (d), to read as follows:

"(d) The term 'mother' or 'father' shall mean a natural mother or father of the veteran, or mother or father of the veteran through legal adoption."

SEC. 5. Effective on the first day of the month next following the date of enactment of this act the rates of death compensation payable under the provisions of existing laws or veterans' regulations to a surviving widow, child, or children, and/or dependent mother or father now on the rolls or hereafter to be placed on the rolls as the surviving widow, child, or children, and/or dependent mother or father of any World War veteran who died as result of injury or disease incurred in or aggravated by active military or naval service in the World War, shall be as follows:

Widow, age under 50 years, $37.50; widow, aged 50 years or over, $45; widow with one child, $10 additional for such child up to 10 years of age, increased to $15 from age 10 (with $8 for each additional child up to 10 years of age, increased to $13 from age 10) (subject to apportionment regulations); no widow but one child, $20; no widow but two children, $33 (equally divided); no widow but three children, $46 (equally divided) (with $8 for each additional child, total amount to be equally divided); dependent mother or father, $45 (or both) $25 each. As to the widow, child, or children, the total compensation payable under this paragraph shall not exceed $82.50. The amount of compensation herein authorized shall be paid in the event monthly payment of compensation under Veterans Regulation No. 1 (g) and the monthly payment of yearly renewable term or automatic insurance does not aggregate or exceed the amount of compensation herein authorized.

As to the surviving widow, child, or children, and/or dependent mother or father on the rolls on the date of enactment of this act, any increased award herein authorized shall be effective from the date of enactment of this act and in all other cases, except as provided in section 6 of Public Law No. 304, Seventy-fifth Congress, approved August 16, 1937, effective dates of awards shall be governed by the provisions of veterans' regulations promulgated under Public Law No. 2, Seventy-third Congress, March 20, 1933.

SEC. 6. Subparagraph (k) of paragraph II, part I, of Veterans' Regulation No. 1 (a), promulgated under Public Law No. 2, Seventy-third Congress, March 20, 1933, is hereby amended to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or the loss of the use of only one foot, or one hand, or one eye, the rate of pension provided in part I, paragraph II (a) to (j), shall be increased by $25 per month: *Provided*, That in no event shall the rate of pension (including the $25 increase) for anatomical loss of one foot, or one hand, or one eye be less than $100 per month."

SEC. 7. The Administrator of Veterans' Affairs is hereby authorized and directed to insert in the rating schedules of the Veterans' Administration a minimum rating of permanent partial 10 percent for wounds incurred in line of duty in active service during the World War.

SEC. 8. On and after the date of this enactment, the rate of interest charged on any loan secured by a lien on United States Government life (converted) insurance shall not exceed 5 percent per annum.

Mr. RANKIN (interrupting the reading of the bill). Mr. Speaker, I ask unanimous consent that further reading of the bill be dispensed with but that the bill be printed in full at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. Is a second demanded?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I demand a second.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The gentleman from Mississippi is recognized for 20 minutes and the gentlewoman from Massachusetts is recognized for 20 minutes.

Mr. RANKIN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this is a bill for the relief of certain World War veterans, their widows, orphans, and certain dependent parents.

The first section provides for increasing the compensation for veterans and for the surviving widows and orphans of certain veterans of the World War. Section 2 of the bill amends section 4 of Public Law No. 484. Section 5 of the bill also increases compensation to widows and orphans of veterans with service-connected disabilities; and section 6 amends the present law by increasing the compensation to those battle casualties—men who lost arms, legs, or eyes during the World War—by giving them a minimum of $100 a month. The bill also provides for reducing the insurance on loans on veterans' insurance policies to 5 percent and, as I said, it also takes care of certain dependent parents of veterans of the World War, which veterans had service-connected disabilities but died from other causes.

The bill also changes present law to provide that widows and orphans or dependents of World War veterans, which

veterans have service-connected disabilities of less than 10 percent but who died of other causes, would, under the present law, be compensated as if their disabilities amounted to 10 percent, and may be given compensation at the same rate provided under Public Act 484.

It also provides that any veterans having battle wounds shall be rated not less than 10-percent disabled.

Sections 3 and 4, you will find by referring to the report, add 3,000 new cases to the rolls. They increase compensation to 14,850 widows and 5,200 dependent parents. The total cost of these sections will amount to $5,032,000 a year. The rest of the bill, according to the estimate of the Veterans' Administration, will bring the entire cost up to $18,750,000 a year.

Mr. Speaker, I realize this bill may not go as far as some Members would like to have it go. I realize it probably goes farther than some Members would like to have it go. But we worked on it for a long time, and under the circumstances did the best we could, and we think this measure should be passed.

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I yield myself 2 additional minutes.

The committee asked me to use every means possible to bring the measure before the House, and this is the first opportunity I have had. It does not close the door, however, to other veterans' legislation. These cases are so important, however, we think this measure should pass now.

There are some Members who may think we are going a step afield by taking care of the dependent parents of those deceased boys. Some Members have suggested that we put them under social security. If we did, in some States they would get five times as much as they would in other States.

Mr. Speaker, this was a national war, and so long as I am head of this committee I am never going to permit the disabled veterans or their dependents to be shoved off onto the social security and be discriminated against, as the old people are being discriminated against in the different States under the Social Security Act. This having been a national war, a national proposition, we are writing these salutary provisions into national law.

Mr. AUGUST H. ANDRESEN. Will the gentlemen yield?

Mr. RANKIN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. So the record may be complete, will the gentleman kindly state what the committee is going to do to take care of the widows of veterans who did not have any service-connected disability?

Mr. RANKIN. There are measures now pending before the committee covering that proposition. We will probably take them up later. As the gentleman knows, there are 21 members on that committee and the chairman does not control it.

Mr. AUGUST H. ANDRESEN. I know the chairman is sympathetic to that kind of legislation.

Mr. RANKIN. I secured the passage of a bill of that kind some years ago, but it died in the Senate.

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, under permission to extend my remarks at this point, I wish to call attention to the fact that this bill was unanimously reported out of the World War Veterans' Committee.

As ranking minority member of the committee, I do not wish to take up the time of the House in discussing its merits, but would rather have the newer members of the committee have the opportunity.

I believe the bill is a helpful step in the right direction and will do a great deal of good. I am very sorry it did not go further in its provisions, especially for the widows and orphans. For years I have been working to have them given higher rates of compensation, and I am delighted that the measure has done something in this direction. The provision giving an increase to certain amputation cases will aid a number of men who have been heavily handicapped. I earnestly hope that in the near future injustices and inequalities may be adjusted and that benefits which were taken away may be restored. There is still much legislation needed for the veterans and their dependents.

Mr. Speaker, I yield 6 minutes to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER. Mr. Speaker, I am not going to speak in opposition to the legislation proposed in this bill, but I do want to say that I am disappointed with the provisions of the bill. I had hoped that the Committee on World War Veterans' Legislation would put the important things first.

This bill, in my opinion, does not correct the injustices of existing legislation in that it does not adequately provide for the widows, dependent parents, and orphans of the men who died in the service or as a direct result of service. I believe the Members of this House are familiar with the Canadian rates paid to the widows of those men who died in the service of Great Britain, and I believe they are familiar with the French rates as well. We have never properly cared for that comparatively small group of people.

I maintain it is a crying shame and a disgrace for this wealthy Government to pay only $30, $40, or even $45 to the widow of a man who enlisted or who was drafted and who gave his life in the World War. The very minimum, in my humble opinion, should be $75 or $80 a month in order that those widows might live in the same comfort that they had every reason to expect they would have had if their husbands had not gone to the war.

I am also disappointed that the committee has not included in this bill a provision restoring the so-called presumptive group to full compensation. These men who were put on the rolls as the result of the presumptive act were told in 1922 and 1923:

> You do not need to submit evidence and we do not want affidavits. It is presumed under the law that your disability is due to service.

These men are now receiving 75 percent of what they should receive, and that injustice will continue as a result of the Economy Act until the Congress restores them to their rightful place on the pension rolls.

Mr. Speaker, it seems to me this bill is a departure from previous veterans' legislation in that in its effort to correct injustices among the so-called battle casualty cases it enacts what seems to me to be a new type of legislation. I know several veterans of the World War who have on their bodies the scars of machine-gun bullets and shrapnel, flesh wounds, if you please, who, under this act, will receive $10 a month. I sent a copy of this bill to many of those men, and without exception their answer is substantially as follows: "Yes; I have a flesh wound, but it has never bothered me. If the Government cannot take care of all of us, for God's sake send my $10 to the widows of those soldiers we left in France."

In the minute remaining I would like to refer to the provision of this bill that provides the minimum compensation of $100 per month for the loss of a limb. In this section we are trying to write legislation that prior to this time has been taken care of by the rating tables of the Veterans' Administration. I feel that this legislation will unbalance the existing rating schedules. What is the disabled veteran who is suffering from tuberculosis, certain heart conditions, or even gastric ulcers, and who spends 25 or 50 percent of his time in bed or sick at home, going to think when he receives a rating of $35 to $40, while his next door neighbor, who has suffered the loss of a limb, perhaps below the knee and who wears an artificial limb without discomfort, dances, skates, and so forth, receives $100 under this act? The Veterans' Administration should be permitted to make proper allowance in the case of a man who, for physical reasons, cannot wear an artificial limb. If we set a minimum of $100 for the loss of, say, one foot, how will we adequately compensate a man who has lost both arms? Certainly the loss of two arms is twice as disabling as the loss of one foot.

It is impossible to write a law that will cover every known disability, and I would much prefer to see such matters controlled by the Veterans' Administration under rating schedules.

Section 7 of this bill will place on the compensation rolls thousands of veterans who, while they have scars caused by machine-gun bullets and shrapnel, have suffered no ill effects during the past 20 years. Many of these men have not applied for compensation and have no intention of doing so. Here again this matter can be better cared for by adequate and proper rating schedules. It is true that many men are rated at 10-percent, 15-percent, or 20-percent disabled, who should be rated higher. Young doctors in the Veterans' Administration who have not had the experience of probing for shrapnel, cannot visualize from the scars the internal damage caused by the shrapnel. I cannot approve a bill such as this, containing some very desirable features and some not desirable, because it causes us to vote for bad legislation. But if we desire to secure much-needed benefits, the fact that widows of men who died in service will receive increased compensation is sufficient reason for any Member of the House to support this bill, and because of the section relating to these widows I will, of course, vote for the passage of this legislation.

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I yield myself 3 minutes.

In reply to the gentleman from Connecticut [Mr. MILLER], I desire to say that I agree with him and that we gave these widows of service-connected veterans a substantial increase, and also provided for the widows and orphans of the presumptive cases. I was one of the men in the House who opposed what was called the economy bill when those presumptives were cut off, and I was one of the men who helped to raise them back to 75 percent.

With reference to the 10 percent, I wish to say that these veterans who do not desire to make claim now do not have to do so, but under this bill if they die of some other disability their widows and orphans will be cared for.

With reference to the amputation cases, I call attention to the fact that there are a great many men with hands off at the wrist or feet off at the ankle who have suffered untold misery since the close of the World War. They were not properly compensated, in my opinion. We took this proposition and went through it from every angle and decided that this was the best way to reach them without further unbalancing the rating schedule of the Veterans' Administration. So, as I said, we did the very best we could.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Louisiana.

Mr. BROOKS. Can the gentleman tell me whether this new bill will cover the case we will say of a veteran who had a service-connected disability and as a result of that service-connected disability had to have, we will say, his leg removed? Will this cover a case of that sort and allow that veteran a minimum of $100 a month if the removal of the leg occurred in, say, 1919?

Mr. RANKIN. If the loss of that limb was caused by a service-connected disability, my opinion is that it will.

Mr. MILLER. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Connecticut.

Mr. MILLER. Can the gentleman tell us if it is the intention of the Committee on World War Veterans' Legislation to set minimum ratings for all major disabilities, such as of the heart, lungs, and stomach?

Mr. RANKIN. No; we have to depend to some extent on the rating schedule of the Veterans' Administration.

Mr. MILLER. Is not this providing for a separate group and treating it separately?

Mr. RANKIN. Yes; I may say to the gentleman from Connecticut he is right. We made a special effort to take care of this special class of men who have lost hands and who have lost legs or had an eye knocked out, and who have not been adequately compensated in comparison with other men who have been similarly disabled by losing an arm above the elbow or a leg above the knee.

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Speaker, first of all I wish to emphasize what the distinguished and able chairman of our committee [Mr. RANKIN] said when he remarked that the passage of this bill does not mean that it precludes further legislation on behalf of veterans in this session. If it were not for that fact, I myself would be disappointed at some of the things that are not included in this bill. This bill represents an effort on the part of the committee to include matters which we feel quite certain are going to pass this House speedily, we hope with hardly a dissenting vote, go through the Senate with equal speed, and certainly become law.

As the gentleman from Connecticut has pointed out, there are evidently matters, even matters of clear justice, which have not been adequately dealt with in this bill. For my own part, the way I feel about these matters is approximately as follows:

None of us likes the idea of relief. All of us want to see the American people either employed or in some dignified manner taken care of according to what they definitely deserve. To my mind, the more we can do in the way of taking care of the need of widows of the men who served in the World War and the more we can do toward taking care of disabled men who served in that war, doing it in such a fashion that it is an evident expression of the gratitude of this Government instead of being a part of a relief system, the better off we are. It is from the standpoint that we recognize that the veteran has made sacrifice for the welfare of the United States and for that reason we should make provision for his need that I believe legislation of this character is fundamentally right and should be supported by everybody.

I myself would like very much to see the presumption of service connection restored in the case of every veteran who served in combat or was exposed to enemy fire or other dangers of that kind. Indeed, I feel that in the cases of veterans in that group the law should definitely state that the burden of proof should be on the Government to prove that his disabilities are not service connected. I hope that objective, which happens to be one in which I believe a great many people are interested, can be realized before this session is over.

Mr. MILLER. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. Gladly.

Mr. MILLER. Can the gentelman tell us whether under section 7 a person who suffered from gas would be treated the same as a person who was wounded by, say, a machine gun? Gas allows a wound stripe, but I do not know whether it is considered a wound in the Administration.

Mr. VOORHIS of California. I know what would happen if I were administering the law, but I am afraid I cannot answer the gentleman's question. I am not certain what they would do about that.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mrs. ROGERS of Massachusetts. I assume, perhaps, if it were a gas burn, it might be considered a wound.

Mr. VOORHIS of California. I thank the gentlewoman from Massachusetts.

I believe another matter that needs to be taken up is the matter of allowance for permanent and total disability on the part of veterans. I think all of us have had the experience of finding that under present law a great many times a man who is in receipt of $30 for permanent and total disability will, however, be debarred from getting a W. P. A. job, for example, or will be told by a State relief administration in a certain State that because he is in receipt of this allowance for his war service, therefore he is ineligible for a W. P. A. job, while his next-door neighbor is on the eligible list. Therefore in some cases the veteran is penalized because of the very fact of his service. This clearly is wrong. For that reason I am hopeful that progress can be made in increasing the allowance that is now made for permanent and total disability to

a point where it will at least come somewhere near to being enough to meet the needs of these permanently and totally disabled men and their families.

Now, may I make this appeal to the House: Please remember that legislation of this kind, considered by a committee carefully and over a long period, has been considered not only from the standpoint of what that committee would like to do, but from the standpoint of what that committee is confident can definitely be passed and become a law in a short space of time. That is the sort of bill we have before us. It will be helpful to many people—not as helpful as some of us would like—but better than what we have now. Let us go forward from this point. [Applause.]

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, nothing is more important at this time to the people of this country than that the United States keep out of war. All this talk about the necessity of America playing her part in world affairs to save democracy is nonsense if it means a risk of this country's being involved in another foreign war. If such an unhappy event materializes, it will mean the end of democracy in this land; it will mean the establishment of a Fascist regime of government regulation, restriction, and bureaucracy that we never could throw off.

Similar nonsense is talk that business—big business, if you please—would have no objection to this country's again participating in war. People who utter such talk stupidly believe that the men who manage business in this country are so short-sighted that they only can see immediate profits. Our businessmen, thank God, know that all American economy would be irretrievably disrupted if this country goes into another war. They likewise have sons who would have to do the fighting. As patriotic Americans, businessmen are against war. I am happy to see the leaders of business, through the National Association of Manufacturers, speaking out along these lines at this time.

As part of my remarks I wish to include the full text of a resolution adopted last Friday by the board of directors of the National Association of Manufacturers, declaring their unalterable opposition to war. The text of this resolution follows:

The National Association of Manufacturers is unalterably opposed to war.

This is the position of the manufacturers, both large and small, as represented by this association. In the words of George Washington, they are opposed to any "entangling alliances."

The devastation of modern war is all-embracing. It takes a withering toll of human and economic forces. No sensible person believes that profit can come out of the wreckage of human lives and economic dislocations.

History has answered that question. Progress comes through peace, not war. Free nations have everything to lose in war. Free institutions are reared through peace and cooperation. Conflict destroys them.

American industry wants peace. This purpose has been frequently and forcefully declared in the previous platforms adopted by the Congress of American industry. American manufacturers pledged every effort to maintain peace.

Happy homes and steady jobs, the ideal of every American, can be achieved only through the pursuits of peace.

The Republic is now at peace. May the God of Nations preserve us from the calamity of war.

Mr. HALLECK asked and was given permission to extend his remarks and to include therein a statement referred to by him.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. ALEXANDER].

FLAGRANT INJUSTICES PERPETRATED ON VETERANS IN THE NAME OF THE LAW

Mr. ALEXANDER. Mr. Speaker, it is essential that we do justice to our veterans. There is considerable basis for doubt as to our performance in this respect, judging from the records which are available in the files of every veterans' organization throughout the United States. From the facts which I shall place in the RECORD today in connection with the debate on this bill, H. R. 5452, it is evident that we need to amend the present law, as we propose to do if we are to do justice to the veterans, and before we can take very much credit as lawmakers interested in the veterans. Cases such as these which I am about to present to the consideration of the House are to be found in every local branch or facility of the Veterans' Administration. I have picked out only a few cases at random which are in the records of the service officers of the various veterans' organizations throughout the country. There are literally thousands of similar cases in existence in which unjust treatment has been accorded our soldiers, sailors, and marines who offered their all when the country called for their valiant service and perhaps even the supreme sacrifice.

Here is presented a great problem—one of the greatest which will come before this session of Congress. It is even a tragic problem to these boys now grown to men who still carry in their broken bodies the ravages of Mars, the demon god of war. It is a problem to us who are intent on rendering a conscientious service to our country.

Because most of us are too busy to be able to give much consideration to any problems except those involved in our own committee assignments, I have condensed for your benefit these cases which tend to indicate that there is much to be accomplished in a legislative way if we are to render justice.

Two of the main items included in this bill are sections 7 and 8, and I call your special attention to them. They read as follows.

SEC. 7. The Administrator of Veterans' Affairs is hereby authorized and directed to insert in the rating schedules of the Veterans' Administration a minimum rating of permanent partial 10 percent for wounds incurred in line of duty in active service during the World War.

SEC. 8. On and after the date of this enactment, the rate of interest charged on any loan secured by a lien on United States Government life (converted) insurance shall not exceed 5 percent per annum.

Section 7 is very important and helpful and section 8 partially provides for some long-needed war-risk insurance reform, and is very meritorious.

WAR DEPARTMENT ASKS FOR MINUTEMEN

A few days ago the War Department issued an appeal, and broadcast it widely, both through the newspapers and also through the radio, asking for the reenlistment of 75,000 ex-service men as modern minutemen to be used immediately if the country calls. Here is the article:

[From the Washington Times-Herald of April 5, 1939]

UNITED STATES CALLS EX-SOLDIERS AS RESERVE CORPS—"MINUTEMEN" TO BE READY IF WAR COMES—DRAMATIC APPEAL IS BROADCAST BY MILITARY LEADERS FOR 75,000 UNDER 36 YEARS OLD

(By Robert G. Nixon)

The War Department today broadcast a Nation-wide appeal to ex-service men to join a reserve corps of "American Minutemen," to be instantly ready for action in case of war.

The Army's dramatic appeal was carried over the Nation by radio and through the medium of the press. Seventy-five thousand able-bodied former soldiers were asked to give their services to the country again should war come.

CALL MEN UNDER 36

The call to colors was addressed to ex-enlisted men under 36 years of age, whether married or single. The campaign was ordered by Secretary of War Harry H. Woodring.

The War Department said this corps of 75,000 men of the enlisted Reserve would be used as a part of the "initial protective force" in event of any national emergency.

The other parts of the initial protective force, which the Nation would throw into the field immediately in case of war, consists of the Regular Army of 165,000 men, the National Guard of 200,000 men, and the Reserve Officers Corps of 110,000.

Evidently Secretary Woodring believes the world situation warrants extraordinary action and is trying to take steps to be prepared for the worst. I wonder if it would be necessary to make this appeal or to offer to pay these minutemen while held in reserve, if we had treated the ex-soldier in any other than the shabby way which is indicated by the following case histories:

Case No. 1, Joseph J. Brooke.

Case No. 2, Edward J. Arthur.

Case No. 3, Stanley Dombrowski.

Case No. 4, Silas E. Swenson.

Case No. 5, Frank S. Wood.

The following letter introduces cases 1 and 2:

MILITARY ORDER OF THE PURPLE HEART,
Miami, Fla., April 4, 1939.

Mr. HERBERT A. CHURCH,
Chairman, National Legislative Committee, Military Order of the Purple Heart, 717 Rock Creek Church Road, Washington, D. C.

MY DEAR HERBERT: Were I not so intensely engrossed in my local efforts in behalf of those of our fellow patriots more unfortunate than we, nothing would make me happier than to be able to cooperate with you. Truly, for no one have I more respect than for you—and for your extraordinary labors.

However, whenever you desire my cooperation you know that I'll be on the job—eh what? And the better to serve you—under separate cover is being sent to you photographs of the wounds of the two patriots whose cases I will relate herein—two definite evidences of the injustices which currently beset the disabled ex-service man.

CASE NO. 1

JOSEPH J. BROOKE, C–156406.—FOLDER AT BAY PINES, FLA.

Here is an example of the vicious interpretation of disabilities. Why does the Veterans' Administration persist in alluding to scars and then in ignoring the inevitable complications of each and every wound? From the multitudinous correspondence in this case I have selected for forwarding herein the papers which I deem to be of most import: Procrastination with regard to hospitalization for service combat disabilities, conflicting medical opinion within the Veterans' Administration, and (the most cruel) the recent review of his folder by the Board of Veterans' Appeals. Here is an individual who has been totally helpless since he was wounded, who has spent many years in various hospitals, even to as recently as several times in the past few years, and who has been advised by competent medical authority that his sole relief can be attained by remaining in bed, and by others that the leg should be amputated. Were it not that his wife augments the family income through the W. P. A.—well, there are two children in the family.

CASE NO. 2

EDWARD J. ARTHUR, C–174842.—FOLDER AT BAY PINES, FLA.

The photograph shows clearly that this man is hammertoed, and the files will verify that that condition is due to a high-explosive shell. Foreign bodies still in foot. Unable to rest foot on ground without the aid of arch supports. Yet, after procuring braces from the Veterans' Administration for 15 years the powers that be in their magnanimity decree that such arches are no longer necessary. Attached hereto is a statement from a reputable chiropodist; and also two letters from Bay Pines—one wherein he is refused outpatient treatment and the other where he is given the well-known run-around in his attempt to obtain new arches.

These two instances are sufficient to convince even the most skeptical that the unpleasant aroma still pervades over Denmark.

Neither has known a single day since the war when he did not know agony and suffering. Both have been advised from every source the only relief is through constant rest—with their legs in Murphy splints. Yet Brooke receives the munificent sum of $35 and Arthur $40.

Yours in true comradeship,

NATHAN E. WELTZ,
Adjutant and Welfare Officer.

By direction:

W. J. MCCARTHY,
Commander.

CASE NO. 1

VETERANS' ADMINISTRATION,
Bay Pines, Fla., July 3, 1935.

Mr. JOSEPH J. BROOKE,
General Delivery, Little River, Miami, Fla.

DEAR SIR: This is to advise you that, pursuant to a recent decision rendered by the rating board of this office, it has become necessary to reduce your compensation payments to the basis of $35 per month. The reduction will become effective from August 1, 1935, in accordance with regulations governing matters of this kind.

The rating board decision was rendered with special reference to hospital report of June 19, 1935, and special surgical examination of June 18, 1935. It was held that your service-connected disability, edema, right leg, for which you have been receiving compensation, is now disabling to the degree of no percent and therefore noncompensable. Your payments of $35 per month from August 1, 1935, will be on account of your service-connected disability, scar, right thigh, severe.

It is regretted that this action reducing payments has become necessary in your case.

If you are dissatisfied with the decision rendered, it is your privilege to file with this office an application for review on appeal. The necessary appeal form will be forwarded to you on request.

By direction:

E. A. SKELTON,
Adjudication Officer.

[Appeal was filed and rejected, as shown by the following letter:]

VETERANS' ADMINISTRATION FACILITY,
Bay Pines, Fla., July 5, 1935.

Mr. JOSEPH J. BROOKE,
8037 Northwest Eleventh Avenue, Miami, Fla.

DEAR SIR: This is to advise you that out-patient treatment for the month of July is not being authorized in your case, inasmuch as further treatment at this time was not found to be indicated after complete examination in your case at this facility.

Very truly yours,

H. C. LOCHTE, M. D.,
Chief, Out-Patient Service.

VETERANS' ADMINISTRATION,
Bay Pines, Fla., October 31, 1935.

Mr. JOSEPH J. BROOKE,
8037 Northwest Eleventh Avenue, Miami, Fla.

DEAR SIR: This is to advise that your claim has been carefully reviewed by the rating board, special attention being given to report of your hospitalization at this facility, dated August 26, 1935, and the decision confirms the previous rating in holding that your service-connected disability, scar, right thigh, severe, interfering with circulation, is properly rated disabling permanent partial 35 percent.

You will, therefore, continue to receive payments of $35 per month until further notice, and no change in the status of your case is in order at this time.

By direction.

E. A. SKELTON,
Adjudication Officer.

P. S.—It is noted that you have been advised of your right to file application for review on appeal.

VETERANS' ADMINISTRATION,
Bay Pines, Fla., February 16, 1938.

Mr. JOSEPH J. BROOKE,
1922 Northwest Seventy-ninth Street, Miami, Fla.

DEAR SIR: This will acknowledge receipt of your application form P–10 for hospital care.

For your information, this application has been approved for hospitalization, but due to an overcrowded condition at this time it is necessary to place your name on our pending list until such time as a bed becomes available for you.

In the meantime, please advise this office as to how you intend to travel when you receive a letter to report, that is, whether by railroad, bus, or privately owned automobile. This is in order for us to prepare the proper letter of authority at the time a bed is available for your reception.

You will be advised immediately when a bed is available and instructions will be forwarded to you.

Very truly yours,

M. BRYSON, *Manager.*

VETERANS' ADMINISTRATION,
Bay Pines, Fla., March 4, 1938.

Mr. JOSEPH J. BROOKE,
Box 1241, Little River Station, Miami, Fla.

DEAR SIR: In reviewing our records it appears that your application for hospitalization has been on our waiting list for some time.

We regret that we have been unable to assign you a bed. We have only 197 beds to care for a veterans' population of approximately 55,000. For months we have been filled to capacity, and it has been possible to admit only those requiring emergency treatment. It is hoped that this condition will improve with the passing of the winter season.

We assure you, however, that if your condition should become such as to require emergency treatment before we can reach your name, you should have your local physician contact this office immediately by phone or wire, and if emergency treatment is indicated, immediate steps will be taken to effect your hospitalization.

Very truly yours,

M. BRYSON, *Manager.*

VETERANS' ADMINISTRATION,
Bay Pines, Fla., April 29, 1938.

Mr. ROBERT A. BAIRD,
Service Officer, Veterans of Foreign Wars,
Room 326, Courthouse, Miami, Fla.

DEAR SIR: This is in reply to your note on the bottom of our letter dated April 26, 1938, with reference to an application for hospitalization in the case of the above-named veteran.

A check of our records indicates that we do have an application for hospitalization which was approved in this office under date of February 16, 1938, and we regret that this mistake was made. He is No. 77 on the waiting list at this time, and we have 218 on this list. The medical certificate on Form P–10 does not indicate that a real emergency exists; however, in view of the urgency you indicate in your letter, we are authorizing him to report ahead of the waiting list. A copy of this letter is going forward to the Honorable J. Mark Wilcox, Member of Congress, for his information.

The letter of authority to the veteran is being mailed as of this date.

Very truly yours,

M. BRYSON, *Manager.*

VETERANS' ADMINISTRATION,
Bay Pines, Fla., July 29, 1938.

Mr. JOSEPH J. BROOKE,
Box 1241, Little River Station, Miami, Fla.

DEAR SIR: We have just received your application for appeal for an increased rating on account of your service-connected disability of scar right thigh, severe, interfering with circulation.

Before we can give further consideration to this feature of your case it will be necessary for you to advise us by letter as to whether or not you have any additional evidence to submit. If you state in your reply that there is no further evidence, then you should authorize this office to have your appeal considered on the evidence already on file.

Thanking you very much for your immediate attention to this matter.

By direction:

E. A. SKELTON,
Adjudication Officer.

VETERANS' ADMINISTRATION,
Bay Pines, Fla., November 8, 1938.

Hon. CLAUDE PEPPER,
United States Senate, Washington, D. C.

MY DEAR SENATOR PEPPER: Reference is made to your interest expressed in the case of the above-named claimant, and in reply thereto you are advised service connection has been granted and the claimant is receiving compensation at the rate of permanent partial 35 percent ($35 per month), for a service-connected condition diagnosed as scar right thigh, severe.

He was last examined by the Veterans' Administration for compensation purposes during a period of hospitalization from May 4 to May 28, 1938, and since this report did not indicate a material change in his service-connected condition his former rating was continued.

The claimant has exercised his right of appeal from such decision to the Board of Veterans Appeals, Washington, D. C., and his authorized representative, an official of the Veterans of Foreign Wars, has been notified in order that he may present the facts on which such appeal is based.

As soon as this presentation of the facts on which the appeal is based has been completed the claimant's name and C-number will be certified to the chairman, Board of Veterans Appeals, Washington, D. C., who will call for the case when the claimant's name is reached on their docket.

Your interest in the case is appreciated and we will be glad to keep you informed of any further developments.

Very sincerely yours,

M. BRYSON, *Manager.*

VETERANS' ADMINISTRATION,
Washington, March 14, 1939.

Mr. JOSEPH J. BROOKE,
Box 1241, Little River Station, Miami, Fla.

DEAR SIR: There is enclosed for your information a copy of the decision of the Board of Veterans' Appeals rendered in the case of the above-identified claim.

For the Administrator.

R. L. JARNAGIN,
Chairman, Board of Veterans' Appeals.

[Enclosure: Copy of decision dated March 10, 1939.]

Brooke, Joseph J.—C-156406—NP-97115:

(Public, No. 2, 73d Cong., WW IR, affirmed.)

(Public, No. 141, 73d Cong., WW IR, affirmed.)

This claim is properly before the board on appeal.

Question at issue:

Increased rating for scar, gunshot wound, right thigh, severe, interfering with circulation.

At a proceeding held in connection with the appeal the veteran did not appear in person but was represented by an assistant State service officer of Bay Pines, Fla., an accredited representative of the Veterans of Foreign Wars. Transcript of the hearing is of record.

The veteran, in his formal appeal, stated:

"This claim is based on the ground that proper attention is not given to the loss of circulation from the effect of the wound. That the use of this leg even to walk will cause the swelling of the leg below the knee to such an extent that I must lie from 1 to 3 days with the leg elevated to reduce the swelling so that I am again able to walk."

The records from the War Department show the veteran enlisted July 6, 1917, and was honorably discharged March 11, 1919. The medical record shows treatment from July 15, 1918, to February 27, 1919, at a French hospital, in Base Hospitals Nos. 1 and 6 and at Camp Dix, N. J., for gunshot wound, right thigh, perforating lower third, severe, with injury to anterior crural nerve; in action July 15, 1918, at Chateau Thierry, France. Report of examination by a board of review at the time of discharge shows:

"Healed scar on inner and anterior surface, right thigh, with considerable loss of muscle substance and consequent loss of power and limp."

It was stated that in view of occupation the veteran was 15 percent disabled.

The claim for benefits was duly filed and service connection for the above condition has been established.

The veteran was physically examined by the Administration on various occasions following his discharge from military service. Special surgical examination of June 18, 1935, shows in part:

"Six inches above the right knee, on the inner aspect of the thigh, there is a transverse scar 6½ by 2 inches. This scar is deeply depressed and somewhat adherent. There is considerable loss of muscle tissue beneath the scar. The right leg is enlarged and firm, not edematous. It measures at the ankle 3½ inches; middle calf, 1½ inches; just below the knee, 2 inches; and just above the knee, 1 inch more than the left leg, all positions respectively. There is some weakness of the adductor and flexor groups of muscles of the thigh."

Special surgical examination of August 26, 1935, shows in part:

"Six inches above the right knee and on the inner aspect of the thigh there is a transverse scar 6½ inches long and 2 inches wide. Scar is depressed and adherent; there is considerable muscle loss; scar is 1 inch deep. There is weakness of the flexor and adductor groups of muscles of the thigh. The leg is enlarged and edematous and slightly red, due to interference with return circulation."

This examination reported the measurements of the legs as follows:

"Right leg above knee, 16 inches; left leg above knee, 15 inches; right calf measures 15½ inches; left calf measures 13¾ inches; right ankle measures 12 inches; left ankle measures 8¾ inches."

A diagnosis was made of cicatrix, gunshot wound, right thigh, severe, with residuals and interference of circulation.

The veteran was hospitalized at the United States Naval Hospital, Philadelphia, Pa., from February 5 to 20, 1936, for cellulitis of the right leg. At time of discharge the veterans' condition was recorded as: Cellulitis, right leg—cured.

Special surgical examination of May 6, 1938, shows in part:

"There is a large scar on the inner side of the medial one-third of the right thigh. The scar is 5½ inches long and 1¾ inches to 2½ inches wide. The scar is well healed, nontender but moderately adherent and depressed 1 inch deep. There is apparently some loss of muscle tissue at the site of the wound as well as destruction of the blood vessels. The leg from the knee down to and including the ankle is enlarged from 1 inch to 2½ inches and is rather cold and clammy. No pitting. Circulation is poor. Dorsal pedis artery is felt. Unable to locate plantar pedis artery. No ulcers, no special tenderness over the saphenous vein.

"Diagnosis.—1. Scar, large, inner side, right thigh, mild symptoms. 2. Residuals, old, gunshot wound, right thigh, moderate."

The veteran was subsequently hospitalized at the Veterans' Administration Hospital, Bay Pines, Fla., from September 3 to 16, 1938, at which time the condition was diagnosed as gunshot-wound residuals, right thigh, and scar, severe, interfering with circulation.

The chief medical officer of the Bay Pines Hospital, on September 27, 1938, replied to a memorandum by the adjudication officer, September 19, 1938, that—

"Examination by the surgeon on September 12, 1938, showed no change in this veteran's service-connected disability from the report dated May 6, 1938. This latter report is already in the veteran's claims file."

The case file contains a statement by Dr. Harold Rand, describing the veteran's condition. This has been noted.

Concerning the issue of increased rating for the service-connected residuals of gunshot wound, right thigh, the Board has carefully reviewed the evidence relating to this condition. Due regard has been given to the information furnished by the War Department, the evidence presented in support of the claim, and to the symptoms and clinical findings disclosed on official examinations in file, conducted by the Administration subsequent to the veteran's discharge.

Inasmuch as the various examinations in file fully detail the veteran's condition and are deemed adequate for proper adjudication of the claim, it is the opinion of the Board that reexamination of the veteran at this time would serve no material purpose.

The agency of original jurisdiction has evaluated the condition as disabling to the extent of permanent partial 35 percent, 1925 schedule, extension 5, variant-thigh 6, and 30 percent under the 1933 schedule, page 19, diagnostic code No. 3176, on the basis of a severe injury to muscle group XIV, interfering with circulation.

From this review of the file, with consideration given to the character of the veteran's military service, the findings disclosed on official examinations and all other evidence of record, it is the decision of the Board of Veterans' Appeals that an increase beyond the current rating is not warranted on the evidence of record. It is further held by the Board that the evaluation of the degree of disablement as made by the agency of original jurisdiction is in accordance with the facts in the case under the controlling rating schedules.

APPEAL IS DENIED

The determination of the agency of original jurisdiction on the issue presented accordingly is affirmed and the veteran's appeal is denied.

Approved March 10, 1939, Board of Veterans' Appeals.

CASE NO. 2

MIAMI, FLA., *March 2, 1938.*

To Whom It May Concern:

On July 29, 1935, Mr. Edward J. Arthur called at my office to see whether arch supports would benefit his foot condition.

It was of my opinion that arches made from his own individual impression should help him. I made him such pair of supports and he did obtain a great measure of comfort and relief.

Mr. Arthur claims that his ankles were struck with shrapnel during the World War and if this being so I do think is greatly responsible for his foot condition. He paid $12.50 per pair for the supports made special for him at that time. He again needs

another pair as the old ones are worn out, making it very hard for him to walk. I believe that a new pair of supports will benefit him greatly.

Sincerely yours,

HENRY G. MICHEL, F. C.

VETERANS' ADMINISTRATION,
Bay Pines, Fla., November 7, 1935.

MR. EDWARD J. ARTHUR,
2160 NW. First Court, Miami, Fla.

DEAR SIR: We are in receipt of your letter of November 5, 1935, requesting out-patient treatment.

Before any consideration can be given to out-patient treatment, it is desired that you inform us as to what conditions and disabilities that you desire out-patient treatment for. Upon receipt of this information, consideration will be given to your request for out-patient treatment.

Yours very truly,

H. C. LOCHTE,
Chief, Out-Patient Service.

Refused.

VETERANS' ADMINISTRATION,
Bay Pines, Fla., December 2, 1937.

MR. EDWARD J. ARTHUR,
2217 NW. Miami Court, Miami, Fla.

DEAR SIR: We are in receipt of your letter of November 17, 1937, relative to have your arch supports repaired or replaced.

It is suggested that you report to Dr. Corren P. Youmans, 653 Southwest Second Street, Miami, Fla., who will conduct an examination in your case and inspect your present arch supports. Dr. Youmans will then submit his report to this office for the indicated action in your case.

Very truly yours,

H. C. LOCHTE, M. D.,
Chief, Out-Patient Service.

Refused treatment.

CASE NO. 3

MILITARY ORDER OF THE PURPLE HEART,
Philadelphia, Pa., April 25, 1939.

MR. HERBERT A. CHURCH,
Chairman, National Legislative Committee, Military Order of the Purple Heart, 717 Rock Creek Church Road, Washington, D. C.

DEAR PATRIOT CHURCH: Complying with my promise, I am enclosing an account of a case which I have been handling before the Veterans' Administration. Whereas it does not involve major injuries, it does disclose a very typical situation before the veterans' rating boards. Whatever the situation may have been in the past, any veteran going before the Veterans' Administration at this time with a feeling that he will be given sympathetic assistance in the formulation of a possible claim is just "kidding" himself. He will find that the Veterans' Administration is not neutral but decidedly an adverse party.

It would be much more fair and businesslike if the fiction as to the disinterestedness of the Veterans' Administration were abolished and it frankly became what it now is. It would smooth the path of those of us who are representing veterans in that we would then have a system under which we could bring cases before the Administration on clear-cut issues and dispose of them. My experience under the present scheme is very unsatisfactory. After having prepared a case carefully and presented it as skillfully as I am able, I frequently have a decision rendered which entirely ignores the points I have urged and turns on some obscure point which the industry of some official has extracted from the record. The present set-up leaves us service officers in the position of frequently tilting at windmills.

In addition to the case which I have written up, there is a case of a veteran, Donald Hildreth, C 48-836. This man had a leg blown off while serving with the Yankee Division. Simultaneously with the loss of the leg an enormous scar which it took 30 stitches to close was inflicted above the hip. Due to laceration of the nerves, this wound caused the man untold agony; but it was not until 15 years after his discharge that he was awarded any compensation by reason of it. Apparently a great injustice has been done the veteran, even though he did receive compensation for the loss of the leg.

Yours in comradeship,

WADE GOBLE,
Judge Advocate, Department of Pennsylvania.

Dombrowski, Stanley, 6109 Reedland Street, Philadelphia, Pa.—C-278928.

While serving with the Russian expeditionary forces, this veteran was struck by a rifle or machine-gun bullet in the left hand. The wound was inflicted on March 23, 1919. The bullet struck first, the knuckle of the second finger, and continuing its course, smashed the tip of the index finger. The veteran says the bullet came from his left rear and struck his hand while it was extended along the stock of his rifle, thereby accounting for the course of the bullet.

At the time the veteran was discharged from the service on August 16, 1919, his discharge bore the notation, "Disability 25 percent." After some changes in the rate of compensation, the veteran on December 23, 1930, was awarded a permanent partial disability of 10 percent. The permanent effects of the wound at that time seemed to be a smashed knuckle joint at the base of the second finger and an unbending index finger.

UNABLE TO WORK AT HIS PROFESSION

During the past 2 or 3 years the veteran has experienced increasing pain in the hand and great difficulty in handling the tools of his occupation which is that of machinist's helper at the Philadelphia Navy Yard.

The veteran nominated the Military Order of the Purple Heart as his representative to investigate the case. At the request of the service officer of that organization, X-ray studies of the hand were made by Dr. Samuel Bruck, 2104 Pine Street, Philadelphia, a recognized roentgenologist, on April 14, 1939. These studies are herewith submitted. These studies demonstrate even to the eye of a layman that extensive spurs of bone accretion have developed deep into the tissue of the hand from the shattered knuckle joint of the second finger.

When these studies were submitted to rating board No. 3, of the Philadelphia office of the Veterans' Administration by Maj. Wade Goble, service officer of the Military Order of the Purple Heart, on April 24, 1939, Dr. Thomas W. Penrose, chairman of that board said: That in requesting additional compensation the veteran was risking the 10-percent award he already had; that the board had been extremely liberal in making a 10-percent rating; that under the regulations now in effect it was only a 6-percent disability; that since the veteran's occupation before the war was that of laborer, he could only be rated on variant 3, with the result that the board had already done everything possible for the veteran.

The Military Order of the Purple Heart submits that if Dr. Penrose correctly states the principles governing the award of compensation in this and similar cases the beneficent purposes of veteran legislation have been completely smothered in bureaucratic regulations. Here we have a genuine combat-incurred disability which seriously curtails the veteran's comfort and threatens his livelihood. With time his disability has become more serious, in line with common medical experience, yet the Veterans' Administration not only refuses to increase the compensation but would intimidate him as to what he already has.

CASE NO. 4

CHISAGO CITY, MINN., *April 4, 1939.*

HON. JOHN G. ALEXANDER,
Congressman, Third Congressional District of Minnesota, Washington, D. C.

DEAR MR. ALEXANDER: I am taking the privilege of writing to you in regard to some information on veterans' affairs.

I am an ex-service man, having been disabled since service and drawing a statutory award. I was cut in 1933 by the Economy Act, but received back compensation after about 1 year. In 1936 and 1937 I spent 8 months and 10 days at U. S. V. Fac. 106 at Minneapolis, and I left there with an honorable discharge but did not get any diagnosis. After being home about 1 month I started to doctor and was taken to a private hospital where I got a diagnosis of Buerger's disease by Dr. V. Heseltine, of Taylors Falls, Minn.; Dr. Von De Weyer and Dr. H. B. Zimmerman, of St. Paul, Minn. Also Dr. Redabough, of Hastings, Minn., at St. Johns Hospital in St. Paul, Minn. I had my right leg amputated and two toes on my left foot. After this I was in Soap Lake, Wash., for further treatment.

The Bureau will admit it is an ex-service man's disease as 95 percent of men who suffer from this disease are ex-service men. My first complaint to them was in 1920 to the United States Public Health Service, but, of course, that is like a lot of other things, it is not on their record, and they told me that there was nothing wrong with my legs, which they have done from time to time, but I have had feelings of same since that time. In 1934 I was told the same thing by Dr. DeCourcy, even though my feet were swollen and painful at the time, so I then went to Drs. Chatterton and Von De Weyer in St. Paul, Minn., and was under doctor's care up to the time I entered the hospital. Of course, I have doctored with other doctors and have affidavits in there, at least three prior to 1925.

This is my trouble: I appeal my case every time they turn me down, but in June 1938 I appealed it. On June 27, 1938, it went through the adjudication office and I did not hear anything from them. So I made a special trip down to see Mr. Hibbard in the latter part of August 1938. I then had a hearing in about 3 days with a decision of pending. December 12, 1938, I was informed that it was turned down and that it would be sent to the board of appeals in Washington, D. C., which was misleading as I had not appealed it there. I also saw the rating sheets of December 12, 1938, in which my evidence was misconstrued by the rating board in order to be able to turn me down. However, I appealed it again at No. 106 as soon as possible with more evidence and I have not heard a thing from them to date.

How long is it supposed to take for an average appeal for service connection at No. 106 at Minneapolis, Minn., to go through?

Can you find out what rating Buerger's disease takes, and if not the most of the men suffering with it are drawing total?

The reason I went to a private hospital for my amputation I think has something to do with it, but I have no way of finding out, as I believe it is the fault for the delays. Mr. J. L. Monahan, of the D. A. V., says that I have as good evidence and better than some cases he has handled.

Not being able to work since 1934 to date, my finances are gone after paying private doctors, hospitals, trip to Soap Lake, Wash., artificial leg, but my living expenses, taxes, and incidentals run on the same. I would not have written to you if I did not think I have it justly coming, as I have proven my case way beyond a reasonable doubt, and according to the law I am supposed to get the benefit of the doubt.

Please do not write to the U. S. V. facility at Minneapolis, Minn., as I know by other cases what happens, as they are supposed to be working on my case now.

Thanking you in advance, I remain,

Yours truly,

SILAS E. SWENSON.

CASE NO. 5

SPRINGFIELD, ILL., *March 16, 1939.*

Hon. JOHN G. ALEXANDER,

House of Representatives, Washington, D. C.

DEAR SIR: It was indeed an honor to receive your communication of 13th instant.

World War veterans generally are totally ignorant of the disability clause in their contracts, also of the practically impossible conditions imposed when applying for disability benefits. This insurance is a service paid for in cash, as well as in service in war, not in any way related to pensions, compensation, etc., which you, of course, understand.

Officers of the Regular Army and Navy are automatically retired because of age at 64. Spanish-American War veterans are considered disabled on reaching the age of 65 and automatically receive a pension.

In this State and many others old-age assistance is immediately available to aged persons of 65 years and over.

After 27 years' volunteer military service in the Illinois National Guard, the Spanish-American War, and the World War, and in 1931, being then 64 years old, I applied for disability insurance benefits, being adjudged permanently disabled. Three years later I was required to submit to another examination, the insurance company desiring to ascertain if I was still permanently disabled. It was found that I was. Three years later, in 1937, then being 1 month short of attaining my seventieth birthday, the insurance claims council decided I had entirely recovered from my total, permanent disability and stopped paying monthly benefits, in addition to requiring resumption of premium payments amounting to $49.62 per month.

In my humble opinion, Congress should require the insurance company, when, because of age, a policyholder becomes eligible for disability insurance benefits to so rule and not leave the decision to the employees of a government agency, backed by rules and regulations not directly authorized by Congress.

While I have a personal interest in this matter, I also am greatly concerned for what will happen to other policyholders, as they grow older, and find they have been fooled, as I was, by the information pamphlets referred to in the copy of letter I sent you addressed Mr. H. L. McCoy.

Thanking you, sir,

Very truly yours,

FRANK S. WOOD,
512 South Second Street.

P. S.—You are at perfect liberty to use any and all information I have sent you.—F. S. W.

SPRINGFIELD, ILL., *March 7, 1939.*

Hon. JOHN G. ALEXANDER,

House of Representatives, Washington, D. C.

DEAR SIR: The last issue of the National Tribune contains a report of a debate in Congress in which the Veterans' Administration, in general, and the United States Government Life Insurance Co., in particular, were under consideration, and in which debate you were the outstanding champion of the veterans.

I take the liberty to enclose a copy of a letter I sent the Director of Insurance, which fairly well explains itself.

The insurance company misrepresented their policies, as shown therein.

When others presume to use the United States mails to disseminate false information when soliciting business they are sent to the penitentiary.

Am sure all veterans feel very grateful to you for your personal interest in their affairs.

I am in possession of the forms referred to in copy of letter I enclose.

Thanking you.

Very truly yours,

FRANK S. WOOD,
512 South Second Street.

Corporal and R. S. M., Fifth Illinois Volunteer Infantry, Spanish-American War.

Colonel, commanding Fifth Illinois Infantry, World War, and One Hundred and Thirtieth Infantry, Thirty-third Division, World War.

SPRINGFIELD, ILL., *February 28, 1939.*

Mr. H. L. McCOY,

Director of Insurance, Washington, D. C.

DEAR SIR: After a careful analysis of its rules and regulations, including its nefarious secret code, its deceptive advertising matter, and statements made in correspondence with the writer during the past year and more, I am reluctantly persuaded that the United States Government Life Insurance Co. is a racket, malicious, despotic, and immoral.

You admit, your letter of April 22, 1938, that the following became a part of your insurance contracts March 9, 1918:

"Total permanent disability is defined as any impairment of mind or body which continuously renders it impossible for the disabled person to follow any substantially gainful occupation and which is founded upon conditions which render it reasonably certain that the total disability will continue throughout the life of the disabled person."

About 7 years after the foregoing became a part of the policies of the Government Life Insurance Co., policyholders were ordered to "convert" their insurance by July 2, 1926 (afterward extended 1 year), or lose their insurance.

This order was conveyed through the mails by means of a printed pamphlet, Form 752, revised August 1925, captioned "Information Regarding United States Government Life Insurance." The permanent total disability definition therein is as follows: "No additional premium is charged for the total and permanent disability provision, nor is there any limitation as to the age at which such disability may occur. The amount of insurance plus dividend accumulations less any indebtedness becomes payable in monthly installments of $5.75 per thousand, payable so long as the insured remains so disabled, even though such disability may continue for more than 240 months. Payment of premiums is waived for the period during which total and permanent disability installments are paid."

The dead line for the conversion of one's insurance, "or else," was fixed by the insurance company as July 2, 1927. The next above referred to "Information" pamphlet was current until November 1928.

On this date, November 1928, all policyholders who could do so had converted their insurance, then the insurance company elected to tell the whole truth regarding their contracts.

By omissions, at least, the insurance company, of which you are "director," sent advertising matter through the United States mail, prior to November 1928, and particularly covering the total and permanent disability provision in your contracts, which was utterly false and fraudulent.

A review of the intent of the authors and supporters of Government life insurance for veterans, as revealed in the CONGRESSIONAL RECORDS and public print when this project was being considered establishes the fact that the administration of this agency is not in any way related to the purposes and benefits proposed by Congress when it legalized Government life insurance and designated the United States Veterans' Bureau to administer it, and sundry veterans' affairs.

Apparently the insurance company immediately assumed that veterans were its legitimate prey, rather than its job was to serve the veterans. That whereas they were heroes when the war was on they are just hoboes now.

To that end the services of the best experts were enticed from "old line" and "blue sky" life insurance organizations whose job it was to devise ways and means to hinder and defeat the original intent of Government life insurance for veterans. When the energies and resources of the Nation were marshaling for war, planning to adequately care for the thousands who would thereby be deprived of health and opportunity, the Government Life Insurance Co. was resorting to the basest chicaneries to make it next to impossible for veterans to receive insurance benefits they and their dependents had been assured would be theirs.

There were no patriotic organizations then, such as the American Legion, Veterans of Foreign Wars, with others, and their auxiliaries to safeguard the interests of veterans, and the insurance company was quick to take cowardly advantage of it.

When our soldiers and sailors were engaged in either "intensive training" or in facing the enemy in foreign lands and on the seas, entirely unmindful of the fact they were sniped at from the rear by a Government agency in Washington, the insurance company secretly wrote into its contracts, March 9, 1918, the most insidious betrayal of confidence possible to conceive, that affecting permanent total disability benefit, referred to in third paragraph of this communication.

Furthermore, the insurance company either lacked the courage or the decency, or both, to give general publicity to its duplicity in any manner until more than 10 years after Armistice Day. By that time the insurable veterans had been "hooked" with new contracts.

Anyone reading all of the advertising matter broadcast by the insurance company prior to November 1928 is justified in assuming that a board of examiners of the Veterans' Administration, determines by rigid examination of an applicant for insurance benefits, whether or not said applicant should be awarded total permanent disability benefits. It can be further assumed if the decision is an affirmative one, the amount of insurance benefits becomes payable in monthly installments of $5.75 per thousand at insurance carried and in force.

In reality, however, should the insured find it impossible to properly provide a living and educate his family on the pittance received as disability insurance, and presumes to supplement that income by accepting a wage, salary, or gratuity kindly disposed friends offer, the insurance company promptly stops all insurance benefits, under authority of the pernicious secret provision written into its contracts March 9, 1918, and kept so until November 1928, and the resumption of insurance premiums are exacted.

The veteran is given no opportunity to be heard, nor no notice of the proposed action given him; privileges extended the worst criminal types mandatorily. The courts appointed and controlled by the insurance company, Insurance Claims Council and Bureau of Veterans Appeals, composed of its own employees acting as judge, jury, and executioners.

Under rules of the insurance company, an attorney for a veteran may charge but a very small fee for his services, approximately $30. A heavy penalty is exacted for any violation of that rule. One receives the impression thereby that a beneficent insurance company throws its protecting arms around the veteran. Read further and it will be found that the same code mandatorily provides that attorneys and experts of the insurance company receive $20 a day and expenses when attending court to assail a veteran trying for justice.

It is fair to presume that when a board of examiners of the insurance company determines a veteran is permanently totally disabled, therefore entitled to insurance benefits, that particular case is closed. That is where the enticed experts from other insurance organizations justify their high salaries, fees, and swivel chairs.

The insurance company has a definition of its own making for the word "permanent." Definitions of that word in all dictionaries were unsuited to the plans of the swivel-chair patriots. The word "permanent," according to the insurance company means you are permanently disabled only if you are unable to earn a little something. If a job offers where the veteran is actually disabled, but can articulate well enough to earn, that is considered evidence by the insurance company and its two astute courts that recovery from disability has been made.

From the time a veteran begins to receive insurance benefits until he passes on he is under the constant surveillance of the insurance company, either by questionnaires or examinations, or both. The veteran must comply with all orders of the insurance company whenever and wherever it suits the purposes of the insurance company to so order, or else.

No peace of mind for him. He is kept distraught. He is in the same predicament as the soldier depicted by Kipling in his immortal verse Boots. "There is no discharge from the war."

There is no subterfuge too mean and unfair the insurance company has not resorted to in its efforts to defeat the intent and purposes of Government life insurance as proposed by the framers and sponsors of the original act. One of the most insidious is a small volume of laws. This code will not be found in any public law libraries, nor can it be purchased, although it was published and paid for with public funds. Its contents are used, as a last resort, to club a veteran's case to death should he have the temerity to take his plea for justice into court.

SIX-PERCENT INTEREST CHARGED

The insurance company exacts interest at 6 percent on loans to veterans, secured by the veteran's policy. Another evidence of its concern of veterans.

That a veteran has no rights the insurance company respects is well exemplified in its form 579, with particular reference to paragraphs 16, 18, and 20 thereof. This form "must" be filled out in "detail" by a veteran making claim for total permanent disability benefits. Here are the three paragraphs above referred to.

"Paragraph 16—Requires the veteran applicant for total permanent disability insurance to state if treated by a physician, or physicians during previous year to submit a supplemental statement by such physician or physicians, on physician's letterhead, showing length of time under treatment, history of condition, physical and laboratory findings, diagnosis and prognosis, and any other pertinent medical data relating to the veterans' condition.

"Paragraph 18—Industrial history: Veteran is required to list his occupations since date of his discharge from the service including names and addresses of all employers, beginning and ending dates of employment, usual number of hours worked each day, number days worked each week, average weekly wages, amount of time lost on account of illness, reason for termination of employment. If self-employed, give nature of business, period, volume of business, help employed, gross and net income, time lost on account of physical condition. If unemployed, state periods and reasons. Detailed answers must be made hereto.

"Paragraph 20—I consent that any physician or surgeon who has treated or examined me for any purpose, or whom I have consulted professionally, any insurance company or organization to which I have applied for insurance, or any person, persons, firm, or corporation to whom, or to which I have applied for employment, may divulge to the Veterans' Administration or testify as to, or produce in court, any information obtained by them, or it, concerning myself by reason of the foregoing, and waive any privilege which renders such information confidential."

It would be difficult to even imagine that such arrogant, tyrannical, and impossible requirements would be made of a veteran by a United States Government agency, were not the printed words in evidence. Hitler, Mussolini, Stalin hopelessly outclassed; Capone, "Bugs" Moran, Hines in the piker class comparatively.

By what right, unless might makes right, the insurance company presumes to pry into the most personal affairs of an American citizen, even though he be but a veteran, is inconceivable. What has the ancient history of an applicant for insurance benefits to do with his eligibility for same? Why not complete the tyrannical outrage and violate the sacred precincts of the confessional?

To what ends? The greatest profit accrues to the insurance company through lapses and confiscation of policies. The large salaries enjoyed by swivel-chair patriots must have justification.

The President of the United States has again asked Congress for authority to reorganize Government bureaus in general, and this nefarious "war risk insurance" racket is one of them. More power to him.

Respectfully,

FRANK STOBIE WOOD,
512 South Second Street, Springfield, Ill.

I have pictures accompanying cases Nos. 1 to 3 and only wish they could be inserted in the RECORD, as they graphically show better than words can describe the evident injustices being perpetrated day after day and year after year under our present laws. From the pictures in connection with cases Nos. 1 and 2 it can plainly be seen that the wounds warrant much different treatment and ratings than those given up to this date. In case No. 3 it is evident from the X-ray exhibit that the bone splinters and growths are such as to warrant this veteran in not working at his usual trade of machinist's helper, and it is doubtful if he could find other work. Under the 10-percent ruling of the Veterans' Administration in his case, as seen above, he is forced to work, although the bones in his splintered fingers are a continuous source of pain and anguish. Case No. 4 is a very tragic one, as you will note by reading its history as recounted in Mr. Swenson's letter above. There is nothing which the Government should leave undone to aid this veteran, as he is gradually losing both his arms and legs from Buerger's disease. There is not the slightest shade of doubt but that his disease is the result of his service.

Case No. 5 shows to a slight degree the injustices which have continuously been perpetrated by the interpretations put out under our present World War Veterans' Insurance Act put on the statute books by previous Congresses. The need for correction of these defects in the law is apparent, and section 8 will cover one item wherein a veteran is forced to pay an exorbitant rate of interest on his insurance-policy loans, although the Government can get all the money it needs for slightly over 2 percent and although all other investments of reserves held by the Veterans' Administration have produced only 4⅛-percent return, according to the testimony given by administration officials at our hearings on this bill. Is it justice to force a man who has been trying to protect his estate by carrying life insurance to pay 6-percent interest on a loan when high interest rates are a thing of the past?

In this connection I insert at this point a resolution passed by the American Legion Department Convention of my State last August, which indicates several needed reforms in our Government insurance:

1. That Congress investigate the insurance section of the Veterans' Bureau with a view to determining the equity of the present costs to the veteran.

2. That the policies be changed to provide that the insurance will not lapse for nonpayment of premiums as long as the loan value is sufficient to pay such premiums.

3. That interest rates be reduced to not more than 3 percent, and that such reduction be made retroactive to the date the loans were made.

4. That the nonassignable clause in policy be removed, and that the veteran be given full control over its disposition.

5. That the insurance division of the Veterans' Bureau be requested to improve the service in general and place it on a plane more comparable to that rendered by commercial insurance companies.

The foregoing was adopted by the convention delegates as part of the rehabilitation program for 1938. The full text of the insurance resolution follows:

Whereas there has been a growing dissatisfaction among those World War veterans who are carrying converted Government insurance based on costs, types of policy, interest notes on loans, and service in general; and whereas some posts have made a study of the reasons underlying these dissatisfactions and find as follows:

1. Annual costs: That the net annual cost of the Government insurance is higher than seems reasonable when it is considered that there are no agents' fees to be paid, and that the Government is supposed to pay all operating costs. We find that for some classes of policies the costs are about the same or even a little higher than those of some of the larger insurance companies.

One individual case investigated reveals that the veteran took out a $10,000 straight life policy at the age of 47 for which the annual premium, based on quarterly payments, is $31.60 per $1,000. Inasmuch as the policy does not and has not for many years paid a dividend, this $31.60 represents the net cost per thousand.

At the same age (47) the veteran took out a $2,000 policy in one of the larger mutual companies on which he pays a quarterly premium of $21.08, or $42.16 per $1,000 per year. However, this latter policy has consistently paid an annual dividend of about

$10.50 per $1,000, making the net cost approximately $31.66 per $1,000, or the same as the Government.

Both policies have a permanent-disability clause and are very comparable. The premium of the old-line policy is sufficient to pay all agents' fees, overhead, etc., that are not required of the Government premiums.

2. Lapses: The policy contract is such that the insurance lapses if the premium is not paid before the end of the 31-day grace period, even though there may be a substantial loan value. The policy referred to under paragraph 1 and most all other policies issued today provide that the insurance will not lapse for nonpayment of premium as long as there is sufficient loan value to meet the premiums. In case of nonpayment the loan is made automatically.

We have knowledge of numerous cases where this feature has saved policies during the depression. The Government contract could and should incorporate this feature without adding to the cost.

3. Interest rates: The contract provides that loans shall be at a rate not to exceed 6 percent compounded annually. No minimum interest rate is specified. We fail to find any case where less than the maximum rate of 6 percent has been and is being charged.

The World War veteran being no different from the cross-section average of American citizenry, has suffered from the depression of the last decade and the collapse of values just as have the others. Many—yes, most—with or without employment, have been forced to borrow money to keep off of relief rolls as long as possible and to protect investments.

Many policies are rapidly becoming valueless due to the accumulation of interest at this high rate. Many veterans' families, for whom the veteran has earnestly attempted to provide an estate, are going to be left destitute and to the mercies of charity.

The Government has adopted the policy of lending money to others in distress at substantially lower rates and on security that is frequently of a doubtful nature, and we see no reason why the rates to veterans on such gilt-edge security should not be retroactively reduced to around 2½ or 3 percent.

Inquiries made regarding high rates of interest now charged have been met with the argument that this rate increases the dividend, that the policyholder himself is the beneficiary; and that it is a good thing in that it discourages borrowing. In view of the very small dividend paid (on such policies as are paying anything and to the large number that are paying no dividend at all) we believe this argument to be without merit. Further assuming that it has some merit, we do not believe that any veteran wishes to be the recipient of dividends for which a comrade is penalized.

4. Nonassignable clause: The policy contains a provision that it cannot be assigned, which makes it useless as security for loans from banks or other institutions that would be glad to make loans at rates less than 6 percent, even as low as 4 percent.

We are told by representatives of the Veterans' Bureau that this is in the interest of the veteran in that it discourages borrowing, and that it protects the veteran's family by preventing the veteran from assigning his policy and losing it.

This paternal interest may have been proper 20 years ago, when many of us were young and inexperienced. But in our now mature years it would seem that the veteran should have fuller control over his own affairs.

We have knowledge of cases where, had the Government policies been assignable, loans made from the Government could have been negotiated at banks at a lower rate. Further, from such inquiries and observations as we have made, we find that loans made locally with a definite maturity date are more frequently finally paid than are those made from the Government or insurance companies.

5. Service in general: Investigation of complaints of poor service has revealed cases where it has taken months for veterans to secure insurance. There are cases where policies have lapsed because premiums were received by the Bureau a few days late and the veteran did not receive notice of such lapse until 30 or 60 days later.

We see no reason why such conditions should exist and why the veteran should not reasonably expect to receive the same prompt and efficient service from the Veterans' Bureau as he gets from other insurance companies.

After reading these cases, one is constrained to ask the question, "Justice, where art thou?" If these disheartened veterans insist that there is no justice, they can hardly be blamed. Nor is such a situation conducive to the encouragement of service to one's country. No wonder Secretary of War Woodring is hard pressed for recruits for his program of national defense.

In view of the evident need for amendments to the present law and quick action to save these brave men from further needless pain and suffering, I hope you will support this bill. We can never repay them for the sacrificial service they have rendered, but we can see that they get some measure of justice.

War is a horrible thing and a wasteful thing and we want no more of it. These cases are tragic reminders of its ravages and its destruction of human happiness and values. But to these who have fought for us, I say there is nothing which a grateful nation should withhold or leave undone to repay the debt of gratitude we owe them for their sacrifices in order that liberty might live and democracy be preserved.

Economy in government is a good thing and I am for it, but to me it must be secondary when justice and mercy call as loudly as they do in the case of our war disabled.

(Mr. ALEXANDER asked and was given permission to extend his remarks and to include therein various papers referred to by him.)

Mrs. ROGERS of Massachusetts. Mr. Speaker, I yield such time as he may desire to use to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Speaker, H. R. 5452, reported by the Committee on World War Veterans' Legislation and now under consideration, will benefit about 140,000 disabled veterans, widows, minor children, and dependent parents of veterans. This measure does not go as far as I should like to have it go, but I wish to say to the Members of the House that I strongly favor it and express the hope it will be passed without a dissenting vote.

Many World War veterans who received wounds from shell fire, accidents, or gas have been denied compensation because the Veterans' Administration has held that they are less than 10 percent disabled. This bill provides that the Administrator of Veterans' Affairs is authorized and directed to give every World War veteran who enlisted in the World War before November 12, 1918, or saw military service in Russia before April 2, 1920, a minimum permanent rating of not less than 10 percent for all wounds incurred in line of duty in active service. It is estimated by the Veterans' Administration that this section of the bill will benefit 87,000 World War veterans and pay them $10,500,000 annually. This section 7 also changes the law so as to benefit the widows, children, and dependent parents of World War veterans. As the law now is, before a widow or minor child of a World War veteran can secure compensation they must prove to the satisfaction of the Veterans' Administration that the death of the veteran was due to service or that the veteran at the time of his death had a 10-percent permanent disability contracted in the service in line of duty. Dependent parents under present laws have to prove that the death of the veteran was due to disabilities incurred in the service in line of duty. Section 7 of this bill fixes by law a permanent disability of not less than 10 percent for each and every World War veteran who incurred in line of duty during the World War any wound or wounds. This provision will grant at least a 10-percent service-connected disability for every World War veteran wounded in line of duty and give to him at least a 10-percent rating, although he may have recovered entirely from his wounds, though great or slight. He will receive at least a 10-percent rating and compensation, and on his death his widow and children and dependent father and mother will receive compensation or pension. Section 7 therefore is of great importance to the veterans themselves as well as to their widows, minor children, and dependent parents.

Section 5 of the bill grants increases, it is estimated by the Veterans' Administration, to 27,800 widows now on the rolls, increasing the pensions of these 27,800 widows $2,505,000 annually.

Sections 1 to 4 of the bill liberalize the present law and will add at least 3,000 new widows' cases, at an estimated annual cost of $1,306,000. It will increase the compensation and pensions of 14,850 widows now on the rolls, at an estimated annual cost of $1,426,000. It will add 5,200 dependent parents of 4,300 deceased World War veterans to the compensation rolls at an estimated cost of $2,300,000 annually, making an increase in the compensation rolls of widows and dependent parents of 23,050, at a total estimated cost annually of $5,032,000. There is a limitation in section 1 of the bill denying these increases and other benefits provided in this act to single or unmarried persons whose annual income exceeds $1,000 or to any married person or any person with minor children whose annual income exceeds $2,500, but it excepts specifically from these exemptions payments of war-risk term

insurance, United States Government life, converted, insurance, and adjusted compensation.

Under the present laws, before the dependent parents of World War veterans can secure benefits it is necessary to show that the death of the veteran was due to disabilities contracted in the service in line of duty. This act changes that requirement, and provides that benefits shall be paid to dependent fathers and mothers of World War veterans where it is shown that at the time of the veteran's death he had a disability directly or presumptively incurred in or aggravated by service in the World War for which compensation would be payable if 10 percent or more in degree. Section 7 benefits them.

Section 3 of the act provides for an increase in the pensions of the widows of World War veterans where the death of the veteran has not been shown to be due to service but where the veteran has been shown to have been 30, 20, or 10 percent disabled from service-connected disabilities at the time of his death. These widows under present laws are pensioned at the rate of $22 per month. This bill provides a pension of $30 per month for them.

Section 5 of the bill provides an increase of $7.50 a month for the widows of World War veterans where the death of the veteran has been shown to be due to service. The total amount of compensation which could be paid to the widow and child or children under Public, No. 304, was $75 per month, but under this bill it is increased to $82.50 per month.

I have always favored a pension for the widows and minor children of World War veterans, whether death was due to service or whether there was a 10-percent permanent service-connected disability or not. Our pension laws have for years granted to the widows and minor children of Spanish-American War, Boxer Rebellion, Philippine Insurrection, and Civil War veteran pensions, without requiring any proof that the death of the veteran was due to service or that he had any service-connected disability. I can see no good reason why there should be any discrimination between the widows and minor children of World War veterans and the widows and minor children of our other wars. If it is right for one, it is right for the other. I have introduced a bill in each and every one of the Congresses for the past several years to accomplish this purpose, and I shall continue to fight to eliminate this inequality and discrimination.

Section 6 of the bill grants not less than $100 per month compensation to all veterans of the World War, Spanish-American War, Boxer Rebellion, and Philippine Insurrection in case that such veteran suffers the loss of one hand or one foot or one eye. The Veterans' Administration could grant more than $100 per month. It must allow at least $100 per month. The law is not changed in case of the loss of both hands or both feet or both eyes. It is estimated that this will benefit 2,723 veterans under these groups, at an annual estimated cost of $714,000.

OPPOSED TO SO-CALLED ECONOMY ACT

I have opposed, and I still oppose, the so-called Economy Act forced through Congress on March 20, 1933, and have from time to time introduced bills to repeal that act. That act caused untold suffering to hundreds of thousands of disabled veterans and tens of thousands of widows and minor children.

The bill before us does not go far enough to suit others and myself in the House. It is brought up, however, under the suspension of rules of the House, and no amendment can be offered or considered to the bill. We can only vote for or against the bill as it is. The World War Veterans' Committee has brought out this bill that no doubt does not measure up to what they should like to present to the House, but they realize the conditions that confront the House and Senate so far as legislation for veterans and their dependents is concerned, and they seem to think this is the best bill we can get through; and the hope is expressed by some of the members of the committee that we may be given an opportunity to vote for other legislation for the veterans and their dependents before Congress adjourns.

I would not feel justified in opposing this bill because it does not go as far as I should like for it to go. It will at least bring benefits to approximately 140,000 veterans and their dependents, and I am very happy to have an opportunity to help that number. I sincerely trust that one or more additional bills will be brought in by the committee before the Congress adjourns.

There is considerable talk now about another war. We are spending billions for national defense. I have urged many times that no appropriation could be more helpful for national defense than appropriations to do justice to those who have served our country heroically, patriotically, and courageously, and their dependents. This Nation must never be lacking in gratitude to its defenders and their widows and orphans. If our Nation follows that course, it will never want for defenders.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Speaker, this measure is no doubt termed by the majority of the Members as a veterans' measure. It, too, can be classified as a measure for peace, national defense, and neutrality. I make that statement having in mind that the care and welfare of a veteran of any war and his dependents is a duty of this country.

There is far more behind this bill than an act of simple justice to the armless and legless veterans, to the widows and orphans and mothers and fathers of men who gave their lives in war for their country.

This bill is another sharp reminder of the cost of war—the price paid in terms of human life, blood and suffering, in tears and grief, as well as money.

Let the mothers and wives of today and the brides of tomorrow examine this measure to learn what they may expect from a grateful Government if they are called upon to sacrifice a son, a husband, or a sweetheart if America goes to war again.

Examined in the light of human life and grief, the cold figures of an increase in widows' pensions from $22 to $30 a month become eloquent and impressive arguments for peace, neutrality, and national defense.

Let me emphasize that national defense does not contemplate sending American boys beyond American frontiers to fight in foreign wars.

Let me stress the fact that neutrality means keeping out of other people's wars, not taking sides in advance, as proposed in the Pittman miscalled Peace Act of 1939. That unneutral proposal would amount to a blind declaration of war. It would make certain that Congress, in the not-distant future, would find it necessary to pass further legislation to compensate with money the loss of human life, a lifetime of crippled martyrdom, and to soften the grief of widows and orphans and bereft parents.

This legislation represents many days of study on the part of the World War Veterans' Committee, during which time testimony was taken from representatives of all veterans' organizations and other interested persons.

While some believe this bill does not go far enough, I feel that it is, at least, a step in the right direction. Moreover, I believe it is one which not only will receive the approval of the body on the other side of the Capitol, but the gentleman at the other end of Pennsylvania Avenue, who has not always approved veterans' legislation.

Sections 1 and 2 are designed to remove the 10-percent disability provision in the present law. That provision has denied many widows and orphans of benefits to which they were entitled by reasons of the type of service rendered by the veteran and the disability incurred in service, but not adjudged the required 10 percent or more. These sections also add the dependent mother or father to those entitled to benefits.

Sections 3 and 4 simply grant increases in benefits to widows and orphans and other dependents. For instance, in the case of a widow whose husband died as a result of a presumptive service-connected disability, under the present law, she receives $22 a month. This measure would increase that

widow's benefits to $30 a month, if she has no child. It would be increased to $38 a month if she has a child. No change in rate of benefit is made in this section for additional children. This section further establishes for dependent mother or father a rate of $45 per month, or both, $25 each.

The estimated cost sections 1 to 4, inclusive, are as follows:

New cases, 3,000	$1,306,000
Increases to those on rolls, 14,850 widows	1,426,000
Dependent parents, 4,300 deceased veterans (5,200 parents)	2,300,000
Total estimated cost	5,032,000

Mr. LEWIS of Colorado. Will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. LEWIS. Does this legislation propose to change already established date of marriage dead line for widows of Spanish War veterans?

Mr. VAN ZANDT. No. This legislation does not concern widows of Spanish War veterans, but concerns dependents of World War veterans, and in their case the existing marriage provision is not disturbed.

Under section 5, 27,800 widows will receive an increase amounting to $2,505,000. In the case of a widow, under 50 years of age, whose husband died of a service-connected disability, and who now receives $30 a month, would receive $37.50 or an increase of $7.50 a month, under this bill. The widow of 50 to 65 years will receive an increase from $37.50 to $45 a month, or an increase of $7.50.

One of the most important sections in the bill is section 6, which concerns 2,723 World War veterans and a small number of Spanish-American War veterans, a group commonly referred to as amputation cases, due to the loss of hand, foot, or eye. This section provides a minimum rate of $100 per month for the loss of a hand, foot, or eye.

There appeared before our committee a number of World War veterans suffering from amputations. Each was frank to state his amputation has been continually aggravated by his daily pursuits as well as being affected by the constant change in weather. All the veterans in this class ask for is a reasonable amount on which to live. It is true that we may be establishing a precedent by fixing a minimum of $100, yet we feel the amount is just in such cases. The total cost of this provision is $714,000.

Mr. MILLER. Will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. MILLER. Is it the opinion of the committee that an amputation below the knee, for instance, is worse than a disability such as gastric ulcers or a condition which will keep a man in bed half the time?

Mr. VAN ZANDT. I would be inclined to say that an amputation disability is permanent. A veteran suffering from a disability such as gastric ulcers may have a chance to recover.

Mr. MILLER. I think I can make an observation from experience. I would much prefer to have the amputation than a condition that keeps a man sick half the time.

Mr. RANKIN. The men who appeared before the committee with their arms and legs off testified that they did suffer, a great many of them immeasurably.

Mr. VAN ZANDT. That is correct.

Section 7 is entirely new legislation. It would establish a minimum rating of permanent partial 10 percent for wounds incurred in line of duty, in active service, in the World War. This new rating is designed to take care of 87,000 overseas World War veterans, the men who served in the front-line trenches, whose bodies were drilled by machine-gun bullets and torn by shrapnel and burned with mustard gas. This new rating was established to meet the inevitable aftermath of war. Many men received severe wounds but apparently recovered completely. Only the scars were left to show where the bullets struck. But after a lapse of many years, the effect of the wounds already have become apparent and taken a toll of their strength, and others will crack as the years go by. With their 10-percent rating already established, it will simplify their efforts to receive additional benefits if more serious complications develop. It no longer will be necessary for this battle casualty to search for comrades or officers, many of whom may have died, to furnish affidavits and establish a claim for an honorable wound, for which a grateful government always is willing to compensate a loyal citizen.

Another important feature of this new rating concerns the widow of the veteran. This will obviate the necessity of the widow scouring the country to get in touch with her late husband's comrades in order to establish the service-connection of his disability.

Mr. RANKIN. Will the gentleman yield right there?

Mr. VAN ZANDT. I yield.

Mr. RANKIN. If the veteran has a battle scar and does not apply for compensation himself, he is assured that if he dies from any other disability, his widow and orphan will be taken care of.

Mr. VAN ZANDT. The chairman is correct.

Lastly, is the insurance provision of this proposal. With the depression upon us and many thousands of veterans out of work, those of us who have been fortunate enough to continue our war-risk insurance policies and who have had to borrow money on the policies have been charged 6 percent interest annually on the loan.

The old-line companies today charge 5 percent interest on new loans, while the veterans are expected to pay 6 percent on old and new loans. If this provision is adopted the rate of interest will be reduced from 6 to 5 percent, adding no cost to the Government immediately. However, there will be a decreased amount of income to the United States Government life insurance fund of $1,500,000 per year on outstanding loans, resulting in a corresponding reduction in dividends payable to policyholders.

Members of the House, the total cost of this bill is $18,751,000, a mere drop in the bucket in comparison to the billions being spent on relief, national defense and for other functions of our Government. Every penny of this amount goes to those citizens who have defended their country in times of emergency, or to their dependents and a vote for this measure is your approval of our Government's recognition of service on the part of a group whose contribution to the defense to this country was above and beyond the duty of an ordinary citizen.

Mr. RANKIN. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. COSTELLO].

Mr. COSTELLO. Mr. Speaker, it is rather futile to attempt to oppose legislation of this character in the brief space of 1 minute. I am not opposed to the entire bill, because I believe that the committee has done well in drafting this legislation when one considers the numerous bills which were considered by the committee. Many bills making far greater demands and seeking to obtain countless benefits for veterans and their dependents were the subject of the committee's deliberations. However, this legislation unfortunately does not mean that these excessive demands have been rejected, since they may become the subject of House consideration at a later date.

Under the present method of considering this legislation it is not possible to so much as offer an amendment to the bill. Under the suspension of the rules only 40 minutes of debate is permitted, the debate is controlled by members of the committee, and at the conclusion of the debate the bill must be either passed or rejected as written. Nevertheless, I wish to call the attention of the Members to section 7 of this bill, which section, in my opinion, should not be enacted into law. Yet to eliminate this section it would be necessary to defeat the passage of this bill today and then consider the bill at a later date under a rule permitting amendment of the bill. Even though this bill were to be defeated today, it would still remain upon the House Calendar and be eligible for future consideration.

This bill is going to add $18,751,000 cost to the Veterans' Administration the first year. No estimate of the annual increases has been made, and so it is not possible to conjecture

as to the ultimate cost of this single piece of legislation. Needless to say that the cost will mount steadily year by year for more than 20 years before the peak will be reached.

Section 7 of this bill will cost $10,500,000 alone the first year, placing as it does 87,000 new cases on the veteran rolls. This section requires that the Administrator of Veterans' Affairs shall insert in the rating schedules of the Veterans' Administration a minimum rating of permanent partial 10 percent for wounds incurred in line of duty in active service during the World War. In a word, every World War veteran who received any injury whatsoever in line of duty while in active service shall automatically become entitled to a rating of permanent partial 10 percent. Regardless of the nature of the wound, regardless of the degree of injury, regardless of the character of disability, even regardless of the total lack of any disability whatsoever, nonetheless the wounded veteran shall hereafter be deemed to be not only 10 percent disabled but permanently 10 percent disabled.

The gentleman from Pennsylvania [Mr. VAN ZANDT] has told you that this is done for the benefit of the widows and orphans; in other words, we are not interested in the veteran who suffered the disability; we are only passing legislation for the sake of the widows and the orphans. I ask you, who went to war and who fought the battles? Is it the widow who married the veteran 20 years after the war is over? Or is it the widow who married the veteran 35 or 40 years after the war is over, as is possible in the case of Spanish War veterans? We grant no compensation to a veteran who is only 10 percent disabled, but the widow need only show a 10-percent disability in order to have her name placed permanently on the pension rolls. Because we are legislating not for the benefit of disabled veterans but only for the benefit of their dependents, we are therefore unable to pay adequate compensation to those who today really bear the marks of war and who actually suffer disability.

The gentleman from Connecticut [Mr. MILLER] has just been complaining about the total inadequacy of the compensation given for amputation cases. Well may he do so. The reason that we are unable to properly provide for such genuine disability cases such as he speaks of, is due to the fact that we are providing more generously for those who did not participate in the war, for those who did not suffer any disability, and who perhaps are not properly entitled to receive any compensation. It is because of such legislation as is contained in this section 7 that the benefits payable to the deserving veterans must necessarily be reduced to such a point that it is not adequate to provide for the truly disabled. It is because we pass legislation such as this, which entails a cost of $10,500,000 the first year, with rapidly increasing costs annually, that we are unable to do justice to those whose disabilities originate in their wartime service to the country.

To further emphasize the point that I am endeavoring to make, let me call your attention to section 4 of this bill, which makes pensions available to the dependent parents of veterans whose deaths are not due to service-connected causes. This section alone adds the names of 5,200 parents to the veterans' rolls owing to the deaths of 4,300 veterans. The added cost of this section of the bill is $2,300,000. If you were to reject this bill today, and permit it to be later considered under a rule, you might then offer amendments to this bill to eliminate these two sections, sections 4 and 7, and thereby save a total of $12,800,000, a saving which could then be applied to augmenting the payments to those who have a just and meritorious claim upon the Government for adequate compensation for genuine service-connected injuries and truly permanent disabilities. Even though I may be but the voice of one crying in the wilderness, yet I nevertheless recommend that this procedure be followed here today, in order that exorbitant costs may not be saddled upon the Veterans' Administration and so that the truly deserving may be given more appropriate treatment.

If we continue upon the present course which we are following in regard to veterans' benefits, we will soon find that the annual cost of the Veterans' Administration will exceed the amounts appropriated for that purpose in the years just prior to the Economy Act. Before long the question of economy on the part of the Government is going to be foremost in the minds of the people of this Nation. When that occurs, you may be assured that the Veterans' Administration is going to be found in the embarrassing position of a billion-dollar bureau, merely because we here today are endeavoring to be kind friends of the veterans and so are adding $18,751,000 annually to the more than $500,000,000 which the Veterans' Administration is now costing. Yet this is only one of many veterans' bills to be passed by this House during the present session, with the promise of numerous other measures to follow. Individually, one bill is of little moment, but the mass of legislation each session gradually amounts to a staggering total, a total which the people of the Nation will not endure. The Nation cannot afford a billion dollars for the Veterans' Administration, a billion dollars for national defense, and a billion dollars for agriculture, along with all the other huge appropriations for the various regular departments of the Government as well as for the emergency agencies. In my opinion, we will be better friends of the veterans if we follow the advice of the gentleman from Connecticut [Mr. MILLER] and give adequate compensation to those who suffered real disabilities, rather than give permanent rating to passing injuries from which the veteran has completely recovered.

[Here the gavel fell.]

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER pro tempore. Without objection, it is so ordered.

Mr. CASE of South Dakota. Mr. Speaker, I merely wish to observe that I am glad to see the insurance clause lifted. The chairman of the committee and the ranking Republican member, the gentlewoman from Massachusetts [Mrs. ROGERS], will recall my somewhat heated remarks on the subject when the widows and orphans bill was revised in the Seventy-fifth Congress. I said at that time, and I say now, that it was unfair after a veteran died to charge against the pension that would be paid his widow and children the amount of the insurance they might draw from the insurance benefits he had bought and paid for.

When we were urged to take out that insurance when we were in the Army, the Navy, or Marine Corps, the one big argument used was that it would be insurance—not a pension. And many a veteran has denied himself personal comforts in order to keep that insurance up for his dependents, as something over and above what the Nation might do in the way of widows' and orphans' compensation.

Had the veteran taken that insurance from a private insurance company, the Government could never have deducted a like amount from monthly pension or compensation benefits; and the veteran paid for his Government insurance in cash the same as he did for any other insurance. It was never a gratuity, it was insurance, bought and paid for.

I am glad that this bill proposes to wipe out the disgrace of charging it up to disability compensation for widows and orphans.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEYER of California. Mr. Speaker, under doctor's orders against engaging in debate on the floor for a limited time, it is impossible for me to say much here. I simply will state that I am wholeheartedly in accord with this measure. My only objection is that it does not go far enough. I hope my colleagues will not forget those who were willing to make the supreme sacrifice when their country called.

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. CARTWRIGHT. Mr. Speaker, as a member of the committee that brought in this legislation, I want to highly recommend it to the House. I am one of those who did not vote for the so-called economy bill, and I am for restoring everything that was taken from the veterans in that legislation. This bill—H. R. 5452—does not go far enough, but it is a step in the right direction. I am particularly interested in taking care of not only the veterans but their wives, widows, and orphans. I hope the bill passes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I yield the remainder of my time to the gentleman from Ohio [Mr. ROUTZOHN].

The SPEAKER pro tempore. The gentleman from Ohio is recognized for 1½ minutes.

Mr. ROUTZOHN. Mr. Speaker, I repeat a statement made by a previous speaker, that if this were the only legislation to be offered for the benefit of veterans, their dependent parents, their widows and orphans at this session of the Congress, I would not be here favoring this bill without offering numerous amendments thereto. I am here unqualifiedly favoring this bill, however, because I believe it meets a number of wrongs we are attempting to right. We cannot in all instances, because of certain circumstances, hope to correct all the mistakes, right all the wrongs, that have previously been made and perpetrated against the veterans of the World War and those dependent upon them, but this bill does attempt to correct certain mistakes and right certain wrongs.

The committee worked hard, laboriously, and long in an endeavor to satisfy the various demands made upon it by the exigencies of the situation. The earnest desire of the members was to obtain as much favorable legislation as possible and at the same time avoid serious opposition and possible Presidential veto. We have not enlarged the benefits as much as we should or as much as I trust we can and will at a future time. Furthermore, we have not restored to the World War veterans all that has been taken from them heretofore by a false economy measure.

The veterans of the World War are entitled to all that has been previously taken from them, and I am in favor of restoring now, or as soon as it can possibly be effected, all those rights and benefits former Congresses promised, granted, and voted them, and I, as a Member of Congress, will not be satisfied with World War veterans' legislation until we have not only restored those rights and benefits but have placed in the law of the land all the provisions to which the veterans, their parents, their widows, and their orphans are justly entitled. [Applause.]

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, may I inquire how the time stands?

The SPEAKER pro tempore. The gentleman from Mississippi has 4 minutes remaining. The gentlewoman from Massachusetts has consumed all her time.

Mr. RANKIN. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. FAY].

Mr. FAY. Mr. Speaker, I think the committee has not gone far enough in the matter of amputation cases in giving them $100 a month.

I am chairman of the World War Amputations Association of New York. Recently we made a poll of our members. Seventy-five percent of them are out of employment because no one wants to hire them. I have in my possession two letters from the United States Civil Service Commission telling two men who lost their legs but who were trained by the Federal Government after the war to be linotype operators, that they had passed their examinations for the jobs but that they were physically unfit to fill them. If our Government will not give these men work how can we expect private industry to employ them? [Applause.]

Mr. Speaker, it is a crime! These men cannot even come to our meetings, because of the small amount they receive as compensation—they are trying to support and bring up large families. [Applause.]

The men who lost their legs or arms in the war are not seeking charity but justice. I appeared before the Veterans Affairs Committee after I had introduced a bill whereby the World War Risk Insurance would be made available to veterans who lost a leg or arm during the war, for it is my belief that inasmuch as we paid for this insurance during the war, we were entitled to collect our just reward when we were disabled permanently for life.

We are getting older and our artificial limbs are getting harder to carry. I know this from personal reasons, for I was a patient at Walter Reed Hospital from November 10, 1938, to March 24, 1939, due to an infection of my stump which was caused by intensive use of my leg last September and October. My mind goes back to a few years ago when I was able to do anything another man with two legs could do.

Let me say that when I appeared before the Veterans Affairs Committee with Morris Novgrod, who represented the World War Amputations Association of the Disabled American Veterans, the chairman, Mr. Rankin, said that it was the first time in his memory that the "Amps" asked consideration. If you do not grant any more than $100 minimum, I trust that in the Congress of 1940 you will have available all records and statistics to prove that these men are entitled to full disability compensation. Private firms will not hire them and now, as I said before, the United States Civil Service Commission refuses to certify for appointment to the United States Government Printing Office two men who were trained in printing work by vocational training after the war by the United States and who are now ineligible, even though they lost their legs defending our country.

Gentlemen, you are taking a long-needed step in the right direction. Please go further and grant them total permanent disability.

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I yield 1 minute to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Speaker, it is my opinion that in most cases those who were disabled by service-connected disabilities have been fairly well cared for. It is true, in a number of cases the veterans probably have not received compensation commensurate with their disabilities.

But it is my belief, after having served on this committee for 3 months and having read a great deal of testimony, that the greatest disability not compensated by the Government today is the World War veteran who served his time but who since the war has been disabled and rendered unable to earn a living. That is, there are a considerable number of World War veterans who are disabled for life but because they are not permanently and totally disabled there is no law by which they may be compensated. Of course, I think the duty of the Government is first to those who were disabled in line of duty, but I happen to know a number of veterans who are not in a position to trace their disability and prove that it had its origin while in the service, but they are wholly incapacitated for work, unless it be of the lightest kind, and I am prepared to say now that I will welcome an opportunity to help enact legislation for the benefit of those who have a disability of as much as 25 percent or more and especially those who have disability of more than 50 or 75 percent. I am also in favor of compensating the needy widows and orphans of veterans regardless of the nature or character of the disability causing their death. I have seen a number of pathetic cases of this kind, and I really believe they should be cared for.

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members who have spoken upon this bill have the right to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I suggest that the gentleman from Mississippi ask that all Members be allowed to extend their remarks on this bill.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. JENKINS of Ohio. Do I infer from the requests that have just been made that a Member may extend his remarks at this point in the RECORD whether he speaks on the bill or not?

The SPEAKER pro tempore. The request did not extend that far.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, I am glad to support this bill, as it is now under consideration before the House, because it is a step in the right direction. There is no question but that the widows of World War veterans who are left with children to support and who have no adequate income are worthy of legislative consideration. In fact, I do not know of any veterans' legislation that would meet with more favor with the veterans generally than a bill that would provide reasonable compensation to widows with dependent children. I know that under the social-security law in most States there is provision for the benefit of widows with dependent children, but in many States this legislation has been so bound around that it has not been effective. I have had occasion at different times to put this to test to groups of veterans, and I find that they react more unanimously in favor of legislation for the benefit of widows and dependent children than to any other proposition of compensation in which they might be interested.

Several years ago I introduced what was probably the first bill drawn along scientific lines and provided for compensation to widows with dependent children. It provided a sliding scale, as most pension laws do, and I think would have been very satisfactory. It met with the approval of many veterans' groups, but was not adopted because of opposition in high places.

While this bill which we have for consideration today may not meet with my entire approval in every detail, it is a step in the right direction, and I am glad to take the step with the committee, and I shall vote for the bill.

Mr. MILLS of Louisiana. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER pro tempore (Mr. DOXEY). Is there objection to the request of the gentleman from Louisiana [Mr. MILLS]?

There was no objection.

Mr. MILLS of Louisiana. Mr. Speaker, I congratulate the committee on bringing this bill (H. R. 5452) providing certain benefits to our veterans and their dependents, to the House for consideration, as I have always felt that our veterans have not been properly recognized.

For the benefit of the country as a whole, and for the veterans themselves, I wish to have included in the RECORD a comparative study that I have made of the compensation received by the veterans of the various States.

	Service connected	Non-service connected	Emergency officers' retirement pay	Total living veterans	Individuals in U. S. Army during World War	Approximate percent receiving compensation
1. Arizona	2,802	454	15	3,271	10,590	0.30
2. California	26,471	3,793	231	30,495	128,647	.23
3. District of Columbia	3,546	462	57	4,065	20,235	.20
4. New Mexico	2,200	359	9	2,568	12,702	.20
5. Florida	4,918	865	65	5,848	36,105	.16
6. Colorado	4,933	591	36	5,560	36,155	.15
7. Georgia	7,178	1,173	52	8,403	93,559	.14
8. Kentucky	10,764	1,143	18	11,925	84,172	.14
9. Massachusetts	15,837	1,689	96	17,622	146,627	.12
10. Arkansas	6,793	1,188	23	8,004	64,903	.12
11. Oregon	3,817	591	27	4,345	34,700	.12
12. Alabama	7,073	1,006	36	8,205	78,459	.10
13. Minnesota	9,965	1,079	24	11,068	104,416	.10
14. Mississippi	8,271	806	13	9,090	56,789	.10
15. Tennessee	7,569	1,056	37	8,662	81,563	.10
16. Washington	4,606	641	18	5,265	51,510	.10
17. Rhode Island	1,844	265	4	2,113	20,038	.10
18. Oklahoma	7,441	909	16	8,366	82,703	.10
19. Ohio	19,126	2,381	94	21,601	214,786	.10
20. Vermont	1,141	91	4	1,236	12,097	.10
21. Utah	1,296	99		1,395	18,376	.10
22. Texas	14,951	2,224	84	17,259	169,776	.10
23. Connecticut	4,832	418	23	5,273	54,257	.09
24. Nevada	426	45	1	472	5,005	.09
25. Wisconsin	8,593	1,147	45	9,785	104,696	.09
26. Missouri	11,592	1,330	52	12,974	138,986	.09
27. Michigan	10,445	1,275	43	11,763	142,975	.09
28. Wyoming	864	156	2	1,022	11,351	.09
29. Maryland	4,644	548	31	5,123	51,132	.09
30. Indiana	9,361	986	31	10,378	118,098	.08
31. North Carolina	5,663	1,260	36	6,959	78,269	.08
32. South Carolina	3,925	908	25	4,858	57,188	.08
33. New Hampshire	1,217	112	5	1,334	15,875	.08
34. Maine	1,932	283	6	2,221	26,987	.08
35. Louisiana	4,834	1,076	13	5,923	67,837	.08
36. Pennsylvania	22,233	2,495	116	24,844	312,525	.07
37. West Virginia	3,580	364	16	3,960	53,731	.07
38. South Dakota	1,847	250	2	2,099	29,564	.07
39. Virginia	4,922	732	31	5,685	77,146	07
40. Montana	2,331	212	8	2,551	35,282	.07
41. New York	24,479	4,030	175	28,684	399,643	.07
42. Idaho	1,167	139	4	1,310	19,030	.06
43. Illinois	15,995	2,449	102	18,546	275,084	.06
44. New Jersey	6,720	938	55	7,713	115,984	.06
45. North Dakota	1,518	176	2	1,696	25,343	.06
46. Kansas	4,091	630	21	4,742	71,640	.06
47. Nebraska	2,688	317	8	3,013	50,119	.06
48. Iowa	5,160	799	9	5,968	108,812	.05
49. Delaware	349	43	2	394	7,956	.04

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RANKIN. Mr. Speaker, as I understand it, unanimous consent has been granted every Member of the House who desires to do so to extend his remarks in the RECORD on this bill within 5 legislative days?

The SPEAKER pro tempore. The gentleman is correct.

Mr. RANKIN. Mr. Speaker, I yield such time as he may desire to the gentleman from Oklahoma [Mr. JOHNSON].

WOULD LIBERALIZE VETERANS' LEGISLATION

Mr. JOHNSON of Oklahoma. Mr. Speaker, this bill to liberalize the present laws affecting veterans' legislation and to provide important benefits for World War veterans, their widows and dependents, is sane, sound, and reasonable legislation. It is my sincere hope that there will not be a vote cast against it. Certainly there should not be any opposition from any Member of this body.

I desire to compliment the chairman of the World War Veterans' Legislation Committee and all members of his committee for their good judgment in bringing in this important bill, which, so far as war veterans' legislation is concerned, is not only the most important bill brought before this House during the present session, but if I recall correctly, is the only bill which Members have had an opportunity to vote for to provide benefits to World War veterans or their widows and other dependents, thus far during this session of Congress. I trust it will not be the last one for there is much other proposed legislation that ought to be enacted.

My objection to the pending bill is that, in my judgment, it does not go far enough. It is, however, legislation that

many veterans in and out of Congress have long been demanding. The American Legion and Veterans of Foreign Wars, the two largest veterans organizations in America, have repeatedly endorsed every provision in this bill, if I am correctly advised.

I am glad to give my support to this bill, not as a full measure of relief to the disabled veterans and their dependents but because it will give a long delayed justice to a small group that, up until this day, have been neglected and in many cases ignored by the Government they fought so valiantly and unselfishly to defend. [Applause.]

The gentleman from Connecticut [Mr. MILLER] pointed out that there is no provision in the pending measure to take care of that rather large group of presumptive cases that were unreasonably cut by the so-called Economy Act. I agree with the gentleman that this group has been mistreated. They should not have been cut to begin with, and I join in expressing my deep disappointment that these persumptives are not included under the provisions of the pending bill. It is my hope that this Congress will not adjourn without doing so. But merely because all deserving veterans are not provided for in this one bill, I cannot find it in my heart to oppose the measure, which certainly is commendable as far as it goes.

So again I simply wish to express the hope that Members will give this bill their enthusiastic support. I wish it might be possible to pass the pending bill here today by a unanimous vote. Let us do our duty now by our unfortunate war veterans. They did not shirk their duty to the country they love when the call came, and we must not shirk our responsibility to them now. [Applause.]

Mr. RANKIN. Mr. Speaker, may I say in reply to the gentleman from California [Mr. COSTELLO] that, according to the formula he laid down, it would be impossible for us to write a veterans' bill that would suit him, because he objects to it when the bill takes care of the veterans' widows and orphans and then he objects because it takes care of the disabled veterans.

We did the best we could in framing this measure.

May I say in reply to the gentleman from New York [Mr. FAY] that he rendered a great service to these amputation cases when he came before the committee in their behalf? We went just as far as we could under the circumstances, and I think we have rendered justice in a large measure to those men who lost a hand, a foot, or an eye, and who have been unable to carry on since the close of the World War.

Mr. Speaker, this brings to a close the debate on this measure, and I ask for a vote.

[Here the gavel fell.]

The SPEAKER pro tempore. The question is on the suspension of the rules and the passage of the bill.

Mr. RANKIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas, 360, nays 1, not voting, 69, as follows:

[Roll No. 60]

YEAS—360

Alexander	Bender	Byrne, N. Y.	Coffee, Nebr.
Allen, Ill.	Blackney	Byrns, Tenn.	Coffee, Wash.
Allen, La.	Bland	Caldwell	Cole, Md.
Allen, Pa.	Bloom	Cannon, Fla.	Cole, N. Y.
Andersen, H. Carl	Boehne	Cannon, Mo.	Collins
Anderson, Calif.	Boland	Carlson	Colmer
Anderson, Mo.	Bolton	Cartwright	Connery
Andresen, A. H.	Boren	Case, S. Dak.	Cooley
Andrews	Boykin	Casey, Mass.	Cooper
Arends	Bradley, Pa.	Celler	Cox
Ashbrook	Brewster	Chandler	Creal
Ball	Brooks	Chapman	Crosser
Barden	Brown, Ga.	Chiperfield	Crowe
Barnes	Brown, Ohio	Church	Crowther
Barry	Bryson	Clark	Culkin
Barton	Buckler, Minn.	Clason	Cullen
Bates, Ky.	Buckley, N. Y.	Claypool	Curtis
Beam	Bulwinkle	Clevenger	D'Alesandro
Beckworth	Burch	Cluett	Darden
Bell	Burgin	Cochran	Delaney
Dempsey	Hobbs	Martin, Mass.	Schwert
DeRouen	Holmes	Mason	Scrugham
Dickstein	Hook	Massingale	Seccombe
Dingell	Hope	May	Secrest
Disney	Houston	Merritt	Seger
Dondero	Hull	Michener	Shafer, Mich.
Doughton	Hunter	Miller	Sheppard
Dowell	Izac	Mills, Ark.	Short
Doxey	Jacobsen	Mills, La.	Simpson
Drewry	Jarman	Monkiewicz	Smith, Conn.
Duncan	Jenkins, Ohio	Monroney	Smith, Maine
Dunn	Jenks, N. H.	Moser	Smith, Ohio
Durham	Jensen	Mott	Smith, Va.
Dworshak	Johns	Mouton	Smith, Wash.
Eaton, Calif.	Johnson, Ill.	Mundt	Smith, W. Va.
Eaton, N. J.	Johnson, Ind.	Murdock, Ariz.	Somers, N. Y.
Edmiston	Johnson, LutherA.	Murray	South
Ellis	Johnson, Lyndon	Nelson	Sparkman
Elston	Johnson, Okla.	Nichols	Spence
Engel	Jones, Ohio	Norrell	Springer
Englebright	Jones, Tex.	O'Brien	Steagall
Fay	Kean	O'Connor	Stefan
Fenton	Kee	O'Day	Sullivan
Fernandez	Keefe	O'Leary	Sumner, Ill.
Fitzpatrick	Kennedy, Martin	O'Toole	Sumners, Tex.
Flaherty	Kennedy, Md.	Oliver	Sutphin
Flannagan	Kennedy, Michael	Owen	Sweeney
Flannery	Keogh	Pace	Talle
Ford, Leland M.	Kerr	Parsons	Tarver
Ford, Miss.	Kilday	Patman	Taylor, Colo.
Ford, Thomas F.	Kinzer	Patrick	Taylor, Tenn.
Fries	Kirwan	Patton	Tenerowicz
Fulmer	Kitchens	Pearson	Terry
Gamble	Kleberg	Peterson, Ga.	Thill
Garrett	Knutson	Pfeifer	Thomas, Tex.
Gartner	Kocialkowski	Pierce, Oreg.	Thomason
Gathings	Kramer	Pittenger	Thorkelson
Gavagan	Kunkel	Plumley	Tibbott
Gearhart	Lambertson	Poage	Tinkham
Gehrmann	Landis	Polk	Tolan
Gerlach	Lanham	Powers	Treadway
Geyer, Calif.	Larrabee	Rabaut	Van Zandt
Gibbs	Lea	Ramspeck	Vincent, Ky.
Gilchrist	Leavy	Randolph	Vinson, Ga.
Gillie	LeCompte	Rankin	Voorhis, Calif.
Gore	Lemke	Rayburn	Vorys, Ohio
Gossett	Lesinski	Reece, Tenn.	Vreeland
Graham	Lewis, Colo.	Reed, Ill.	Wallgren
Grant, Ala.	Lewis, Ohio	Reed, N. Y.	Walter
Grant, Ind.	Lord	Rees, Kans.	Warren
Gregory	Luce	Rich	Weaver
Griffith	McAndrews	Richards	Welch
Griswold	McCormack	Robertson	West
Gross	McDowell	Robinson, Utah	Whelchel
Guyer, Kans.	McGehee	Robsion, Ky.	White, Ohio
Gwynne	McGranery	Rockefeller	Whittington
Hall	McLaughlin	Rodgers, Pa.	Williams, Del.
Halleck	McLean	Rogers, Mass.	Williams, Mo.
Hancock	McLeod	Rogers, Okla.	Winter
Hare	McMillan, John L.	Romjue	Wolcott
Harness	McMillan, Thos. S.	Routzohn	Wolfenden, Pa.
Hart	Maas	Rutherford	Wolverton, N. J.
Harter, N. Y.	Maciejewski	Ryan	Wood
Harter, Ohio	Magnuson	Sacks	Woodruff, Mich.
Havenner	Mahon	Sandager	Woodrum, Va.
Hawks	Maloney	Satterfield	Youngdahl
Heinke	Mapes	Schaefer, Ill.	Zimmerman
Hendricks	Marcantonio	Schafer, Wis.	
Hennings	Marshall	Schiffler	
Hess	Martin, Colo.	Schuetz	
Hinshaw	Martin, Iowa	Schulte	

NAYS—1

Costello

NOT VOTING—69

Angell	Douglas	Johnson, W. Va.	Sabath
Arnold	Eberharter	Keller	Sasscer
Austin	Elliott	Kelly	Shanley
Bates, Mass.	Evans	Ludlow	Shannon
Bolles	Faddis	McArdle	Sirovich
Bradley, Mich.	Ferguson	McKeough	Smith, Ill.
Buck	Fish	McReynolds	Snyder
Burdick	Folger	Mansfield	Starnes, Ala.
Byron	Gifford	Martin, Ill.	Stearns, N. H.
Carter	Green	Mitchell	Taber
Corbett	Harrington	Murdock, Utah	Thomas, N. J.
Crawford	Hartley	Myers	Wadsworth
Cummings	Healey	Norton	Wheat
Curley	Hill	O'Neal	White, Idaho
Darrow	Hoffman	Osmers	Wigglesworth
Dies	Horton	Peterson, Fla.	
Dirksen	Jarrett	Pierce, N. Y.	
Ditter	Jeffries	Risk	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following general pairs:

Mr. Mansfield with Mr. Darrow.
Mr. Ludlow with Mr. Taber.
Mr. O'Neal with Mr. Ditter.

Mr. Johnson of West Virginia with Mr. Carter.
Mr. McReynolds with Mr. Wigglesworth.
Mr. Dies with Mr. Gifford.
Mr. Starnes of Alabama with Mr. Jeffries.
Mr. Faddis with Mr. Bolles.
Mr. Green with Mr. Fish.
Mr. McKeough with Mr. Hoffman.
Mrs. Norton with Mr. Pierce of New York.
Mr. Peterson of Florida with Mr. Wheat.
Mr. Shanley with Mr. Thomas of New Jersey.
Mr. Buck with Mr. Crawford.
Mr. Harrington with Mr. Bates of Massachusetts.
Mr. Murdock of Utah with Mr. Risk.
Mr. Sirovich with Mr. Jarrett.
Mr. Hill with Mr. Stearns of New Hampshire.
Mr. Cummings with Mr. Douglas.
Mr. Myers with Mr. Bradley of Michigan.
Mr. Snyder with Mr. Austin.
Mr. Eberharter with Mr. Corbett.
Mr. Healey with Mr. Angell.
Mr. Arnold with Mr. Hartley.
Mr. Shannon with Mr. Osmers.
Mr. Kee with Mr. Horton.
Mr. Ferguson with Mr. Burdick.
Mr. Mitchell with Mr. Curley.
Mr. Elliott with Mr. Sasscer.
Mr. Smith of Illinois with Mr. McArdle.
Mr. Byron with Mr. Martin of Illinois.
Mr. Keller with Mr. Folger.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. HART. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. HART].

There was no objection.

Mr. HART. Mr. Speaker, my colleague the gentlewoman from New Jersey is detained on official business. The gentleman from New York, Mr. EVANS, is also detained because of illness. If these Members had been present, they would have voted "yea" on the bill just passed.

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. HENDRICKS]?

There was no objection.

Mr. HENDRICKS. Mr. Speaker, my colleague from Florida, Mr. GREEN, has been called away on account of the illness of his brother. He did not instruct me to say so, but I am sure had he been present he would have voted "yea" on the bill just passed.

EXTENSION OF REMARKS

Mr. FLAHERTY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article taken from the London Times concerning the National Youth Administration of this country.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. FLAHERTY]?

There was no objection.

MEMORIAL EXERCISES

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent for the present consideration of House Resolution 160.

The Clerk read the resolution, as follows:

House Resolution 160

Resolved, That on Tuesday, May 30, 1939, immediately after the approval of the Journal, the House shall stand at recess for the purpose of holding the memorial services as arranged by the Committee on Memorials, under the provisions of clause 40-A of rule XI. The order of exercises and proceedings of the service shall be printed in the CONGRESSIONAL RECORD, and all Members shall have leave to extend their remarks in the CONGRESSIONAL RECORD until 10 legislative days thereafter on the life, character, and public service of the deceased Members. At the conclusion of the proceedings the Speaker shall call the House to order, and then, as a further mark of respect to the memories of the deceased, he shall declare the House adjourned; and be it further

Resolved, That the necessary expenses connected with the memorial services herein authorized shall be paid out of the contingent fund of the House upon vouchers signed by the chairman of the Committee on Memorials and approved by the Committee on Accounts.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BULWINKLE]?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. FULMER. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 176.

The Clerk read the resolution as follows:

House Resolution 176

Whereas the Federal Crop Insurance Act, approved February 16, 1938, provided, in addition to making crop insurance available for wheat, that the Department of Agriculture conduct researches, surveys, and investigations relating to crop insurance for other commodities; and

Whereas appropriations were made for that purpose; and

Whereas legislation relative to crop insurance for cotton is now under consideration: Therefore be it

Resolved, That in order to promote the national welfare by alleviating the economic distress caused by the overproduction of cotton, and to provide for stable supplies of cotton for domestic consumption and the orderly flow thereof in interstate commerce, the Secretary of Agriculture be, and is hereby, directed to transmit to the House of Representatives such pertinent data and information as the Department of Agriculture may have assembled relative to such crop insurance for cotton.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. FULMER]?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, as I understand, this is simply a resolution to procure information, and it has the unanimous support of the Committee on Agriculture?

Mr. FULMER. The gentleman is correct.

Mr. RICH. Reserving the right to object, Mr. Speaker, is it not the policy of the Department of Agriculture to give the committee all the information the committee wants, without having a resolution of this kind?

Mr. FULMER. I may say to the gentleman that when we passed the crop insurance bill for wheat the Department was authorized to get all this information, but the bill did not state that the Department must submit this information to the Congress. This is the regular procedure to have the information sent here to go to the Printing Committee.

Mr. RICH. I know the gentleman is interested in cotton, and so are all of us because we want to take care of the cotton farmers, but if you are going to take care of the cotton farmers of this country you cannot raise the price to the skies as you have with all other commodities and then expect the people of the world to buy cotton. We have to get to the point where we can dispose of the stocks of surplus cotton. If you are going to make reciprocal-trade agreements with foreign nations, you ought to find some way of barter to get rid of this cotton so we can help the cotton farmer, but when you expect the American people to pay an exorbitant price for cotton and then leave the cotton stored in the American warehouses, how are you ever going to help the cotton farmer?

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NATIONAL HOUSING ACT

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5324) to amend the National Housing Act, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, I wish to call the attention of the gentleman from Alabama [Mr. STEAGALL] to the fact that the amendment which I presented, and which was added to the bill while it was in the House, was stricken out in the Senate and an amendment substituted. Six times the House passed my amendment, three times in Committee of the Whole and three times in the House, and on the final vote—a roll call—by a very sub-

stantial majority the amendment was adopted. I am not going to object to sending the bill to conference, but I do hope the House conferees will remember the action of the House on this amendment. The conferees are agents of the House and therefore, regardless of their own views, should insist on an amendment six times adopted by the House.

The Senate amendment, which is substituted for my amendment, is an improvement over the existing law insofar as the guaranty of the mortgage is concerned, according to various Senators who spoke on the amendment. It provides that the mortgage can be guaranteed only to 100 percent of the cost of the structure, but it must be remembered there is nothing in the Senate amendment that relates to the land or prevents a write-up of the land value, to which I objected and in which view a majority of the Members of the House concurred. I have no objection to the Senate amendment if it is an improvement over existing law, but as I said, it applies only to the structure. It seems to me in conference the Senate amendment could be kept in the bill, but my amendment should also be added. I am frank to say I am still in the dark as to just what the Senate amendment does but I accept the view of the Senator from Colorado [Mr. ADAMS] that it is an improvement over existing law so far as the guaranty on the structure is concerned.

In my opinion, the Senate amendment was written by the Federal Housing Administration, because an official of that Administration gave out an interview in which he said the Senate amendment would accomplish better what my amendment sought to accomplish. It seems very strange to me that an official of the Federal Housing Administration would try to improve my amendment when the Federal Housing Administration was 100 percent against the amendment. I cannot concur in the statement of the Federal Housing Administration that the Senate amendment is an improvement over my amendment. I cannot see for the life of me where there is anything in the Senate amendment that will prevent the write-up of land value, nor can anyone I talked with show me. We do not permit corporations or individuals to do what we are letting the Federal Housing Administration do under the present law when it comes to writing up land values.

In letting the bill go to conference I do so with the hope that the conferees will remember the action of the House on my amendment and that they will feel it their duty to stand squarely back of my amendment.

It was said in debate on this floor when the bill was under consideration St. Louis was the only place where the land values were written up. I ask you to read the debate in the Senate, especially what Senator WHEELER, of Montana, had to say and then you will see that it seems to be an adopted policy to have permitted the land-value write-ups. He stated he personally called to the attention of the Federal Housing Administration write-ups on land values on a number of projects.

Mr. Speaker, as I said before, I will not object to the bill going to conference. Therefore, I withdraw my reservation of objection and will look forward with interest to the action of the conferees.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. STEAGALL, WILLIAMS, SPENCE, WOLCOTT, and GIFFORD.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1940

Mr. TAYLOR of Colorado. Mr. Speaker, I call up the conference report on the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year 1940, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. RICH. Reserving the right to object—and I shall not object to this request—I understand we will get time to explain our position in reference to this bill?

Mr. TAYLOR of Colorado. Yes.

The SPEAKER. The Chair hears no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 13, 18, 21, 22, 23, 25, 26, 30, 31, 44, 47, 54, 60, 61, 66, and 67.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 8, 10, 11, 15, 24, 29, 35, 36, 37, 38, 39, 40, 45, 56, 57, 59, 63, 65, 70, 71, 72, 73, 74, and 75, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$290,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$42,370"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$56,050"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$292,550"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$83,420"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$300,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$46,250"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"Deschutes project, Oregon, $400,000;".

And the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$925,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$527,000"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,495,760"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$4,500,000"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,850,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 9, 14, 16, 19, 20, 27, 28, 32, 33, 34, 41, 46, 48, 49, 50, 51, 52, 53, 55, 64, 76, and 77.

EDWARD T. TAYLOR,
JED JOHNSON,
J. G. SCRUGHAM,
JAMES M. FITZPATRICK,
CHAS. H. LEAVY,
ALBERT E. CARTER,
Managers on the part of the House.

CARL HAYDEN,
KENNETH MCKELLAR,
ELMER THOMAS,
ALVA B. ADAMS,
GERALD P. NYE,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4852) making appropriations for the

Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Office of the Secretary

On amendment No. 1: Appropriates $290,000 for the office of the Solicitor, instead of $295,000, as proposed by the House and $285,000 as proposed by the Senate.

On amendments Nos. 2 and 3, relating to the Division of Investigations: Provides $42,370 for personal services in the District of Columbia, instead of $39,240, as proposed by the House and $45,500 as proposed by the Senate; and allows $56,050 for the purchase, exchange, operation, and maintenance of motor vehicles, instead of $52,000, as proposed by the House and $60,100 as proposed by the Senate.

On amendments Nos. 5 and 6, relating to printing and binding: Appropriates $292,550, instead of $275,970, as proposed by the House and $309,130 as proposed by the Senate; and provides that of such sum, $83,420 shall be for the National Park Service, instead of $66,840, as proposed by the House and $100,000 as proposed by the Senate.

National Bituminous Coal Commission

On amendments Nos. 7 and 8, relating to the National Bituminous Coal Commission: Appropriates $3,500,000 for salaries and expenses, as proposed by the Senate, instead of $2,900,000, as proposed by the House, and eliminates the provision of the House limiting expenditures for such purposes to the aggregate receipts covered into the Treasury, as proposed by the Senate.

United States Housing Authority

On amendment No. 10: Eliminates the provision of the House requiring an audit of certain expenditures of the United States Housing Authority by the General Accounting Office in the same manner and to the same extent as expenditures of the Department of the Interior.

Bureau of Indian Affairs

On amendments Nos. 11 and 12, relating to the acquisition of land for Indians: Appropriates $650,000 for the acquisition of land, as proposed by the Senate, instead of $550,000, as proposed by the House, and authorizes the Secretary to enter into contracts for the acquisition of additional land up to a total of $300,000, instead of $250,000, as proposed by the House and $350,000 as proposed by the Senate.

On amendment No. 13: Appropriates $40,500 for the purpose of obtaining employment for Indians, as proposed by the House.

On amendment No. 15: Provides for the making of loans from the revolving loan fund authorized by the Indian Reorganization Act to Indian chartered corporations, as proposed by the Senate, instead of to any tribe or reservation which may have accepted such act, as proposed by the House.

On amendments Nos. 17 and 18, relating to the development of Indian arts and crafts: Appropriates $46,250 for such purpose, instead of $42,500, as proposed by the House and $50,000 as proposed by the Senate, and provides that $17,000 shall be available for personal services in the District of Columbia, as proposed by the Senate, instead of $16,000, as proposed by the House.

On amendment No. 21: Eliminates the provision of the Senate appropriating $700,000 for continuing construction of the Poplar River unit on the Fort Peck Indian Reservation.

On amendment No. 22: Appropriates $75,000 for irrigation construction work on the Pyramid Lake Reservation, as proposed by the House, instead of $25,000, as proposed by the Senate.

On amendment No. 23: Corrects a total.

On amendment No. 24: Appropriates $462,200 for the lease, purchase, etc., of buildings and land for Indian school purposes, as proposed by the Senate, instead of $387,200, as proposed by the House.

On amendment No. 25: Strikes out the proposal of the Senate that an additional sum of $33,693 be appropriated for the purchase of land and improvements at the Albuquerque (N. Mex.) Indian School.

On amendment No. 26: Corrects a total.

On amendment No. 29: Appropriates $7,787 for the reconstruction of a community house for the Seminole Indians, of Oklahoma, as proposed by the Senate.

On amendments Nos. 30 and 31, relating to the Keshena Indians, of Wisconsin: Strikes out the proposal of the Senate appropriating $5 200 for expenses of attorneys for such Indians.

On amendment No. 35: Appropriates $1,700 for the payment of compensation to attorneys for the Makah Tribe of Indians, as proposed by the Senate.

On amendments Nos. 36, 37, 38, and 39, relating to the construction and repair of Indian school, agency, hospital, and other buildings: Appropriates $20,000 for construction of a warehouse at Sells, Ariz.; provides $25,000 for remodeling women's semiambulant building, and $35,000 for fireproof auditorium and occupational-therapy building at the Shawnee Sanatorium, Oklahoma; allows $15,000 for construction of a dairy barn at Standing Rock, N. Dak., and corrects the total of the appropriation for such purposes; all as proposed by the Senate.

Bureau of Reclamation

On amendment No. 40: Provides for the commencement, as well as continuation of construction, of certain reclamation projects, as proposed by the Senate.

On amendment No. 42: Appropriates $400,000 for continuation of construction on the Deschutes reclamation project in Oregon, as proposed by the Senate.

On amendment No. 43: Appropriates $925,000 for continuation of construction of the Kendrick reclamation project, Wyoming, instead of $850,000, as proposed by the House, and $1,000,000, as proposed by the Senate.

On amendment No. 44: Strikes out the proposal of the Senate requiring engineering and economic investigations in connection with the proposed second unit of the Kendrick reclamation project, Wyoming.

On amendment No. 45: Appropriates $900,000 for general investigations in connection with proposed reclamation projects, as proposed by the Senate, instead of $400,000, as proposed by the House.

On amendment No. 47: Appropriates $75,000 for personal services in the District of Columbia for use in connection with the construction of projects under the "Reclamation Fund," as proposed by the House, instead of $100,000, as proposed by the Senate.

On amendment No. 54: Appropriates $50,000 for personal services in the District of Columbia in connection with the construction of certain projects and for general investigations, as proposed by the House, instead of $75,000, as proposed by the Senate.

Bureau of Mines

On amendment No. 56: Appropriates $656,000 for operating mine rescue cars and stations, as proposed by the Senate, instead of $635,000, as proposed by the House.

On amendment No. 57: Appropriates $257 400 for testing fuel, as proposed by the Senate, instead of $250,400, as proposed by the House.

On amendment No. 58: Appropriates $527,000 for mining experiment stations, instead of $420,000, as proposed by the House and $562,000 as proposed by the Senate. Of the increase of $107,000 above the House figure, $32,000 is provided for the station at Tuscaloosa, Ala., in connection with the beneficiation of southern coal and ores, and $75,000 is allowed for the study of ceramics, etc., at Norris, Tenn.

On amendment No 59: Continues available during the fiscal year 1940, the unexpended balance of the appropriation for construction of a building, including equipment, at the University of Utah.

On amendments Nos. 60 and 61: Appropriates $324,500, of which $230,000 shall be available for personal services in the District of Columbia, in connection with the economics of mineral industries, as proposed by the House, instead of $331,500, of which $236,500 shall be available for personal services in the District of Columbia, as proposed by the Senate.

On amendment No. 62: Corrects a total.

National Park Service

On amendment No. 63: Appropriates $131,735 for the Sequoia National Park, Calif., as proposed by the Senate, instead of $126,735, as proposed by the House.

On amendments Nos. 65 and 66, relating to the Boulder Dam National Recreational Area: Provides for the availability of funds for the improvement of such area, as proposed by the Senate; and appropriates $99,730 for the area, as proposed by the House, instead of $124,730, as proposed by the Senate.

On amendment No. 67: Strikes out the proposal of the Senate continuing available after June 30, 1939, funds made available by the Emergency Relief Appropriation Act of 1935 and allocated by Executive Order No. 7253 for use in connection with the acquisition and development of a historic site to be known as the Jefferson National Expansion Memorial in the city of St. Louis, Mo.

On amendments Nos. 68 and 69, relating to the Blue Ridge and Natchez Trace Parkways: Appropriates $4,500,000 for such purposes, of which $1,350,000 shall be available for the Natchez Trace Parkway, instead of $4,000,000, of which $1,200,000 shall be available for the Natchez Trace Parkway, as proposed by the House, and $5,000,000, of which $1,500,000 shall be available for the Natchez Trace Parkway, as proposed by the Senate.

Office of Education

On amendment No. 70: Appropriates $426,200 for salaries and expenses in connection with vocational education, as proposed by the Senate, instead of $422,600, as proposed by the House.

St. Elizabeths Hospital

On amendment No. 71: Provides that not exceeding $1,000 of funds appropriated for St. Elizabeths Hospital may be expended for attendance at meetings or conventions, as proposed by the Senate.

Freedmen's Hospital

On amendments Nos. 72, 73, 74, and 75: Appropriates $484,840 for this hospital, as proposed by the Senate, instead of $480,820, as proposed by the House; and provides that not exceeding $1,000 shall be available for expenses of attendance upon meetings of a technical nature of value to the hospital, as proposed by the Senate. The increase of $4,020 in the House figure will provide one step-up promotion for most employees in custodial grade 2.

Amendments in disagreement

The committee of conference report in disagreement the following amendments:

On amendment No. 4, requiring the Secretary of the Interior to make a full statement of expenditures by the Division of Investigations.

On amendment No. 9, relating to the United States Housing Authority.

On amendment No. 14, relating to the expenditure of tribal funds for the benefit of the Menominee Tribe of Indians in Wisconsin.

On amendment No. 16, relating to loans to Indians from the revolving loan fund authorized by the act of June 18, 1934.

On amendment No. 19, relating to the payment of expenses of the members of the Indian Arts and Crafts Board.

On amendment No. 20, relating to the Crow Indian irrigation project in Montana.

On amendment No. 27, relating to the reindeer industry, Alaska.

On amendments Nos. 28 and 32, relating to the purchase of land from Indian tribal funds for the Consolidated Ute Indians of Colorado, and correcting the total of tribal funds appropriated in the bill for general support purposes.

On amendment No. 33, relating to the payment of the salary of the principal chief of the Creek Nation, Oklahoma.

On amendment No. 34, relating to the rehabilitation of needy Choctaw Indians, Oklahoma.

On amendments Nos. 41, 46, 48, and 49, relating to appropriations for construction from the reclamation fund: These amendments have to do with the Lugert-Altus project, Oklahoma, the Fruit Growers' Dam and Reservoir in Colorado, and the correction of two totals.

On amendment No. 50, relating to the All-American Canal.

On amendments Nos. 51, 52, and 53, relating to the continuation of construction of the Colorado River project, Texas; and the correction of the total of projects being constructed from money in the general fund of the Treasury.

On amendment No. 55, relating to water conservation and utility projects.

On amendment No. 64, relating to construction of an administration-museum building at Manassas National Battlefield Park, Va.

On amendment No. 76, relating to the payment of long-distance telephone tolls in the executive departments and other agencies.

On amendment No. 77, correcting a total.

EDWARD T. TAYLOR,
JED JOHNSON,
J. G. SCRUGHAM,
JAMES M. FITZPATRICK,
CHAS. H. LEAVY,
ALBERT E. CARTER,
Managers on the part of the House.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I did not sign the report of the conferees on the Interior Department appropriation bill, and I will give you my reasons.

In the first place, let me call your attention to the fact that after the Civil War our national debt was $2,660,000,000, with an annual interest charge of approximately $34,500,000. The public debt in 1921, after the great World War, at its highest point was about $27,000,000,000. Between 1921 and 1929 we reduced our national debt from $27,000,000,000 to $16,000,000,000. When the present administration came into power in 1932 the debt had increased to $20,000,000,000, but from 1932 to 1939 the national debt has increased to the enormous amount of $40,051,484,292, this being the figure as of April 26, 1939, according to the Treasury Department statement.

This year, since July 1, we have increased our national debt $2,858,838,095.55. This means that every day since the 1st of last July you have run in the red $9,625,720, every hour you run in the red $401,071, every minute since July 1 you run in the red $6,684.63. This is an appalling position in which we find ourselves today.

Last week you passed the Treasury and Post Office appropriations bill and in the Treasury Department you gave them $1,050,000,000 to pay the interest on the public debt, which is more than it cost to run the Government in the year 1914, a deplorable situation.

What have you done at this session of the present Congress in the matter of appropriations? Let us just look at the record. This is worth while and the Members of Congress ought to have some realization of the facts as to what you are doing.

You have spent for relief or for W. P. A., $725,000,000 with an additional relief bill of $100,000,000. The first deficiency bill amounted to $23,765,000; the independent offices bill, $1,668,000,000; the legislative establishment, $21,985,000; Treasury and Post Office, $1,700,000,000; War Department, $508,000,000; second deficiency appropriation bill, $177,000,000; Agriculture, $1,085,000,000; the Interior Department, as the bill passed the House, $159,000,000; the District of Columbia, $46,902,000; Department of Labor, $30,533,000.

This makes a total of appropriations already made of over $6,200,000,000.

You still have remaining, after the passage of this appropriation bill, the nonmilitary appropriations for the War Department, which will be $200,000,000 or more; you will have the Navy appropriation bill, which will be $550,000,000 or more; you will have the State, Justice, and Commerce bill, which will be more than $120,000,000; you will have the relief appropriation bill, which the President already has stated will be $1,723,000,000; you will have other appropriation bills coming up, such as flood control and things of that kind, for which you can add $100,000,000.

This means you are going to appropriate over $8,909,000,000 before this session of Congress is over.

Let us now see just where we are with respect to receipts.

In 1938 we received in taxes of all kinds, $6,241,661,000. The President estimated that the 1939 income would be $5,521,000,000; the President estimated for 1940, $5,669,000,000.

Now, if we have spent $8,909,000,00 and we are only going to take in $5,669,000,000, you know that in the year 1940 you are going to be $3,240,000,000 in the red for that year.

This is a horrible and terrible situation which is confronting us and I want to tell you as legislators that the responsibility rests upon the American people to pay this bill, and this Congress is responsible for getting us into this deplorable situation, which is a travesty upon the American children recently born as well as those yet to be born, who will have to pay the debts which we are creating.

Mr. KITCHENS. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield for a question.

Mr. KITCHENS. A few moments ago we voted upon the bill H. R. 5452, which increased veterans' benefits to the extent of $5,032,000. Did the gentleman vote for that?

Mr. RICH. Yes; I voted for that; but let me tell the gentleman this: You owe an obligation to some of the veterans of this country who are still unpaid, and I hope we will take care of them, but let me say that if you continue the way you are going in this radical and ruthless expenditure of Government money, it will only be a few years before the veterans, like everybody else, will give up all claims that they have on this Government, and the Federal Government, by reason of the foolish things that we are doing in the Congress, will have everybody in this Nation wrecked. This is a sad and deplorable condition.

Let me now tell you what the President of the United States said on July 2, 1932:

> I propose to you, my friends, that government be made solvent and that the example be set by the President of the United States.

Has the President said anything about making this Government solvent in the last year or so? No. He has forgotten his promise to our people.

Let me call your attention to a statement that he made on January 3, 1934, in his Budget message:

> Furthermore, the Government during the balance of this calendar (1934) year should plan to build its 1936 expenditures, including recovery and relief, within the revenues expected within the fiscal year 1936. We should plan to have a definite balanced Budget for the third year of recovery and from that time on seek a continuing reduction of the national debt.

This was a statement made by the President and should be carried out, but he has not said anything about it recently.

The President has forgotten that promise also.

Let me call your attention to another statement which was made by Postmaster General Farley at Salt Lake City on August 1, 1934:

> You are having the most economical Federal administration you have had for years.

I wonder what Mr. Farley would think of such statements as that today? It is a real joke now, and it was a joke at the time.

Let me now call your attention to what this conference report really and actually means.

We went to conference and we worked 1 whole day. I have a very high regard for the members of the conference

committee on the part of the House. I wish the rules permitted me to say something about the other end of the Capitol, but the rules forbid. The amount of the appropriation as it passed the House was $159,539,815. After it passed the Senate it was $174,975,288. The Senate increased this bill $15,335,473. After the conferees had agreed on the bill, the total amount was $172,604,765.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. RICH. This bill is over the appropriation for 1939 in the sum of $26,877,851. What did we do when we went to conference? On 25 items the House receded to the Senate to the extent of $13,065,950. The Senate receded on 16 items in the amount of $1,300,000. I am going to leave it to the House of Representatives as to whether we made a good bargain. When I make a bargain I think it ought to be pretty close to 50-50, do you not? We did not do our duty; that is why I refused to sign the report.

Mr. COCHRAN. Is the gentleman asking me?

Mr. RICH. Yes.

Mr. COCHRAN. Yes; I think we ought to get as much as we give. But I want to ask the gentleman this question. The gentleman said the Senate receded on many items and also stated the small amount involved.

Mr. RICH. Sixteen items in the amount of $1,300,000, and the House receded on 25 items to the amount of $13,065,950.

Mr. COCHRAN. Therefore the gentleman admits that insofar as the item affecting the Jefferson Memorial was concerned there was no money involved; is that right?

Mr. RICH. Oh, we cut that out.

Mr. COCHRAN. But I say on that amendment there was no money involved; is that not right? The Senate receded?

Mr. RICH. We cut that item out. I hope we are through with it forever.

Mr. COCHRAN. The Senate receded, though?

Mr. RICH. That item was agreed to by conferees, and we cut it out; thank goodness.

Mr. COCHRAN. Well, the Senate receded on that item?

Mr. RICH. Yes.

Mr. COCHRAN. That is one of the items on which the Senate receded?

Mr. RICH. Yes.

Mr. COCHRAN. Therefore, if the Senate in receding on 16 items and only $1,300,000 was involved, the gentleman admits there was no money at stake on the Jefferson Memorial item. There could not have been because it was simply extending an obligation already made, the money being on deposit in the Treasury.

Mr. RICH. Well, they intended to get six and a half million dollars. That is what they eventually wanted. They wanted to get six and a half million dollars for that memorial, for that land steal that they wanted out there in St. Louis. The question is, Will the House continue to yield? Will the House stiffen its backbone, or will you continue to be jellyfish, wishy-washy representatives of the people, or tweedledees or tweedledums? That is the question that will be in the minds of the American people. Are you going to be tweedledees or tweedledums?

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the distinguished majority leader.

Mr. RAYBURN. A moment ago the gentleman said he was sorry the rules did not permit him to say something about the Senate. Could he think of anything worse to say about them than he has said about his own colleagues on the House committee?

Mr. RICH. I will say to the majority leader it needs somebody in the House of Representatives who has backbone, who has intestinal fortitude, who has patriotism to try to save America. I think if anybody on the floor of this House ought to stand here and try to protect the Treasury it is the majority leader.

Mr. RAYBURN. I will say to the gentleman that the majority leader tries to protect the Treasury in one way at least. He does not speak unless it is absolutely necessary. [Laughter and applause.]

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. RICH. I would like to yield, but I cannot yield. I cannot yield now.

Now, I want to call attention to some things in disagreement. Gentlemen, we have to call a spade a spade. Talk about voting $6,000,000 for the veterans. Let me call attention to what we have in here, where you can save some real money, some things that have some merit to them. But when you think of spending $17,000,000 for a battleship, there are some items here that will cost one-fourteenth the price of a battleship and are worth 100 times more; but some place, somewhere, sometime we ought to economize. I do not want to say anything against any Member of the House. There is no man in the House of Representatives that I want to take any fall out of personally. I do not have the least desire to do that. I came here to try to do my duty as an American citizen, honestly and fearlessly.

Let me call attention to amendment No. 20, the Crow Indian irrigation project, in Montana, $500,000, which will cost $1,000,000. Do you want to continue that project? Amendment No. 27 in conference, relating to the reindeer of Alaska, $1,070,000. We are going to ask for a vote on that. I tell you you do not need them. There is no more use of our buying all the reindeer of Alaska than there is in trying to can all the smoke that comes out of the smokestacks of the city of Washington. It is absolutely useless.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. RICH. The Lugert-Altus project in Oklahoma, $500,000, which will eventually cost $5,365,000. I would say from what I have investigated that that project might be well worth while at a time when we have some money. I question very much whether we ought to do it now, but if the House sees fit to do it, this is about as worthy a project as there is in the bill and will accomplish some good for that country out there; but here is a place where you can save one-fourteenth the cost of a battleship. If spent on a project like this, however, instead of on a battleship, and it would do more good if you spent this money and cut out a $70,000,000 battleship.

Amendments 52 and 53, in conference, deal with the Colorado River project in Texas. You are asked to spend $5,000,000 there. You have spent on that project $12,000,000 and you will be asked to spend $15,000,000 more. That dam, Marshall Ford Dam, was built to a height of 190 feet. They put a power project in it and now they have got to raise it 70 feet more in order to make it a flood-control project. When it is finished $14,885,000 will be charged to flood control and $12,623,000 to the generation of power, nonreimbursable—at least, that is what the hearings of the Senate committee show.

Amendment 55, water conservation and utility project, $5,000,000, to be allocated by the President in such amount as he deems necessary to such Federal departments, establishments, and other agencies as he may designate. Do you not think that the House of Representatives should designate where these funds are to be spent? I do, and I hope you will vote down some of these amendments in disagreement and show to the taxpayers that you have some desire to cut down your ruthless spending. If you do not, there is no hope for America with this New Deal administration.

[Here the gavel fell.]

The SPEAKER pro tempore. The question is on the adoption of the conference report.

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RICH. Will a vote on the adoption of the conference report preclude a consideration of and a separate vote upon the reindeer item and this $5,000,000 item?

The SPEAKER pro tempore. The amendments in disagreement will be taken up separately.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 4: Page 4, after line 2, insert:
"The Secretary of the Interior shall include in his annual report a full statement of all expenditures made under authority of this paragraph."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur in the same.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 9, page 14, line 3, after the word "exhibits", insert the following: "not to exceed $25,000 for employing persons or organizations, by contract or otherwise, for special reporting, engineering, technical, legal, and other services determined necessary by the Administrator, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5), and without regard to the civil-service laws and the Classification Act of 1923, as amended: *Provided*, That of the $4,500,000 hereby made available for administrative expenses of the Authority, not to exceed $1,500,000 shall be available for such expenses incurred at the site, and in connection with the construction, of the United States Housing Authority non-Federal projects, and shall be reimbursed by the public housing agencies constructing such projects, and such reimbursements shall be available for administrative expenses of the Authority: *Provided further*, That hereafter all necessary expenses in connection with the management and operation of projects transferred to the Authority by Executive Order No. 7732 of October 27, 1937, as modified by Executive Order No. 7839 of March 12, 1938, may be considered as nonadministrative expenses for the purposes hereof, and be paid from the rents received from each transferred project: *Provided further*, That hereafter the funds made available for administrative expenses of the United States Housing Authority shall be available for the payment, when specifically authorized by the Administrator, of actual transportation expenses and not to exceed $10 per diem in lieu of subsistence and other expenses to persons serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the Authority: *Provided further*."

Mr. FITZPATRICK. Mr. Speaker, I move to recede and concur with an amendment.

The Clerk read as follows:

Mr. FITZPATRICK moves that the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In line 21 of said amendment, after the word "expenses", strike out the words "for the purposes", and in line 22 strike out the word "hereof" and insert in lieu thereof the following: ", notwithstanding the provisions of section 7 of the act of June 22, 1936 (49 Stat. 1647, 1648)."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 35, line 14, after the figure "470" and the parenthesis, insert "*Provided further*, That the aforesaid $100,000 for advances to individual members of the Menominee Tribe of Wisconsin shall be advanced under rules and regulations approved by the advisory council of the Menominee Indians and the Commissioner of Indian Affairs: *Provided further*, That in no event shall the 'Menominee 5 percent log fund' be used for this purpose."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 14 and concur in the same.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 36, line 10, after the word "binding", insert the following: "*Provided*, That hereafter no individual of less than one-quarter degree of Indian blood shall be eligible for a loan from funds made available under this head."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur with an amendment to the amendment No. 16.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: ": *Provided*, That hereafter no individual of less than one-quarter degree of Indian blood shall be eligible for a loan from funds made available in accordance with the provisions of the act of June 18, 1934 (48 Stat. 986), and the act of June 26, 1936 (49 Stat. 1967)."

Mr. CASE of South Dakota. Mr. Speaker, I would like to ask a question of the gentleman in charge of this bill.

I am wondering if the effect of this amendment to the amendment would not possibly be to interrupt the educational career of persons of less than one-fourth Indian blood who already have an education loan under the act of June 18, 1934, that is from the educational fund provided in one section of that act. It occurs to me there are students now in school and in the midst of possibly a 3- or 4-year course who have a loan at the present time from the educational fund provided in the act of June 18, 1934. If this motion should be agreed to, it occurs to me from hearing the amendment to the amendment that next fall some of these students who may be in their senior year might be denied a loan. It seems to me an exception should be made at least to permit those students who are now receiving loans to continue to receive these loans to the end of the course in which they are engaged.

Mr. JOHNSON of Oklahoma. The gentleman has raised an interesting question, but a question which is an administrative matter, so far as the Indian Office is concerned. The amendment, as the gentleman will note, states that "hereafter" those of less than one-quarter Indian blood shall not get loans under the acts cited. I would assume it does not apply to those now receiving such help.

Mr. CASE of South Dakota. But those loans are made for each fiscal or school year. I have in mind some students who have received loans for 1 or 2 years of their educational career. This would mean they could not get a loan out of this fund hereafter.

Mr. JOHNSON of Oklahoma. I may say to the gentleman that certainly was not idea of the committee at all. The committee wanted to permit those who are now receiving such loans to continue to receive them. However, the time has come when we cannot throw the matter entirely wide open and permit everyone of thirty-second or sixty-fourth degree Indian blood to receive benefits under this act.

Mr. CASE of South Dakota. One further question. Would the gentleman object to putting a proviso on the end of his amendment to provide that this limitation shall not apply to those who are now receiving loans until they have completed their course, or something to that effect?

Mr. JOHNSON of Oklahoma. I do not think it would be wise to do that at this time. Later on if we find it is working a hardship on anyone, the matter can be corrected. It could be corrected in a deficiency bill, I may say to the gentleman.

The SPEAKER pro tempore (Mr. WARREN). The question is on the motion of the gentleman from Oklahoma [Mr. JOHNSON] that the House recede and concur in the Senate amendment with an amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 19: Page 37, line 7, after the word "annum", insert the following: "*Provided further*, That hereafter the appropriation 'Development of Indian arts and crafts' shall be available for the payment of not to exceed $10 per diem in lieu of subsistence and other expenses of members of the Indian Arts and Crafts Board, serving without other compensation from the United States while absent from their homes on official business of the Board."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendent insert the following: "*Provided further*, That hereafter any appropriation for the development of Indian arts and crafts, made pursuant to the act of August 27, 1935 (49 Stat. 891), shall be available for the payment of not to exceed $10 per diem in lieu of subsistence and other expenses of

members of the Indian Arts and Crafts Board, serving without other compensation from the United States while absent from their homes on official business of the Board."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 20: Page 47, line 19, after the word "Montana", insert the following:

"Crow: The Secretary of the Interior may incur obligations and enter into a contract or contracts not exceeding $500,000 for the completion of a storage dam and reservoir on the Crow Indian Reservation, Mont., at a total cost of not to exceed $1,000,000, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof, and appropriations hereafter made for this project shall be available for the purpose of discharging the obligation or obligations so created."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 27: Page 62, after line 6, insert a new paragraph, as follows:

"Reindeer industry, Alaska: For the purchase, in such manner as the Secretary of the Interior shall deem advisable, of reindeer, abattoirs, cold-storage plants, corrals and other buildings, and communication and other equipment, owned by nonnatives in Alaska, as authorized by the act of September 1, 1937 (50 Stat. 900), $820,000; and for necessary administrative expenses in connection with such purchase and the establishment and development of the reindeer industry for the benefit of the Eskimos and other natives of Alaska, as authorized by said act, including personal services in the District of Columbia (not to exceed $2,300) and elsewhere, traveling expenses, erection, repair, and maintenance of corrals, fences, and other facilities, $250,000; in all, $1,070,000, to be immediately available: *Provided*, That under this appropriation not exceeding an average $4 per head shall be paid for reindeer purchased from nonnative owners: *Provided further*, That the foregoing limitation shall not apply to the purchase of reindeer located on Nunivak Island."

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. RICH. Mr. Speaker, may I ask the gentleman if he will yield me about 3 minutes?

Mr. TAYLOR of Colorado. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, this is the same reindeer item on which the House voted during consideration of the Interior Department appropriation bill. The House voted this item down by a considerable majority.

Mr. Speaker, it is needless to go into the details of this bill at the present time, but may I say when it comes to spending $1,070,000 to purchase reindeer in Alaska, when the Eskimo now have 180,000 reindeer of their own, it seems to me it is a most foolish project for the Government of the United States to enter into. This is only to take care of some private interests up there because of a bill passed a couple of years ago. There are 49 different people up in Alaska who own reindeer and will have to be bought out eventually. Why the American people should be forced into a project which takes care of some individuals who have failed in their own business I cannot understand and I think the taxpayers back home will bless every one of you if you defeat this motion.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. MAAS].

Mr. MAAS. Mr. Speaker, there has been a great deal of misunderstanding about this item. It is not an attempt by private parties to unload these reindeer at all.

The Lomens, who are the principal nonnative owners of reindeer, had no desire to sell these reindeer. They had pioneered, developed, and were operating a profitable business in them, but the Government decided that because of the mismanagement and the deterioration of the native herds and because of lack of coordination in this industry it was desirable to place all the reindeer under a native Eskimo monopoly, thereby forcing the Lomens out of a very profitable business. They will lose probably a million dollars as it is. The Government is simply buying these herds at an average price of $4 a head so the reindeer can all be consolidated into one Eskimo monopoly, which apparently is a desirable thing to do. Thus, the Government is forcing the Lomens out of business. It is not a proposition of taking over a "white elephant" by any means. The Lomens would like nothing better than to be permitted to continue in the reindeer business in Alaska, but that has now been made impossible by action of Congress and the Interior Department.

Reindeer are vital to the Eskimo. The reindeer is the one animal that can subsist in that Territory. This reindeer business can bring about a splendid economic future for the Eskimos. The reindeer provides food and clothing, and in itself is a fine national defense item, because some day we may have to operate in Alaska and the reindeer would be our food supply. We are faced with the alternative of either building an industry which will make the Eskimo self-supporting or having to feed the Eskimo forever out of Federal relief funds.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Minnesota.

Mr. KNUTSON. If this proposition goes through, the Eskimo will become independent for all time to come?

Mr. MASS. Yes; and we eliminate the relief problem in Alaska, at least among the Eskimos.

Mr. THORKELSON. Mr. Speaker, will the gentleman yield?

Mr. MASS. I yield to the gentleman from Montana.

Mr. THORKELSON. The reindeer is the only four-legged animal that can live in Alaska. Deer and elk cannot live there.

Mr. MAAS. Reindeer and caribou are the only such animals and the reindeer are closely related to the caribou. The reindeer will live and flourish in Alaska when properly herded and properly protected. The only way this can be done on a proper basis is by having one management for the herds in Alaska, which is now impossible due to the diverse ownership. This bill will make possible the creation of a thriving industry that will make the Eskimos in Alaska self-supporting.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Colorado.

Mr. LEWIS of Colorado. Will the Eskimos herd these reindeer, or are we going to have someone else herd these animals for the Eskimos?

Mr. MAAS. The plan is to train young Eskimos under a systematic program to herd the reindeer themselves. No such comprehensive program is possible under present circumstances.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I have had so much to say about this reindeer problem on former occasions that while I am very grateful to the gentleman from Oklahoma for giving me 5 minutes I do not propose to take all that time because my views on this question are too well known by this House.

I do not know why we are asked today to rescind the action of the House when this particular question arose and this particular language now in the bill was offered as amendment to the bill when it was considered before and was voted down; yet we are asked today to rescind the previous action of the House. Why? Simply because another body at the other end of the Capitol has seen fit to put back in the bill the language this House saw fit to take out on a previous occasion. That is the whole thing in a nutshell.

A great deal has been said here about putting the Eskimos on relief. The same argument could be made about every class of our citizenry in this country. If you were to go down into my section of the country, for instance, or into your section, and buy up cattle and turn them over to our citizens, you would keep them off relief. I cannot follow this argument. My objection to the particular type of legislation

contained in this item goes to the proposition that we are entering a new field of endeavor. While we are talking about economizing in government, by this item we would be going into an entirely new field and spreading out and expending more money and more money, although our attention is repeatedly called to the fact that this Government is going in the red by its expenditures in excess of $10,000,000 a day.

This House can do as it sees fit. I have said my last word about this proposition. I have no interest in it. It does not mean anything to me one way or the other, but if this House sees fit simply because the other body has seen fit to do so to put this language back in the bill, after the House voted down similar language after a substantial and lengthy debate, then it is up to the House of Representatives. [Applause.]

The SPEAKER pro tempore (Mr. WARREN). The question is on the motion of the gentleman from Colorado [Mr. TAYLOR] to recede and concur in the Senate amendment.

The motion was rejected.

Mr. JOHNSON of Oklahoma. Mr. Speaker, we had agreed to yield time to other Members. I did not move the previous question and I feel obligated to yield those Members time. For instance, the gentleman from New York [Mr. TABER] has asked for time.

The SPEAKER pro tempore. The Chair was very careful to see if the gentleman or any other gentleman in the House was on his feet after the gentleman from Mississippi concluded. Seeing no one asking for recognition, the Chair put the question on the motion. The Chair believes that of his own accord he would have no right or authority to go back. That could be done, in the opinion of the Chair, only by the granting of unanimous consent to vacate the proceedings. The Chair will entertain such a request.

Mr. JOHNSON of Oklahoma. In fairness to everyone, Mr. Speaker, I make that request at this time.

The SPEAKER pro tempore. The gentleman from Oklahoma asks unanimous consent that all proceedings on the motion heretofore pending relating to reindeer in Alaska be vacated. Is there objection?

Mr. RICH. Mr. Speaker, reserving the right to object, we have conducted our opposition to this amendment, and acting under the rules of the House we have voted it down, and I shall have to object.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I have not taken any time on this matter, and I know the gentleman from Pennsylvania wants to be fair, and I feel the gentleman should withdraw his objection.

Mr. TAYLOR of Colorado. I may say to the gentleman from Pennsylvania that he knows very well that we expected the Delegate from Alaska [Mr. DIMOND] to close this debate, and it does seem to me it would be taking a very undue advantage of him. Possibly the fault was mine or the fault of the gentleman from Oklahoma that we were not on our feet at the time.

Mr. COLMER. Mr. Speaker, I hope the gentleman from Pennsylvania will withdraw his objection.

Mr. RICH. I would like to ask the gentleman from Colorado this question. The gentleman stated I knew that the Delegate from Alaska wanted to close this debate. I knew nothing about that.

Mr. TAYLOR of Colorado. I assumed that everybody understood that.

Mr. RICH. Mr. Speaker, let me ask the chairman of the committee whether we will get a roll call on this matter after debate is closed? If we are to have a roll call, I shall be pleased to withdraw my objection.

Mr. TAYLOR of Colorado. We cannot prevent the gentleman from having a roll call if he wants it.

Mr. RICH. In order to be fair to the Delegate from Alaska and the chairman of the committee and the chairman of the subcommittee, I withdraw my objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. TAYLOR of Colorado. Does the gentleman from New York [Mr. TABER] desire some time?

Mr. TABER. I would like some time, but it seems there are three or four other speakers in favor of the motion, as I understand it, and I feel that we ought not to use all the opposition time now.

Mr. TAYLOR of Colorado. Mr. Speaker, I yield 5 minutes to the gentleman from Washington [Mr. LEAVY].

Mr. LEAVY. Mr. Speaker, it is extremely important that this Congress make a decision, and make a decision rightly, on this reindeer controversy. I doubt if we have had anything in the last 3 or 4 years that has been so completely misunderstood as this reindeer question.

In the first place, let me say that I do not believe there is a Member of this body now, and I doubt if we have had one for years, who would have the temerity to say or even to believe that we should permit the native Eskimo of Alaska to starve to death. This is one of the issues here involved.

When the white man went in there the native Eskimo had his great herds of caribou, and the coming of the white man, with the use of firearms and with the destructive methods taught, the caribou soon disappeared and then Uncle Sam went over into Siberia and introduced the first cousin of the caribou, the reindeer, and from 1892 until about 15 years ago the ownerships were all natives. Today they have 500,000 reindeer in Alaska, two-thirds of them are under the Indian Bureau of the Department of the Interior, held and cared for in trust for the Eskimos. The other one-third is in nonnative ownership, there being 46 different nonnative owners.

The conflicts that have arisen by reason of this divided ownership, and the advantages that have been taken by the nonnatives as against the interests of the natives, are resulting in the reindeer herds in Alaska becoming rapidly depleted and for this reason we must iron out this difference. We can do this by simply taking from the nonnatives their property, virtually without any compensation, as I indicated when this matter was up before. The Government can levy a range fee, and thus take their property from them by exercising a legal right, through a remedy grossly inequitable and unconscionable. Nobody would want to do this.

I am not a partisan in this matter, because I opposed it for 2 years until the matter was fully presented to us. The thing we should do, in fairness and in justice, is to pay not what the owners want, but pay for these reindeer what they are worth to the Government, as a matter of necessity for the native Eskimo.

Mr. VINCENT of Kentucky and Mr. MASSINGALE rose.

Mr. VINCENT of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Kentucky.

Mr. VINCENT of Kentucky. Can the gentleman tell me how much is allowed in this appropriation bill for the Eskimos, not including the reindeer part? How much does this bill carry for the Eskimos for schooling and other items?

Mr. LEAVY. I could only answer that question generally.

Mr. VINCENT of Kentucky. The gentleman is a member of the committee, is he not?

Mr. LEAVY. I would state that the per capita cost to the Government of caring for the Eskimo in Alaska is substantially under what it is for caring for the American Indian in continental United States.

Mr. VINCENT of Kentucky. I do not want the gentleman to dodge the question. Is not the bill carrying more than $900,000 for the care of the Eskimos and you only have 15,000 of them up there?

Mr LEAVY No; there are nearly 20,000 of them—19,000 of them, I believe, is the exact number.

Mr. VINCENT of Kentucky. What about the amount of the appropriation carried in the bill?

Mr. LEAVY. The gentleman may be correct that it is $900,000, but that is only $45 per capita per annum. I want to yield to the gentleman from Oklahoma [Mr. MASSINGALE].

Mr. MASSINGALE. I would like to ask the gentleman for a little information about this bill. I am sure that the gentleman from Washington knows more about the reindeer in Alaska than, perhaps, anybody in this House, except the

Delegate from Alaska himself. Here is where I need a little information. On page 62, line 26, there is this language:

Provided, That under this appropriation not exceeding an average of $4 per head shall be paid for reindeer purchased from nonnative owners: *Provided further*, That the foregoing limitation shall not apply to the purchase of reindeer located on Nunivak Island.

What I would like to know, and I think the gentleman perhaps might state it, what is the difference between the Nunivak Island reindeer and the reindeer on the tundra in Alaska?

Mr. LEAVY. The reindeer upon this island represent but a very small percentage of the whole number. I cannot give the exact number. They are on an island where the condition is entirely different from that on the mainland. The herd is a herd of far superior quality, just as you will find distinctions in cattle or horses or any other animal.

Mr. MASSINGALE. The fact of the ownership by certain people of these Nunivak Island reindeer does not make any difference?

Mr. LEAVY. I can assure the gentleman that it does not. There has been no discrimination whatever by the committee that investigated this matter for the Congress.

Mr. JOHNSON of Oklahoma. There are only 14,000 of these superior animals on the island.

Mr. LEAVY. Yes, the gentleman is correct. We spent $50,000 in connection with this matter last year—I say "we," I mean the Congress of the United States—directed and authorized such expenditure. First we had an appropriation in last year's bill in the amount of $1,000,000 to buy reindeer, and then because of misunderstandings and differences the Congress authorized the chairmen of the House and Senate Appropriation Committees to appoint a congressional committee, not made up of Members of Congress, but a committee representing the Congress, headed by Mr. Rachford, of the Forestry Service. That committee went into Alaska and spent much of the summer there. Their findings and report are before us, and we are just carrying out their findings, an impartial and, I think, most thorough investigation. I want to say again that to me personally this does not mean anything, but we are concerned with this fact: Either we meet the Eskimo problem in Alaska by adopting a policy in reference to the reindeer that has promise in making them self-sufficient economically, or we adopt a policy of starving them to death. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I think there are a few things that the Members of the House ought to know about this reindeer situation. There are about 300,000 reindeer in Alaska. Of those 300,000 reindeer, 200,000 at least are in native ownership. The natives have absolute control over them. That means at least 10 for every man, woman, and child amongst the Eskimos; more reindeer than there are cattle in the United States for the people of the United States; many times more than there are milk cows.

Now, what does this mean? If you take their story at face value there are perhaps 100,000 reindeer that may be bought. If you paid the low price for reindeer, $1.50, that would make $150,000. If you paid the high price or the average price of $4, that would make $400,000. We are asking for $800,000 for that purpose. Now, you can see what kind of a proposition this is that is being put up to you. You see the way these promoters who want to get rid of a losing venture are trying to get help out of the United States Treasury. Why would it not be a little better if the people of this country were thought of a little bit and we did not do the things for the Eskimo that do not need to be done?

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Mississippi.

Mr. COLMER. I would like to remind the gentleman in that connection that the initial cost of these animals is going to prove to be the small portion of the outlay from the Government in the long run, because we will have to maintain a bureau to administer that, with a lot of employees and so on. It is estimated that it will run something like $100,000, as I recall, per year to maintain this bureau.

Mr. TABER. And we are going to buy slaughterhouses, and all that sort of trimmings.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. SCHAFER of Wisconsin. This will be a real Santa Claus bill. We have 15 reindeer in every Eskimo's garage. That is better than two cars in every garage and two chickens in every pot.

Mr. TABER. It will improve the market for sleigh bells. [Laughter.]

Mr. ENGEL. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. ENGEL. I would like to correct the gentleman's statement in regard to the number of reindeer. On page 541 of the hearings the gentleman from California [Mr. CARTER] asked the following question:

Mr. CARTER. At the present time, if I recollect it properly, you estimate that there are about 500,000 reindeer in this particular area, of which number 180,000 are owned by nonnatives, which would leave 320,000 in native ownership; am I correct in that?
Mr. RACHFORD. Yes, sir; that is right; 320,000.

Mr. TABER. It was 250,000 when this was first started 5 years ago. Then it got to be 300,000, and now they say 500,000. And all the time they say that the reindeer is being wiped out. That means over 15 for each Eskimo man, woman, and child. I wonder whether we need more?

Mr. VINCENT of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. VINCENT of Kentucky. I have been told that these reindeer run on the range and probably are not seen or counted once in 12 months; that it is impossible to count them. They run wild like foxes on the range. Is that correct?

Mr. TABER. No one in the world knows which reindeer belongs to which outfit.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Speaker, if the statement made by the gentleman from New York be correct, that no one knows who owns the reindeer in Alaska, it would seem that the logical thing to do would be for the Government to take them over so there could be no dispute as to the ownership. As I view this proposition, it is simply one where we are called upon to decide whether we want to make the American Eskimo self-sustaining or place him on the dole. To me it seems that the better way is to make him self-sustaining. That is not paternalism; it is just good business.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. REECE] 5 minutes.

Mr. REECE of Tennessee. Mr. Speaker, I had not intended to say anything on this subject. I am not a member of the committee which studied it. I have, however, given some attention to the subject. I feel that there is much misunderstanding about it. The misunderstanding, in part, I think, arises out of the association of reindeer in our minds with a yearly custom we followed in this country as children. This is a business proposition; no Santa Claus is connected with the reindeer we are dealing with.

This is a problem with which the Interior Department has been confronted for a long period of years because the Interior Department is the agency of the Government responsible for the Eskimos. This Department has studied this question by sending its own men to Alaska several years ago, and as a result of this study reached the conclusion that the welfare of the Eskimo demanded that this essential problem be solved in some way. The Department undertook to solve it by regulation, but instead of improving the situation it made it worse for both the Eskimo and the white men who were concerned with the industry up there. The Department finally reached the conclusion, as the gentleman from Washington [Mr. LEAVY] stated a while ago, that the

logical and businesslike thing to do was for the Government to purchase all the reindeer so they would all be under the supervision of the Eskimo. The Committee on Appropriations, however, before deciding the matter sent a committee of specialists to make a study for the benefit of Congress. As a result of this study the committee reached the conclusion that purchase of the reindeer was the logical way to solve the problem. I may say in passing that the men who made up this special committee were familiar with this kind of thing. It is not a problem with which most of us are familiar, but I feel that we are safe in going on the assumption that the Department of the Interior is not trying to put anything over on the Congress; and I think we are equally safe in assuming that this committee of businessmen which was sent up there to make this study is not trying to put anything over on the Congress or on the Government.

This committee found a very confusing situation existing up there. They stated in their report that it was impossible to tell definitely the number of reindeer. It estimated the number, as was stated a while ago, to be 500,000. Of these, 180,000 were estimated to belong to nonnatives. Much more is involved, however, than the mere number of reindeer that belong to nonnatives, because there is a conflict of interests, a conflict of grazing rights. The Eskimo is not in position to assert himself. He is, I understand, being driven off and does not have the full use and enjoyment of the public range.

As was stated by the gentleman from Washington [Mr. LEAVY], the Government could arbitrarily impose a grazing fee to drive the nonnatives out if it wanted to, but the nonnatives acquired these deer under governmental regulations; they did nothing improper, and their activity has been looked upon as a proper adventure; but the situation has become so confusing that the Department feels that the question should be settled in the interest of both the Eskimo and the nonnatives.

Mr. MAAS. Mr. Speaker, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. MAAS. Mr. Speaker, is it not true that this proposal originated in the Department of the Interior and not with the reindeer owners?

Mr. REECE of Tennessee. That is entirely true. The Department is the one that originated this proposition and sent it down to Congress. The nonnatives who are in the business did not come to Congress undertaking to put this proposition over.

The situation has become so confused that it is impossible to operate until the situation is clarified. It is only natural that the nonnative owners of reindeer would like to have the proposition solved in some businesslike way, either through purchase or otherwise.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. RICH. Is the gentleman sure he is correct when he states that the Interior Department initiated this proposal? As I remember it, the Committee on Appropriations asked for an appropriation last year to send this committee up to Alaska to study the situation.

Mr. REECE of Tennessee. That is true; the Appropriations Committee sent its representatives, but the Department of the Interior, before the committee was appointed, made representations, as I understand, to the Congress recommending to the committee and to the Congress that this kind of solution be concluded.

I do wish to emphasize, because I fear there is a misunderstanding on this phase of the subject, that the nonnative owners did not originate this solution of the matter. The Department of the Interior originated it. [Applause.]

If I am incorrect in that statement, of course, I want the chairman of the committee to correct me. That is my understanding, and I think I am correct.

Mr. TAYLOR of Colorado. I may say to the gentleman that he is absolutely correct in his statement.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 10 minutes to the Delegate from Alaska [Mr. DIMOND].

Mr. DIMOND. Mr. Speaker, as this debate has proceeded, not only today but when the reindeer bill was before the House, and a few days ago when the Department of the Interior appropriation bill was under consideration and this particular item was debated, I have been continuously struck with greater and greater force by the fact that those who really know something about the matter are those who most earnestly and enthusiastically favor it. I do not know of a single Member of the House, except the gentleman from California [Mr. CARTER], who has ever been in Alaska and who opposes the proposal now before you in the form of this particular amendment. It is my understanding that when the gentleman from California [Mr. CARTER] was in Alaska he did not visit the reindeer districts.

It is quite true, so far as I am aware—and I say this only because evidently some Members have a different impression—that the original plan for the purchase of nonnative reindeer in Alaska for the benefit of the natives originated not in the minds of the nonnative owners of reindeer, but originated in the Department of the Interior. It was from that source I first heard of the subject and it took some argument to bring me to the point of favoring it.

When the purchase proposal was brought before the Committee on Appropriations, I think I am well within the facts in saying that not a single member of that committee favored it, favored the purchase of non-native-owned reindeer in Alaska. A number of the members of that committee expressed themselves vigorously against it. But as we studied it more and more, we came to the conclusion that the purchase of the non-native-owned deer was the only permanent solution of the problem.

When I introduced the first reindeer bill, there was much opposition in the House Appropriations Committee. There was opposition elsewhere, some in Alaska. So the first bill died without action being taken thereon. I went to Alaska in 1936 and spent considerable time in the reindeer country. I made a most careful and thorough investigation of the entire subject. I returned to Washington convinced that the reindeer bill ought to pass and I again introduced it. The bill was carefully considered by the House Committee on Territories; it was carefully considered on the floor of this House, and after extensive debate the bill was passed. An appropriation of $2,000,000 was authorized to carry out the purposes of the bill.

Some of you may remember that during the debate on that bill I asked that a provision be put in the bill that it should not go into effect in any particular unless an appropriation of at least $1,000,000 was made to carry the measure into effect. That amendment was defeated because the statement was made, at least privately to me and I think it was made on the floor of the House, that if the bill passed after that debate and after that discussion the appropriation, of course, would be made to carry the bill into effect. I could not conceive that the Congress would do so frivolous a thing as to pass a bill of this kind after extensive debate and authorize an appropriation of money, then fail to appropriate the money necessary to put the provisions of the bill with respect to purchase of reindeer and equipment into effect.

When the distinguished gentleman from Mississippi asks, "Why is this item here now? Did we not pass upon it adversely the other day?" I say in reply that this proposal is here now, this amendment is offered now, because a few days ago the House made a mistake that is bound to be tragic in its consequences to the natives of Alaska unless we here correct it. If democratic parliamentary government means anything it means that those who know a subject, those who are specially interested in it, ought to exercise every possible parliamentary procedure in order to give the House a chance to correct an error that has been made.

Mr. LEAVY. Will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Washington.

Mr. LEAVY. Is it not a fact that by reason of the chaotic conditions existing in the reindeer industry in Alaska during the last 3 years particularly, some herds have dropped from as much as 27,000 down to 2,700 deer?

Mr. DIMOND. That is quite true. The herds have materially decreased. The statement has been made that we have so many hundreds of thousands of reindeer in Alaska, which means so many reindeer for every man, woman, and child who belong to any Eskimo tribe, family, or community. May I impress upon you the fact there are not nearly as many reindeer in Alaska today as there were a few years ago and at the present rate of depletion inside of 20 years at the outside there will not be enough reindeer in the entire Territory of Alaska to fill this Hall of the House of Representatives, unless some measures further than those suggested outside of this bill are taken to prevent depletion of the herds.

Some question has been raised about the last clause of the amendment with respect to the reindeer on Nunivak Island.

The explanation is very simple. Nunivak Island, as the name implies, is an island that lies off the coast of Alaska. Several years ago some reindeer and caribou were placed upon that island and attempts were made under the direction of the Bureau of Biological Survey to create a better animal through cross-breeding of the reindeer with the caribou. Those attempts have been quite successful and at the present time we find there are about 14,000 reindeer on Nunivak Island. Those reindeer, I am told, are measurably superior to the ordinary reindeer which may be found on the other ranges of Alaska. After your committee, appointed by the chairman of the House Appropriations Committee and the Senate Appropriations Committee, had visited Alaska during the past summer, it came to the conclusion that the Nunivak Island reindeer were better reindeer than the others, and more valuable. That committee, let me remind the House, has recommended not that you pay $4 a head for the reindeer owned by the nonnatives of Alaska, but that you pay $5 a head.

The Subcommittee on Appropriations said that under all the circumstances the price ought to be limited to $4 a head except for the reindeer on Nunivak Island.

What does this amendment call for? A total appropriation of $1,070,000. Here are the details: 180,000 nonnative reindeer to be bought at an average price of $4 a head, with a little more added to that, perhaps because the reindeer on Nunivak Island may be considered worth five or six dollars a head, or perhaps more.

Mr. MAGNUSON. Mr. Speaker, will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Washington.

Mr. MAGNUSON. I wish the gentleman would point out to the House that this solution is not just the solution of this committee but that the Canadian Government, running into the same problem 2 years ago, purchased reindeer from us and are going to adopt the same solution for the problem of the Eskimos in the Mackenzie Valley Basin. Further, as I recall, those reindeer cost the Canadian Government eight or nine or ten dollars a head.

Mr. DIMOND. The gentleman is quite right except as to the price, and as to that I do not know what the Canadians paid for the reindeer they purchased.

Mr. MAGNUSON. I do not know the exact figure.

Mr. DIMOND. The price that the Canadian Government paid for the reindeer must have been more than $4 a head.

To continue with the bill, then we have range equipment in the sum of $100,000. The special committee representing the House and Senate scaled the price down when they were in Alaska, and then the House Appropriations Committee cut it down some more, so the figure is now $100,000.

Then it is estimated that the expense of rounding up the deer and counting them and of making the purchase is $120,000. The administrative expense of putting this program under way is $130,000, and this $130,000, as is shown by the justification, involves the hiring of some 40 Eskimo reindeer herders at a wage of approximately $45 a month, together with 160 apprentices at a salary of $360 a year, or $30 a month. Everything has been calculated to the smallest detail.

It is true, as the gentleman from Washington [Mr. LEAVY] has so well said, that it is not necessary to purchase the nonnative reindeer. We can confiscate them. We can impose such conditions upon their use of the range that the nonnative owners cannot possibly live under the regulations. Further, we can bring suit on the part of the Government, since we have plenty of teeth in our statutes to collect taxes, to make the owners pay whatever may be charged for the use of the range, and thus we can take over without purchase all reindeer owned by the nonnatives of Alaska.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 additional minutes to the gentleman from Alaska.

Mr. DIMOND. Mr. Speaker, I hope the sentiment of this body is not such that anyone will attempt to justify a direct or indirect confiscation of the property of any citizen of our Nation.

I know the difficulties that confront a good many of the Members. I went through the same mental processes but with additional and intimate study and knowledge, I have progressed further than some of the Members have progressed at present because they have not had the time or the opportunity or the duty for gaining such knowledge. What is here proposed is the only course I know of that will save the reindeer for the people of Alaska. And remember, when you benefit the people of Alaska, whether they are Indians or Eskimos, or anybody else, you benefit the people of the United States as well, because Alaska is one of the greatest and finest markets the people of the United States have for their products. [Applause.]

Our welfare is your welfare. We are all tied up together.

You may say, "Why enter upon this plan? This is another subsidy and we ought not to go into it."

Mr. Speaker, if this House, if this Congress, if this administration, or any other administration, says we ought to go back to the economic and political doctrine of laissez faire, all right, then you can vote the bill down, but you know and I know that the laissez faire system is as dead as a doornail. I remember and you remember that you appropriated in the past year some $2,250,000,000 for relief, but our Eskimos did not get a cent of that amount, not a single solitary cent. How many reindeer or how many other animals do you suppose that sum could buy for every man, woman, and child in the United States?

I have been here in the House and watched the appropriation of billions of dollars to help the farmers and other citizens or groups of citizens. Why, then, should we draw the line and say, "Yes, we will take care of all other citizens of the United States; but we have taken over Alaska, we have destroyed all the natural food of the Eskimos, but the Eskimos can take care of themselves because we are going to apply the principle of laissez faire to the Eskimos even if we decline to follow it ourselves, and even if that may lead to the extinction of the Eskimos."

Mr. VINCENT of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Kentucky.

Mr. VINCENT of Kentucky. I am sure the gentleman does not want to leave the impression that while we are appropriating money for the W. P. A. to be spent on people in the United States we have not appropriated money for the Eskimos. The bill we are considering today carries $951,000 for the education and support of the Eskimos, and similar appropriations have been made every year since the W. P. A. has been in existence. I do not believe the gentleman wants to leave the impression no relief has been handed out to the Eskimos.

Mr. DIMOND. Very little of that is for relief. It is for the education and medical welfare of the Indians of Alaska just the same as such aid is given to the Indians of the United States, although we in Alaska have not been given as much as the Indians of the United States have received for education or for medical attention. We have not been given as much pro rata as the others. [Applause.]

I think it is unquestionable that the Federal Government is under the same obligation with respect to the education and medical relief and welfare of the Indians and Eskimos of Alaska that it is under with respect to the Indians of the United States. That doctrine of obligation is almost as old as our Government itself, and appropriations were made for the support and welfare of the Indians before a Federal grant or gift or subsidy to any other citizen of the United States had ever been thought of. So the appropriations carried in this bill for the education and medical relief of the Eskimos and Indians of Alaska is entirely foreign to the subject of the making of grants or subsidies to citizens or groups of citizens generally. True, the current appropriation for the education and medical and other relief of the natives of Alaska includes an item of $40,000 for general relief, or approximately $1.10 for each of the native inhabitants of Alaska; that is to say, the Eskimos and the Indians. During the past year the W. P. A. appropriations alone have amounted to approximately $17 for each man, woman, and child in the United States, and I here repeat that the Eskimos did not share in that expenditure. If anything, we ought to be more solicitous for the welfare of the Eskimos and Indians than we are for the welfare of other citizens. After all, they are the original inhabitants of the land, and as to them we are intruders.

Ask yourselves whether it is possible that all of those of us who have studied the subject so carefully and thoroughly can be mistaken. I repeat that those who have the greatest knowledge of the matter are firmest in the conviction that the Reindeer Act should be put into effect through the appropriation now asked. The Secretary of the Interior and the other officials of the Department of the Interior favor it. It is supported by the Bureau of the Budget. It is supported by the President. It is supported, as witness the amendment now before us, by the United States Senate. It is supported by the special committee of the Members of the other body who visited Alaska in 1936 and made a special inquiry into the matter. It is supported by at least more than a majority of the Subcommittee on Appropriations of the House which has jurisdiction of the bills making appropriations for the Department of the Interior. But above and beyond all of those, the appropriation sought has the earnest and unanimous approval of another body, and that body is one of your own making, appointed by the chairmen of the House and Senate Appropriations Committees. I refer to the committee that made the special investigation in Alaska of all matters pertaining to the reindeer during the summer of 1938, Messrs. Ratchford, Wilson, and Reeds.

These men are eminent in their own occupations or professions. They would not have been appointed otherwise. They have made a thorough inquiry, and they say that the solution now and here proposed is the only solution of the problem; the only practicable way to save a great potential industry; the only way to make the Eskimos self-supporting; and that it is a true measure of conservation which will be of benefit to those who are now living and to the generations yet to come. It is conceivable that all of us are so careless or so lacking in intelligence as to be deceived into doing something that is against public interest? Is it reasonable to say that those who have the greater knowledge are likely to be wrong, and those who have the less knowledge of the subject are likely to be right? If so, we should do as well to pass or defeat our legislation by a cast of dice. Am I not justified in asking why last year you voted to appoint this special committee if you intended to disregard the results of the study and report and advice of that committee? No one yet has made the slightest criticism of the special committee or of its report. And yet, gentlemen argue here today that the report should "go out of the window," and that we should follow instead the suspicions, or the intuitions, or the guesses, of someone else.

Let me repeat that we are asking for this appropriation for the Eskimos and Indians of Alaska, and for no one else. We should not refuse to enact wise and just legislation because some other person or persons may incidentally benefit by it. To adopt that policy might defeat all legislation, for in enacting general legislation someone is almost bound to benefit who may not of himself be deserving of the benefit.

Your special committee has told you with a wealth of detail all of the reasons why the Reindeer Act should be put into effect; told you of the need of the Eskimos and Indians for the additional reindeer; told you of the intermingling of the native and nonnative reindeer; told you of the confusion on the ranges; told you that the non-native-owned deer absorb some of the best range needed by the natives; told you of destruction of the reindeer by wolves and coyotes; and recommended strongly and definitely that the purchase of the non-native-owned reindeer and reindeer range equipment should be made as authorized in the Reindeer Act. So far as I have heard or know there is not a single reason why this House should reject or disregard the report of the special committee, no reason to disbelieve or to discount a single paragraph or a single word embraced in the committee's report.

I urge your support of the motion to recede and concur in the Senate amendment.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. SASSCER). The question is on the motion of the gentleman from Oklahoma to recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. RICH, Mr. SCHAFER of Wisconsin, and Mr. COLMER) there were—ayes 64, nays 102.

So the motion was rejected.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Reindeer service: For supervision of reindeer in Alaska and instruction in the care and management thereof, including salaries and travel expenses of employees, purchase, rental, erection, and repair of range cabins, purchase and maintenance of communication and other equipment, and all other necessary miscellaneous expenses, including $3,000 for the purchase and distribution of reindeer, $75,000, to be immediately available, and to remain available until June 30, 1941."

Mr. JOHNSON of Oklahoma. Mr. Speaker, in addition to providing funds for the purchase of reindeer in Alaska, the amendment which was just rejected provided for administration in connection with reindeer now owned by the natives in Alaska. It is estimated that there are 320,000 native-owned reindeer and this bill, for a good many years past, has provided funds to furnish personnel and supplies and to provide general supervision in connection with the care of these native-owned reindeer. The Department has requested a total of $150,000 for this purpose and the pending amendment provides for an appropriation of $75,000. This amount will permit the reindeer service to continue existing personnel and will also permit the Department to train a number of native apprentices, who will assist materially in placing the reindeer industry on a sound basis. Defeat of the pending amendment would mean complete withdrawal of all Government aid to the natives and I believe it would also result in the early extinction of the reindeer now owned by these natives.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. COLMER. I understand none of this fund would be authorized for the purchase of reindeer.

Mr. JOHNSON of Oklahoma. Oh, no; there has always been $3,000 in the bill for this purpose.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma to recede and concur in the Senate amendment with an amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent that amendments Nos. 28 and 32 may be considered together, as they relate to the same subject matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read as follows:

Amendment No. 28: On page 3, after line 22, insert:
"Colorado: Consolidated Ute (Southern Ute), $78,000, including the purchase of land, the subjugation thereof, and the construction of improvements thereon."

Amendment No. 32: On page 65, in line 10, strike out $592,460 and insert $483,447.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in Senate amendment No. 28.

The motion was agreed to.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate numbered 32 and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$478,247."

Mr. JOHNSON of Oklahoma. These are tribal funds and there is no objection on the part of the committee.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 33: On page 67, line 19, after the word "each", insert a colon and the following: "*Provided further*, That so much as may be necessary may be expended from the tribal funds of the Creek Nation for payment of the salary of the principal chief for the period from February 12, 1935, to June 30, 1936."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore (Mr. WARREN). The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 34: On page 68, after line 23, insert:
"Rehabilitation of needy Choctaw Indians: For the rehabilitation of needy Choctaw Indians, in Oklahoma, including the purchase of land in the vicinity of the Council House of the Choctaw Indians, Tuskahoma, Okla., the construction of improvements on newly acquired land, and such other purposes as may be recommended by the advisory council of the Choctaw Tribe and approved by the Commissioner of Indian Affairs, $100,000, payable from funds on deposit to the credit of the Choctaw Indians of Oklahoma, which sum together with the unexpended balance of the appropriation of $50,000 from Choctaw tribal funds for the acquisition of lands, etc., contained in the Interior Department Appropriation Act, fiscal year 1939, shall remain available until expended: *Provided*, That title to any land or improvements purchased under the provisions of this paragraph shall be taken in the name of the United States in trust for the Choctaw Tribe."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 41: On page 87, after line 9, insert:
"Lugert-Altus project, Oklahoma, $500,000: *Provided*, That as a condition precedent to the expenditure of this appropriation for such project an amount at least equal thereto shall be made available for expenditure by the Secretary of the Interior, by transfer from any funds appropriated for the construction of flood-control projects, as authorized in the act of June 28, 1938 (52 Stat. 1215, 1219)."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 46: On page 88, line 22, strike out "$9,048,000" and insert "$10,598,000."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate numbered 46 and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$10,523,000."

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Oklahoma whether he is increasing the amount from $5,365,000 to $7,000,000.

Mr. JOHNSON of Oklahoma. This simply increases the total in accordance with the agreement of the House and Senate conferees.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 48: On page 89, line 17, after the figures, insert ": *Provided*, That the allocation from the Emergency Relief Appropriation Act of 1937 for official project No. 505-2-73, Fruit Growers' Dam and Reservoir, in Colorado, shall be immediately available for the acquisition of rights-of-way."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 49: On page 89, in line 22, strike out "$9,907,600" and insert "$11,457,600."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$11,382,600."

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 50: On page 91, line 20, after the word "structures", insert "including distribution and drainage systems)."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent that amendments 51, 52, and 53 be considered en bloc.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read as follows:

Amendment No. 51: Page 92, line 21, after the word "Colorado", insert "and the Colorado River project, Texas)."

Amendment No. 52: Page 93, strike out lines 5, 6, 7, and 8 and insert "Colorado River project, Texas, $5,000,000, together with the unexpended balance of the appropriation of $2,030,000 under this head in the Interior Department Appropriation Act, fiscal year 1939: *Provided*, That the Secretary of the Interior by contracts entered into pursuant to the authority of the act of August 26, 1937 (50 Stat. 844, 850), shall require reimbursement of expenditures for construction of Marshall Ford Dam, to the extent and in the manner determined by him."

Amendment No. 53: Page 94, line 11, strike out "$34,700,000" and insert "$39,700,000."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendments numbered 51, 52, and 53.

Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I want to call attention to the fact that this is for increasing the height of the Marshall Ford Dam in Texas. The Congress appropriated $12,000,000 for this dam some year or so ago. They are now asking to increase the height of the dam from 190 feet to 260 feet. They want to spend $15,000,000 more on this particular dam. In the bill they ask for $5,000,000. They will have to ask for $10,000,000 additional before the year is over, or next year. It seems to me that this expenditure could well be suspended for a few years until some Member on that side of the House tells me where we are going to get the money. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Speaker, here again we have these irrigation and reclamation projects. We are adding about $15,000,000 to this bill above what it was when we sent it to the north side of this Capitol. This is at a time when we all know we are spending many millions of dollars to take land cut of production. If anyone can make those two things add up to sense they are using arithmetic that I know nothing about. Here we are with the markets on farm products lower than they have been in the past 5 or 6 years. Corn on the farm is 33 or 34 cents. The cost of production is about eighty-odd cents. The parity price on corn is also about eighty-odd cents. Nevertheless corn is selling at 34 cents on the farm.

Hogs are lower than they have been in 5 years. There was a great farrowing of hogs this year. Before fall comes nobody knows where these hogs will be. Still we are adding more land to compete with farm lands already producing surpluses and already asked to curtail production. Here they are asking for about $15,000,000, which will be used to bring in new land, and to bring new production to harass the farmers of America.

I say to you that the farmers of the Middle West cannot go on with the conditions that are confronting them this afternoon and with the prices I have mentioned. It is impossible for them to even expect to save their homes, their families, and the civilization that goes with American agriculture.

Now, so far as these projects have been already instituted, so far as men and women have invested in them and have invested their lives in them, I have never objected. Of course, we ought to protect them, I think, so long as we have heretofore given our promise to them.

There is no reason why we should continue with all these appropriation bills giving them more, and more, and more money. Let us keep faith in the matter of past agreements and undertakings, but let us not encourage new projects such as are in this bill.

Mr. Speaker, I have often talked on this matter. There is, as I see it, no sense, no equity, no justice in continuing to build irrigation projects under the conditions that confront the farming population today. Such items as this should be voted down. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, I realize that it does not do much good to make speeches on such an occasion, but I think it is high time to direct our attention and the attention of the country as to the manner in which this House continues to spend millions upon millions of dollars. Hardly any attempt is being made this afternoon to reduce any of the items carried by this measure that was increased in so many places by the Senate. Instead, we agree to all of the increases. We do it without any resistance whatsoever. It seems to me that the least we could do is to hold them to the figures as adopted by the House when it passed here a few weeks ago. We find ourselves accepting the increases by the millions in every respect. Right now you are talking about agreeing to an increase of $10,000,000 in such a casual manner that it gives the impression that it is a mere trifle and hardly worth trying to save.

And what are you doing with the money? It is to add to a dam already under construction and upon which the Government has already spent millions of dollars. It is to build it higher and bigger. It is said it is for navigation and flood control. It is also to bring more lands into cultivation by irrigation. On the one hand we spend Government money for bringing land into cultivation, while on the other hand we spend still more millions to try to control production in other parts of the country. As the gentleman from Iowa says, it just does not make sense. There is no question that we will fail to balance the Budget, but we do not seem to care; we sit supinely by and make no determined effort to cut down expenditures. On measures like these, where the House had gone the limit in the first place, we vote to increase the items still further by millions and millions.

Mr. RICH. Will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. RICH. Does it not make one almost sick to sit here and see items increased by $1,000,000, $5,000,000, $10,000,000, and be unable to do anything about it?

Mr. REES of Kansas. Certainly it makes me sick, and I should think it would make the American people and the American taxpayers pretty sick.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. To the gentleman from Mississippi, certainly.

Mr. RANKIN. The appropriation carried by this item is for flood control on this river.

Mr. REES of Kansas. Yes; flood control. But so often it happens that a navigation proposition or a flood-control project turns out finally to be an irrigation development. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Washington [Mr. LEAVY].

Mr. LEAVY. Mr. Speaker, my purpose primarily in seeking recognition at this time is to answer the misapprehensions that prevail on the part of those who have spoken concerning this matter.

This is in no sense an irrigation project, it does not bring into being a single acre of new land; it is entirely a flood-control project. Thirteen million dollars has been expended in the building of a dam providing a storage capacity of 600,000 acre-feet. By raising this dam another 70 feet, using the men working at the site at this time under the 2-year contract the project will have a storage capacity of 3,000,000 acre-feet, just five times the capacity of the present dam; and this greatly increased usefulness will be procured by the expenditure of $10,000,000, much of which is reimbursable. Let me pause here to pay a well-deserved tribute to that young and aggressive Member who represents the district where Marshall Ford Dam is located. I have never seen a Member who worked so faithfully, tirelessly, and effectively as he has.

Let us get the picture down there in southern Texas. Last year there was a flood on this river which resulted in a loss to the people below the Marshall Ford Dam and from there down to the Gulf in excess of $10,000,000 in property. The Department estimates that floods for the last 15 years on that river below this dam in the district represented by that splendid gentleman from Texas, the chairman of the great Rivers and Harbors Committee [Mr. MANSFIELD], who cannot be here this afternoon due to illness, have cost the people of Texas that live in that valley an average of $5,000,000 a year.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. LEAVY. I do not have time to yield.

We have spent for flood control and river improvement in our history $2,900,000,000 and not one cent has been directly repaid. Are you going to refuse the folks down there the permission to finish a project that will bring to them the highest degree of protection that the ingenuity of man and American engineering can give them? I am sure not; and I think it would be a great mistake for us now to

cease work on this project and let those folks again become the victims of flood ravages for years in the future.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. LEAVY. I yield.

Mr. RICH. I call the gentleman's attention to the Senate hearings, an amendment offered by Mr. LEAVY, page 84, line 8, after the word "reimbursable", insert "except as to the Colorado River project, Texas."

In view of this amendment how can the gentleman's statement that this money is reimbursable be correct?

Mr. LEAVY. I will answer my colleague. Yes; I offered that amendment. That was on the appropriation bill last year. That is not the appropriation for this year. That was for the purpose of completing one step in this project following the acquisition of money in earlier years from P. W. A.; but the language in the amendment now before the House has the express provision in it that it shall be reimbursable to such extent as the Secretary of the Interior shall find is just and equitable. This, of course, is based upon the allocation that will be made to flood control and the allocation to power development. There is no power development in taking the dam on up to its full height. The power development there has been completed.

Mr. RICH. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Pennsylvania.

Mr. RICH. This was a flood-control project until they put the power and machinery there to make it generate power. They now generate power. Now they have to increase the height of the dam 70 feet more. After awhile you will want balloons to put on top of everything.

Mr. LEAVY. I must refuse to yield further. I thought I made clear to the gentleman from Pennsylvania that the storage capacity now is 600,000 acre-feet. Add 70 feet to the dam and you will have a storage capacity of 3,000,000 acre-feet, which is sufficient under ordinary circumstances to control the floodwaters of the Colorado River.

This amendment should prevail. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. HAWKS].

Mr. HAWKS. Mr. Speaker, being a new Member of Congress, I cannot understand how these things come back from the Senate and from conference with anywhere from $1,000,000 to $10,000,000 or $20,000,000 added to the original appropriation bill passed by this House. I cannot understand the reasoning either that confines the attention of the gentlemen in this House to the poor people in these reclamation and power project regions, when a bill presented to the House for the benefit of those people already engaged in agriculture in other sections of this country, people who have thousands and thousands of dollars invested in farms, farm buildings, and equipment, cannot receive consideration. Their tremendous investments apparently do not mean a thing. Today we have milk selling for anywhere from 81 cents to 91 cents a hundred pounds; cheese selling at 10 cents, 11 cents, and 12 cents, all of these articles produced in the North, where there are tremendous investments in farm properties, farm buildings, herds, and other equipment. By this amendment we go further into the development of new fields. We go from power into reclamation and then into flood control, each one of these steps requiring hundreds of millions of dollars more of the taxpayer's money.

I have no particular desire to hurt anybody engaged in agriculture, but common sense should tell us that opening up new lands, supplying water, power, and throwing in flood control for protection, is no answer to our present problem. It does seem to me that our farmers need protection from foreign competition. To put more land into production, while all agriculture is suffering from so-called surpluses and terrifically depressed markets, would seem to me to add to the confusion that already exists and to further burden our markets with farm produce which, it is claimed, is already excessive.

This policy of spending money like drunken sailors; this going around on the old spending merry-go-round; this utterly ridiculous lack of coordination between the various departments in Washington, has created a condition in agriculture that is unbearable. If the farmers of our country could sit in Congress and witness this insane display on the part of the New Deal, I am sure they would demand an immediate change in policy, and not wait until 1940.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, I do not usually take the floor in connection with appropriation bills because usually I do not know a great deal about them. However, the gentleman from Texas, Judge MANSFIELD, is unable to be here today. He has written me a letter, a paragraph of which I desire to read, as follows:

> The completion of this dam will prevent the recurrence of disastrous floods which, frequently in the past, have devastated a large portion of my district. I am, therefore, anxious that the House will see its way clear to accept this amendment.

Everyone familiar with the situation in this part of Texas knows that the district represented by Judge MANSFIELD suffered untold loss last year. If he were here, he could speak so much better for himself than I; but I thought the House would like to know how it affected this grand old man's district and that he is tremendously interested in the House concurring in the amendment.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma [Mr. JOHNSON] to recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. H. CARL ANDERSEN) there were—ayes 96, noes 55.

So the motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

> Amendment No. 55: Page 94, after line 14, insert the following:
>
> "WATER CONSERVATION AND UTILITY PROJECTS
>
> "For construction, in addition to labor and materials to be supplied by the Works Progress Administration, of water conservation and utilization projects, including acquisition of water rights, rights-of-way, and other interests in land, in the Great Plains and arid and semiarid areas of the United States, to be immediately available, $5,000,000, to be allocated by the President, in such amounts as he deems necessary, to such Federal departments, establishments, and other agencies as he may designate, and to be reimbursed to the United States by the water users on such projects in not to exceed 40 annual installments: *Provided*, That expenditures from Works Progress Administration funds shall be subject to such provisions with respect to reimbursability as the President may determine."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

I yield 3 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, you have just voted $5,000,000 for a project down in Texas. The majority leader helped put it across. We are glad it is going to help Texas, but in this proposition we are asked to spend $5,000,000 for water conservation and utility projects when we do not know for what we are going to spend the money. This $5,000,000 is to be allocated by the President in such manner as he deems necessary to such Federal departments, establishments, and other agencies as he may designate. I say to the majority leader, the chairman of the Committee on Appropriations, and the Members of the House, let us say what this money is to be spent for and let us appropriate it for those ends. It is high time that Members of Congress say what they are going to appropriate money for instead of putting this power in the hands of the President. What are we here for? Are we nothing but a bunch of twiddle-de-dees and twiddle-de-dums, are we going to have the backbone to say that we are

going to spend this money for something in Texas, we are going to spend it for something in Oklahoma, or we are going to spend it for something in Pennsylvania? No; we put this power in the hands of the President of the United States. How do you know whether he wants this money? It is only the idea that somebody has that we ought to appropriate more money.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Does the gentleman mean to tell this House that after the discussion of the House conferees with the Senate conferees he does not himself know what this money is for?

Mr. RICH. I may say to the gentleman from Oklahoma there are many items in this bill where the gentleman from Oklahoma does not know what the appropriations are for. I want to say that many a time I have been in the dark about appropriations. We made an appropriation to the Park Service and neither the gentleman from Oklahoma nor any of the other members of the committee knew what it was for, and that appropriation amounted to over $2,000,000,000. It seems to me that every Member of the House should know what every dollar of the taxpayers' money is to be spent for before he votes to appropriate it. I think it is about time that we cut out some of these appropriations.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker, Congress authorized this item of $5,000,000 in the Second Deficiency Appropriation Act of the fiscal year 1938, but provided that the funds were to be taken from the funds made available by section 1 of the Emergency Relief Appropriation Act of 1938. It also placed a limitation on the expenditure of that money to the effect that no more than $50,000 could be expended on any one project, which made the fund unworkable; in other words, no reasonably sized project could be completed by the expenditure of only $50,000.

Now what has happened? The Great Plains Committee studied the conditions in the Northwest, including those in North and South Dakota, Montana, and other States similarly circumstanced during the drought period and the time they were eaten out of their crops by grasshoppers, and so forth, and the result was that that committe reported that it was necessary in order to meet the relief situation to provide a sum of approximately $5,000,000, to be expended within the discretion of the President of the United States, and to be supplemented by such sums from the Works Relief program as could be allotted to that purpose.

In addition to the tremendous expenditures that have been made in the drought areas for temporary relief without effecting a permanent solution, the conservation and irrigation projects constructed under this amendment will serve to halt the emigration of many farmers who otherwise would be forced to seek other locations. This is to take care of small irrigation projects that would help people to come into our State from the Dakotas and other States. The amendment that has been written into this bill by the Senate is simply for the purpose of lifting the restriction of $50,000 on the amount to be spent for any one project which was heretofore authorized by this Congress in 1938. If the Members of the House wanted to object to the moneys being used, they should have done so a year ago.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Massachusetts.

Mr. HOLMES. Are the States going to make any contributions toward this fund?

Mr. O'CONNOR. Why, certainly; it is all reimbursable. Every single dollar we are asking here this afternoon is reimbursable within 40 years.

Mr. HOLMES. The State matches the appropriations?

Mr. O'CONNOR. The amount is repaid.

Mr. PIERCE of Oregon. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Oregon.

Mr. PIERCE of Oregon. Was the appropriation exhausted that was made a year ago, or is that a continuing appropriation?

Mr. O'CONNOR. No; it is a continuing appropriation; but it cannot be used effectively because there is a string attached to it, namely, that only the sum of $50,000 can be used for any one purpose. This amendment is to take that restriction out of the law so the $5,000,000 may be used by the President of the United States, supplemented by such sums as the W. P. A. can use in dirt construction in connection with irrigation projects.

Mr. PIERCE of Oregon. The Bureau of Reclamation refuses to use the money because they cannot use it judiciously?

Mr. O'CONNOR. They cannot use it judiciously as long as the restriction of $50,000 remains in effect.

Mr. PIERCE of Oregon. I believe this amendment is very worthy.

Mr. O'CONNOR. It would not make sense for this House not to concur in this amendment this afternoon, because the $5,000,000 that has already been appropriated cannot be used effectively unless the limitation is removed.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Kansas.

Mr. HOPE. Does the gentleman refer to the funds that were appropriated under the Water Facilities Act?

Mr. O'CONNOR. No; this is a special appropriation requested by the President of the United States, and to be supplemented by W. P. A. funds, to take care of small irrigation projects that would cost in the neighborhood of $100,000 or $150,000.

Mr. HOPE. Who would administer this fund? Would it be administered by the Bureau of Reclamation?

Mr. O'CONNOR. The Bureau of Reclamation. These are small reclamation projects.

Mr. HOPE. As I understand, the money we appropriated a year ago was to be administered by the Department of Agriculture. Is this a new project or a continuation of the same project?

Mr. O'CONNOR. It is not a new project. It is to be administered by the Bureau of Reclamation.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. I would like to have the gentlemen who talk about the matching of the money by States point out the page and the line of the bill that states anything about matching or provides that the States will have to pay a single cent.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. GILCHRIST. When Members talk about the appropriation being reimbursable, I would like to have them explain whether this reimbursing business does not mean 40 years without interest. All of the reclamation and irrigation bills so far as I know provide 40 years for payment without interest. Is that reimbursable?

Then when gentlemen also talk about reclamation I would like to know why. They say this is not reclamation, but that it is flood control, and still the act itself speaks in several places about reclamation, and when the same matter was under discussion a moment ago it was stated that it should be under the Bureau of Reclamation, and there is a provision on page 92, in line 22, that it shall be under the reclamation law.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. GILCHRIST. The gentleman has his own time, but I will yield to the chairman.

Mr. JOHNSON of Oklahoma. I was interested in the gentleman's statement that none of this money is reimbursable. Has the gentleman read lines 24 and 25, on page 94, and lines 1, 2, 3 on page 95, where it plainly states that this is reimbursable to the United States by the water users.

Mr. GILCHRIST. I will say to the chairman and I hope I may have a moment or two to answer the gentleman that I did not say the act does not use the word "reimbursable," but I do say that when the act uses the word "reimbursable" it means reimbursable over a course of 40 years without interest.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I will yield myself one-half minute although it will not take one-half minute to answer the gentleman from Iowa. Let me say that if and when this work is done, to which the gentlemen so bitterly complains that it certainly will not be money wasted. It will make this country a richer place in which to live and promote the happiness and general welfare of our people. No one will ever have occasion to look back and say that a dollar of the money was wasted. So it would seem that the genial gentleman from Iowa is unusually exercised over nothing.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, this item should be regarded as a reappropriation. The history of the item is this: In June of last year the President sent up a recommendation to the Congress with a Budget estimate to carry out the recommendations that were made by the Great Plains drought committee. That recommendation suggested that $5,000,000 be made available to loan to water users for water-conservation projects, for the purchase of rights-of-way, for the purchase of lands, and for supplying costs of materials, the other than labor costs which might be provided by the Works Progress Administration. That $5,000,000 item was embodied in the last deficiency bill that was passed by the Congress last year in the closing hour of the session, in fact.

In the conference with the Senate that afternoon an amendment was agreed to that placed upon the fund the limitation to which the gentleman from Montana [Mr. O'CONNOR] has referred.

A further limitation was agreed to that made this money subject to the various regulations and limitations embraced in the W. P. A. or relief appropriations act of 1938. That placed this fund in an unworkable condition.

It required, among other things, that not more than $7 a month could be spent for materials per man employed, and that meant that you could not construct water-conservations projects, because $7 per man a month does not cover the cost of cement or other materials that are needed in building dams.

In addition to that, it meant that none of the money could be used for the purchase of land or rights-of-way, because W. P. A. projects have to be built upon the public domain or its equivalent. They have to be built upon land that is publicly controlled.

This item was designed to be used to supplement W. P. A. funds so that the water users could borrow from it to purchase lands for dam sites and so that they could purchase necessary rights-of-way and so that they could purchase the necessary materials. Under the limitations imposed not a dollar of the $5,000,000 has been used.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman, briefly.

Mr. HOPE. Has this anything to do with the appropriation that was made last year under the Water Facilities Act and which provided for administration by the Department of Agriculture?

Mr. CASE of South Dakota. It does not. The water facilities fund is an entirely different item.

Mr. HOPE. I would like to have the gentleman explain. There seems to be some confusion and I am asking the question for the purpose of getting information.

Mr. CASE of South Dakota. I am very glad to have the gentleman's question. The appropriation under the Water Facilities Act is an entirely different item and goes to a different work—farm ponds, wells, and so forth. It carries a project limitation, not of $50,000, but now of $25,000. Last year $500,000 was all that was appropriated under that act. It was supplemented by a $5,000,000 allotment of relief funds but very little was done until the beginning of the current season. This year under the Water Facilities Act, we appropriated $250,000 in the agriculture appropriation bill that was recently passed by the House. That was an entirely different item relating primarily to individual farms and should not be confused with this item for relatively small supplemental irrigation projects.

The pending item was never in a Department of Agriculture appropriation bill. It was in the last deficiency appropriation bill of the Seventy-fifth Congress and the limitations with respect to this particular fund came over here in the very closing hours of the session.

It happens that I discussed these limitations that evening with one of the honored and distinguished Members of this House, the gentleman from New York [Mr. BACON], whose memory we all revere. He was one of the conferees. Mr. Bacon explained to me at that time that he did not think these limitations were going to render this item unworkable, but it was impossible for anybody to tell that afternoon. We were in the last minutes of the session. The report was not even printed. Nobody knew exactly what the effect of the limitations would be.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. CASE of South Dakota. I will be glad to yield.

Mr. HOPE. Was that item included in the bill and passed?

Mr. CASE of South Dakota. It was.

Mr. HOPE. But the limitation has made it unworkable?

Mr. CASE of South Dakota. That is exactly correct. The purpose of having the fund come in at this time in this way is to remove those limitations. In effect, it is a reappropriation, and there is no increase of Presidential authority to assign the fund to any agency. He had that authority under the original appropriation.

The gentleman from Pennsylvania [Mr. RICH] stated that there was no proof that the President wanted this action. The gentleman has been very busy. He is one of the hardest working members on the Appropriations Committee. It has escaped his attention that the idea was embodied in the report of the Great Plains Drought Committee. The President sent the item to the House under a special message with a Budget estimate for it in June 1938. It came back again in February this year as the subject of a special estimate from the Budget. It has Budget approval, and has always had Budget approval. I received a letter from Acting Director Bell dated February 4, this year, approving a proposal to free the item from these limitations.

The gentleman from Montana said this should be passed so that in Montana they might take care of some of the people coming from the Dakotas. Primarily, I hope you will pass this bill so that the people in South Dakota will not have to go to Montana or anywhere else. This is to let the people in the Great Plains take care of themselves where they are. It is cheaper than relief in dry years. And the money is reimbursable.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 1 additional minute to the gentleman from South Dakota.

Mr. CASE of South Dakota. Primarily this is an appropriation so that those people, instead of having to take grants or do W. P. A. projects of a sort that do not increase their income, can have some productive projects that will let these people make a living where they are. It is not for large irrigation. It is not for large reclamation. It is supplementary water conservation for the people on the land where they live and where they have their homes. I hope that with this explanation the committee will support the item.

Mr. O'CONNOR. Will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. O'CONNOR. The Director of the Budget wrote to the President on February 27, 1939, and recommended this

appropriation of $5,000,000 with the $50,000 limitation removed.

Mr. CASE of South Dakota. Yes. The removal of that limitation and the W. P. A. limitations was recommended by the Great Plains section of the Water Resources Committee which met in Omaha July 30 of last year and then was recommended by the Budget, as has been stated.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from Washington [Mr. LEAVY].

Mr. LEAVY. Mr. Speaker, I am going to get over on the Republican side of the House because I want to talk to the Republican Members on a matter that is of very great concern to them as well as to us. In fact, it is of greater concern to them. This $5,000,000 here provided for is going to be spent in States that are almost exclusively represented in this body by Members on the Republican side of the House. Last year, as the able gentleman from South Dakota [Mr. CASE] has indicated, we passed this bill carrying a $5,000,000 appropriation. Not a dollar of it has been spent. It is regretted that it could not have been. It had the $50,000 limitation on projects. Let me tell you why it is regretted that it could not have been spent. In 6 years we have spent—and this is no reflection upon the good people of North and South Dakota, Montana, Wyoming, Nebraska, Kansas, Oklahoma, Texas, and Colorado—we have spent in that region over $400,000,000 for relief. The aggregate expenditure was enormous. To the individual it was parsimonious in the extreme, in many instances as low as $7 per month per family. If we had spent some of that money for the impounding and utilization of the precious water which they have in so limited a degree in that region we would have put a part of those people on their feet—those people who, by the ravages of nature, have been driven from the soil. They are still distressed, discouraged, and disheartened. One hundred thousand families have drifted out. This $5,000,000 permits the engineers in the Reclamation Service to build a few small projects, but of necessity they must be far beyond $50,000, because $50,000 will not build a dam across the Missouri River, across the Platte River, or across any of those streams where they have water. They have no small rivers or small streams or creeks in that region. In the hearings, if you are curious to know, you will find that the Commissioner of Reclamation outlined the eight projects that he proposed to commence and finish with this money. They are all in States in great distress. Much of the labor would be W. P. A. labor. This amendment certainly ought to carry. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Speaker, since I made my remarks a few minutes ago it has been called to your attention that these appropriations are reimbursable. They are to be reimbursable to the United States by the water users on such projects in not to exceed 40 annual installments. This is without interest. I do not know of a single one of them but what is to be reimbursed in that way except it be those cases where payments have been waived entirely or have been extended for periods of more than 40 years.

When, therefore, people talk about these expenditures being reimbursable, the facts are they are reimbursable in annual, not semiannual, installments for 40 years without payment of interest. So there is nothing in that argument. They are giving this sum of money to the people to put into these projects, just as is stated and in the appropriation bill itself under reclamation law. They are not flood-control projects, as has been pointed out. Repeating what I said a moment ago, the statement that this money is reimbursable is without force or influence. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. CARTER].

Mr. CARTER. Mr. Speaker, I believe amendment numbered 55 will prove very beneficial to the arid and semiarid areas of the Great Plains where water is at such a premium. This is a water-conservation measure. The work would have been carried on during the past year through authorization already made by this Congress had it not been for the $50,000 limitation that was placed in the previous measure.

I commend this amendment to each and every Member of the House because, upon investigation, I believe it will prove decidedly advantageous to those living in a region of the United States where there is not an adequate supply of water. The proposition has the added feature that appeals to those interested in conservation of wildlife—that the great flight ways of the ducks northward and southward traverse this region. These pools, ponds, lakes, and reservoirs which will be created by reason of the expenditure of this money will provide much needed havens of rest for these birds in their flights north and south.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Speaker, I am for the House concurring in this amendment because it will do more good than any money that has been spent since I have been a Member of Congress.

Mr. Speaker, I cannot understand the philosophy of those who live where the rain occasionally falls, or even those where the rain falls plentifully, who oppose this amendment just because it is reimbursable without interest. We have done enough in this country, it seems to me, to show that we intend to give to the farmers of this country cost of production, but somehow or other my friends who talk cost of production vote against it, as was shown the other day in the Agricultural Committee when the cost-of-production bill came up, and that committee refused to report the bill out—thereby, as far as was within its power, preventing this Congress from giving the farmers cost of production.

But in spite of that we are going to get cost of production, because we are going to continue to fight for the farmers of the United States of America in all the districts and in every State in the Union, and not merely for a few in one section or another section.

What will this amendment do? This amendment will give an opportunity to people living in the western part of North Dakota and other semiarid States to raise enough feed and grass for their cattle in the dry areas and, therefore, make it possible for them to continue to live there during drought years without being compelled to move into Montana, or into the State of Iowa, or into other States.

Mr. HAWKS. Mr. Speaker, will the gentleman yield?

Mr. LEMKE. I cannot yield. I have not time.

This amendment simply provides that the President of the United States may use part of this $5,000,000 that has already been appropriated—you are not appropriating it—to continue and to complete such irrigation projects as the Buford-Trenton project in northwestern North Dakota so that we shall not have to send all of our people in western North Dakota to other States of this Nation. It will conserve and increase the wealth of this Nation.

I did not know until today that to look backward was a Republican principle. I thought that was just Mr. Wallace's philosophy and that all the rest of us looked forward to taking care of the people of this Nation regardless of where they live or what their condition may be. [Applause.]

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. LEMKE. I yield.

Mr. LEAVY. I believe the gentleman will grant that if this amendment is killed today it will be killed on the Republican side of the House.

Mr. LEMKE. I sincerely hope not, and I do not believe that it will be killed, because I believe that the great majority of the Republicans are just as liberal as the Democrats—at least I hope so. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, I am in favor of reclamation. I think it is a sound policy. The Republican Party has favored reclamation; in fact, the Republican Party is the

father of reclamation in this country. I have, however, frequently opposed individual reclamation projects because I felt that they were not sound and would not pay out. I have frequently criticized the Reclamation Service because I felt that instead of devoting itself to sound economically feasable projects it was going into great engineering projects which could never pay out.

The item under consideration presents an entirely different proposition. Here you have little projects, projects that have been neglected through all these years, projects on which you can put water on the land at a fraction of the cost of these large projects for which we have voted funds year after year. Furthermore, you are not going to put any new people into the business of farming. This undertaking is designed to care for people who are already on the land struggling to make a living.

The gentleman from Washington has told you how much money has been spent on relief out in this area during the past 5 or 6 years. This money is not to go for relief, it constitutes an investment, one of the best investments that could possibly be made, and the capital invested will be reimbursed because the projects are sound and practical.

There are numerous small streams throughout this area that in time might be developed in such way as to furnish water for irrigation. There is much which might be done in the way of pump irrigation. Of course, with only $5,000,000 it would be possible to institute but few projects. As far as I know none are planned for the State of Kansas; but I am familiar with the area which it is intended to develop, the Great Plains area. This will not only be a sound investment, but it will mean a real saving because it will take people who have been forced to accept relief of one kind or another and make them self-sustaining.

[Here the gavel fell.]

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma [Mr. JOHNSON].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 64: Page 119, after line 22, insert the following: "Manassas National Battlefield Park, Va.: For the construction of an administration-museum building in the Manassas National Battlefield Park, Va., $56,000, to remain available until expended."

Mr. SCRUGHAM. Mr. Speaker, I move the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 76: Page 146, after line 18, insert a new section, as follows:

"SEC. 4. That hereafter no part of this or any other appropriation for any executive department, establishment, or agency shall be used for the payment of long-distance telephone tolls except for the transaction of public business which the interests of the Government require to be so transacted; and all such payments shall be supported by a certificate by the head of the department, establishment, or agency concerned, or such subordinates as he may specially designate, to the effect that the use of the telephone in such instances was necessary in the interest of the Government."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 77: Page 147, line 4, strike out the figure "4" and insert the figure "5."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which the several motions were agreed to was laid on the table.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent that all Members who spoke on the conference report, the consideration of which has just been concluded, may have 5 legislative days in which to revise and extend their own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

COMMITTEE ON MILITARY AFFAIRS

Mr. HARTER of Ohio. Mr. Speaker, I ask unanimous consent that the members of the subcommittee of the Committee on Military Affairs of the House may be excused from attendance tomorrow. The committee has been invited to attend the annual meeting and inspection of the laboratories of the National Advisory Committee for Aeronautics at Langley Field, Va. Members of the subcommittee who will make the trip are Mr. HARTER of Ohio, Mr. SMITH of Connecticut, Mr. MERRITT, Mr. COSTELLO, Mr. ARENDS, Mr. SHORT, Mr. ELSTON, and Mr. HARNESS.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. HARTER]?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BUCK (at the request of Mr. COSTELLO), for 3 days, on account of illness.

To Mr. HILL, for 1 day, on account of official business.

To Mr. TERRY, for 4 days, on account of official business.

Mr. EBERHARTER rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Pennsylvania [Mr. EBERHARTER] rise?

Mr. EBERHARTER. Mr. Speaker, I rise to explain that today during the roll call on H. R. 5452 I was not in the Chamber. It so happens that at the very time the roll was being called on that measure, which provides certain benefits for World War veterans, I was in the offices of the Veterans' Administration attending a hearing on behalf of a veteran who has an appeal pending before the Board of Veterans' Appeals in which he makes claim for increased benefits. Had I been present I would have voted for the passage of that measure.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain excerpts from a newspaper.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. BENDER asked and was given permission to extend his own remarks in the RECORD.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech on railroad legislation and one on neutrality.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. GEYER]?

There was no objection.

Mr. ROMJUE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein copy of a resolution introduced by myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. ROMJUE]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that on Thursday next, after the disposition of matters on the Speaker's table and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOODRUFF]?

There was no objection.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on Friday, April 28, 1939,

present to the President, for his approval, a bill of the House of the following title:

H. R. 5219. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1939, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1939, and June 30, 1940, and for other purposes.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 14 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 2, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads at 10 a. m. Tuesday, May 2, 1939, for the consideration of House Joint Resolution 228, to declare certain papers and writings nonmailable.

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10: 30 a. m., Tuesday, May 2, 1939, for the consideration of H. R. 4677, to amend the provisions of the act approved June 23, 1938.

COMMITTEE ON FLOOD CONTROL

There will be a meeting of the Committee on Flood Control at 10 a. m. on Tuesday, May 2, and Wednesday, May 3, 1939, for the consideration of pending resolutions, pending bills for examinations and surveys, and pending amendments to the act of 1938.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, May 3, 1939, at 10: 30 a. m., for the consideration of H. R. 952, H. R. 2390, H. R. 5746, H. R. 5758, H. R. 5851, and H. J. Res. 117.

COMMITTEE ON ROADS

The Committee on Roads will hold public hearings on Tuesday, May 2, 1939, at 10 a. m., in the Roads Committee room, 1011 New House Office Building (ground floor), on the following acts and bills:

S. 1109 and H. R. 3522, to amend the act entitled "An act to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes," by providing that funds available under such act may be used to match regular and secondary Federal-aid road funds.

S. 1985, to extend the time within which the States may cause toll bridges to be made free in order to qualify for aid under the act of August 14, 1937.

H. R. 4541, to provide for the completion of a part of the Lewis and Clark Highway between Kooskia, Idaho, and a point near Lolo, Mont.

The meeting of the Roads Committee originally called for Tuedsay, May 2, 1939, at 10 a. m. has been postponed until Thursday, May 4, 1939, at 10 a. m.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 a. m. Wednesday, May 3, and Thursday, May 4, 1939, on bills H. R. 3657, H. R. 5401, H. R. 5402, and 5403. These hearings will be public.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, May 3, 1939, at 10 a. m., on H. R. 5584, amending the Canal Zone Code.

On Thursday, May 4, 1939, at 10 a. m., on H. R. 4650, making electricians licensed officers; and H. R. 5130, merchant marine bill, 1939. Hearings will be held on sections 1, 3, 5 to 11. Sections 2, 4, and 12 will be heard at some later date.

On Tuesday, May 16, 1939, at 10 a. m., on H. R. 4051, relating to hiring of seamen on Government vessels.

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4985, relating to fishery educational service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

681. A letter from the Acting Secretary of the Treasury, transmitting the draft of a proposed bill to authorize the sale of the monthly document prepared by the Treasury Department entitled Bulletin of the Treasury Department; to the Committee on Ways and Means.

682. A communication from the President of the United States, transmitting 32 supplemental estimates of appropriation for the War Department, for the fiscal years 1939 and 1940, totaling $185,440,000, of which $2,500,000 is to remain available until June 30, 1941, and $46,600,000 is to remain available until expended (H. Doc. No. 274); to the Committee on Appropriations and ordered to be printed.

683. A communication from the President of the United States, transmitting 17 supplemental estimates of appropriations for the War Department, for the fiscal years 1939 and 1940, totaling $21,062,500, of which $17,462,500 would remain available until expended (H. Doc. No. 275); to the Committee on Appropriations and ordered to be printed.

684. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Warrior and Tombigbee Rivers, Ala., and Miss., with view to determining whether further improvement should be undertaken at this time by construction of the proposed new lock and dam at Mile 227, to replace present locks and dams Nos. 4 and 5 and to extend navigation up the Tombigbee River; and with view to making a restudy as to the lift most suitable for this lock and dam, and as to its priority in relation to the other locks and dams in this system, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted January 27, 1937 (H. Doc. No. 276); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

685. A letter from the Assistant Secretary of Commerce, transmitting the draft of a proposed bill to clarify the personnel of the Lighthouse Service serving under the jurisdiction of the War or Navy Department during national emergency; to the Committee on Merchant Marine and Fisheries.

686. A letter from the Past Adjutant General of the Grand Army of the Republic, transmitting the journal of the proceedings of the seventy-second national encampment of the Grand Army of the Republic held at Des Moines, Iowa, September 4–8, 1938 (H. Doc. No. 37); to the Committee on Military Affairs and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ANDREWS: Committee on Military Affairs. H. R. 5436. A bill to authorize the grant of a sewer right-of-way and operation of sewage-treatment plant on the Fort Niagara Military Reservation, N. Y., by the village of Youngstown, N. Y.; without amendment (Rept. No. 523). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOXEY: Committee on Agriculture. S. 1569. An act to amend the Agricultural Adjustment Act of 1938, as amended; with amendment (Rept. No. 524). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL: Committee on Irrigation and Reclamation. H. R. 4997. A bill giving the consent and approval of Congress to the Rio Grande compact signed at Santa Fe,

N. Mex., on March 18, 1938; without amendment (Rept. No. 525). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL: Committee on Indian Affairs. H. R. 2654. A bill authorizing the payment of necessary expenses incurred by certain Indians allotted on the Quinaielt Reservation, State of Washington; without amendment (Rept. No. 526). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 4498. A bill for the relief of the Western or Old Settler Cherokees, and for other purposes; without amendment (Rept. No. 527). Referred to the Committee of the Whole House on the state of the Union.

Mr. HARNESS: Committee on Military Affairs. H. R. 6035. A bill to provide for the exclusion from the United States of persons who have been convicted of desertion from the military or naval forces of the United States while the United States was at war; without amendment (Rept. No. 529). Referred to the House Calendar.

Mr. KELLER: Committee on the Library. House Joint Resolution 208. Joint resolution authorizing the Joint Committee on the Library to procure an oil portrait of former President Herbert Hoover; without amendment (Rept. No. 530). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. SPARKMAN: Committee on Military Affairs. H. R. 1882. A bill for the relief of Otis M. Culver, Samuel E. Abbey, and Joseph Reger; without amendment (Rept. No. 528). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 75) to liberalize the laws providing pensions for veterans and the dependents of veterans of the Regular Establishment for disabilities or deaths incurred or aggravated in line of duty other than in wartime; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 3716) for the relief of Dr. Henry Clay Risner; Committee on World War Veterans' Legislation discharged, and referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 6064 (by request). A bill to regulate wharf-operator charges, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DARDEN:

H. R. 6065. A bill to authorize major overhauls for certain naval vessels, and for other purposes; to the Committee on Naval Affairs.

By Mr. HOUSTON:

H. R. 6066. A bill to incorporate the General Conference of the Church of God of the First Born; to the Committee on the Judiciary.

By Mr. IGLESIAS:

H. R. 6067. A bill to authorize a preliminary examination and survey of certain rivers and their tributaries on the island of Puerto Rico, for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. KNUTSON:

H. R. 6068. A bill to reduce the tax on ethyl alcohol intended for nonbeverage purposes; to the Committee on Ways and Means.

By Mr. MAY:

H. R. 6069 (by request). A bill to promote the efficiency of the national defense; to the Committee on Military Affairs.

H. R. 6070 (by request). A bill to amend section 5 of the act of April 3, 1939 (Public, No. 18, 76th Cong.); to the Committee on Military Affairs.

By Mr. SUMNERS of Texas:

H. R. 6071. A bill to permit appeals by the United States to the circuit courts of appeals in certain cases; to the Committee on the Judiciary.

By Mr. HEALEY:

H. R. 6072. A bill giving civilian clerks, signal service at large, the same military status as Army field clerks; to the Committee on Military Affairs.

By Mr. JENKS of New Hampshire:

H. R. 6073. A bill to amend the Internal Revenue Code with respect to the tax on employers of eight or more, and for other purposes; to the Committee on Ways and Means.

By Mr. VOORHIS of California:

H. R. 6074. A bill to require the registration of all civilian military organizations in the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 6075. A bill to increase the punishment for espionage; to the Committee on the Judiciary.

By Mr. WELCH:

H. R. 6076. A bill to provide for the registry of pursers and surgeons as staff officers on vessels of the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. AUGUST H. ANDRESEN:

H. R. 6077. A bill for the relief of the city of Waseca, Minn.; to the Committee on Claims.

By Mr. DISNEY:

H. R. 6078. A bill to authorize the construction of reservoirs at Markham's Ferry and Fort Gibson on the Grand (Neosho) River for flood control, and other purposes; to the Committee on Flood Control.

By Mr. MILLS of Arkansas:

H. R. 6079. A bill granting the consent of Congress to the Arkansas State Highway Commission to construct, maintain, and operate a free highway bridge across the Black River at or near the town of Black Rock, Ark.; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHN L. McMILLAN:

H. R. 6080. A bill to authorize the Secretary of Agriculture to purchase refuge lands within the State of South Carolina for the perpetuation of the eastern wild turkey and to provide pure-blood brood stock for restocking within its native range, and for other purposes; to the Committee on Agriculture.

By Mr. PETERSON of Florida:

H. R. 6081. A bill to extend the provisions of the civil-service laws to full-time chaplains in the Veterans' Administration; to the Committee on the Civil Service.

By Mr. BLAND:

H. J. Res. 280. Joint resolution authorizing the payment of salaries of the officers and employees of Congress on the first workday preceding the last day of any month when the last day falls on Sunday or a legal holiday; to the Committee on Accounts.

By Mr. THORKELSON:

H. J. Res. 281. Joint resolution proposing an amendment to the Constitution of the United States to restore the same rights to the Indian tribes which are enjoyed by all citizens of the United States; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States to consider their legislative Reso-

lution No. 25, with reference to interstate-transit privileges; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their Senate Resolution No. 58, concerning the Hawaiian Organic Act, to provide for reapportionment of the Senate and House of Representatives of the Territory of Hawaii; to the Committee on the Territories.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to consider their House Concurrent Resolution No. 27, with reference to the Sugar Act; to the Committee on Agriculture.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their House Concurrent Resolution No. 31, with reference to the Bankhead-Jones Farm Tenant Act; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD:

H. R. 6082. A bill granting a pension to Mary Belle Pigg; to the Committee on Invalid Pensions.

By Mr. BLOOM:

H. R. 6083. A bill for the relief of Morris Burstein, Jennie Burstein, and Adolph Burstein; to the Committee on Immigration and Naturalization.

By Mr. CARTER:

H. R. 6084. A bill for the relief of Katheryn S. Anderson; to the Committee on Claims.

By Mr. CULKIN:

H. R. 6085. A bill granting an increase of pension to Helen Lyman; to the Committee on Invalid Pensions.

By Mr. GIBBS:

H. R. 6086. A bill for the relief of Hampshire Heath; to the Committee on Claims.

By Mr. HEALEY:

H. R. 6087. A bill for the relief of Manuel Pereira Trueiro; to the Committee on Immigration and Naturalization.

By Mr. JOHNSON of Indiana:

H. R. 6088. A bill granting a pension to Charles Hovermale; to the Committee on Invalid Pensions.

By Mr. KELLY:

H. R. 6089. A bill for the relief of Pierce Quan; to the Committee on Claims.

By Mr. KUNKEL:

H. R. 6090. A bill granting a pension to Lottie Lee Stoner; to the Committee on Invalid Pensions.

By Mr. McCORMACK:

H. R. 6091. A bill for the relief of Samuel Roberts; to the Committee on Claims.

By Mr. JOHN L. McMILLAN:

H. R. 6092. A bill granting an increase of pension to Isabelle Johnston; to the Committee on Pensions.

By Mr. MASON:

H. R. 6093. A bill for the relief of Irene E. Smith; to the Committee on Invalid Pensions.

By Mr. MERRITT:

H. R. 6094. A bill for the relief of the Werber Leather Coat Co., Inc.; to the Committee on Claims.

By Mr. MOTT:

H. R. 6095. A bill for the relief of Wilbur P. Riddlesbarger and Josephine Riddlesbarger; to the Committee on Claims.

H. R. 6096. A bill for the relief of Mina Rust; to the Committee on Claims.

By Mr. O'TOOLE:

H. R. 6097. A bill for the relief of Helen Adams; to the Committee on Claims.

H. R. 6098. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the estate of William S. Erb, deceased; to the Committee on Claims.

By Mr. PACE:

H. R. 6099. A bill for the relief of Mrs. S. F. Sewell and the commissioners of roads and revenues, of Dooly County, Ga.; to the Committee on Claims.

By Mr. SECCOMBE:

H. R. 6100. A bill for the relief of Clara Myers; to the Committee on Claims.

By Mr. SMITH of Virginia:

H. R. 6101. A bill for the relief of the heirs to the estate of Slaughter S. Bradford; to the Committee on War Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2767. By Mr. ANDERSON of California: Resolution signed by R. McAllister, president, Central Labor Council of San Mateo County, Calif., requesting the President and Secretary of the Interior and Secretary of the Treasury to take steps that are necessary to make available the $20,000,000 for the construction of the Shasta By Pass Tunnel, the Shasta Dam, and the Shasta Dam power plant; to the Committee on Appropriations.

2768. By Mr. CARTER: Assembly Joint Resolution No. 4 of the California Legislature, relative to Pacific coast shipyards; to the Committee on Naval Affairs.

2769. Also, Assembly Joint Resolution No. 30 of the California Legislature, memorializing the Congress to take favorable action on H. R. 4102, providing for the coinage of fractional minor coins; to the Committee on Coinage, Weights, and Measures.

2770. Also, Assembly Joint Resolution No. 2 of the California Legislature, relative to the defense of the California coast; to the Committee on Military Affairs.

2771. Also, Assembly Joint Resolution No. 14 of the California Legislature, memorializing the Congress to establish a moratorium upon payments of principal of loans made by the Federal land banks and other loans made by the Federal Government to agriculturists; to the Committee on Banking and Currency.

2772. Also, Assembly Joint Resolution No. 20 of the California Legislature, relative to Federal aid to State or Territorial veterans' homes; to the Committee on Military Affairs.

2773. Also, Assembly Joint Resolution No. 28, of the California Legislature, memorializing the Congress to enact proposed legislation directing the allowance and payment of travel and other expenses to certain soldiers of the Spanish-American War in the Philippine Islands; to the Committee on War Claims.

2274. Also, Assembly Joint Resolution No. 36, of the California Legislature, relative to construction of railway connecting link along northern California coast; to the Committee on Interstate and Foreign Commerce.

2775. Also, petition of Mrs. James B. Clark and 104 other signers, of Alameda County, Calif., urging that all immigration into this country be closed for 5 years; to the Committee on Immigration and Naturalization.

2776. Also, Assembly Joint Resolution No. 19, of the California Legislature, memorializing the Congress to continue the Works Progress Administration Federal art project; to the Committee on Ways and Means.

2777. Also, Assembly Joint Resolution No. 18, of the California Legislature, memorializing the Congress to provide for Kern River flood control; to the Committee on Flood Control.

2778. Also, petition of Mrs. Monsch, Michael Lessa, Robert E. Robertson, of Oakland, Calif., and 325 other residents of Oakland and Alameda County, Calif., urging enactment of legislation at once limiting immigration into this country for 5 years, and for deportation of all undesirable aliens because of the increasing unemployment situation in our country; to the Committee on Immigration and Naturalization.

2779. By Mr. CASE of South Dakota: Petition of Eugene Younghawk and 80 others urging rejection of House bill 5409; to the Committee on Indian Affairs.

2780. Also, petition signed by residents of several places in the Second Congressional District of South Dakota in numbers as indicated: Deadwood 112, Rapid City 82, Belle Fourche 76, Leade 74, Sturgis 71, Custer 54, Newell 49, Spearfish 47, Hot Springs 26, Nisland 25, Fruitdale 14, Hills City 12, Whitewood 10, and others from Vale, Camp Crook, Pringle, Cedar Canyon, Blue Bell, Pactola, St. Onge, Sulphur, Hoover, Imogene, Sanator, Union Center, Zeona, Buffalo, Buffalo Gap, Castle Rock, Central City, Fairburn, Hermosa, Silver City, Stoneville, Roubaix, and Twilight, favoring the passage of House bill 1, the so-called chain-store tax bill; to the Committee on Ways and Means.

2781. By Mr. CURTIS: Petition of the Townsend Club of Arapahoe, Nebr.; to the Committee on Ways and Means.

2782. By Mr. DEROUEN: Petition of the Jennings Business Club, Jennings, La., urging the passage or enactment into law of House bill 3517 or Senate bill 1305 extending Federal aid for education to the States and libraries; to the Committee on Education.

2783. By Mr. FLAHERTY: Petition of the Maritime Association of the Boston Chamber of Commerce, Boston, Mass., opposing the commodities clause, section 12; to the Committee on Interstate and Foreign Commerce.

2784. By Mr. GEYER of California: Resolution of the Marine Cooks' and Stewards' Association of San Pedro, Calif., Joseph O'Connor, agent, pointing out that there is a shortage of reasonable renting houses in that locality and a huge section of slums in that city and going on record as supporting the Wagner Housing Act for an appropriation of $800,000,000 for housing purposes; to the Committee on Appropriations.

2785. Also, resolution adopted by the Assembly and Senate of the State of California, urging that the President and Congress of the United States pass such legislation as will make it imperative that the Works Progress Administration Federal art project be continued in its present form; to the Committee on Appropriations.

2786. Also, resolution adopted by the Assembly and Senate of the State of California, urging that the President and United States Congress enact legislation that will result in increasing Federal aid for the care of disabled veterans in California State institutions; to the Committee on World War Veterans' Legislation.

2787. Also, resolution adopted by the Assembly and Senate of the State of California, urging that the United States Congress enact House bill 2197 of the first session of the Seventy-sixth Congress; to the Committee on Pensions.

2788. By Mr. JOHNS: Petition of 147 dairy farmers of Outagamie County, Wis., stating that they are sorely pressed to pay taxes and make a living, due to the low prices of dairy products and the high prices that we have to pay for the things we buy, respectfully petition the Congress of the United States to approve the Wisconsin dairy program; to the Committee on Agriculture.

2789. Also, joint resolution of the Wisconsin State Legislature, memorializing Congress to amend the Social Security Act so as to repeal the maximum contribution of $15 for each old-age pensioner to the States; to the Committee on Ways and Means.

2790. Also, joint resolution of the Wisconsin State Legislature, memorializing Congress to enact legislation removing the reciprocal exemption from tax on income of municipal, State, and Federal employees; to the Committee on Ways and Means.

2791. By Mr. KEOGH: Petition of the National Coal Association, Washington, D. C., concerning pay-roll taxes under Social Security Act; to the Committee on Ways and Means.

2792. Also, petition of Edgar T. Ward's Sons Co., Buffalo, N. Y., concerning the National Labor Relations Act; to the Committee on Labor.

2793. Also, petition of the Merritt-Chapman & Scott Corporation, New York City, concerning House bill 1809; to the Committee on Rivers and Harbors.

2794. Also, petition of the Jewish Fellowship Unit No. 1, New York City, concerning the Rogers-Wagner refugee bills; to the Committee on Immigration and Naturalization.

2795. Also, petition of the Ohio Chamber of Commerce, Columbus, Ohio, concerning pending neutrality legislation; to the Committee on Foreign Affairs.

2796. Also, petition of the Congress of Industrial Organizations, Washington, D. C., concerning House bill 5643; to the Committee on Immigration and Naturalization.

2797. Also, petition of Drivers, Chauffeurs, and Helpers Local No. 816, New York City, favoring the passage of the Starnes bill (H. R. 4576) and the Mead bill (S. 2063); to the Committee on Appropriations.

2798. Also, petition of the Amalgamated Clothing Workers of America, New York City, opposing any changes in the National Labor Relations Act; to the Committee on Labor.

2799. Also, petition of the Bricklayers' Union, Local No. 9, Brooklyn, N. Y., favoring the passage of House bill 4576 and Senate bill 2063; to the Committee on Appropriations.

2800. By Mr. LUCE: Memorial of the General Court of Massachusetts, relative to amending title I of the Social Security Act; to the Committee on Ways and Means.

2801. Also, petition of residents of Cambridge, Mass., relative to continuance of white-collar Works Progress Administration projects; to the Committee on Appropriations.

2802. By Mr. MERRITT: Resolution of the Town Board of the Town of Rotterdam, N. Y., favoring the passage of the Starnes bill (H. R. 4576); to the Committee on Appropriations.

2803. By Mr. PFEIFER: Petition of Edgar T. Ward's Sons Co., Buffalo, N. Y., concerning the National Labor Relations Act; to the Committee on Labor.

2804. Also, petition of the New York State Board of Housing, George D. Brown, Jr., secretary, New York City, urging support of amendment 9 to House bill 4852; to the Committee on Appropriations.

2805. Also, petition of the Amalgamated Clothing Workers of America, Washable Clothing, Sportswear, and Novelty Workers, Local 169, New York City, concerning the National Labor Relations Act; to the Committee on Labor.

2806. Also, petition of the Drivers, Chauffeurs, and Helpers Local, No. 816, of the International Brotherhood of Teamsters, New York City, urging support of House bill 4576 and Senate bill 2063; to the Committee on Labor.

2807. Also, petition of the National Coal Association, Washington, D. C., concerning pay-roll taxes under the Social Security Act; to the Committee on Ways and Means.

2808. Also, petition of the Merritt-Chapman & Scott Corporation, New York City, urging disapproval of House bill 1809; to the Committee on Rivers and Harbors.

2809. Also, petition of the Ohio Chamber of Commerce, Columbus, Ohio, favoring a strict neutrality bill; to the Committee on Foreign Affairs.

2810. Also, petition of the Women's International League for Peace and Freedom, Los Angeles, Calif., urging support of the Nye-Bone-Clark bill and opposing the Pittman bill and Thomas amendment; to the committee on Foreign Affairs.

2811. Also, petition of the American Humane Association, Albany, N. Y., opposing the shipment of horses and mules to foreign countries in case of war; to the Committee on Foreign Affairs.

2812. Also, petition of the League of Nations Association, Inc., Denver, Colo., urging the passage of the Thomas amendment; to the Committee on Foreign Affairs.

2813. Also, petition of the Women's International League for Peace and Freedom, California State branch, opposing the Thomas amendment and the Pittman bill, and favoring the Nye-Clark-Bone bill; to the Committee on Foreign Affairs.

2814. Also, petition of the Women's International League for Peace and Freedom, Santa Barbara, Calif., urging a strict mandatory neutrality bill; to the Committee on Foreign Affairs.

2815. Also, petition of the Women's International League for Peace and Freedom, Seattle, Wash., favoring the Nye-Clark-Bone bill and opposing the Pittman bill and Thomas amendment; to the Committee on Foreign Affairs.

2816. Also, petition of the Women's International League for Peace and Freedom, Hudson County group, Jersey City, N. J., favoring the Nye-Bone-Clark bill or retention of the present Neutrality Act; to the Committee on Foreign Affairs.

2817. Also, petition of the Essington Co., Fort Wayne, Ind., favoring strict neutrality legislation; to the Committee on Foreign Affairs.

2818. Also, petition of the Anthony Wayne Oil Corporation, Fort Wayne, Ind., favoring a strict neutrality bill; to the Committee on Foreign Affairs.

2819. Also, petition of the Borough League of Brooklyn, Inc., Brooklyn, N. Y., endorsing House bill 118, by Congressman VOORHIS of California; to the Committee on the Civil Service.

2820. By Mr. SCHIFFLER: Petition of Bernard J. Killeen and Mary Ann Rush, president and secretary of Local 102, United Federal Workers of America, recommending the early passage of House bill 960 when restored to its original objective; to the Committee on the Civil Service.

2821. Also, petition of Hon. Raphael P. Deegan, mayor of Benwood, W. Va., protesting against the construction of the Lake Erie to Ohio River Canal; to the Committee on Military Affairs.

2822. By Mr. SHAFER of Michigan: Resolution of the board of management, International Center of Detroit, Young Women's Christian Association, relative to employment of aliens on W. P. A. projects; to the Committee on Appropriations.

2823. Also, memorial of the Michigan Legislature, requesting amendment of the Sugar Act to provide a larger share of the American sugar market for the American farmer; to the Committee on Ways and Means.

2824. Also, resolution of Agriculture Local, No. 2, United Federal Workers of America, requesting amendment of present retirement legislation; to the Committee on the Civil Service.

2825. By Mr. VAN ZANDT: Resolution of Mary C. Donahue, president, and members of Sandy Township Townsend Club, No. 2, of Du Bois, Pa., urging a return of purchasing power to the majority of the American people and the reemployment of millions of citizens; criticizing the Social Security Act as inadequate and useless; and favoring the adoption of the Townsend national recovery plan as a uniform means of an adequate system of old-age pensions; to the Committee on Ways and Means.

2826. By the SPEAKER: Petition of the State Camp of Pennsylvania, Patriotic Order Sons of America, Philadelphia, Pa., petitioning consideration of their resolution with reference to religious liberty; to the Committee on Foreign Affairs.

SENATE

TUESDAY, MAY 2, 1939

(Legislative day of Monday, May 1, 1939)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, Thou everlasting gracious Power, of whom the manifold universe is a manifold revelation: We worship Thee in the myriad unfoldings of Thy creative beauty, and especially in the conscious loveliness of our fair world, vouchsafed to us, with whom are eyes to see the glorious pageant of Thy divine artistry.

We bless Thee for Thy renewing springs within us, springs of aspiration, hope, and love; for the progress which time brings, albeit the world doth move with faltering steps and slow; and we beseech Thee to grant us the adequacy needful for our work and for the overcoming of those temptations which we daily meet with. Forgive us all our sins, negligence, and ignorances, that the strength of each may be as the strength of ten because our hearts are pure and our minds naked and open before the eyes of Him with whom we have to do.

We ask it in the name of Thy Son, who is a Priest forever, not after the law of a carnal commandment but after the power of an endless life, Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 1, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Reynolds
Andrews	Downey	La Follette	Russell
Ashurst	Ellender	Lee	Schwartz
Austin	Frazier	Lodge	Schwellenbach
Bailey	George	Logan	Sheppard
Bankhead	Gerry	Lucas	Shipstead
Barbour	Gibson	Lundeen	Slattery
Barkley	Gillette	McCarran	Smith
Bilbo	Glass	McKellar	Taft
Bone	Green	McNary	Thomas, Okla.
Borah	Guffey	Maloney	Thomas, Utah
Bulow	Gurney	Miller	Tobey
Burke	Hale	Minton	Townsend
Byrd	Harrison	Murray	Truman
Byrnes	Hatch	Neely	Tydings
Capper	Hayden	Norris	Vandenberg
Caraway	Hill	Nye	Wagner
Chavez	Holman	O'Mahoney	Walsh
Clark, Idaho	Holt	Overton	Wheeler
Clark, Mo.	Hughes	Pepper	White
Connally	Johnson, Calif.	Pittman	Wiley
Danaher	Johnson, Colo.	Reed	

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is detained from the Senate because of illness.

The Senator from Maryland [Mr. RADCLIFFE] and the Senator from New Jersey [Mr. SMATHERS] are unavoidably detained.

The Senator from Michigan [Mr. BROWN], the Senator from Iowa [Mr. HERRING], the Senator from New York [Mr. MEAD], and the Senator from Tennessee [Mr. STEWART] are absent on important public business.

Mr. AUSTIN. I announce that the Senator from Pennsylvania [Mr. DAVIS] is necessarily absent.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

PERSONNEL OF THE LIGHTHOUSE SERVICE—SERVICE DURING A NATIONAL EMERGENCY

The VICE PRESIDENT laid before the Senate a letter from the Assistant Secretary of Commerce, transmitting a draft of proposed legislation to clarify the status of personnel of the Lighthouse Service serving under the jurisdiction of the War or Navy Department during national emergency, which, with the accompanying papers, was referred to the Committee on Commerce.

RESOLUTIONS OF A MUNICIPAL COUNCIL, VIRGIN ISLANDS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting two resolutions adopted by the municipal council of St. Thomas and St. John, V. I., which accompanying resolutions were referred to committees, as follows:

Resolution favoring the appropriation of funds for undertaking work in connection with the improvement of the harbor of St. Thomas; to the Committee on Appropriations.

Resolution favoring the exemption of persons traveling from continental United States to the Virgin Islands from the application of the stamp tax on steamship passenger tickets; to the Committee on Finance.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before before the Senate a letter in the nature of a memorial from S. H. Patterson, manager of radio station KSAN, San Francisco, Calif., remonstrating against the ratification of the International Copyright Convention (Executive E), relative to copyright provisions on music played over the air, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a petition of sundry citizens of New York City, praying for the enactment of the so-called Wagner-Van Nuys-Capper antilynching bill, and also for a prompt investigation by the Federal Bureau of Investigation of recent lynchings, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented the petition of members of Camp No. 2940, Royal Neighbors of America, of Dodge City, Kans., praying for the enactment of legislation to exempt fraternal societies from the tax provisions of the Social Security Act, which was referred to the Committee on Finance.

Mr. CLARK of Idaho presented the petition of the Cottonwood National Farm Loan Association, of Cottonwood, Idaho, praying that the United States keep clear of foreign entanglements and for the adoption of the so-called Ludlow war referendum amendment to the Constitution, and also remonstrating against the enactment of neutrality legislation delegating to the President the sole power and authority to decide which nation (or nations) he regards as the aggressor in a conflict, which was referred to the Committee on Foreign Relations.

Mr. ASHURST presented the petition of Handsel G. Bell and 18 other citizens of Phoenix, Ariz., praying for the enactment of House bills 3317 and 3318, relative to preventing alleged discriminations in the Army and providing an adequate national defense, which was referred to the Committee on Military Affairs.

Mr. WALSH presented a letter in the nature of a petition from the legislative committee of the Boston League of Women Shoppers, Boston, Mass., praying for the allotment of additional funds to further the investigation of the subcommittee of the Committee on Education and Labor investigating violations of civil liberties, etc., which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

He also presented a resolution of Springfield Chapter, Forty Plus of New England, of Springfield, Mass., favoring the enactment of the so-called Barbour and Voorhis bills (S. 890 and H. R. 118), relative to the employment of middle-aged and older workers in the Government service, which was referred to the Committee on Civil Service.

He also presented a resolution adopted by the City Democratic League, of Boston, Mass., favoring the adoption of a strict neutrality law and the keeping of the United States clear of foreign entanglements and all foreign wars, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the Polish Citizens' Club, of North Wilbraham, Mass., favoring the enactment of neutrality legislation to insure peace; and also to stop the selling of all war materials to Germany, Italy, and Japan, and to stop buying the goods from those countries, which was referred to the Committee on Foreign Relations.

Mr. WALSH also presented the following resolution of the General Court of Massachusetts, which was referred to the Committee on Post Offices and Post Roads:

Resolutions memorializing the Postmaster General of the United States relative to a special postage stamp in honor of Capt. Jeremiah OBrien

Whereas Capt. Jeremiah OBrien, a native of the Commonwealth of Massachusetts, by his distinguished service won from the British in Machias Bay, on June 12, 1775, the first naval engagement of the War of the Revolution and received from the Provincial Congress commendation for his victory and became the first regularly commissioned naval officer and commander of the Revolutionary navy of Massachusetts; and

Whereas the Navy Department of the United States has recently approved the construction of a destroyer at the Boston Navy Yard to be named in honor of Captain OBrien: Therefore be it

Resolved, That the General Court of Massachusetts hereby respectfully requests the Postmaster General of the United States to provide for a special commemorative postage stamp to be issued in honor of the distinguished record and exploits of said Capt. Jeremiah OBrien; and be it further

Resolved, That copies of these resolutions be sent by the secretary of the Commonwealth to the Postmaster General of the United States and to each Senator and Representative in Congress from this Commonwealth.

SUGAR PRODUCTION IN THE UNITED STATES—RESOLUTION OF LEGISLATURE OF MICHIGAN

Mr. VANDENBERG. Mr. President, I present a memorial from the Legislature of the State of Michigan for the usual treatment. Ever since the Government began to regulate the domestic sugar business for the benefit of Cuba those who are dependent upon beet and cane sugar for their livelihood have been in trouble. We in Michigan are in particular trouble at the moment because of the latest regulation that has come down from Mr. Secretary Wallace. These regulations already have closed one large sugar-beet factory in Michigan and threaten to close others. There are other sections of the country similarly jeopardized. The trouble is a serious one. The Legislature of Michigan has memorialized Congress upon the subject, and I ask that the memorial be printed in the RECORD and appropriately referred.

The memorial presented by Mr. VANDENBERG was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

House Concurrent Resolution 27

Concurrent resolution respectfully memorializing the Congress of the United States, the President of the United States, and the Secretary of Agriculture to grant immediate remedy and adjustment, by correlating the estimate of consumption to actual needs, based upon the actual consumption of 1938 and the extraordinarily large carry-over inventory of sugar as of January 1, 1939, and that the Sugar Act be amended to provide a larger share of the American sugar market for the American farmer

Whereas the fact that in the continental United States we produce less than 30 percent of the sugar we consume, and sugar is practically the only nonsurplus agricultural product of the United States; and every acre of land utilized in the production of sugar, either from beets or cane, invariably takes such acreage out of the production of some surplus agricultural product such as cotton, rice, wheat, corn, beans, etc.; and

Whereas the production of sugar on our continental farms, especially the production of sugar from sugar beets, is conducive to the employment of labor on a large scale at profitable wages or rates, and the increased employment of labor on a larger scale in the production of sugar in the continental United States would be a great stimulus to prosperity and the general welfare of such sugar-producing areas, and the United States as a whole. The increased prosperity of the sugar-producing farmer would enable him to purchase much-needed agricultural machinery, tractors, trucks, etc., and would reflect directly in increased employment in industry producing such agricultural machinery; and

Whereas we believe it is the inherent fundamental economic right of the American farmer to produce nonsurplus agricultural products, such as sugar, up to the limit of his ability, without restriction, and such production should be protected in our United States market so that sugar will sell at a price comparable or equivalent to the index value of all foods. Foreign sugars should not be permitted to enter the United States market in excess of the amount which, when added to our production of sugar, the total will equal our consumption, so that both the interest of producers and consumers of sugar in the continental United States will be adequately protected, and the production of sugar in the continental United States fostered on a basis of common defense and general welfare, so that regardless of peace or war the citizens of the United States will be protected in their supply of such an essential food as sugar; and

Whereas we believe that the Sugar Act of 1937 was a step in the right direction, but with the removal of restrictions on United States production of sugar, coupled with a proper administration of the act, the sugar industry of the United States can go forward on a sane, sound basis for the best interests of the United States as a whole; and

Whereas excessive sugar consumption estimates out of all proportion to the actual consumption have been made since the adoption of the act, thereby permitting increased importation of foreign sugars, which has depressed prices in the sugar market to its all-time low. There is now available upward of 600,000 tons of cane sugar out of the 1938 quotas, which sugars are mainly the product of foreign countries, and a consumption estimate for 1939 by the Secretary of Agriculture, Hon. Henry A. Wallace, of 6,755,000 tons permits the importation of 3,000,000 tons of foreign sugar to further glut and complicate our American sugar market. It is estimated that on December 31, 1939, the end of the current year for sugar quotas, there will be upward of 800,000 tons of foreign sugars available, over and above our current needs, which sugars are all eligible to be marketed in the continental United States. This in view of the fact that in 1938 a kindly Providence, on a limited acreage, saw fit to give us one-quarter million tons of beet sugar and 150,000 tons of Louisiana and Florida cane sugar over and above

our Government marketing allotments for 1939, and this practically 400,000 tons of sugar produced by American farmers in 1938 constitutes a further surplus of sugar. Also, the recommendation of the United States Department of Agriculture is that certain districts, some of them in Michigan, shall not be permitted to market in 1939 a single pound of sugar produced in 1939. This situation, if not remedied in the near future, will destroy the sugar industry of the United States. The enforced carry-over to 1940 of practically 400,000 tons of continental beet and cane sugar produced in 1938 will have the immediate effect of eliminating the opportunity for 64,000,000 hours of labor directly utilized in the sugar industry, and possibly several times that number indirectly employed. Unless immediate adjustment is made on the recommended sugar-marketing allotments, at least one and possibly more Michigan sugar plants, it appears, will be unable to operate this year, thus throwing more American laborers out of work and depriving more American farmers from marketing beets and producing sugar, which is our only nonsurplus agricultural product, at a profit; Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the Legislature of Michigan hereby memorialize the Congress of the United States, the President of the United States, and the Secretary of Agriculture to grant immediate remedy and adjustment by correlating the estimate of consumption to actual needs, based upon the actual consumption of 1938 and the extraordinarily large carry-over inventory of sugar as of January 1, 1939, and that the Sugar Act be amended to provide a larger share of the American sugar market for the American farmer; and be it further

Resolved, That copies of this resolution be sent to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, and to all Senators and Congressmen from Michigan.

REPORTS OF COMMITTEES

Mr. BAILEY, from the Committee on Commerce, to which was referred the bill (H. R. 5762) to provide for temporary postponement of the operations of certain provisions of the Federal Food, Drug, and Cosmetic Act, reported it with amendments and submitted a report (No. 356) thereon.

He also, from the same committee to which was referred the joint resolution (H. J. Res. 241) providing for the participation of the United States in the celebration of the one hundred and fiftieth anniversary of the establishment of the United States Lighthouse Service, reported it without amendment and submitted a report (No. 358) thereon.

Mr. WAGNER, from the Committee on Banking and Currency, to which was referred the bill (S. 1964) to amend section 5136 of the Revised Statutes, as amended, to authorize charitable contributions by national banking associations, reported it without amendment and submitted a report (No. 357) thereon.

Mr. GLASS, from the Committee on Banking and Currency, to which was referred the bill (S. 1701) to amend section 12B of the Federal Reserve Act, as amended, reported it with an amendment and submitted a report (No. 359) thereon.

Mr. BULOW, from the Committee on Civil Service, to which was referred the bill (S. 444) for the relief of John F. Thomas, reported it without amendment and submitted a report (No. 360) thereon.

Mr. WHEELER, from the Committee on Indian Affairs, to which was referred the bill (S. 1759) granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River, reported it without amendment and submitted a report (No. 362) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 1156) to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes, reported it without amendment and submitted a report (No. 361) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GREEN:

S. 2298. A bill to prohibit the Reconstruction Finance Corporation from making loans to business enterprises which propose to use such loans for the purpose of relocating industries; to the Committee on Banking and Currency.

By Mr. HAYDEN:

S. 2299. A bill for the relief of Hubert Richardson; to the Committee on Public Lands and Surveys.

By Mr. BILBO:

S. 2300. A bill to amend section 204 of the act entitled "An act to provide for the termination of Federal control of railroads and systems of transportation; to provide for the settlement of disputes between carriers and their employees; to further amend an act entitled 'An act to regulate commerce', approved February 4, 1887, as amended; and for other purposes", approved February 28, 1920; to the Committee on Interstate Commerce.

By Mr. ANDREWS:

S. 2301. A bill authorizing refund of certain excise taxes erroneously or illegally assessed under the Revenue Act of 1932; to the Committee on Claims.

S. 2302. A bill to allow credits against the title IX tax of the Social Security Act for contributions to unemployment funds required by State law, irrespective of time of payment; to the Committee on Finance.

By Mr. ASHURST:

S. 2303 (by request). A bill authorizing the continuance of the Prison Industries Reorganization Administration, established by Executive Order No. 7194 of September 26, 1935, to June 30, 1941; to the Committee on the Judiciary.

By Mr. REYNOLDS:

S. 2304. A bill to provide for hospitalization of certain persons who have served in the Regular Army, Navy, or Marine Corps; to the Committee on Military Affairs.

By Mr. SHIPSTEAD:

S. 2305. A bill relating to hours of work of licensed officers and seamen on tugs operating in certain inland waters of the United States; to the Committee on Commerce.

By Mr. BURKE:

S. 2306. A bill relating to the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa; and

S. 2307. A bill to amend section 3 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and completing the construction of other bridges over the navigable waters of the United States," approved June 10, 1930, as amended and extended, and for other purposes; to the Committee on Commerce.

S. 2308. A bill granting a pension to Gail Gordon; to the Committee on Pensions.

By Mr. BULOW (for himself and Mr. GURNEY):

S. 2309. A bill to authorize the coinage of 50-cent pieces in commemoration of the fiftieth anniversary of the admission of the State of South Dakota into the Union; to the Committee on Banking and Currency.

By Mr. NEELY:

S. 2310. A bill to provide for standard daylight-saving time; to the Committee on Interstate Commerce.

S. 2311. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Willis Lyle Burdette, Eunice Burdette Beller, Alta Lucille Burdette Coburn, Margaret Jane Burdette, William Burdette, and Betty Burdette; to the Committee on Claims.

By Mr. CLARK of Idaho:

S. 2312. A bill for the relief of Howard E. Johnson; to the Committee on Claims.

S. 2313. A bill conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render final judgment on any and all claims of whatsoever nature which the Shoshone Nation or any division thereof (except the Eastern Division whose claims have been adjudicated by, and the Northwestern Division whose claims are now pending in, the Court of Claims), or any tribe or band of Indians living on the Fort Hall Indian Reservation, may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. BAILEY:

S. 2314. A bill to establish the position of Under Secretary in the Department of Commerce; to the Committee on Commerce.

By Mr. SHEPPARD:

S. 2315. A bill to adjust the pay and allowances of warrant officers of the Army, including those of the Army Mine Planter Service; to the Committee on Military Affairs.

By Mr. GURNEY:

S. 2316. A bill for the relief of Emil Navratil; to the Committee on Military Affairs.

S. 2317. A bill to amend Public Law No. 383, Seventy-third Congress (48 Stat. L. 984), relating to Indians, by exempting from the provisions of such act the Cheyenne River Sioux Tribe of Indians of the State of South Dakota; and

S. 2318. A bill to amend Public Law No. 383, Seventy-third Congress (48 Stat. L. 984), relating to Indians, by exempting from the provisions of such act the Yankton Sioux Tribe of Indians, of the Rosebud Agency, of the State of South Dakota; to the Committee on Indian Affairs.

ESTABLISHMENT OF PUBLIC WORKS AGENCY—AMENDMENT

Mr. BARBOUR submitted an amendment intended to be proposed by him to the amendment (heretofore submitted) intended to be proposed by Mr. VANDENBERG (for himself, Mr. BARBOUR, and Mr. TAFT) to the bill (S. 2202) to establish a Public Works Agency, which was ordered to lie on the table and to be printed.

THE RAILROAD PROBLEM—ADDRESS BY SENATOR WHEELER

[Mr. TRUMAN asked and obtained leave to have printed in the RECORD a radio address delivered by Senator WHEELER on May 1, 1939, on the railroad situation and legislation affecting transportation in the United States, which appears in the Appendix.]

A GENEROUS PEACE—ARTICLE BY DR. JOSEPH F. THORNING

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD an article entitled "A Generous Peace," by Rev. Dr. Joseph F. Thorning, published in the Catholic Review, of Baltimore, Md., of Friday, April 28, 1939, which appears in the Appendix.]

PARTICIPATION IN WAR BY THE UNITED STATES

[Mr. HOLT asked and obtained leave to have printed in the RECORD an article from the Charleston Daily Mail, of Charleston, W. Va., regarding the participation of America in war, which appears in the Appendix.]

EXCESSIVE SPENDING AND DESTRUCTIVE TAXATION

[Mr. HOLT asked and obtained leave to have printed in the RECORD an editorial from the Pittsburgh Post-Gazette entitled "Mr. Benedum Knows the Remedy," which appears in the Appendix.]

THE OIL DEAL BETWEEN STANDARD-VACUUM AND PHILIPPINE GOVERNMENT

[Mr. FRAZIER asked and obtained leave to have printed in the RECORD an article from the Philippine-American Advocate entitled "Sevilla Kills Philippine Oil Deal Between Standard-Vacuum and Quezon Government," which appears in the Appendix.]

STUDIES OF PROPOSED LEGISLATION—WORK OF THE SESSION—FINAL ADJOURNMENT

Mr. BANKHEAD. Mr. President, I ask unanimous consent to submit at this time and have read from the desk a concurrent resolution, and to make a short statement regarding it.

The VICE PRESIDENT. Is there objection? The Chair hears none. The clerk will read the concurrent resolution.

The Chief Clerk read the concurrent resolution (S. Con. Res. 15), as follows:

Resolved by the Senate (the House of Representatives concurring), That the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives, or any duly authorized subcommittee or subcommittees thereof, shall, after the adjournment of the present session of the Congress, make a study and investigation with a view to determining what changes, if any, should be made in the general revenue laws and in the Social Security Act, and shall, at the beginning of the next session of the Congress, make reports by bill or otherwise of their recommendations.

SEC. 2. The Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives, or any duly authorized subcommittee or subcommittees thereof, shall, after the adjournment of the present session of the Congress, make a study and investigation with a view to determining what neutrality legislation, if any, should be enacted, and shall, at the beginning of the next session of the Congress, make a report by bill or otherwise of their recommendations.

SEC. 3. The Committee on Interstate Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives, or any duly authorized subcommittee or subcommittees thereof, shall, after the adjournment of the present session of the Congress, make a study and investigation with a view to determining what changes, if any, should be made in the Interstate Commerce Act, and shall, at the beginning of the next session of the Congress, make a report by bill or otherwise of their recommendations.

SEC. 4. The two Houses of Congress shall adjourn sine die not later than Thursday, the 15th day of June 1939.

Mr. BANKHEAD. Mr. President, I have no thought of undertaking to usurp the prerogatives of the leader of the Senate or of the House of Representatives. I recognize the long-established practice, and fully approve of it, of the majority leader sponsoring the times when the Senate is to be in session from day to day, and indicating by his leadership what days the Senate shall be in recess. So I desire to have it understood that by offering this resolution I am not seeking in any way to change that long-accepted practice, of which, I repeat, I fully approve. Nor am I seeking, by indirection or implication or in any way, to criticize the leadership by submitting this resolution.

The Senate, as we all know, has kept abreast of its work. There has been up to this time no default on the part of the majority leader in the matter of transacting the necessary business in order to permit Congress to adjourn within a reasonable time. Conditions, however, over which he has had no control and, in fact, the Senate has had no control now make it apparent that instead of concluding the business of Congress by April, as was indicated when we first met, or by May, as was later suggested by the White House and by the leadership of both Houses, in all likelihood the business of this session will be drawn out certainly into July, and probably into the month of August.

Mr. President, it occurs to me that that is not a necessary program, nor is it a fortunate one either for the people of the country or for the wisdom of prospective legislation. We have adjourned from day to day because we had nothing on the calendar. We meet once or twice or sometimes three times a week, clean up the calendar in a short time, dispose of the business pending here, and of necessity recess. Why continue that program this year from now into the late hot summer? Why did we not arrange to adjourn by the middle of May, as the leader and a good many others of us some weeks ago thought we should be able to do?

Early in this session the President said he was through sending messages to Congress and that he would send no more messages which would delay final adjournment. I think he has kept that promise. Still we see 3 months of prospective delay into the hot season before we may expect to hear presented to the two Houses a motion for sine die adjournment. Why?

As one reason, it is now said that a social-security bill must be passed before we adjourn. No social-security bill has been presented to either House, and yet 4 months of the session have gone by. There is at this time no assurance when the House Committee on Ways and Means, in which such a bill must first be considered, will be in position to bring it to the House for consideration. I am not criticizing that committee. They have been actively and diligently at work, according to my information, and have held hearings lasting nearly 2 months; but that program is a comprehensive one. It is one which affects the feeling of security of probably millions of persons in this country. It is a program which cannot be perfected except by trial and error; and no one need think that by staying here until July this session of Congress can perfect a broad social-security program for the future. Time is required. Calm and deliberate consideration by Congress should be given to so great a measure. Why insist that Congress must stay here now for the passage of that bill? Why not let the committee of the House and the committee of

the Senate at their pleasure, during the recess of Congress, proceed to deliberate over that complex and comprehensive bill, and be ready, as directed by this resolution, to report when Congress meets next January?

We hear that we must pass at this session a general tax bill. I do not know who started that report. It has been understood for 3 or 4 months that we should have no general tax bill at this session of Congress. That statement has been frequently carried by the newspapers, and I have heard no denial of it until very recently. Now we are advised that we must wait here until the House finishes considering the social-security bill, because, as we all know, the same committee of the House—the Committee on Ways and Means—has jurisdiction of both the tax measure and the social-security measure. When the social-security bill goes to the House, the members of the Ways and Means Committee must give their time and attention to that bill during its consideration on the floor of the House; and until it has been finally acted upon, they cannot even begin consideration of a general tax program.

I have not heard—other Senators may have, but I have not—of any specific changes in the general taxing system of the Government that it is necessary at this time to put upon the statute books. I have heard no specific tax advocated. I have heard no definite measure proposed to shift a part of the tax burden of the country from one group of taxpayers to another group of taxpayers. Apparently, there is no great emergency about the tax matter. If there had been, it would have been pressed before this time. I see no reason for suddenly bringing forward a general tax program; and we all know the time that is required for the consideration of such a measure in the Senate of the United States. Many weeks, according to our former experience, have been required for the consideration of bills reported by the Committee on Finance and amendments offered by many Senators upon the floor of the Senate, which in this instance would carry into the heat of July, into the heat of August, and possibly into the sultry month of September the deliberations of Congress upon the subject of a new tax program.

Mr. President, I submit that the committees ought to do that work without requiring the Members of Congress to stay here in Washington and wait until they are ready to report, and then stay here for minute and detailed and prolonged discussion of all the subjects involved in all the ramifications of a new general taxing system.

Then there is the question of neutrality. We are told that we must stay here until we pass a new neutrality bill. For weeks and weeks the Senate Committee on Foreign Relations has been constantly in session, according to the newspapers and current reports, considering a new neutrality bill. I am not advised whether or not the House has touched the subject; but we know that the Senate committee, after diligent investigation and honest and conscientious work, has been unable to agree upon a new neutrality bill and, not through neglect but, as I understand, through inability to reach an agreement upon a program, has permitted a new neutrality bill to remain in the committee until the old law has expired.

The able and distinguished senior Senator from Idaho [Mr. BORAH] has stated that it probably will take as long to pass a new neutrality bill, if it contains certain provisions, as it took for the Senate to consider the Covenant of the League of Nations. What does that mean? We all know that there is in the Senate a strong group of Members who have definite and fixed views upon the matter of foreign relations. We know that that group has in its membership some of the ablest men and some of the best speakers in the Senate, some who are capable of speaking day after day. When such men as the Senator from Texas [Mr. CONNALLY] and I and others stood here trying to educate the people of the country on an antilynching bill, some of the members of the group to which I have just referred, who are about to carry on what they refer to as an educational program, denounced us as filibusterers. They now propose, however, according to an open notice, not to indulge in a filibuster—they do not like that name—but they are to engage in exactly the same procedure, delaying from day to day, trying to educate the Members of the Senate, trying to arouse and stir the people of the Nation from day to day, from month to month, through the hot summer season, resisting the passage of what appears to be the sentiment of a majority of the Committee on Foreign Relations on the subject of a new neutrality measure.

It is suggested that we ought to remain here and permit all of the Executive orders on the subject of reorganization to go into operation under the 60-day requirement in the law. If that course is followed, and we remain here, it is automatically settled now that we will be here until July at least, and every order that comes up from the White House will automatically prolong the session of Congress and extend it for a period of 60 days from the time the Executive order comes to Congress; and we hear that others are in preparation and on their way. That means that we would have to stay almost to the middle of July if we did not have anything else to keep us.

Mr. President, I note that a program is proposed in the other House to vote down, on an adverse report, a bill to disapprove the last Executive order submitting a reorganization plan. What would that accomplish in practical results? That would be merely an expression of the sense of a majority of the membership of the House. As I understand the so-called Reorganization Act, it would not shorten the time in which the Executive order will go into effect.

In other words, the law provides the order shall become effective 60 days from the day it is received, if it lies here without affirmative action. I do not know why affirmative action is not sought. I am not one of the leaders, as Senators well know, but with the practically unanimous expression of approval of the program, with no partisan spirit injected into it, I am unable to see the evil consequences which might follow bringing in a bill and asking Congress to vote an affirmative approval of the Executive order. I believe firmly that it would be approved, and I am of the opinion that every Member of the Senate believes that would be done. Then why remain here until July or August merely to permit the time period to expire, when, without any reasonable doubt, both Houses would promptly vote to close the matter if the question were brought to a vote of the two Houses?

Mr. President, I have presented the concurrent resolution, not with any illusion that it is going to be presently adopted. I have offered it for two purposes. One was to submit the suggested program to the consideration of those who have the control of the procedure of Congress. In a friendly spirit I invoke their consideration of it. It would be so much better to let the committees which have already done a great deal, proceed and conclude their work and have their bills ready for Congress when it meets in January. My only other reason was a desire to furnish an instrumentality for entering my humble personal protest against Congress being kept in Washington until probably August, and possibly September, this year, with only a few more bills upon the so-called must list.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BURKE. I was detained at the opening of the Senator's remarks and do not know whether he mentioned, in connection with the proposed legislation now pending, possible amendments to the National Labor Relations Act.

Mr. BANKHEAD. I did not mention that subject. In the resolution I did mention the Interstate Commerce Act, on which protracted hearings have been held, and the consideration of which, of course, will require a great deal more time, perhaps, in the committee, and certainly on the floor.

I did not mention the Wagner Act, because I observed in the newspapers a statement by the able, distinguished, and courageous Senator from Nebraska, whose courage I greatly admire, and with whose conclusions I am at times in accord, to the effect that it was entirely unlikely, not using his language, but my construction of what he said, that the committee considering the National Labor Relations Act at this time would report a bill amending the act. So, recognizing the sound judgment of the Senator, I did not include the

Labor Relations Act. I accepted the statement as one of fact.

Mr. BURKE. If the Senator will yield further, I should like to say on that point that, as the Senator knows, hearings have been under way for some time before the Senate Committee on Education and Labor on the labor relations law. This is an act of such great importance that no thought of amendment should be considered until the evidence has been presented fully and thoroughly digested. The sponsor of the act, the able Senator from New York [Mr. WAGNER], has said he heartily approves of the hearings being conducted, he is willing to examine all the evidence that is presented, and that if a clear showing is made of the necessity of amendment, he will give the matter his serious consideration.

My reason for making the statement which appeared in the newspapers and to which the Senator has referred was that it seemed to me important that the committee should proceed with its hearings, that all responsible parties or representatives of all responsible parties and organizations who feel they know something about how the National Labor Relations Act is working, either for good or ill, should come before the committee and present their views, and that then the committee should have an abundance of time to sift and weigh all the testimony. I thought such procedure would be very much better than to rush headlong now into decisive action, either rejecting all amendments or adopting any certain amendment.

I find myself in very hearty accord with what the Senator from Alabama has said, that these are all matters which require committee action, long and careful thought by the committees, preceded by adequate hearings, such as those now being held by many of the committees; and that, after all, it is not so important that Congress be kept in session throughout the summer and into the fall in order that action may be taken on these subjects.

Mr. BANKHEAD. I appreciate the very fine statement made by the Senator from Nebraska. His conclusion is the one I have reached, not only regarding the bill to which he refers, and the necessity of having time for due and orderly consideration by the committee, but the same reason has led me to the same conclusion regarding the other controversial bills to which I have referred, and as to which I see no dire emergency compelling special and hurried action, or requiring very long and protracted sessions of Congress, which we all know do not, in the heat of summer, lead to the best consideration or the wisest judgment in matters of legislation.

Mr. SMITH. Mr. President, about what times does the Senator think would be required for action on the measures to which he has referred?

Mr. BANKHEAD. My resolution suggested adjournment the 15th of June.

Mr. SMITH. I vote "aye."

Mr. BANKHEAD. That would give ample time to pass all the supply bills and any other needed legislation, such as the Congress usually passes in an orderly way.

Mr. CONNALLY. Mr. President, I have listened with a great deal of interest to the comments of the Senator from Alabama and regret very much that I have to disagree with his conclusions. I am sure that all Senators would much prefer to have Congress adjourn at the earliest practicable moment, so that they might return to their homes. We are more comfortable at home; there is less annoyance there from the importunities of those who seek action at the hands of Congress, and we are more likely to obtain rest. Some Senators who are able have opportunity to escape the heat in July and August. But the heat in July and August will not be any greater on Senators than it is on other citizens. The temperature is not a respecter of persons, except of those who go to the seashore or the mountains; and some of us are not able to walk that far. [Laughter.]

It is true that the measures mentioned by the Senator are of the highest importance, and therefore, being of the highest importance, they ought to be right here in this Chamber, and we ought to be right here in this Chamber, giving attention to those measures until all the problems involved are solved. People talk about solving a problem, but no question was ever solved in the history of the earth. No law was ever enacted which could not be repealed. No constitution was ever written which could not be modified or amended or overturned by a revolution. There is a constant struggle to improve that which we have done before, in the light of experience and changing conditions.

But, Mr. President, there is to my mind a far more important and imperative reason why the Congress of the United States should remain in Washington for the next few months. There is no war in Europe now; I do not believe there is going to be any war in Europe immediately; but there may be a war in Europe. The United States has no business in such a war. The people of the United States do not want to be in any war. Nobody but the Congress of the United States can determine whether we shall be in such a war or not, because it is our function and our responsibility and our duty to determine that question. The Committee on Foreign Relations, it is true, for a considerable period has been having hearings on the question of neutrality, and we hope to conclude those hearings at the end of the present week. Complaint is made that those hearings have taken a great deal of time. Is that a proper complaint when we are investigating a matter which touches vitally the interest of this Nation and every citizen under our flag?

Mr. BANKHEAD. Mr. President, the Senator must realize that I did not make any complaint of that nature.

Mr. CONNALLY. I do not contend that the Senator did.

Mr. BANKHEAD. I think the committee is doing fine work.

Mr. CONNALLY. I thank the Senator.

Mr. President, we of the Committee on Foreign Relations are undertaking to approach the question from every possible angle in order that, insofar as feeble human beings can do so—though they are supposed to wear the togas of Senators—we may so deal with the question as best to preserve the interests of the people of the United States and yet not cause us to intrude our hands into a struggle from which we can only withdraw them in blood. So, Mr. President, I think Congress should stay right here in Washington until all the visible dangers of involvement of the United States in a foreign war may be removed, insofar as they can be removed.

Suppose we do have to remain here while it is hot. This is the place of our functions. Congress is the agency into whose keeping the people have entrusted their welfare. We must perform those duties which come within our functions. I would much prefer to go home, and would much prefer to ride around over the beautiful landscape of my native State. I believe the Senator from Arizona [Mr. ASHURST] whispered "and Arizona." I would also rather ride out over the distant State of Arizona. We would all rather be at home in comfort, surrounded by our friends and constituents.

But, Mr. President, that is not the decisive consideration. We are struggling here as best we can with these mighty issues, and it is our duty and our responsibility to remain here so long as it may appear to be necessary or practicable for us to meet and struggle with and survey, so far as we may, whatever falls within our jurisdiction. The function of the Congress—of the Senate and the House of Representatives—is to enact legislation. No power on earth under the Constitution can determine great, vital questions of peace or war except the Congress of the United States. I, for one, know that the people of the United States do not want war. I know that while they expect us to maintain our rights and our dignity and our prestige as a Nation, yet they want the United States so to shape its foreign policies and so to conduct its foreign affairs that we may not become embroiled in any war that shall take place across the ocean on another continent.

Mr. President, the questions before us now involve more than our own particular continental defense. We have al-

ready provided and will provide in the future for an adequate increase of the naval forces, and the military forces, and the air forces to protect continental United States, but more and more before the public attention is being pressed the further question of the Monroe Doctrine, and all the possibilities involved in it. All in all, it is the duty of the Congress to see that we do not become involved in a foreign war.

Mr. President, my belief is that the Congress of the United States should remain here in Washington, and in session, so long as there is any danger whatever of involvement in such a struggle as that which seems to threaten.

Mr. KING. Mr. President, first I desire to compliment the leader upon the Democratic side of the Chamber, in view of the statements made by the Senator from Alabama [Mr. BANKHEAD], because of his courtesy and fine executive ability. I think he has handled the affairs of the Senate, so far as they are entrusted to his hands, with marked ability and with a due regard to the best interests of the country.

At the same time I desire to pay my respects to the leader on the other side, the leader of the Republican Party. He has cooperated in a fair and honorable way to discharge the duties of his position and to facilitate the transaction of such business as has come before the Senate.

The Senator from Alabama complains because we are not in session more frequently. I think the Senator forgets that we have several score committees—subcommittees and general committees—in session every day. If I had my way, I should amend the rules of the Senate so that we would devote 3 days of every week to committee work, and not be required to meet in the Senate Chamber on those 3 days, and then devote 2 days or 3 days, if necessary, to work in the Chamber of the Senate. I think our work would then be more effective, and I think that our accomplishments would be more satisfactory. We should not neglect the duties devolving upon the various committees. This morning there have been 8 or 9 or 10 important committees at work. If we had more time for committee work, and if we were not compelled to meet in the Senate Chamber as often as we have met, perhaps we would have been more successful in bringing to the floor of the Senate important measures that have been referred to the respective committees.

Mr. President, I am not quite sure whether the Senator from Alabama desires the adoption of the resolution which he has submitted. I suggest that if he does not desire it to be adopted, but desires it to be referred to a committee, that he divide his resolution because one part of the resolution should go to the Committee on Finance and the other part to the Committee on Foreign Relations.

I wish to say a word or two with respect to the Committee on Finance, and the revenue question to which the Senator from Alabama has adverted. I am sure that the Committee on Ways and Means of the other House—if I may be permitted to refer to the body at the other end of the Capitol—have with great ability and great earnestness been addressing themselves to the question of taxation, and I am sure that the members of the Senate Committee on Finance, in subcommittees or individually, have likewise given a great deal of attention to our revenue situation.

Mr. President, it is obvious that we are going to commit what I believe to be a colossal blunder. We are going to appropriate perhaps ten or twelve billion dollars before the Congress adjourns, and to make commitments of five billion or six billion dollars more, knowing that under the proposed revenue measures and under the present laws we will collect only about $5,000,000,000 or possibly $5,200,000,000 or $5,300,000,000. I think it would be prudent and wise before final adjournment for the Congress to revise the revenue laws, increase taxes, burdensome as they now are—and still more burdensome they will be in the future—in order that the deficit may not be four or five billion dollars, as it will be because of the prodigality of Congress and its failure to give to the country such revenues as are necessary approximately to meet appropriations.

So far as I am concerned, I am willing to remain here during the summer, and, while I do not wish to criticize the other branch of the Congress, I think it would be wise if there should be reported at an early date a sound revenue bill, one that would raise at least $6,000,000,000 or $7,000,000,000, and that the Appropriations Committees in the discharge of their duties should reduce appropriations far below Budget estimates, and bring them within speaking distance at least of the revenues which will be derived by the tax bill which I hope will be passed before final adjournment.

Mr. JOHNSON of California. Mr. President, I desire to take my stand beside the Senator from Texas [Mr. CONNALLY] in his remarks upon war. Some days ago I listened to a remarkable speech in this body, as eloquent as any I have heard since I have been a Member of the Senate, from the Senator who now occupies the chair [Mr. GEORGE], who expressed himself upon war.

I think we ought to remain here, sir, because of the imminence of armed conflict. We ought to remain here because such conflict would mean so much to the American people. Recently I listened to a witness before the Foreign Relations Committee, who said something that I have often remarked in the past. He said that the first casualty of war is truth. That casualty has occurred thus far; and, sir, we cannot remedy that particular matter.

The consequences of war to this country are such that I tremble when I think of them. The consequences of war, sir, are far greater than all the other consequences which have been so eloquently portrayed by the Senator from Alabama [Mr. BANKHEAD]. The consequences of war are that we shall have no country for which to legislate if once we embark on such a mad adventure. The consequences of war are that this Government of ours, which is the pride and glory of every Member of this body, we will see gone, gone, gone; and there will be no remedy by which we can resurrect it within our lifetime.

I regard the two dictators with every feeling of horror that can actuate anybody, or that anybody can feel. If we shall go to war in an endeavor to destroy those two dictators, we shall have a dictator in the United States, and he will be with us forever. I am not now speaking in personal vein, or referring to any individual; but the necessary consequences of a war at this time will be that we shall have just exactly that which we reprobate among the countries of Europe if we go into any armed conflict and the result shall be even one way or even another.

So war is the great thing overshadowing every other question before the American people.

I recognize the importance of other questions to which reference has been made; I recognize that we ought to legislate concerning them; but, after all, overshadowing every one of them and rendering every single one of them of little importance, is the question of war—war that will mean what we know it will mean; and, sir, it is to the Congress of the United States, it is to the United States Senate, that the people of the United States look to keep us out of war. It is the Congress of the United States, with all its faults, with all its shortcomings; it is to the Senate of the United States, with all its sins of commission and omission, that will keep us out of war in the dark days that are to come; and no other person, no other individual, no matter who he may be. We shall have a replica of the situation of 20 years ago, when it was the Senate of the United States which rescued the country from the position in which it found itself. It was the Senate of the United States which, to its lasting credit, refused ratification of the Treaty of Versailles.

Mr. President, we all want to go away; we all would like to go home, none more than I; but we cannot go home. We must be on guard, sir, literally on guard, every minute of the day and every minute of the night in the days to come, to see that we shall not participate in a war which is none of our concern, and that we shall be neither eased into that war nor driven into it. We can do our duty in that regard only by being right here. Let us stay and do our duty. Let us continue as we have been doing in the past, to represent

those who sent us here, in their desire to remain peaceful, and not warlike. Let us go on and prevent any provocative utterances; prevent, if we can, various acts which may be construed as warlike on the part of this Government. Let us be ourselves and, for the people of the United States, let us keep out of war. [Manifestations of applause in the galleries.]

Mr. BARKLEY. Mr. President, I had not intended to discuss the resolution submitted by the Senator from Alabama [Mr. BANKHEAD]; in fact, I did not know until a moment before it was presented that it was to be offered or was under consideration by the Senator from Alabama. I shall refer to it only briefly.

At the outset, I appreciate the very generous remarks made by the Senator from Alabama [Mr. BANKHEAD] and the Senator from Utah [Mr. KING] concerning myself. I share the references in their remarks to the Senator from Oregon [Mr. MCNARY] the minority leader. While I am on that subject, I wish to say that it has been a real pleasure for me to have, as I have had, the sincere cooperation of the Senator from Oregon, the minority leader, in helping to work out the legislative program and to facilitate the business of the Senate.

Mr. President, it is true that the Senate has been in recess on a number of days during this session of Congress; but it has not been in recess because of any lack of industry or because of any desire to neglect public business. We have kept the calendars current. We have recessed only over the week ends and from day to day when the Senate had no important business to occupy its attention.

Of course, we all would like to get away at the earliest possible date consistent with the performance of our duties. However, we were not elected by the people simply to adjourn. As I have always understood, we were elected by the people to try to shoulder our part of the responsibility of operating the Government of the United States.

Early in the session I indicated that it might be possible to adjourn by the 15th of June, and perform all the duties which might seem incumbent upon the Congress, in which I include both branches, of course. It seemed that we might adjourn on that date, or approximately that date, without being guilty in the remotest degree of shirking any of our responsibilities or failing to perform our duties so long as those duties required our presence here. Until very recently I still entertained the hope that we might finish by the 15th of June, or thereabouts. However, I am now confident that we cannot do so without running away from the performance of our public duty.

In his resolution the Senator from Alabama mentions three committees and three particular subjects which he desires to have investigated during the recess by the committees having charge of proposed legislation. What are those subjects, Mr. President? One of them is railroad legislation. The Committee on Interstate Commerce, whose chairman, the Senator from Montana [Mr. WHEELER], is present and will corroborate what I am about to say, for the last 2 or 3 years has been devoting itself assiduously and single-mindedly toward the gathering of information which might help in the solution of the acute railroad problem which confronts the railroads and the country with respect to our transportation systems. Bills to that end have been introduced in this session. The President appointed a joint committee made up of three representatives of railway labor and three representatives of management to work out a suggested measure. Bills have been introduced and hearings have been completed, and a subcommittee of the Committee on Interstate Commerce is now working on the problem of revising the bills so as to bring them to the floor of the Senate within the next week or 10 days. It is my earnest hope that that task may be accomplished. A similar House committee is considering the problem.

Mr. WHEELER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Kentucky yield to the Senator from Montana?

Mr. BARKLEY. I yield.

Mr. WHEELER. Mr. President, if I may interrupt the Senator, I will say that we have held hearings for approximately 3 weeks on one of the pieces of legislation referred to. The subcommittee then took up all the objections made by everybody and worked for about 2 weeks on that measure. By the latter part of this week or the first of next week we expect to be able to report a bill which I am sure will be as nearly satisfactory as it is possible to make any such legislation.

We are holding hearings upon a bill for railroad reorganizations, to correct some of the abuses in that field; and we shall probably be able to report that bill to the Senate by the latter part of next week.

Mr. BARKLEY. I appreciate that information, and I think I will venture to suggest also that, in view of the hearings that have been held and the consideration that has been given to that subject not only by the Committee on Interstate Commerce but by the executive branch of the Government and by the parties in interest, the railroads themselves, and all those connected with them, including management and labor relationships, there is now available practically all the information that could be obtained if the committee were to hold hearings the remainder of the summer on the subject of railway legislation.

So there has been no negligence, no shirking of any duty on the part of the committee, in trying to work out a very intricate and a very difficult problem and in trying to find out what to do about the railroad situation in the United States. I dare say that, with all the care that has been given the subject, and all the care that has been given to the drafting of legislation, when we shall have brought it on to the floor and passed it, we can still say that nobody has the last word in the solution of the railway problem.

Mr. NORRIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Nebraska?

Mr. BARKLEY. I yield to the Senator from Nebraska.

Mr. NORRIS. The concurrent resolution presented by the Senator from Alabama [Mr. BANKHEAD], which has brought on this debate, is not officially before the Senate, is it?

Mr. BARKLEY. No; it is not.

Mr. NORRIS. In other words, I suppose that resolution will be referred to a committee and come up in due time. So we are talking about something that is not at present before the Senate.

Mr. BARKLEY. That is true.

Mr. NORRIS. I am not complaining about that, for that is characteristic of the Senate.

Mr. BARKLEY. I am referring to it merely because a number of Senators have discussed it.

Mr. NORRIS. But one good way to stay here all summer is to spend the time between now and fall discussing whether or not we will adjourn. [Laughter.]

Mr. BARKLEY. Yes; I agree with the Senator, and I myself am not going to discuss it until fall.

So much for railroad legislation. I do not believe that we would be any nearer a solution of the problem next January when Congress comes back and starts over again, as it always does at the beginning of a Congress, on a cold collar, back down the hill, and then start fresh to reach the point where we are now. So I do not think that anything can be accomplished by deferring for further investigation the railroad problem that is now before the Committee on Interstate Commerce.

Now, as to taxes. Nobody has the last word in the solution of the tax problem, either, and I suppose that is fortunate, because if the Senate or the other House of Congress should assume that we have the last word in the solution of any problem it would not leave anything else for future Congresses or future generations to do.

No one claims that our present tax system is perfect; no one can deny that it has imperfections. It is like all tax systems that have been added to and pieced out like a quilt, with all hands around the quilt putting in a particular piece here and a particular piece there to give it color and attrac-

tion and beauty. Of course, there is no attraction or beauty about a tax, but there is a good deal of color.

The question has arisen whether we shall have a general revision of taxes at this session of Congress or whether we shall not.

Mr. VANDENBERG. Mr. President——

Mr. BARKLEY. I yield to the Senator from Michigan. I think, from the expression on his face, he has a bright idea in his mind, and I do not want to lose it.

Mr. VANDENBERG. The Senator from Kentucky, in discussing the question of taxes, drew an analogy between the tax system and a quilt. I was going to inquire if that is the kind of a quilt that is called a "crazy quilt"?

Mr. BARKLEY. I presume that a quilt of that sort might be and sometimes is called a "crazy quilt," but it sometimes affords great comfort to those who have one.

The question of whether we shall embark upon a general revision of taxes has been under discussion here since we came to Washington in January. I agree that if we go into a general revision of taxes we shall be here all summer, because it is impossible in a short time to revise a complicated tax system, whether we simply undertake to remove money from one pocket and put it into another or whether we undertake to abolish taxes that raise the amount of revenue estimated by the Treasury and replace them with taxes on something else which is untaxed or which is not taxed as much as it would be under a new law.

Mr. President, I have felt—and I have expressed that feeling—that it will do business in this country no particular good to be kept in a long state of uncertainty about what taxes are to be.

We have heard a great deal about removing the taxes that are deterrents to business such as the capital-stock tax and what is left of the shadow of the undistributed-profits tax on corporations and one other tax that is supposed to be a deterrent. If we are to assume that we have got to raise the same amount of revenue we are now raising no matter how we may shift the tax, then we must consider the question whether we desire to remove three particular types of taxes that are paid by the business of our country in one form and shift it over into another form under which the amount to be paid will be the same in the long run and in the aggregate, but might be taken out of a different pocket in order to be transferred to the Treasury. Congress has a right to consider that question.

The House of Representatives, as I have understood from the leadership of that body and others dealing with taxation, have planned to send to the Senate probably three simple resolutions, one extending the so-called nuisance taxes which expire this year; another one extending the shadow of the undistributed-profits tax on corporations, which raises about $56,000,000 a year; and another one postponing the step-up of the social-security tax. When those various resolutions arrive in the Senate and are referred to the Committee on Finance, of course, any Senator in the committee or on the floor can propose a general revision of taxes if he so desires; there is no rule that would prevent him doing so; but if we are to be content with extending the expiring taxes and postponing the step-up of the taxes under the Social Security Act, we can perform that duty, in my judgment, speedily and without serious complication and without much delay.

I do not say, Mr. President, that we can get all these bills through by the 15th of June; I doubt it very seriously; we may not be able to get them all through by the 1st of July; but I do not think that either the House or the Senate, separately or collectively, as forming the Congress, have been guilty of any negligence in giving these problems their careful and studious consideration.

So far as neutrality legislation is concerned, it presents a very difficult problem. No two men entertain precisely the same opinion about what we should do. One provision of our neutrality law expired on yesterday. The Committee on Foreign Relations will complete its hearings this week on proposed neutrality legislation, and such legislation, if it is to be comprehensive and is to protect our interests, ought to be enacted, if possible, before there is a war and not after a war is begun anywhere in the world. There are those who advocate the outright repeal of the neutrality law; there are those who believe in the reenactment of the cash-and-carry provision; there are those who advocate the enactment of legislation that will make it possible for, or perhaps the duty of, our Government to designate aggressors, and so on. Opinions of all varieties have been expressed before the Committee on Foreign Relations. I do not know what sort of legislation will be formulated by the committee. I do not know, and I dare say no one else knows at this juncture, what sort of bill the minds of that committee can finally agree to report for the consideration of the Senate; and the same thing is true, no doubt, of the other body; but, Mr. President, whatever our difficulties may be, and whatever may be our differences of opinion, I believe that every member of that committee entertains honestly and conscientiously the opinions that he has expressed both in the committee, here, and elsewhere; and I believe it to be the sincere and prayerful desire of every member of that committee, and even of the Senate and of the other House, so to guide our ship of state and so to shape the conduct of our foreign affairs, always recognizing our own handicaps and our own inabilities in that connection as a body, that our Nation will not only be able to steer its course clear of any war that may occur anywhere else in the world but may at the same time protect the interests, protect the safety, protect the traditions, protect the dignity and the welfare of the American people. How that can best be done may be a subject of disagreement among Senators, but we all want to do that. However, regardless of the problems, regardless of the difficulties, Mr. President, regardless of our differences of opinion on the subject, there is one opinion which I think we can all express, and that is we cannot run away from the performance of that duty.

In the midst of these chaotic conditions, which have not been brought about by our Government, which have not been imposed on the world by anything we have done as a nation, in my judgment the American people would feel a profound sense of disappointment in the Congress of the United States if, in order to avoid the hot summer, or in order to hie away to our homes, whether they be hot or cold, or whether we can go to Europe or to Canada or to the South Seas, we should now say, in advance, that we will pass or even seriously consider a resolution to adjourn on the 15th of June, or any other date in the future.

I appreciate the sincerity of the Senator from Alabama, which is a characteristic that always attends his conduct both as a public servant and as a man; but I think, on reflection, the Senator from Alabama must conclude that his resolution cannot be considered at this time and cannot be adopted.

I do not know to what committee the resolution should go, unless it be the Committee on Rules. The resolution is in three parts. I do not know whether or not the Senator from Alabama desires to have it referred to a committee.

The PRESIDING OFFICER. If there be no objection, the concurrent resolution will lie over under the rule.

Mr. BARKLEY. Very well.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1034. An act to authorize the Secretary of War to terminate certain leases of the Long Island Railroad Co.; and

S. 2044. An act making inapplicable certain reversionary provisions in the act of March 4, 1923 (42 Stat. 1450), and a certain deed executed by the Secretary of War, in the matter of a lease to be entered into by the United States for the use of a part of the former Fort Armistead Military Reservation for air-navigation purposes.

The message also announced that the House had passed the bill (S. 70) to amend section 90 of the Judicial Code, as amended, with respect to the terms of the Federal District

Court for the Northern District of Mississippi, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 752) to amend section 78 of chapter 231, Thirty-sixth United States Statutes at Large (36 Stat. L., sec. 1109), relating to one judicial district to be known as the District of Idaho, and dividing it into four divisions, to be known as the northern, central, southern, and eastern divisions, defining the territory embraced in said divisions, fixing the terms of district court for said divisions, requiring the clerk of the court to maintain an office in charge of himself or deputy at Coeur d'Alene City, Idaho; Moscow, Idaho; Boise City, Idaho; and Pocatello, Idaho; and to authorize the United States District Court for the District of Idaho, by rule or order, to make such changes in the description or names to conform to such changes of description or names of counties in said divisions as the Legislature of Idaho may hereafter make, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 4, 14, 20, 28, 33, 34, 41, 48, 50, 51, 52, 53, 55, 64, 76, and 77 to the bill, and concurred therein; that the House had receded from its disagreement to the amendment of the Senate numbered 9, and concurred therein with amendments, in which it requested the concurrence of the Senate; and that the House had receded from its disagreement to the amendments of the Senate numbered 16, 19, 27, 32, 46, and 49 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 162. An act to make effective in the district court for the Territory of Hawaii rules promulgated by the Supreme Court of the United States governing pleading, practice, and procedure in the district courts of the United States;

H. R. 169. An act to facilitate the control of soil erosion and or flood damage originating upon lands within the exterior boundaries of the Cleveland National Forest in San Diego County, Calif.;

H. R. 892. An act to extend to custodial-service employees employed by the Post Office Department certain benefits applicable to postal employees;

H. R. 1774. An act to authorize the transfer to the State of Minnesota of the Fort Snelling Bridge at Fort Snelling, Minn.;

H. R. 1996. An act to amend the National Stolen Property Act;

H. R. 2009. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Angeles National Forest, Calif.;

H. R. 2417. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Sequoia National Forest, Calif.;

H. R. 2875. An act to provide that pensions payable to the widows and orphans of deceased veterans of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection shall be effective as of date of death of the veteran, if claim is filed within 1 year thereafter;

H. R. 2987. An act providing for the transfusion of blood by members and former members of the Military Establishment, and by employees of the United States Government;

H. R. 3131. An act to authorize the Secretary of War to convey certain lands owned by the United States for other lands needed in connection with the expansion of West Point Military Reservation, N. Y., and for other purposes;

H. R. 3132. An act to authorize the disposal of cemetery lots;

H. R. 3248. An act authorizing a per capita payment of $15 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation;

H. R. 3587. An act to authorize the Secretary of War to exchange obsolete, unsuitable, and unserviceable machines and tools pertaining to the manufacture or repair of ordnance matériel for new machines and tools;

H. R. 3593. An act authorizing and directing the Secretary of War to execute an easement deed to the city of Duluth for park, recreational, and other public purposes covering certain federally owned lands;

H. R. 4100. An act to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or religious organization existing in the United States;

H. R. 4322. An act giving clerks in the Railway Mail Service the benefit of holiday known as Armistice Day;

H. R. 4532. An act to make effective in the District Court of the United States for Puerto Rico rules promulgated by the Supreme Court of the United States governing pleading, practice, and procedure in the district courts of the United States;

H. R. 5064. An act to amend the act approved June 25, 1910, authorizing establishment of the Postal Savings System;

H. R. 5136. An act to amend the act entitled "An act to provide books for the adult blind," approved March 3, 1931;

H. R. 5452. An act to provide certain benefits for World War veterans and their dependents, and for other purposes;

H. R. 5485. An act permitting the War Department to transfer old horses and mules to the care of reputable humane organizations;

H. R. 5840. An act to amend the act entitled "An act to provide for the protection and preservation of domestic sources of tin," approved February 15, 1936; and

H. J. Res. 171. Joint resolution authorizing the President of the United States to accept on behalf of the United States a conveyance of certain lands on Government Island from the city of Alameda, Calif., and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 1034. An act to authorize the Secretary of War to terminate certain leases of the Long Island Railroad Co.;

S. 2044. An act making inapplicable certain reversionary provisions in the act of March 4, 1923 (42 Stat. 1450), and a certain deed executed by the Secretary of War, in the matter of a lease to be entered into by the United States for the use of a part of the former Fort Armistead Military Reservation for air-navigation purposes; and

H. J. Res. 279. Joint resolution making supplemental appropriations for printing and binding and stationery for the Treasury Department for the fiscal year ending June 30, 1939.

INTERIOR DEPARTMENT APPROPRIATIONS

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing the action of the House on certain amendments of the Senate to House bill 4852, the Interior Department appropriation bill, 1940, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
May 1, 1939.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 4, 14, 20, 28, 33, 34, 41, 48, 50, 51, 52, 53, 55, 64, 76, and 77 to the bill (H. R. 4852) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 9 to said bill and concur therein with the following amendments:

In line 21 of said Senate engrossed amendment strike out "for the purposes"; and

In line 22 of said amendment strike out "hereof" and insert a comma and "notwithstanding the provisions of section 7 of the act of June 22, 1936 (49 Stat. 1647, 1648)."

That the House recede from its disagreement to the amendment of the Senate numbered 16 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said

amendment insert a colon and *"Provided,* That hereafter no individual of less than one-quarter degree of Indian blood shall be eligible for a loan from funds made available in accordance with the provisions of the act of June 18, 1934 (48 Stat. 986), and the act of June 26, 1936 (49 Stat. 1967)."

That the House recede from its disagreement to the amendment of the Senate numbered 19 to said bill and concur therein with an amendment as follows: in lieu of the matter inserted by said amendment insert a colon and *"Provided further,* That hereafter any appropriation for the development of Indian arts and crafts, made pursuant to the act of August 27, 1935 (49 Stat. 891), shall be available for the payment of not to exceed $10 per diem in lieu of subsistence and other expenses of members of the Indian Arts and Crafts Board, serving without other compensation from the United States, while absent from their homes on official business of the Board";

That the House recede from its disagreement to the amendment of the Senate numbered 27 to said bill and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert:

"Reindeer Service: For supervision of reindeer in Alaska and instruction in the care and management thereof, including salaries and travel expenses of employees, purchase, rental, erection, and repair of range cabins, purchase and maintenance of communication and other equipment, and all other necessary miscellaneous expenses, including $3,000 for the purchase and distribution of reindeer, $75,000, to be immediately available, and to remain available until June 30, 1941";

That the House recede from its disagreement to the amendment of the Senate No. 32 to said bill and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment insert "$478,247";

That the House recede from its disagreement to the amendment of the Senate No. 46 to said bill and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment insert "$10,523,000"; and

That the House recede from its disagreement to the amendment of the Senate No. 49 to said bill and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment insert "$11,382,600."

Mr. HAYDEN. I move that the Senate concur in the amendments of the House to Senate amendments numbered 9, 16, 19, 27, 32, 46, and 49 to the bill.

The motion was agreed to.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred or ordered to be placed on the calendar, as indicated below:

H. R. 162. An act to make effective in the District Court for the Territory of Hawaii rules promulgated by the Supreme Court of the United States governing pleading, practice, and procedure in the district courts of the United States;

H. R. 1996. An act to amend the National Stolen Property Act; and

H. R. 4532. An act to make effective in the District Court of the United States for Puerto Rico rules promulgated by the Supreme Court of the United States governing pleading, practice, and procedure in the district courts of the United States; to the Committee on the Judiciary.

H. R. 169. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Cleveland National Forest in San Diego County, Calif.;

H. R. 2009. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Angeles National Forest, Calif.; and

H. R. 2417. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior of boundaries of the Sequoia National Forest, Calif.; to the Committee on Agriculture and Forestry.

H. R. 892. An act to extend to custodial-service employees employed by the Post Office Department certain benefits applicable to postal employees;

H. R. 4322. An act giving clerks in the Railway Mail Service the benefit of holiday known as Armistice Day; and

H. R. 5064. An act to amend the act approved June 25, 1910, authorizing establishment of the Postal Savings System; to the Committee on Post Offices and Post Roads.

H. R. 1774. An act to authorize the transfer to the State of Minnesota of the Fort Snelling Bridge at Fort Snelling, Minn.;

H. R. 2987. An act providing for the transfusion of blood by members and former members of the Military Establishment, and by employees of the United States Government;

H. R. 3131. An act to authorize the Secretary of War to convey certain lands owned by the United States for other lands needed in connection with the expansion of West Point Military Reservation, N. Y., and for other purposes;

H. R. 3132. An act to authorize the disposal of cemetery lots;

H. R. 3593. An act authorizing and directing the Secretary of War to execute an easement deed to the city of Duluth for park, recreational, and other public purposes covering certain federally owned lands; and

H. R. 5840. An act to amend the act entitled "An act to provide for the protection and preservation of domestic sources of tin," approved February 15, 1936; to the Committee on Military Affairs.

H. R. 2875. An act to provide that pensions payable to the widows and orphans of deceased veterans of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection shall be effective as of date of death of the veteran, if claim is filed within 1 year thereafter; to the Committee on Pensions.

H. R. 3248. An act authorizing a per capita payment of $15 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation; to the Committee on Indian Affairs.

H. R. 3587. An act to authorize the Secretary of War to exchange obsolete, unsuitable, and unserviceable machines and tools pertaining to the manufacture or repair of ordnance matériel for new machines and tools; to the calendar.

H. R. 4100. An act to amend the naturalization laws in relation to an alien previously lawfully admitted into the United States for permanent residence and who is temporarily absent from the United States solely in his or her capacity as a regularly ordained clergyman or representative of a recognized religious denomination or religious organization existing in the United States; to the Committee on Immigration.

H. R. 5136. An act to amend the act entitled "An act to provide books for the adult blind," approved March 3, 1931; to the Committee on the Library.

H. R. 5452. An act to provide certain benefits for World War veterans and their dependents, and for other purposes; and

H. R. 5485. An act permitting the War Department to transfer old horses and mules to the care of reputable humane organizations; to the Committee on Finance.

H. J. Res. 171. Joint resolution authorizing the President of the United States to accept on behalf of the United States a conveyance of certain lands on Government Island from the city of Alameda, Calif., and for other purposes; to the Committee on Public Buildings and Grounds.

REGULATION OF TRUST INDENTURES, ETC.

Mr. BARKLEY. Mr. President, if no other Senator wishes to discuss the resolution of the Senator from Alabama, I desire to address myself to the unfinished business, which is Senate bill 2065, and I ask unanimous consent that the Senate now resume its consideration.

There being no objection, the Senate resumed the consideration of the bill (S. 2065) to provide for the regulation of the sale of certain securities in interstate and foreign commerce and through the mails, and the regulation of the trust indentures under which the same are issued, and for other purposes.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Oregon?

Mr. BARKLEY. I do.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

	Barbour	Burke	Clark, Idaho
Andrews	Barkley	Byrd	Clark, Mo.
Ashurst	Bilbo	Byrnes	Connally
Austin	Bone	Capper	Danaher
Bailey	Borah	Caraway	Donahey
Bankhead	Bulow	Chavez	Downey

Ellender	Holt	Minton	Slattery
Frazier	Hughes	Murray	Smith
George	Johnson, Calif.	Neely	Taft
Gerry	Johnson, Colo.	Norris	Thomas, Okla.
Gibson	King	Nye	Thomas, Utah
Gillette	La Follette	O'Mahoney	Tobey
Glass	Lee	Overton	Townsend
Green	Lodge	Pepper	Truman
Guffey	Logan	Pittman	Tydings
Gurney	Lucas	Reed	Vandenberg
Hale	Lundeen	Reynolds	Wagner
Harrison	McCarran	Russell	Walsh
Hatch	McKellar	Schwartz	Wheeler
Hayden	McNary	Schwellenbach	White
Hill	Maloney	Sheppard	Wiley
Holman	Miller	Shipstead	

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

Mr. BARKLEY. Mr. President, I desire in advance to confess my shortcomings in attempting to deal adequately with so intricate and complicated a subject as that which is dealt with in the pending measure.

This bill is the result of an investigation made by the Securities and Exchange Commission under a mandate of the Congress of the United States. In the Securities and Exchange Act of 1934, section 211, the Commission, in the following language, was ordered to make an investigation:

> The Commission is authorized and directed to make a study and investigation of the work, activities, personnel, and functions of protective and reorganization committees in connection with the reorganization, readjustment, rehabilitation, liquidation, or consolidation of persons and properties and to report the result of its studies and investigations and its recommendations to the Congress on or before January 3, 1936.

Carrying out the mandate contained in the last paragraph of the Securities and Exchange Act of 1934, the Commission carried on an investigation for more than 2 years. That investigation led to a study of trust indentures, a form of legal document issued in connection with large financing operations and the issuance of bonds by corporations throughout the United States. I may say that there are today outstanding more than $40,000,000,000 in bonds issued by corporate institutions based upon the legal instrument known as the trust indenture; and four and one-half billion dollars' worth of these bonds have been issued to the public since the creation of the Securities and Exchange Commission, and have, under the securities law, been required to be filed and disclosure made before the Commission as a preliminary step toward the issuance of bonds based upon these trust indentures.

The report of the Commission to Congress consisted of seven volumes. I have here volume 6, which contains 220 pages, giving the Congress in some detail the result of the Commission's investigation of trusteeships under trust indentures. It is a very illuminating document. The work was carried out carefully and methodically, and, as I believe, judicially. The Commission has assembled in volume 6 of the report a wealth of information, the study of which I think will convince any fair-minded man that legislation of this type is necessary and desirable.

As a result of the investigations and the facts disclosed, the Commission, the Committee on Banking and Currency, the bankers' associations, and various organizations throughout the country have been giving careful study to the subject of legislation designed to protect bondholders scattered all over the United States who buy these bonds, but never see the indentures on which they are based, against loss of their money in the investment which they make; designed to protect the bondholders not only through the performance of more rigid duties upon the part of the trustee, but designed to protect them also in having a public place where they may go, if necessary, to find the general terms of the indenture upon which have been issued the bonds in which they have invested their money.

Mr. TAFT. Mr. President——

Mr. BARKLEY. I yield to the Senator from Ohio.

Mr. TAFT. Does not the Securities and Exchange Act now require that the indentures be filed with the securities, so that any investor in a security may examine the indenture at his leisure before he buys the security?

Mr. BARKLEY. Yes; the law requires that a concern desiring to issue a series of bonds or to float a bond issue shall disclose before the Commission the condition of the company and the facts connected with the bond issue, and file a copy of its indenture; but the law gives the Commission no control over the indenture. The corporation merely files with the Commission the instrument which they propose to issue. The Commission has no power to approve or disapprove the form of the instrument.

Mr. President, that has been one of the defects of the Securities Act. I will say also that, notwithstanding the fact that four and a half billion dollars worth of these securities have been issued on indentures since the creation of the Exchange Commission, notwithstanding the investigations which have been carried on by the Commission, notwithstanding the pendency of legislation before Congress on the subject for the last 3 years, notwithstanding the recommendations and the publicity given to the findings of the Commission, there has been no substantial improvement in the form and requirements of the trust indenture since the creation of the Securities and Exchange Commission and since the investigation.

The persistence of these defects in Securities Act indentures shows that mere disclosure of the provisions of the indenture is not enough. Such disclosure frequently takes the form of long, complicated quotations from the indenture itself. Besides, the Securities Act does not require a disclosure of the reasons why the inclusion of particular provisions or the omission of others is harmful to investors, and the most elaborate explanation would not be enough to make the average investor understand why.

Let me say in that connection that these indentures run all the way from 50 pages to as high as 300 pages of complicated legal phraseology, and the average investor, if he had the opportunity to read one, would in all probability be unable to understand it.

Mr. President, I hold in my hand a volume which constitutes an indenture of the Michigan Consolidated Gas Co. to the City Bank Farmers Trust Co., and Ralph E. Morton, trustees. It is an indenture of mortgage and deed of trust. This indenture consists of 365 pages of rather closely printed technical legal phraseology. The man who bought the bonds that were issued under this indenture never saw the indenture. The bond which he bought consisted probably of one sheet, which he could fold up and put in his pocket, a sheet with gold letters and gold braid upon it, which made it look beautiful. But he never saw this indenture, and if he had seen it he probably could not have understood it in time to have invested his money in bonds that were issued upon it as a basis.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LOGAN. I wish to ask a question right there about which I am concerned. As I understand, the bill deals with bonds which have been issued by resident corporations or associations, and attempts to provide a better means of protecting the bondholders, who live in different parts of the United States. I am wondering whether the bill has any effect on the holders of securities which were issued by foreign governments and their subdivisions, which are scattered all over the United States, and the holders of the bonds seem to be absolutely helpless. A few voluntary committees or corporations have been organized, and I was wondering whether the provisions of the bill attempted to provide any assistance for the holders of these bonds issued by foreign governments and now held by our citizens.

Mr. BARKLEY. The categorical answer to that question is "no." The Securities Act requires that these foreign bonds be registered.

Mr. LOGAN. I understand that.

Mr. BARKLEY. But there is no way by which the Government of the United States can control the formulation of the document on which these bonds are issued in foreign countries.

Mr. LOGAN. They are issued by banks of issue or trustees in this country.

Mr. BARKLEY. They are issued in foreign countries somewhat after the same fashion in which the bonds are issued in this country. We have no way of controlling the initiation of the bond issue.

Mr. LOGAN. I understand that.

Mr. BARKLEY. We have no way of saying what shall be in the indenture. The bonds are sent to this country and are distributed by American financial institutions, and undoubtedly the public has been very grievously imposed upon in years gone by in connection with them.

Mr. LOGAN. Does not the bill provide that where the public has been imposed upon by the issuance of bonds by corporations in this country the Securities and Exchange Commission may appoint a trustee to protect the bondholders and find out what their rights are? That, as I understand, is the chief end of the bill. Why does not the bill contain a provision that the Securities and Exchange Commission may appoint someone representing the holders of foreign securities to see that their rights are protected and make report to the Securities and Exchange Commission? It seems to me it is equally important that the holders of securities of foreign countries should be protected.

Mr. BARKLEY. In ordinary cases the foreign bonds which are issued in foreign countries and sold in this country do not have what we call in America "trustees." Ordinarily there is no trusteeship with respect to these bond issues which are floated and circulated among the people of the United States. This provision of the Securities Act applies to new issues, and not to old issues.

Mr. LOGAN. If the Senator will permit me to interrupt, I understand that a trustee may be appointed not only for future issues but for past issues, under the provisions of the bill.

Mr. BARKLEY. The Senator is mistaken with respect to the appointment of trustees.

Mr. LOGAN. I am not on the committee, and I may be mistaken; but the fact is that voluntary committees have been organized and settlements made with foreign countries for the bondholders. There has been no restriction as to how much should be charged. No one has had control over any such corporation or committee as may have been organized, and they are allowed to run absolutely wild. I wonder if it is not possible, in legislation such as that proposed, to place these committees, corporations, individuals, or whoever they may be, claiming to represent the holders of the securities of foreign governments, under the Securities and Exchange Commission, so that they may be subject to the regulations of the Securities and Exchange Commission. It seems to me some legislation like that is very important.

Mr. BARKLEY. Mr. President, that question has been given very serious study and consideration, not only by the Securities and Exchange Commission but by the committee and by the Congress, and by all who have dealt with the subject. What we are trying to do is, in advance of their issue, to set up conditions on which these bonds shall be issued.

A trust indenture is ordinarily prepared by the issuer. In most cases the trustee himself takes no part in the preparation of the indenture. Ordinarily the issuer and the underwriter, which is the institution which proposes to take the bonds and distribute them among the people, go into executive session and prepare the indenture, and in a large number of cases, if not in most cases, the trustee itself never saw the indenture, did not participate in its formulation, and did not know its terms until it became the trustee and saw the indenture which had been previously worked out.

The Senator will realize the impossibility of the Congress of the United States undertaking by any legislation that is conceivable to fix the conditions under which these instruments might be drawn up in any foreign country and sold to the people of other countries, and that problem, although it was considered very carefully, is not within the scope of the proposed legislation.

Mr. LOGAN. I understand. But aside from that, we have the following situation: A few years ago there were sold to the citizens of our country literally billions of dollars of securities of foreign countries. They were sold under our laws existing at that time, and the purchasers of those securities have lost literally billions of dollars. The questions involved have not been settled. In many instances there has been no effort made to settle them. I want to know if the Government of the United States refuses to provide any instrumentality whereby those innocent victims may be entitled to a fair hearing on the part of someone in the Government who can give them some relief perhaps if the matter were intelligently handled.

Mr. BARKLEY. I will say to my colleague that it is not a question of the Government refusing to give any help to those who have in the years gone by invested in these bonds, many of them bogus and worthless. We have provided in the law which is being administered by the Securities and Exchange Commission that all future issues of these bonds that are attempted to be sold in the United States shall be registered with the Commission; that there shall be a disclosure of the conditions under which they are issued in order that the American investor may find out more than he ever could before with respect to the conditions of the government which issues them, if it happens to be a government, or of the private corporations, if they are private corporations, that issue these bonds for flotation or sale throughout the United States. But we have never yet been able to work out any plan, I will say to my colleague, by which we can anticipate the issue of bonds in any foreign country so as to control the conditions under which the legal instruments are drawn up in connection with those issues. All we have been able to do so far is to require that they be registered in a public place, which is the Commission, where they may be inspected by those who are interested in the investments.

Mr. LOGAN. Evidently our Government thought that something could be done to protect the holders of securities of governments, because when Mr. William O. Douglas was brought to Washington his first job was to investigate these committees and corporations that had set themselves up to represent the bondholders in the United States in negotiations with foreign governments. A state of affairs amounting, I might say, to a scandal was developed by Mr. Douglas' investigation. Nothing has been done about it. It was charged and it was developed that enormous fees were paid at the expense of the bondholders. It does seem to me that while we are dealing with legislation such as this there ought to be some provision that the poor neglected bondholders who were imposed upon should be protected by the Government of the United States against exploitation.

Mr. BARKLEY. I agree with the Senator as a matter of principle that we ought to go as far as we can to do that, but the provision which exempts these bonds from the provisions of these sections with respect to the formulation of the indenture is in the following language:

SEC. 304. (a) The provisions of sections 305, 306, 323, 324, and 325 of this title shall not apply to any of the following securities:

* * * * * * *

(6) any note, bond, debenture, or evidence of indebtedness issued or guaranteed for a foreign government or by a subdivision, department, municipality, agency, or instrumentality thereof.

So that the exemption from the provisions of the bill as pertaining to the formulation of the indenture applies to securities that are issued by the governments of foreign countries, or by any public subdivision thereof, and I do not know how we could write a law that would give Congress or the Commission any power to anticipate or supervise the writing of the obligations by which foreign governments promise to pay money to those who invest their money in their bonds.

Mr. LOGAN. I may say to my colleague that I agree with him, but that is not getting to the point. Some of these committees or corporations representing bondholders, or claiming to represent them, have negotiated settlements with foreign governments. The bondholders have had little to say in the matter at all. These committees, which charge

$100,000 or $1,000,000 to bring about a settlement, are subject to no control whatever, so I understand. I was just wondering if it were not possible to confer authority upon the Securities and Exchange Commission to see that the holders of foreign securities are not despoiled by those who are in it for their own selfish interests.

Mr. BARKLEY. I will say to the Senator that at the last session of Congress a bill was introduced in the House dealing separately with committees. The present bill does not attempt to deal exhaustively with the matter of appointing committees. The main object of this bill is to provide for writing an instrument, not only binding the issuer of the obligations but binding the trustee appointed under that issue, in order to protect the men and women of this country who are scattered all over the country, who invest their money, a thousand dollars or $10,000 or $25,000, and who have always been accustomed to look to the trustee for the protection of their interests; and that faith has not always been justified, as the investigation has amply demonstrated.

Mr. LOGAN. I understand you are trying to lock the door before the horse is stolen; but, even after he has been stolen, I wonder if there is not some obligation on the Government to help the holders of securities?

Mr. BARKLEY. Of course those holders of securities that have been purchased in the past can now form committees. They have the right to form their bondholders' committees, their protective committees, and do that now under the law, and they have the right to come into court to enforce their rights against the issuer. One of the difficulties has been the looseness with which the obligations and the duties of the trustees have been provided for in these indentures. This was a defect we are trying to correct here. It is a sort of process of locking the door before the horse is stolen; and my experience has always been, both personal and legislative, that there is not a great deal you can do about it after the horse is stolen.

Mr. LOGAN. You can get him back.

Mr. BARKLEY. Yes; you can go and find him and get him back. But to lock the door then is not a very adequate remedy.

Mr. LOGAN. I thank the Senator.

Mr. BARKLEY. But the subject that the Senator has brought into the discussion is one that is not dealt with in the pending bill for the reason that it does not undertake to deal with the creation of committees primarily. If it may be found possible to work out legislation that might more conclusively protect those who have heretofore invested their money in the foreign securities, just as in our own securities in this country where the door was locked also after the horse had been stolen, I would be profoundly in sympathy with such legislation, but the bill does not attempt to deal with it.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Kentucky yield to the Senator from Colorado?

Mr. BARKLEY. I yield.

Mr. ADAMS. If I understand the theory of the bill, the form of the indenture is not definitely described, but it is provided that unless the form of the indenture meets certain requirements, the securities issued under it may not go into interstate commerce. That is, the regulation of the form of the indenture is indirect. My suggestion following that of the Senator from Kentucky [Mr. LOGAN] is this: If the form of the indenture can be controlled by denying access to domestic bonds in interstate commerce, I know of no reason why we cannot say that a foreign bond shall not be permitted to enter the channels of commerce or go through the mails unless it was issued in a certain way. In other words, we have the same right to control the one as the other.

Mr. LOGAN. I think so. I do not think we should say that the trust indentures in this country should be subject to a certain law, but that the securities of foreign countries can come in here and be turned loose in any form they please.

Mr. ADAMS. All we do is to control the handling of bonds in interstate and foreign commerce. It seems to me we ought not to permit our channels of interstate and foreign commerce to be used for the transmission of foreign bonds which are far more deleterious and unsafe than those which have a domestic trustee.

Mr. LOGAN. I agree with the Senator heartily.

Mr. ADAMS. Mr. President, may I make one other statement?

Mr. BARKLEY. I yield.

Mr. ADAMS. The Senator from Kentucky made a statement which I do not think ought to stand entirely unchallenged, and that is that the trustees never know the contents or substance of the indenture. I do not know anything about the practice elsewhere than in the little locality where I have practiced, but I know from my own experience that when you seek to have a trustee accept an indenture, if you are compelled to submit your indenture to a trust company it is scrutinized by the attorneys for the trust company, who nearly always have insistence on certain provisions. I know nothing about New York, Chicago, or Kentucky, but I do know that in the western area there is a definite control by the trustee of the form of the indenture.

Mr. BARKLEY. I will say to the Senator from Colorado that I did not say that the trustee never sees the indenture. The Senator from Colorado misunderstood me. I said that in many cases, if not in most cases, the draftsmanship of the indenture is conducted by the issuer and the underwriter. That the trustee, of course, sees it when it is asked to become a trustee, and the trustee may look it over and make suggestions with reference to changes in it, but the experience of the past has been that in most cases where the trustee has done that the changes were designed to relieve the trustee in many cases from some of the duties which ought to be performed by the trustee. But if the Senator got the impression that I meant that trustees generally have been so negligent that they never even looked at these indentures, he got the wrong impression.

Mr. ADAMS. Then I misunderstood the statement of the Senator.

Mr. BARKLEY. I did not mean it at all in that sense.

Mr. KING. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. KING. With reference to the observations made by his colleague, it seems to me that there are many objections to attempting, certainly at this time, to legislate to cover the situations to which he refers. I wish to illustrate what I mean. A few years ago, right after the war, many of the cities of Germany, including the Reich itself, issued securities amounting to hundreds of millions, and even to several billions of marks. I know that a large number of German-Americans, sympathizing, as was proper, with their mother country, and desiring to help the rehabilitation of the country, purchased thousands and millions of those marks, marks that were issued by various cities and various provinces and by the German Government itself. They purchased them from Germany. They had friends and relatives in Germany, and they purchased through them the obligations of the cities and of the Reich, to which I have referred. Within the past few days I have received a number of communications from American citizens who had very great faith in Brazil a few years ago, and they purchased many of the bond issues or portions of the bond issues of São Paulo and many others of the Provinces of Brazil. They have written to me, and several of them came to see me personally, to inquire whether or not our Government had undertaken or would undertake to afford protection, because for some time they had not received the interest upon the bonds.

I do not see how we can protect against those instances, because usually the purchases were made in foreign countries through foreign interests. As stated by the Senator, in a number of instances the holders of bonds have formed committees; but they have been voluntary committees formed by the holders of the securities, and, of course, they have not been subject to the scrutiny or supervision of the Federal Government. It would be very difficult to meet that situation by legislation.

Mr. BARKLEY. Let me respond to that suggestion for just a moment. I agree with the Senator that it is utterly impossible for us to attempt to fix the terms under which foreign securities shall be issued. After they have been issued and are distributed among American citizens, all we can do is to authorize the security holders to take such steps as they may see fit to take in order to protect themselves. However, we cannot, by any legislation of our own, attack the validity of foreign obligations; especially the validity of foreign government obligations. Such an effort would lead us into complications which we have not yet seen fit to undertake, and which I doubt if we ought to undertake. What we are trying to do in the proposed legislation is to prescribe the conditions under which the bonds shall be issued and the long, legalistic documents written, under which trustees are appointed, so that the men and women of the country who go down into their pockets and invest their money in the bonds of such corporations will have all the protection which the law can throw around them, not only in the formation of the instrument, which they may never see—and in most cases can never see—but by putting additional obligations on the trustee, who is primarily the representative of the security holders and not the representative of the issuer or the underwriter. We have attempted to do what I have described.

The Senator from Colorado [Mr. ADAMS] suggested that we have undertaken in general terms to prescribe the conditions and terms of the debenture. Approximately 34 pages of the bill deal with what shall or shall not be contained in a debenture which is filed for qualification with the Securities and Exchange Commission by the company or institution desiring to issue the bond.

We give the Commission no power over the business of the company. We give the Commission no authority over the terms, the rate of interest, or the sinking fund. We give the Commission no authority whatever over the business features of the indenture and the obligations. The bill exempts issues of $1,000,000 or less from its provisions. We say: "If you are going to issue bonds to the extent of more than $1,000,000 under a debenture plan, the debentures shall contain the provisions that are set out as necessary in the bill now pending." Of the 34 pages, 26 could be lifted bodily and put into the indenture without any change, if those who are instrumental in its formation desire to do so.

I will say also that we must base this legislation upon the authority of Congress over the mails and over interstate commerce. All our legislation regulating the issue of securities is based upon the use of the instrumentalities of interstate commerce and the mails. That is our fundamental authority for dealing with the subject.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. Is it not true that the foreign government bonds spoken of are nearly all issued without any indenture at all, so that the bill never would affect in any way the issue of foreign government bonds?

Mr. BARKLEY. That is true. I stated practically the same thing. The large majority of them are issued without any indenture at all, so there would be no object in attempting to deal with that subject even if we had the power.

Mr. President, I am now attempting to make only a general statement with respect to the objectives of the bill. In studying the history of the debenture in this country it is amazing to realize how utterly helpless and hopeless those who invest their money in such bonds have been and now are with respect not only to knowing anything about the situation but with respect to having anything to do with it. The debenture and all its terms have been prepared and agreed upon, and the trustee has been appointed before the bonds are distributed to the public. If I, in my home in Kentucky, or if the Senator from Arkansas [Mr. MILLER] out in Little Rock, or if the Senator from Montana [Mr. WHEELER] out in Butte, Mont., desires to purchase $10,000 or $20,000 worth of the bonds which are being distributed by an underwriter, he has no voice in the selection of the trustee. He has no voice in the writing of the terms of the loan. Of course, it may be said that he can always refuse to invest his money in the bonds. That is undoubtedly true; but if everybody refused to invest his money in bonds because he had not had anything to do with the appointment of a trustee or the formation of a trust indenture, there would be much more complaint than there now is in this country to the effect that securities cannot be sold because of a lack of faith in the investors who purchase such securities.

Mr. President, some of the indentures have gone so far as not only to exculpate the trustee from responsibility for ordinary negligence but even to the extent of exculpating him from responsibility for willful misconduct in the management of the trust. The trouble has been that trustees have looked upon the relationship as a sort of glorified clerkship, in which they assume no obligation to keep in touch with the condition of affairs, or to notify the bondholders of the condition of affairs, or to advise them of approaching default in the payment of interest or principal. Even after default, in many cases they have been grossly negligent in notifying the bondholders.

Of course, a bondholder knows when he fails to receive an installment of interest on his money, and he may set in motion inquiries leading to the ascertainment of such information as he can obtain with respect to the cause and probable duration of the default. But the difficulty which surrounds bondholders scattered widely all over the United States, under the terms of the debentures, many of which are apparently designed to protect the trustee more than to protect the bondholders, has been that bondholders are not even furnished with a list of other bondholders so that they might get in communication with them in an effort to form committees or take other effective steps designed to protect their interests. In many cases the trustee himself—or itself, if it is an institution—does not possess a list of the bondholders; and the only reason a list of bondholders is now available at all in the hands of the issuer of the obligation is because of the internal-revenue laws of the United States, which require disclosure of payments of interest to bondholders, for purposes of income tax.

So, Mr. President, the bill undertakes to write into the law the minimum provisions thought necessary to protect the investors of the United States in the bonds of corporate institutions. In my judgment the bill will strengthen the confidence and faith of investors in the purchase of such securities. It will make them understand that a law has been passed, and that there is an agency of our Government which is designed to see to it that in order to issue bonds in the first place a copy of the debenture must be filed with the Commission in Washington. The debenture must comply with the minimum terms of the law which we are now trying to enact; and when the debenture has complied with the minimum requirements of the law which we are now considering, every investor, although he may not know the trustee, although he may never see the indenture, although he may not be familiar with the legal terminology of the indenture, may know that the Government of the United States, through its agency, has provided in advance for as large a modicum of protection to him as it is possible to frame at this time in the form of a statute. The bill makes it impossible for a trustee to agree to a trust under an indenture which relieves him from the responsibility for ordinary negligence.

This bill requires that such an indenture shall contain provisions making it mandatory that the trustee shall exercise the ordinary prudence that any other kind of fiduciary would exercise under similar circumstances in regard to the management of the trust. It requires that he give, upon request, to every bondholder in America a list of other bondholders, so that in case of any difficulty, in case of default, or in case the assets of the corporation are being or have been dissipated the bondholders may communicate one with another in the formation of protective committees looking toward the taking of legal steps which may be available to them in the protection of their interests.

The bill requires that the trustee shall do what he has not been in the habit of doing heretofore, that is, keep somewhat in touch with the concern which has issued the bonds, in order that he himself may be advised as to whether the terms of the indenture are being complied with or whether before default the bondholders are entitled to information that would enable them to take steps to protect themselves under the indenture.

We have all read of the recent case of McKesson & Robbins. The newspapers were full of it. It was a scandal in the financial circles of the United States. That case shows how important it is that the obligor be required to furnish to the trustee adequate evidence of its performance of its obligations under the indenture. The McKesson & Robbins Co. sold an issue of bonds in 1930, $16,000,000 of which are now outstanding. In the indenture the company agreed to maintain a certain current asset position and to furnish financial statements every year; but although three-quarters of the company's assets were represented by inventory and accounts receivable, the indenture did not require the accountants to make a simple "test check" of inventory and receivables.

Only last December a $20,000,000 shortage was discovered in those items, which would have been discovered years before if such a "test check" had been made. While the resulting loss will fall first on the stockholders, it is not yet certain whether the bondholders will not also sustain a loss.

Section 315 (d) of this bill——

Mr. TAFT. Mr. President——

Mr. BARKLEY. I will yield in a moment. Section 315 (d) would have authorized the highly reasonable requirement of a "test check" of inventory and receivables in such a situation.

I now yield to the Senator from Ohio.

Mr. TAFT. As I understand the case referred to by the Senator, there was the usual requirement of investigation by a certified public accountant. There is nothing in this bill that would require anything additional to what was required and was done by the accountants, who simply did not do the job they probably should have done. Is not that the fact?

Mr. BARKLEY. There is a provision in this bill that gives the Commission some supervision over the conduct of certified accountants and the type of experts who are required to do this work.

Mr. TAFT. The certified public accountants in this case were Price, Waterhouse & Co., who have a reputation of being among the best certified accountants in the United States.

Mr. BARKLEY. I have no information as to that. The Senator is probably correct as to the firm that did the work. But the passage of a law which would fix a more rigid responsibility upon the trustee and upon the obligor and even upon those who are selected to investigate and check up on the current financial situation of a concern, which is supposed to be a going concern, would undoubtedly result in a more desirable and concurrent body of information, so that if the trustee had occasion to advise the bondholders of conditions he would have certified information upon which to base his advice and his own comment.

Mr. ADAMS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Colorado?

Mr. BARKLEY. I yield.

Mr. ADAMS. Perhaps the question I had in mind was answered in the colloquy between the Senator from Ohio and the Senator from Kentucky. If so, I trust the Senator will pardon me for asking the question again. If the McKesson & Robbins situation had developed while such a bill which the Senator is now advocating had been in existence, would there have been a liability upon the part of the trustee for the loss suffered by the bondholders?

Mr. BARKLEY. There would not have been an automatic liability; or if the Commission had been negligent in the exercise of its discretion in determining upon the type of investigation and check-up and certified accountants, and certification was made, of course, the trustee would not be liable because of any failure to perform its duty by the Commission, which is given discretion in the bill to deal with and pass upon and supervise the type of expert investigation which shall be made in connection with these matters.

Mr. ADAMS. The Senator realizes what was in my mind, namely, a bank or a trust company acting as trustee. Such institutions have deposits, and they would have two obligations—one to their depositors and one to the holders of bonds. If there were default or some misconduct which affected the holders of the bonds, it might readily, if there were liability, react to the very serious damage of the depositors, might it not?

Mr. BARKLEY. That is possible.

Mr. ADAMS. May I ask one further question?

Mr. BARKLEY. Certainly.

Mr. ADAMS. In the State of Colorado we have by statute an official who is known as the public trustee. Indentures or deeds of trust may run to the public trustee whose duties are, in a measure, prescribed by statute. Would the provisions of the bill which is now before the Senate apply to a trust where the trustee is such a public official?

Mr. BARKLEY. It probably would where the issue is under a million dollars.

Mr. ADAMS. Does not the Senator mean where it is over a million dollars?

Mr. BARKLEY. No. The Senator is speaking now about a State officer created by the State of Colorado to deal with the local issue of securities in the State. Of course the authority of the trustee set up by the laws of the Senator's State, with which I do not happen to be familiar, I will say, might conceivably be extended to the point where he could exercise jurisdiction over an issue of bonds which might not be sold wholly within the State of Colorado but might be transmitted in the mails or through instruments of interstate commerce to purchasers of the bonds outside the State.

Mr. ADAMS. But the bill which is before us governs all trustees either corporate or private.

Mr. BARKLEY. It governs the trustees that are made trustees under indentures that have to be filed with the Commission under the form set out in the law.

Mr. ADAMS. I notice in the hearings a statement by one witness that if the bill were passed it might lead to an increase of what he designated as "private placements" as distinguished from regular trustees. I wondered what that signified.

Mr. BARKLEY. I think what that witness had in mind was the possible matter of cost of coming to Washington and filing applications. But the bill attempts to simplify and consolidate not only the filing of applications for qualification of the indentures but with the filing of the application a disclosure as to the bond issue itself; so that it can be a simultaneous transaction and, therefore, reduce to a minimum any additional cost that might be involved in the selling of the bonds under this indenture scheme.

Mr. ADAMS. But if a private individual were selected as a trustee as distinguished from a corporate trustee, it would make no difference in the application of the proposed law?

Mr. BARKLEY. Of course, this bill requires that at least one trustee of bonds and indentures issued under it shall be a corporate institution. There are some States that require personal trustees, and in those States the bill provides for an additional trustee, but there must be at least one corporate trusteeship under the bill as it is now being considered.

Mr. President, I might briefly refer to the risk of liability for the trustee. The bill will hold the trustee to the standard of ordinary prudence, but only in the period after default. Section 315 (c) is the one that provides for that. These sections are scattered throughout the bill, and I am not going to attempt to read them. Under section 315 (d) (1), before default the trustee is liable only for the performance of the specific duties set out in the indenture. Of course, there is a difference in the obligation that would devolve upon the trustee before default and after default, although there is a provision for a 4-month period prior to default in which certain obligations are incurred and certain funds are to be accounted for and set aside out of certain proceeds of the business

itself and other things set out in the proposed statute. There is, however, no reason why any competent trust institution should fear to act under one of these indentures, particularly in view of the safeguards provided by section 315 (d) and 315 (e). This is the view of the American Bankers' Association's special committee and of the F. D. I. C., which insures practically all these banks.

Under section 315 (d) the trustee is protected for action taken in reliance on proper certificates or opinions, or at the direction of the holders of not less than a majority in the principal amount of the outstanding bonds, and it is also protected for errors in judgment made in good faith after reasonable investigation.

Section 315 (e) protects the trustee against the risks of groundless lawsuits by irresponsible parties. Under this section such parties may be required to file an undertaking to pay the reasonable costs of the suit, including reasonable attorneys' fees.

Mr. President, in conclusion I wish to say that in the formulation of this legislation, not only by the Securities and Exchange Commission but by the Committee on Banking and Currency and by all those who have had anything to do with it, an effort has been made to accommodate the legislation to the necessities that required its introduction. In the formulation of the bill the Commission and the committee have had the advice and the cooperation of the American Bankers' Association through its trust committee, and although that committee did not unanimously agree that the bill was workable, and livable, and refrain from registering objection to it, a majority of the members of the trust committee of the American Bankers' Association have expressed their belief that the bill is workable and livable, and have stated that they have no opposition to it. In the hearings and in all the consultations we have had the invaluable advice and cooperation of those in the American Bankers' Association who have been charged by it with the duty of considering not only legislation of this type but the practices of bankers in dealing with trusteeships. While the American Bankers' Association did not initially sponsor the legislation, while they did not inaugurate the proceedings which have resulted in it, they are not opposed to it, and it is their official opinion, if I may say so, that the bill is workable and reasonable, and that they will not and do not oppose its enactment.

Mr. WAGNER. And livable.

Mr. BARKLEY. And livable. They use the word "livable." Any law that is livable in these days of complexity has something to be said in its favor.

We also have had the cooperation of the American Association of Savings Banks, representing the investor; and we have also consulted with the Investment Bankers' Association, although up to date the Investment Bankers' Association have not brought themselves to a position where they either agree to the bill or withdraw opposition to it. But, Mr. President, I can very well understand why there would be opposition to legislation of this sort among those whom it affects. There was opposition among the railroads to the passage of the act to regulate commerce in 1887. There was opposition among the great packing institutions to the passage of the stockyards law and the Meat Inspection Act more than a quarter of a century ago. There was opposition among many of the bankers of our country to the creation of the Federal Reserve System. It was a natural opposition, because many of those who deal in these matters have a conservative turn of mind based upon their conservative experience. But I dare say that among those who opposed the act to regulate commerce, those who opposed the Food and Drug Act, those who opposed the Meat Inspection Act, those who opposed the Stockyards Act, those who opposed the Federal Reserve Act, there would not be found today one who would be willing to take the responsibility of advocating the repeal or abrogation of these regulatory statutes.

It may be a source of regret that we have to indulge in legislation of this sort. It would be a happy situation if our economic and financial and moral conditions were such that all men recognized the legal and moral rights of every other man so that in real truth Jefferson's aphorism that "that government is best which governs least"—a sentence taken out of 12 volumes of letters and writings of the author of the Declaration of Independence—might be fulfilled.

But in the complexity with which we are surrounded, in the acute interchange among all our people of their economic and social and moral and financial relationships, we cannot hope to return to or attain such a degree of perfection among the people of the world that we can say it is not the duty of Government now and then to inject itself into the regulation of these matters which involve the welfare and the happiness and the prosperity of the people.

All we have tried to do in the pending bill is to protect the investor; and, after all, he is entitled to more consideration than he has been receiving. If I own a corporation and I want to borrow money and I issue bonds and distribute them among innocent persons scattered all over the Nation, certainly our Government owes a prime obligation to the innocent investors to surround them with all the protection that is wise and proper and possible within our jurisdictional limitations.

There is in the pending bill nothing that is unfair to any corporation which issues bonds. There is in it nothing that is unfair to any trustee who accepts responsibility under trust indentures. Going from one end of the bill to the other, there is the thread of granting adequate protection also to the third party to the transaction, who, after all, furnishes the money which enables the corporation to issue its bonds and continue in business; and that is the investor, the man or the woman who purchases bonds with money that he or she has earned in the sweat of the brow and by the exercise of wisdom in the accumulation and saving of earnings.

I am sorry to have consumed so much time in this general statement; but I felt that the importance of the subject warranted it. I shall now be satisfied to yield the floor; and if there are any other questions on the part of any Senator with respect to the provisions of the bill which I can answer, I shall be glad to do so.

TAX-EXEMPT SECURITIES

Mr. LEE obtained the floor.

Mr. HILL. Mr. President, will the Senator from Oklahoma yield to me?

Mr. LEE. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TRUMAN in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Reynolds
Andrews	Downey	La Follette	Russell
Ashurst	Ellender	Lee	Schwartz
Austin	Frazier	Lodge	Schwellenbach
Bailey	George	Logan	Sheppard
Bankhead	Gerry	Lucas	Shipstead
Barbour	Gibson	Lundeen	Slattery
Barkley	Gillette	McCarran	Smith
Bilbo	Glass	McKellar	Taft
Bone	Green	McNary	Thomas, Okla.
Borah	Guffey	Maloney	Thomas, Utah
Bulow	Gurney	Miller	Tobey
Burke	Hale	Minton	Townsend
Byrd	Harrison	Murray	Truman
Byrnes	Hatch	Neely	Tydings
Capper	Hayden	Norris	Vandenberg
Caraway	Hill	Nye	Wagner
Chavez	Holman	O'Mahoney	Walsh
Clark, Idaho	Holt	Overton	Wheeler
Clark, Mo.	Hughes	Pepper	White
Connally	Johnson, Calif.	Pittman	Wiley
Danaher	Johnson, Colo.	Reed	

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

Mr. LEE. Mr. President, at this time, while we are considering legislation to provide for the regulation and sale of certain securities, I believe it is appropriate that we consider the termination of the issuance of tax-exempt bonds.

In my campaign I announced my opposition to tax-exempt bonds. My position was printed in my campaign literature,

and I denounced the special privilege of tax exemption from every platform in the State.

In my opinion, the mere fact that a person derives his income by clipping coupons from Government bonds is no reason for exempting that person from paying income taxes. The people themselves said so when they passed the sixteenth amendment, which authorized Congress "to lay and collect taxes on incomes, from whatever source derived."

But judicial interpretation has thwarted the will of the people by reading into that amendment tax immunity.

However, today we not only have a President who believes that Congress has authority "to lay and collect taxes on incomes from whatever source derived" but it is beginning to look as if we have a Supreme Court that might likewise agree with the simple language of the amendment.

On April 25, 1938, President Roosevelt sent a message to Congress asking for legislation that would put an end to tax exemption. When I heard that message read to the Senate I could scarcely refrain from shouting my approval. Other Presidents had spoken against tax exemption, but this President was going to do something about it. I now quote in part from that message:

> Whatever advantages this reciprocal immunity may have had in the early days of this Nation have long ago disappeared. Today it has created a vast reservoir of tax-exempt securities in the hands of the very persons who equitably should not be relieved of taxes on their incomes. * * *
>
> Both the States and the Nation are deprived of revenues which could be raised from those best able to supply them.

Later in the message the President said:

> Tax exemptions through the ownership of Government securities of many kinds—Federal, State, and local—have operated against the fair or effective collection of progressive surtaxes. Indeed, I think it is fair to say that these exemptions have violated the spirit of the tax law itself by actually giving a greater advantage to those with large incomes than to those with small incomes.

Then later the President said:

> I therefore recommend to the Congress that effective action be promptly taken to terminate these tax exemptions for the future. The legislation should confer the same powers on the States with respect to the taxation of Federal bonds hereafter issued as is granted to the Federal Government with respect to State and municipal bonds hereafter issued.

Mr. President, as stated at the outset, this was one of the planks in my platform, and, naturally, I am for it. Furthermore, I am convinced that the great majority of the people of Oklahoma are for it. But I regret to say that Mr. Phillips, the Governor of my State, favors tax-exempt bonds and has used his office as Governor to oppose any effort on the part of the Federal Government to tax the income derived from State and local bonds.

Not only did Governor Phillips send protests to the Oklahoma delegation by letter and telegram, but he also sent the attorney general of Oklahoma to Washington to appear before the special committee of the Senate in official protest against President Roosevelt's efforts to put an end to the special privilege of tax exemption. His statement appears on page 446 of the hearings before the Special Committee on Taxation of Governmental Securities and Salaries.

On March 31, 1939, I received a telegram of protest from Governor Phillips, and on the same day an article appeared in the Oklahoma City Times under the headline, "New Deal Tax Plan Hit by State Officials," in which the Governor was reported as vigorously opposing the efforts of the Federal Government to end tax exemption.

Mr. President, I ask permission to have printed in the RECORD at this point as a part of my remarks the telegram and the news item referred to.

The PRESIDING OFFICER. Is there objection?

There being no objection, the telegram and item were ordered to be printed in the RECORD, as follows:

OKLAHOMA CITY, OKLA., *March 31, 1939.*

Senator JOSH LEE,
Senate Office Building:

We hear in Oklahoma there is another threat to revive in the Senate the Federal taxation of State securities. My letter to you of January 16 was in hope that you would join in opposition to this move. I concur wholeheartedly in the letter sent by air mail today by Attorney General Williamson. Do not think he has made his letter strong enough. It affects every county in the State, every school district, and every city and town. It is vital now when we are attempting to fund the deficit caused by extravagant overspending and to generally lower the cost of government to the people. We hope you will join us to resist this in order to lower the cost of government.

LEON C. PHILLIPS,
Governor of Oklahoma.

[From the Oklahoma City Times of March 31, 1939]

NEW DEAL TAX PLAN HIT BY STATE OFFICIALS—PHILLIPS, WILLIAMSON JOIN IN CRITICISM OF GOVERNMENT LEVY

Governor Phillips and Mac Q. Williamson, attorney general, Friday sent protests to Oklahoma's United States Senators against predicted Federal taxation of State and local government incomes, and then joined in the hottest attack on New Deal policies to issue from the statehouse since President Roosevelt took office.

Phillips said a Federal levy on the revenues of cities, towns, school districts and States, which is now being contemplated in the United States Senate, would "wreck every county government in Oklahoma."

"If Oklahoma City has to pay a tax on its water and police revenues, that overthrows my idea of government," he continued.

POLITICAL REVOLUTION FORECAST

"Local self government will be gone, and regimentation started. It can lead to a political revolution—not with guns maybe—but a break-down of our theory of government."

Williamson, who sat in on the Governor's press conference, chimed in with the observation that such a Federal tax would lead "to the overthrow of any party sanctioning it."

The Governor and the attorney general both mentioned President Roosevelt directly, recalling his message to Congress "attacking tax-exempt bond buyers and holders."

CHANGED BOND PRICES SEEN

They pointed out that even the anticipation of a Federal tax on the income from State, city, and school-district bonds would render the bond market uneasy and make it difficult for the State to sell its new $18,000,000 deficit funding bond issue.

"It will change the price of those bonds if such legislation is talked of, let alone passed," the Governor said.

Williamson addressed letters to JOSH LEE and ELMER THOMAS, the two Senators, declaring it is "axiomatic" that the buyers of State and local government bonds will pass on the Federal tax to the people—by demanding a higher rate of interest on the bonds.

Phillips backed him up with telegrams to the Senators in which he said the attorney general had not made it strong enough.

NEW DEAL RAPPED

"It is vital now when we are attempting to fund the deficit caused by extravagant overspending, and generally to lower the cost of government to the people," the Governor said, "We hope you will join us to resist this in order to lower the cost of government."

Williamson, ordinarily cautious in his public statements, abandoned his mild manner in commenting on the United States Supreme Court's decision last Monday that Federal and State Governments can levy a tax on the incomes of each other's employees.

"The Supreme Court is adopting the theories of the New Deal bright young swivel-chair boys," he said. Asked if that was "on the record," he and the Governor chorused, "Yes, sir."

Both said that as far as the Supreme Court went in its decision, they weren't concerned with the levying of taxes on State employees.

"It is the trend that is significant," Williamson said.

"That is just sugar-coating to cover up the bitter bill," the Governor said. "If they can tax State employees 5 percent, they can tax them 50 percent. They can tax the Blackwell power plant, the Oklahoma City water-plant revenues."

Mr. LEE. Mr. President, I wish to repeat that I am not speaking for myself alone when I announce my own hearty approval of President Roosevelt's effort to end tax exemption, for I am confident that the people of my State are also with him in that effort.

Those who favor tax exemption would make it appear that if a person who derives his income from interest on State bonds is required to pay an income tax on that income just as any other person must pay, such a levy would be a tax upon the State itself. That is, of course, the old stock argument of those who benefit by such exemptions.

On that point, the quarrel is with the Supreme Court. I quote from its recent decision dealing with taxation of Government salaries, in which Justice Stone, speaking for the majority, said:

> The theory, which once won a qualified approval, that a tax on income is legally or economically a tax on its source, is no longer

Although that case decided the question of income tax with respect to salaries, yet the fundamental principle of taxation seems to apply with equal force to the question of taxing income derived from Government bonds.

I quote more fully from the opinion of Justice Stone on the point that taxation of income is not taxation on its source:

> The present tax is a nondiscriminatory tax on income applied to salaries at a specified rate. It is not in form or substance a tax upon the Home Owners' Loan Corporation or its property or income, nor is it paid by the Corporation or the Government from their funds. It is laid upon income which becomes the property of the taxpayer when received as compensation for his services; and the tax laid upon the privilege of receiving it is paid from his private funds and not from the funds of the Government, either directly or indirectly. The theory, which once won a qualified approval, that a tax on income is legally or economically a tax on its source, is no longer tenable.

This would seem to indicate that the Supreme Court is ready to interpret the sixteenth amendment to mean that Congress has power to lay and collect a tax on a person's income, even though it is derived from State and local bonds.

However, I believe that Congress should not wait for judicial interpretation to remove this tax inequity; but, in accordance with the President's request, I believe we should pass legislation with this purpose in view.

Mr. MILLER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Arkansas?

Mr. MILLER. Merely for the purpose of clarification, I should like to say that the Special Committee on Taxation of Governmental Securities and Salaries has, as the Senator knows, conducted rather extensive hearings on the economic questions as well as the legal questions which are involved. That committee has not as yet made a full report to the Senate. It will do so next week. The committee, however, reported to the Senate as to the legality, the right of the Congress to enact legislation taxing salaries. That report was made in advance of the Supreme Court decision. The committee has not determined whether or not, in its opinion, the Congress has a right to tax the income from bonds issued by States and municipalities, and, likewise, to give to States the reciprocal right to tax income from Government securities.

We have not reached a determination of the legal right of the Congress in that respect. Some Senators, members of the committee, are of the opinion that a constitutional amendment will be required in order to effectuate such a plan. Other Senators of probably equal ability are not of that opinion. I am advised that the committee will report to the Senate next week, and then it is the purpose of the committee to give to the Senate the benefit of its hearings and studies.

I wish to say to the Senator from Oklahoma that the Congress will have before it all the information which I believe is available on the question, both on the economic side of the question and its legal side. I agree with what the Senator has said. I am one of those who agree that we should not continue to provide storm cellars for the protection of any class of citizens; that all ought to bear their just proportion of the expenses of government.

Mr. LEE. I thank the Senator for that information and for his contribution to my statement. I wish to say in line with what the Senator has just stated that unless a bill originates in the House which has for its purpose removing the tax exemption on income derived from bonds, I shall join with other Members of this body in attaching such an amendment to the next revenue bill that comes over from the House.

Mr. President, in the United States today $50,000,000,000 are invested in tax-exempt bonds, some partially and some wholly exempt. Those who own these bonds are excused, according to the exemptions, from paying taxes on the income derived from them. Other people must bear the burden which the owners of these tax-exempt securities escape. Therefore, this extra burden of taxation is borne by those who are too poor to purchase bonds.

Tax exemption is a special privilege enjoyed only by the rich. The poor are not able to buy bonds and the middle class are not able to buy enough for the exemption privilege to benefit them. Therefore, only those with large incomes are able to salt away a strongbox full of these tax-exempt securities.

Furthermore, the larger the income the greater the benefit from tax exemption, because those whose incomes are in the upper brackets must otherwise pay heavy surtaxes. Hence, the exemption privilege means more to them than it does to those whose incomes are in the lower brackets where the taxes are not so high.

For example, a man with an income of $500,000 would realize more from a tax-exempt bond bearing 3 percent interest than he would from a taxable bond bearing 10 percent interest. In other words, the exemption privilege is worth more to him than 7 percent in interest; whereas, to a man with an income of $5,000, the exemption privilege is worth only two-tenths of 1 percent in interest.

Therefore, I repeat that tax exemption is a special privilege enjoyed by a special class.

If a person has an income from renting a building, practicing law, teaching school, running a store, or working in a shop, or any other occupation, he must pay income taxes both to the State and Federal Governments, but if he has an income derived from the interest on tax-exempt Government bonds, he is excused from paying taxes on that income, yet there are those who favor the continuation of this tax-exemption privilege.

If a married storekeeper living in Oklahoma has an income of $5,000, he must pay income taxes amounting to $146.22, but if his neighbor has an income of $5,000 from the interest on tax-exempt bonds, he is excused from paying any income taxes whatever on that income.

Then, again, if a married man living in Oklahoma, after paying property taxes and paving taxes, has an income of $10,000 derived from renting his own property, he must pay income taxes amounting to $737.85; but if his neighbor has an income of $10,000 derived from the interest on tax-exempt bonds, he is excused from paying any income taxes whatever on that income.

Then, again, if a married man living in Oklahoma has an income of $50,000 derived from the oil business, he would be required to pay income taxes amounting to $11,132.41; whereas if his neighbor has an income of $50,000 derived from tax-exempt Government bonds, he would be excused from paying any income taxes whatever on that income.

Then, again, if a poor farmer does not make enough to pay his property taxes, his farm is sold from under him; but if a rich man has an income of $1,000,000 derived from tax-exempt bonds, he is not required to pay one thin dime of taxes on that income.

Such favoritism is not only unfair and unjust, but it is economically unsound.

The Government is losing millions in revenue because of these tax exemptions. By taxing incomes which are now exempt, the Government will gain much more in revenues than it will lose on account of increased costs, but, of course, those who favor tax exemption argue that if you do not exempt the bonds from taxation, you must pay higher interest rates in order to sell them and that this increased cost offsets the gain in revenue.

But that is not true because only those with large incomes are able to purchase bonds, and these large incomes are subject to heavy surtaxes which would return much more in revenues than the additional interest would cost. Mr. Hanes, Assistant Secretary of the Treasury, reports that it would not be necessary to increase the interest rate more than one-half of 1 percent at the most and perhaps as low as one-fourth of 1 percent.

Therefore, I repeat, the Government loses much more in revenue than it gains in lower interest rates.

Of course, the savings in revenue would differ according to the tax laws of the different States, and also according

to the amount of the income of the purchaser, but let us take a specific example.

Suppose a school district in Oklahoma issues $1,000,000 worth of bonds bearing 3 percent interest, and suppose the entire issue is purchased by a man having an income of $500,000. If the bonds are tax exempt, the Government loses each year in income taxes $21,197.77; whereas, if the bonds were taxable, the increased cost in interest charges would average only $3,750 a year, according to the estimates of the Treasury Department. The difference between $21,197.77, which would be the loss in revenue if the bonds were tax exempt, and $3,750, which would be the increased cost if the bonds were not tax-exempt, is $17,447.77.

In other words, the net loss in revenue on that $1,000,000 issue of tax-exempt bonds is $17,447.77 each year. Then suppose these bonds were issued for 20 years. The total amount of net loss in revenue on that $1,000,000 issue of tax-exempt bonds would be $348,955.40.

For that amount many school bells could be kept ringing, and remember that figure represents the savings on only $1,000,000 worth of tax-exempt bonds; whereas, altogether there are $50,000,000,000 worth of tax-exempt bonds in the United States today.

We could do much for the school boys and girls with the revenue the Government is now losing on account of tax exemptions. In fact, President Roosevelt's entire humanitarian program is lagging for the want of revenue with which to carry it forward.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. HUGHES. I understood the Senator to say that we were losing revenues which would be of help to the schools, and that schoolboys and schoolgirls are kept out of schools on account of that loss of revenue. Is the Senator speaking of the Government tax or the school tax or the State tax?

Mr. LEE. I am speaking of both. There are 25 States that do not tax their own local or State bonds, and they would benefit by the taxation and increase their own revenue. And then the Federal tax would apply to State and local bonds as well as Federal bonds.

Mr. HUGHES. Is it the Senator's idea that any of those States would tax their own school bonds?

Mr. LEE. Some States—in fact, nine States—do so today.

Mr. HUGHES. Tax school bonds?

Mr. LEE. Yes; tax their school and local bonds.

Mr. MILLER. Mr. President, will the Senator yield further?

The PRESIDING OFFICER (Mr. SCHWARTZ in the chair). Does the Senator from Oklahoma yield to the Senator from Arkansas?

Mr. LEE. I yield.

Mr. MILLER. In connection with the statement made by the Senator a while ago with reference to the attitude of the Governor of Oklahoma and others, the Governor of Arkansas has also taken the same attitude with reference to the taxation of governmental securities. I wonder if the Senator would mind putting in the RECORD as a part of his remarks the table appearing on page 625 of the hearings conducted by the Special Committee on Taxation of Governmental Securities and Salaries, which shows conclusively to my mind, and I think to the mind of any disinterested person, that the fears expressed by the Governors of the various States and by mayors of various cities of our country against the exercise of the reciprocal taxation right are not well founded. The table, apparently authentic, to my mind contains absolute proof that such fears are not well founded.

Mr. LEE. I shall be glad to include the table referred to as a part of my remarks, and I ask leave to have it printed in the RECORD immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. LEE. In conclusion, Mr. President, I spoke of the revenue which the Government is losing. That revenue applies to States as well as to the Federal Government, because 25 States exempt State and local bonds from taxation. As I have just pointed out, the loss in revenue is much greater than the additional cost represented by an increased interest charge. As pointed out, estimated, and reported by the Treasury Department, the increase in cost of financing would amount, at the most, to one-half of 1 percent interest; and it is estimated that perhaps it would not be necessary to increase the cost more than one-quarter of 1 percent. Those in the surtax income brackets are particularly interested, because surtaxes are applied to larger incomes, and only those with larger incomes are able to buy bonds to any great extent. Their incomes are pushed up into the surtax brackets, but, because of the tax-exemption feature, the State, and the Federal Government lose the income derived from such securities. If we had the income which the Government is now losing, we could carry forward much of the program which is now falling behind. So far the Federal Government has been unable to pay an adequate old-age annuity to the old people for want of revenue. We have not been able to pay the farmers parity payments for want of revenue; and yet those best able to pay taxes are not paying them because of tax exemptions. I am opposed to tax exemptions, because they constitute a special privilege to a special class; and a special privilege is undemocratic, un-American, and unfair. It is unfair to other Americans to grant to certain classes special privileges which others cannot enjoy because of low income. Therefore, I believe we should proceed at once to put an end to tax exemption, in order that we may increase the Government's revenues and at the same time distribute the burdens of taxation according to the ability to pay. Think of the inconsistency of turning unemployed people off the relief rolls with $50,000,000,000 of tax-exempt bonds in the United States.

EXHIBIT A

TABLE I.—*Comparison of the differential in yield between high-grade corporate and municipal bonds and the maximum rate of the Federal individual income tax, 1900–1938*

[Percent—annual averages for yields]

Year	High-grade corporate bonds [1]	Municipal bonds [2]	Differential	Maximum Federal individual income tax
1900	4.05	3.12	0.93	----------
1901	3.90	3.13	.77	----------
1902	3.86	3.20	.66	----------
1903	4.07	3.38	.69	----------
1904	4.03	3.45	.58	----------
1905	3.89	3.40	.49	----------
1906	3.99	3.57	.42	----------
1907	4.27	3.86	.41	----------
1908	4.22	3.93	.29	----------
1909	4.06	3.78	.28	----------
1910	4.16	3.97	.19	----------
1911	4.17	3.98	.19	----------
1912	4.21	4.02	.19	----------
1913	4.42	4.22	.20	7
1914	4.46	4.12	.34	7
1915	4.64	4.16	.48	7
1916	4.49	3.94	.55	15
1917	4.79	4.20	.60	67
1918	5.20	4.50	.70	77
1919	5.29	4.46	.83	73
1920	5.79	4.98	.81	73
1921	5.57	5.09	.48	73
1922	4.85	4.23	.62	58
1923	4.98	4.25	.73	58
1924	4.78	4.20	.58	46
1925	4.67	4.09	.58	25
1926	4.51	4.08	.43	25
1927	4.31	3.98	.33	25
1928	4.34	4.05	.29	25
1929	4.60	4.27	.33	24
1930	[3] 4.55	4.07	[3] .48	25
1931	4.58	4.01	.57	25
1932	5.01	4.65	.36	63
1933	4.49	4.71	−.22	63
1934	4.00	4.03	−.03	63
1935	3.60	3.41	.19	63
1936	3.24	3.07	.17	79
1937	3.26	3.10	.16	79
1938	3.19	2.91	.28	79

[1] Yields from 1900 through 1929 are those reported by Standard Statistics Co. for 15 high-grade railroad bonds. Yields from 1930 through 1938 are those reported by Moody's Investors Service for high-grade corporate (Aaa) bonds.

[2] Yields are as reported by Standard Statistics Co.

[3] Standard Statistics Co. index of yields of high-grade railroad bonds was 4.39 percent for 1930, and the differential based upon this index, 0.32 percent.

Source: Treasury Department, Division of Research and Statistics.

REGULATION OF TRUST INDENTURES, ETC.

The Senate resumed the consideration of the bill (S. 2065) to provide for the regulation of the sale of certain securities in interstate and foreign commerce and through the mails, and the regulation of the trust indentures under which the same are issued, and for other purposes.

Mr. TAFT obtained the floor.

Mr. AUSTIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Reynolds
Andrews	Downey	La Follette	Russell
Ashurst	Ellender	Lee	Schwartz
Austin	Frazier	Lodge	Schwellenbach
Bailey	George	Logan	Sheppard
Bankhead	Gerry	Lucas	Shipstead
Barbour	Gibson	Lundeen	Slattery
Barkley	Gillette	McCarran	Smith
Bilbo	Glass	McKellar	Taft
Bone	Green	McNary	Thomas, Okla.
Borah	Guffey	Maloney	Thomas, Utah
Bulow	Gurney	Miller	Tobey
Burke	Hale	Minton	Townsend
Byrd	Harrison	Murray	Truman
Byrnes	Hatch	Neely	Tydings
Capper	Hayden	Norris	Vandenberg
Caraway	Hill	Nye	Wagner
Chavez	Holman	O'Mahoney	Walsh
Clark, Idaho	Holt	Overton	Wheeler
Clark, Mo.	Hughes	Pepper	White
Connally	Johnson, Calif.	Pittman	Wiley
Danaher	Johnson, Colo.	Reed	

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

Mr. TAFT. Mr. President, I wish to speak briefly in opposition to Senate bill 2065, introduced by the Senator from Kentucky [Mr. BARKLEY], and providing for the regulation of trust indentures. The subject is a complicated one. There are 62 pages of language in the bill, which it is practically impossible to understand without almost a month's study; but in substance the bill regulates certain features of trust indentures and gives the Securities and Exchange Commission certain discretion to regulate other features of trust indentures. Trust indentures, of course, are the documents, the mortgages, in effect, which are made, usually by corporations, to secure the bonds which they issue. Bonds and notes may be issued without indentures, and such instruments would not be affected in any way by the bill.

The measure under consideration proposes that certain features of the indentures shall be strictly in accordance with the proposed act, and in four or five other respects it gives discretion to the S. E. C. to establish what shall be included. The bill makes a substantial extension in principle of any legislation now in existence regulating the sale of securities.

The existing S. E. C. Act is based on the theory of full disclosure. It provides that all facts relating to any security issue shall be filed with the Commission and shall be made perfectly apparent to anyone who wants to look at them. The trust indentures themselves must be filed with the Commission so that anybody before he buys securities may ascertain what is in the indentures and may then determine whether he wants to buy the securities. But this measure goes further. It provides what shall be in such trust indentures.

In many respects the provisions of the trust indentures guide and affect the whole provisions of the bonds themselves. In principle I can see no difference between regulating trust indentures and giving the S. E. C. power to regulate the rate of interest that may be placed in bonds or the length of the term or the call price or any other feature of the deal, for many of the indenture provisions are just as much features of the deal as is the rate of interest. In fact, it may be said that under the bill the S. E. C. can say to a corporation, "You cannot sell a 4-percent bond because we think, as a matter of fact, anybody who is willing to buy your bonds ought to get 5 percent." In other words, this is an extension beyond anything Congress has done along this line; it is a further extension of Government regulation of the sale of securities. I do not think this is a time when we ought to take that additional step; indeed, I doubt very much whether we ever ought to take it. I was strongly in favor of the original S. E. C. act and I believe that full disclosure is a principle to which we should adhere. I do not believe we ought to go beyond that point.

There is a theory that the investor cannot read a trust indenture. The Senator from Kentucky says that frequently it is hidden away in 200 pages. That is entirely true, and no investor is ever going to read a trust indenture, and no investor is ever going to read a registration statement filed with the Securities and Exchange Commission. Here [exhibiting] is a typical registration statement filed with relation to securities issued by the Gruen Watch Co., which I think probably contains approximately 150 pages.

The truth is that we cannot hope to secure such information for the buyer of every security that he will know exactly what he is purchasing. Any man who buys securities is bound to rely on the advice of someone else. There are experts who give such advice. They can examine the trust indentures and examine the registration statements, and there is nothing we can do that is ever going to protect an investor who gets a bad adviser. If he gets a bad adviser, he is likely to get a bad security.

The theory that we can protect a man against his own stupidity, that we can protect him against his unwillingness to look into the facts of the case, is, I think, untenable. It is beyond, certainly, the power of the Senate of the United States or the other House of Congress or anyone else to provide such protection. All we can do is to see that there is no fraud; that there is no concealment of facts; that there is no deliberate misrepresentation. We can make certain that the facts shall remain available; that those who desire the facts and want to act on them shall have the facts so that they may digest them or may get someone else to go through and digest them and give them advice.

I believe, therefore, Mr. President, that we should not take this additional step of undertaking to regulate private business transactions and say what shall be and what shall not be in a trust indenture, which is a contract between the bondholders and the trustee and the company that issues the bonds.

What does this bill mean in practical results? There is only one objection to the S. E. C., and that is that it has increased the expense and difficulty of issuing securities. In order to prevent fraud, I believe that is justified; but certainly there is no question that the expense involved in hiring lawyers to go through the Securities and Exchange Act, to prepare a registration statement of the kind I have indicated, to employ accountants, experts, and engineers to prepare the necessary certificate—involves a substantial additional outlay.

We had testimony before the committee that if any company wanted to issue less than a million dollars of securities it would hardly be worth the trouble and hardly worth the expense, and they had better raise the money in some other way. In the case of the issuance of securities representing over a million dollars, the expense becomes of rather minor importance compared to the amount involved; but there is that disadvantage even with the S. E. C. When it comes to an indenture, more expense is involved, for it is necessary to prepare an indenture, which is quite a task in itself; it is necessary to agree with the attorney of the trustee; to agree with the attorney of the underwriter; and then to come to Washington and sit down with an attorney from the S. E. C., go over with him a 200-page document, and spend probably a week in Washington talking to some young attorney of the S. E. C. I think the S. E. C. will probably have to add 10 or a dozen attorneys to its staff just to handle this kind of work. That means more delay, more expense, and more discretion in the Securities and Exchange Commission. I do not believe the importance of the subject justifies such an additional burden on the ordinary sale of securities, and the attempt to develop more business.

Mr. LODGE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Massachusetts?

Mr. TAFT. Certainly.

Mr. LODGE. Is it also true that the bill will tend to centralize in New York City the business of trust indentures?

Mr. TAFT. I think it is. I shall come to that subject a little later, if the Senator is willing to wait for a moment.

Of course, I am not particularly concerned with the trustees. A trustee is able to look after himself. It is true that he has inserted in a number of trust indentures provisions protecting himself against liability and making the trustee in a way a kind of clerical representative of the bondholders. I am concerned, however, with the persons who are trying to sell securities in the United States. After all, these are all three-cornered deals. Every time a trust indenture is executed we have the company that wants to borrow the money, we have an underwriter or an investment banker, and then, as a third party, we have a trustee. This bill is directed altogether at the provisions of the trust indenture that govern the trustee. I think a good many of the clauses of trust indentures could well be improved; but I do not believe the importance of the subject justifies the additional burden on the man who wants to borrow money, the additional burden on the free sale of securities at a time when we should be encouraging the investment of money in private enterprise. The only way in which we shall ever get back to a normal condition of prosperity is to try to get people to put their money into corporate securities in a way which will gradually lead to building up business and gradually bring about more employment.

The Senator from Kentucky did not exactly say, I think, that the pending bill was sponsored by the American Bankers' Association, but he implied that that association almost sponsored it. In the first place, the American Bankers' Association represents the trustees, and I have not very much concern as to what may happen to the trustees; but, as a matter of fact, I should like to read the statement of the representative of the American Bankers' Association when he appeared before our committee in support of this bill. Mr. Page testified as follows:

> As I stated in my testimony on the bill in the previous session of Congress, trust institutions do not welcome Federal regulatory legislation of this type. The American Bankers' Association does not believe that the bill is necessary. It would have preferred to continue its efforts to bring about a satisfactory system of voluntary control, similar to that now in use in connection with personal trusts, and throughout the committee's discussion of the subject I have so indicated to the Securities and Exchange Commission. In substance, the American Bankers' Association does not desire to appear to favor nor to oppose the passage of the bill.

What happened was that a very much more drastic bill on the subject was introduced several years ago, a bill so drastic that the trustees felt that no trustee could ever accept a corporate trust if its provisions went into effect. So they went to the Securities and Exchange Commission and said, "Let us help ameliorate this bill," and they did so, on condition that if their views were reasonably met they would not oppose the passage of the bill. As a matter of fact, every banker who appeared before us, with the exception of Mr. Page, I think, opposed the bill very strenuously, and particularly all the bankers from the smaller cities of the country, because they all felt that the provisions which required complete divorcement of the trustee from any connection with the company in any way would prevent banks in the smaller cities from ever acting as trustee, and therefore the bill would drive these trusts to the big institutions in New York. At this point I answer the question of the Senator from Massachusetts [Mr. LODGE] by saying "yes"; the opinion of all the bankers who appeared before us was that the passage of this bill would seriously handicap the smaller banks in the smaller cities, and would force this trust business to New York; and, strangely enough, the only bankers who were willing to accept the bill were bankers from some of the large banking institutions of the city of New York.

As a matter of fact, I do not believe anybody is sponsoring or really urging the enactment of this bill today. If so, I do not know who it is. The bill comes, of course, from the Securities and Exchange Commission. It was gotten up 2 or 3 years ago; and I venture to say that today the Commission itself has largely lost interest in the passage of the bill.

Mr. KING. Mr. President, will the Senator yield?

Mr. TAFT. Surely.

Mr. KING. In reading the record—I do not recall the page—when I hastily examined it yesterday, I found two references to the Securities and Exchange Commission as urging the passage of the bill. The word "urge" was used by the person who testified, and who, as I recall, spoke for the Securities and Exchange Commission. So the Securities and Exchange Commission, not the people, is urging the enactment of the bill. The Commission wants to increase its power, its authority, and its jurisdiction.

Mr. TAFT. I do not know anybody in the country who is interested in the passage of the bill except the Securities and Exchange Commission. Mr. Douglas was the original sponsor of the bill, but apparently he has lost interest in it. The Senator from North Dakota [Mr. FRAZIER] the other day referred to an interview of Mr. Douglas by Arthur Krock. The article says:

> In Mr. Douglas' opinion the activities of the S. E. C. have reached their practical peak. He thinks its scope is now as wide and deep as it effectively can be.

If that is not a condemnation of this bill by Mr. Douglas, I do not know what it can be.

Mr. BARKLEY. Mr. President, will the Senator yield at that point?

Mr. TAFT. Surely.

Mr. BARKLEY. I happen to know that Mr. Douglas not only has not withdrawn his endorsement of this bill or changed his position with regard to it, but that in the last communication he made before retiring from the position of Chairman of the S. E. C., among three recommendations that he made was one for the passage of this particular legislation.

Mr. TAFT. I read further from the article of Mr. Krock:

> The Chairman went on to say he thought that at some later time an eminent drafting committee—
>
> Should revise the law—
>
> But the quest for recovery is affected now by any tampering with laws in the category of these two acts, he said, and revisions can well await a more propitious time.

I do not know whether or not Mr. Douglas is still for the bill, but I do know that if he is his position is absolutely inconsistent with the statement he made to Mr. Krock, because he knows this is not a time at which to impose additional restrictions on business.

Other gentlemen have taken the same position. Mr T. Jefferson Coolidge, former Assistant Secretary of the Treasury in this administration, wrote a letter to the committee, in which he said:

> This bill therefore will, in our judgment, accomplish little public good, will increase the difficulty and expense of obtaining funds for expanding business, and in many cases will make it impossible to obtain necessary funds on reasonable terms, to the special disadvantage of small concerns lacking well-established individual credit. We believe the disadvantages will far outweigh any possible advantages.
>
> Certain sections of the bill will have a tendency to drive local business away from the local centers, where it has its home, and force it into the metropolitan centers, where is will not receive, in our opinion, as understanding treatment.

Furthermore, the opinion of the Federal Reserve Board was asked. I cannot find that the Board itself ever took any action, but the Board did transmit this letter from its Federal Advisory Council:

> The Federal Advisory Council desires to call the attention of the Board of Governors of the Federal Reserve System to Senate bill 477 relating to the regulation of trust indentures under which securities are issued.
>
> The Council feels strongly that the imposition of some of the liabilities as provided in the bill would create contingent liabilities for banks of deposit accepting corporate trusteeships which might be dangerous to themselves and the banking system as a whole.

In other words, they say this bill imposes on corporate trustees such a heavy burden that it might well endanger

their deposits, and after all, we have an interest in protecting the depositors and the stockholders of corporate trustees.

Furthermore, the Council believes that the bill would materially increase the cost of and make more difficult long-term public financing, particularly to smaller corporations, and would thus tend to hinder expansion of plants and businesses at a time when such expansion is particularly desirable in the interest of business recovery.

* * * * * * *

The Council requests the Board to submit this expression of its opinion to the Senate Committee on Banking and Currency with the request that it be put in the record of the hearings before its subcommittee considering the bill.

One Commissioner, Mr. Eicher, appeared before our committee in favor of the bill. He took no further tremendous interest in it and so far as I can see the Commission itself has in effect lost interest in pushing further the provisions of this trust indenture bill, and has left its entire charge to some of the subordinate attorneys of the Commission.

I think something can be done along this line. I think, in the first place, the Commission has never tried to write a sample or model trust indenture. If it does, the model will be very largely followed. Writing a trust indenture is a pretty mechanical thing. I think most attorneys would be more than glad to receive the Commission's suggestions.

I call attention to an article in the Yale Law Review of February 1939, by Talcott M. Banks, Jr., in which he suggests such a course:

If the Commission should render its resources of experience and expert personnel available for a study of the modern indenture, with a view to perfecting its form and improving its protective features, such work would receive most interested cooperation and would have profound influence. No one is satisfied with the usual indenture of the present day. Its abbreviation and clarification is earnestly to be desired. Lawyers and businessmen alike would welcome the appearance of simple, standard clauses adapted to achieve the various indenture purposes. If the Commission were to recommend such provisions, framed after careful study and consultation, the authority of its recommendation would assure that the suggestions would be considered by every draftsman, and, so far as they proved valuable, widely adopted. Here is a way in which the unique resources of a Federal agency could be of great assistance, without any of the risks of concentrated authority or unwise regulation.

Mr. President, I do not desire to go through the bill, but on page 5 I find this language:

Abuses of the character above enumerated have been so widespread that, unless regulated, the public offering of notes, bonds * * * by the use of means and instruments of transportation * * * is injurious to the capital markets * * * and to the general public.

There have been some abuses. Frankly, it seemed to me there was a complete absence of proof that any of the losses which occurred in 1929 had really resulted from any of the properly criticised provisions of the trust indentures. I would say that 99 percent of the losses resulted because the company failed, because the company was not good, because it could not pay its debts, and not because of anything done by the corporate trustee. I have seen a good many corporate indentures, and, personally, I never regarded the position of trustee as particularly important. Until a default occurs there is very little the trustee can do. When default occurs, the matter is almost inevitably thrown into court, and the whole thing is left up to the court. There is a good deal more abuse in the formation of the bondholders' protective committees, of which I think there might well be a study, and legislation to deal with them, than in any action of the corporate trustees. Furthermore, there is always a recourse against a corporate trustee, if he does something wrong, and the position of a trustee is such that he is not anxious to assume any responsibility if he can help it.

There is one provision in the bill to which I shall call attention only as being typical. I refer to the provision which deals with conflicting interests. There is a provision beginning on page 23 and running for about 10 pages, that a trustee shall resign whenever his interest as trustee in any way conflicts with any other interest. It seems to me that any trustee who assumed to act when he has a substantial conflicting interest certainly subjects himself to a suit for damages, which the courts will properly enforce. But there is set up in these pages a long, artificial attempt to say when an interest is in conflict and when it is not. Think of this. A trustee must resign if he is "the beneficial owner of, or holds as collateral security for, an obligation which is in default as hereinafter defined, (A) 5 percent or more of the voting securities of an obligor"; that is, of the company which issues the bonds. That means that if a trustee bank had a loan out to Mr. X and Mr. X had put up 5 percent of the stock of an obligor company, and that loan should be 30 days overdue—which would be a default—if for some reason after 30 days Mr. X did not pay the loan, the trustee would be defined by law to have a conflicting interest; and if he proceeded and acted, and happened to overlook the matter, he would subject himself to complete liability, although he was not at all affected by the conflict in interest; or he might have completely to resign the trust, and find someone in another city, probably, to take on the trust.

Mr. BARKLEY. Mr. President——

Mr. TAFT. I wish Senators would read the provisions from page 23 to page 30 with relation to the attempt to say when a trustee has a conflicting interest which shall disqualify him, and when he has not. I yield to the Senator from Kentucky.

Mr. BARKLEY. The Senator realizes that there is nothing new in legislation prohibiting conflicting interests of those acting in a fiduciary capacity. In the National Bank Act of 1933 there is a provision by which affiliations on the part of bankers or officers of banks with underwriters are to a great extent prohibited. The New York Stock Exchange will not accept as trustee for a listed bond issue a bank which is trustee under other indentures of the same obligor.

Mr. TAFT. Whenever there is any substance, I would entirely agree, for, as a matter of fact, a bank which takes on a conflicting interest subjects itself to liability to the bondholders. It cannot afford to do it. But the question is one of substance, and it seems to me the courts would finally decide that question. I do not think we can sit here and say that ownership of 5 percent of the stock of a company which is in default on an obligation would create a conflict of interest, whereas there would not be such a conflict in case of ownership of 4 percent. What sense is there in any such provision of law?

Mr. BARKLEY. I am sure the Senator does not advocate that he, as a trustee under an indenture providing for the issue of bonds of a given obligor, ought to be in a position to have a conflicting interest, whether it were substantial or otherwise—and of course it has to be substantial to be of any importance. He ought not to be in the embarrassing position of having to decide, as a trustee, between, for instance, a prior or a junior set of obligations of the same obligor. He ought not to be in a position where he would have to decide as between different issues of bonds, or different relationships, or different interests, so that there might be any inducement for him to favor one as against the other, or relax in any way in the performance of his duty to one because he is interested in another which would be conflicting.

I am sure the Senator would not justify such a situation. He may not think that any of these matters are substantial, that they contain substance, and that is a matter of opinion; but where there is an important conflict—and the bill undertakes to set out the conditions under which there are conflicts—certainly no trustee ought to be put in the position, embarrassing as it might be, where it might in any way advance or promote his selfish interest or the selfish interest of one security as against another, because he occupies a dual situation with respect to these obligations.

Mr. TAFT. I would say that any trustee who finds himself with a conflicting interest should resign. I would say that it is absolutely impossible for us to provide by legislation when he has a conflicting interest and when he has not a conflicting interest. He acts at his peril. If he refuses to resign when there is a conflicting interest, he takes a chance. But I cannot understand the basis on which 5

percent or 10 percent of the stock of a company makes a difference, and some other figure does not.

Mr. BARKLEY. The Senator then relies on the moral sensibility of the trustee to resign when he ought to resign?

Mr. TAFT. I rely on the trust law, which provides that a trustee who acts and is influenced by conflicting interests is liable to those against whom his act may operate injuriously.

Mr. BARKLEY. People who suffer loss because of that dual relationship ought not to be compelled to go into court in order to enforce their rights against the trustee. He may have acted in an unprofessional or an unethical way by retaining the trusteeship.

Mr. TAFT. If the Senator wishes to relieve everyone who is wronged from the necessity of going to court, then he might as well advocate the repeal of all the laws and the handing of administration over to some administrative officer. All we can do is to provide a legal remedy for people if they are wronged.

Mr. BARKLEY. We are seeking to provide such a condition that it will not be necessary to resort to the legal remedy when it may be too late to take advantage of the remedy.

Mr. WHEELER. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. WHEELER. I shall later call the attention of the Senator to some evidence adduced before the Senate Committee on Interstate Commerce with reference to one of the most important trust companies in the United States, located in the city of New York. They found themselves in a conflicting position, representing on the one hand the bondholders, and representing on the other hand the stockholders, also representing their own institution as a lender to one of the big holding companies of this country. As I shall point out, even some of the most prominent law firms of the city of New York said theirs was an untenable position. They did not intend to put themselves in that position. Some may think they did, but I do not believe they intended to. But they found themselves in that situation, and they still are in that situation, and some litigation has been started in St. Louis as a result. But they never should have been permitted to be in that position in the first instance. They were not only in the position with reference to the lending of money, but they were also in the position with reference to stock which was sold, representing the bondholders.

Mr. TAFT. I do not contend that there may not be abuses in the situation, but I do contend that there are remedies already provided, that we do not need to add to the authority of the Securities and Exchange Commission in order to deal with the evil. As a matter of fact, when we started consideration of the subject, it seemed to me that we should draw a very simple bill prohibiting about three things; that we might reasonably take care of those cases without giving any additional authority to the Securities and Exchange Commission. I must say the bill was modified to some extent; but I think there are still left in it four important matters in which discretion is left to the Securities and Exchange Commission to decide what shall go into an indenture and what shall not. That seems to me to be an addition to power. The advantage of a short bill, merely providing that certain things shall go into an indenture, would be that one would not have to come to Washington and spend a week trying to work the indenture out with the Commission.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. HUGHES. I feel quite sure that the Senator recalls that in the hearings before the subcommittee we were told that a great many trustees had recognized the necessity of complying with the requirements of the bill, and had changed their practice. One witness said it therefore was not necessary to enact the legislation because the evil had been remedied.

Mr. TAFT. No; I do not think that was the testimony. The testimony was that some trust indentures had followed this measure in all respects, I think, except the clause with regard to negligence, to which they objected, as I remember. I think it is quite true that most trustees would follow the suggestions of the Securities and Exchange Commission. My principal objection to the bill is the necessity for the applicants to come to Washington and to submit the whole deal to the Securities and Exchange Commission and to get its approval of the deal.

Mr. HUGHES. As I recall, the Senator from Ohio made an objection in the subcommittee, and he probably has the same objection now, to the expense involved in the applicants coming to Washington. I understand that the bill, in its present form, provides that the applicant shall come to Washington when he makes his application, but it is not necessary to come here a second time when the bond issue is made. What is necessary to be done by the applicant can all be done at one time.

Mr. TAFT. I think the applicant would have to come to Washington first with respect to the trust indenture and get that settled before he finally comes to the matter of the securities themselves. I do not think the applicant is going to be saved an additional trip. I think he is going to have to spend additional time in working out the trust indenture even as the bill is today, which is an improvement over what it was when consideration of it was begun.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. It probably would be necessary for the Commission to pass on the qualification of the indenture, which means that it would have to comply with the law before the other step was taken. But both applications can be filed simultaneously, unless the indenture is found not to be in compliance with the law. That is all the Commission has the power to do. The Commission does not dictate the terms of the indenture.

Mr. TAFT. Oh, yes; it does. The Commission passes on three or four features, including the negligence clause.

Mr. BARKLEY. There are three questions as to which the Commission has some discretion. One is with reference to notice concerning defaults. Two of them have relation to notice before and after default, and the other has relationship to the authority of the Commission to pass on the type of expert accountants, certification, and things of that sort. Those are the only three matters of discretion that are still left in the Commission under the bill.

Mr. TAFT. That is correct. But that is discretion, and that is enough discretion so that the only way an indenture can be approved is by the applicant coming to Washington, employing additional lawyers, and sitting down with the attorneys of the Commission to work it out. I may say once more in reference to the conflict of interest that I think the particular provisions of the bill regarding conflict of interest are so tight and so arbitrary that a large number of banks in small cities could not conform to them and act as trustees in any trust indentures for companies within those cities. That is the testimony of the bankers, and that is a necessary result. That is one reason for the statement on the part of Mr. Coolidge and others that the bill is going to force the trusts into the New York banks because the local company evidently will find that the local bank is disqualified to handle the trusteeship of its indentures.

Mr. HUGHES. As I understand—and does not the Senator also so understand—an issue of a million dollars does not come under the provisions of the bill?

Mr. TAFT. That is correct; an issue of a million dollars does not come under the provisions of the bill.

Mr. HUGHES. Small communities, the local communities of which the Senator speaks, would not have many issues of more than a million dollars, I take it.

Mr. TAFT. The Senator may be surprised to learn that they do. In the city of Cincinnati, from which I come, the issues are very often in excess of a million dollars. The most strenuous opponents to the measure were gentlemen from Boston and some from Cincinnati and Cleveland, cities of intermediate size, where there are issues of considerably more than a million dollars.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LODGE. I know that in Boston there are issues of more than a million dollars, and if this business is forced away from Boston it will mean not only a loss of the business but it will have a generally depressing effect.

Mr. HUGHES. As I recall, more than 70 percent of the business was done in Chicago and New York, and it is now. I did not class the Senator's city of Boston as one of the small cities.

Mr. TAFT. Too much of it is done in New York now. The passage of the bill would put it all in New York.

Mr. BARKLEY. I do not agree at all to the suggestion that the bill is going to drive business out of any place into some other place. Eighty-five percent of all this business now is done in New York and Chicago, and 95 percent of it is done in New York, Chicago, and seven other cities—Boston, Cleveland, Milwaukee, Philadelphia, Pittsburgh, St. Louis, and San Francisco.

So, those nine cities already do 95 percent of all the trust indenture bond business of the United States. There is nothing in the bill which will drive any business from Boston to New York or away from Chicago to New York, or away from San Francisco either to Chicago or New York, or away from one city into another city.

Mr. TAFT. That is what Mr. T. Jefferson Coolidge says would happen, and I think he is a banker who knows more about the business than even the Senator from Kentucky.

Mr. BARKLEY. I know Mr. Coolidge, and I admire his ability; but I do not accept dogmatically a statement made by any person to the effect that a measure of this character is going to run business out of one city and into another. Certainly 85 percent of it has been run by something or other out of other places into the city of New York and the city of Chicago. Certainly they have facilities for financing bond issues that are more satisfactory to the industries of the country that desire to issue bonds than exist elsewhere.

Mr. LODGE. Is it not reasonable for us to want to keep the little we have?

Mr. BARKLEY. Certainly it is, and even to get more than you have. I am not at all opposed to that. I am very fond of the city of Boston, but I cannot conceive of any provision of the bill that would take away from Boston a bond issue that some Boston concern desired to float on the market.

It is said that the bill may result in increased cost. I doubt that, because of the provision that simultaneous applications can be filed as to the disclosures and the qualifications of the indenture. Conceivably a second trip to Washington might be required; but I do not know; that is problematical. However, so far as the extra cost is concerned, if there should be any, it would apply just as much to a New York or a Chicago application as it would to one from Boston, Pittsburgh, Philadelphia, St. Louis, or San Francisco.

Mr. TAFT. Mr. President, I do not want to take the time of the Senate except to summarize my feeling about the bill. It is not a tremendously important bill. It does not extend the power of the Government indefinitely into great new fields. But it does extend the principle of present Government regulations in a small field. It does abandon, apparently, the theory that what we are interested in is giving the security holders of the United States the opportunity of finding out the facts. We are going beyond that now. We are saying that people shall not make the deals they want to make. We are saying that the Securities and Exchange Commission shall step in and tell people what their deals shall be. We are imposing an additional expense, which means that it is going to be just that much more difficult to finance new enterprises.

Mr. President, it seems to me our present condition is due in part to the psychological fear of putting money into any new enterprise lest it may be lost. That is due to the fact that people are afraid of Government regulation and of additional taxation. I do not know how we are ever going to bring about recovery in this country unless we get people into such a state of mind that they will feel again that they can put money into American enterprises, into new enterprises, large and small, into stocks and bonds and securities of companies, and thus provide new capital, develop new machinery, and put more men to work. I have no question that the reaction throughout the country to the passage of the bill is going to be an additional discouragement.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. The thing that will encourage the men with money to put their money in bonds and stocks is the belief that they are going to get it back.

Mr. TAFT. With due respect to the Senator from Kentucky, I think that that is absolutely untrue. I do not think that there is an investor who will invest in one single bond merely because the bill is passed; and who would not have invested in it anyway. I do not think there is any fear of substantial bond issues in this country.

Mr. BARKLEY. That is all speculative. But the Senator, I am sure, would not contend that the fact that we are trying more adequately to protect the man who puts his money into bonds will result in retarding his desire to put his money into bonds. Certainly, if he feels that all possible protection is thrown around him in the exercise of his right, it is not going to keep him from putting his money in bonds. Whether it will induce him to put his money in bonds is another question, which may be speculative and debatable, but certainly it is not going to discourage him.

Mr. TAFT. It is going to discourage industry from going ahead and trying to expand. It is going to discourage industry from putting out more bond issues, just as the Securities and Exchange Commission Act has. In that case I think it is worth the money. I think we must prevent fraud. But this is going further. I do not think it is necessary.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. AUSTIN. I observe that the Senator is touching upon the very point which had occurred to me, and about which there did not seem to be much discussion. I wish to ask the Senator whether or not the consideration by the committee involved the idea that the investor is not the starter. It is not the buyer who is the starter of the Securities and Exchange Commission and its activities. It is management. The management of business starts the Securities and Exchange Commission into action. Therefore, what I should like to know is whether or not the investigation by the committee went into the subject of the possible effect of additional control by the Government upon the activities of management, as bearing upon the question whether or not we shall have new money poured into industry by reason of adding more Government control than we already have.

Mr. TAFT. Answering the Senator, I do not think I could do better than to quote again the opinion of the Federal Advisory Council of the Federal Reserve Board, which is made up of one man from each district in the United States. The Council says:

> The Council believes that this bill would materially increase the cost of and make more difficult long-term public financing, particularly to smaller corporations, and would thus tend to hinder expansion of plants and businesses at a time when such expansion is particularly desirable in the interest of business recovery.

I do not put my opinion above theirs, and I put their opinion above that of any of the Senators who have discussed the bill, with all due respect to the Senators.

Mr. BARKLEY. Mr. President, will the Senator further yield?

Mr. TAFT. I yield.

Mr. BARKLEY. I do not wish to prolong the colloquy; but I think all of us will agree that when a corporation starts to issue bonds and borrow money, that operation, of course, depends upon the success with which it can borrow money from the public in order that its enterprise may go forward with the borrowed money and additional capital which is brought to its service. In the six hundred and more trust

indentures which were examined by the S. E. C. the overwhelming and predominating defect was a lack of protection to the investor.

If I am the owner or the head of a corporation, I have no right to appeal to thousands of citizens scattered all over the country to lend me money—not my money but their money—in order to carry on my industry unless I am willing to give them the maximum amount of protection which would induce them to invest their money in my bonds, and to assure them that they are protected in the event they have to assert their rights.

I will say to the Senator from Vermont [Mr. AUSTIN] that there is nothing in the bill which attempts to control management. There is nothing in the bill which authorizes the Commission to pass upon the desirability of the loan, the merits of the loan, the rate of interest, the sinking-fund requirements, the terms of payment, amortization, or anything connected with the business. The bill provides only that before the corporation issues bonds as an inducement to gather to itself the money of thousands of persons scattered all over the country the indenture upon which the bonds are issued shall contain certain protective features in the interest of the investor, the lender of the money, who certainly has a right to be protected in his desire to advance to corporations the money which will enable them to expand or to operate.

Mr. AUSTIN. Mr. President, will the Senator from Ohio permit me to ask the Senator from Kentucky a question?

Mr. TAFT. I yield.

Mr. AUSTIN. The author of the bill has just made a statement which seems to be to be of great importance if it is accurate. I am not very familiar with the bill. I have read it over but have not made a study of it. However, I gathered the impression that management was very strenuously controlled by the pages which quite strictly define the disqualifications of trustees. That is to say, it appeared from a reading of the bill that it restricts the freedom of management in selecting and keeping a trustee in which the management has confidence or a trustee with which suitable arrangements adapted to the locality can be made. It happens that I have had some practice in the issue of such indentures, and I can conceive that the bill, if passed, might deter me or entirely stop me from putting out a refunding issue of bonds partly on account of the control which the bill would immediately impose upon me in the selection of my trustee.

Mr. BARKLEY. Mr. President, I do not regard the selection of a trustee to be the trustee of obligees or bondholders as a part of the management of the business, because if one trustee who might be desirable is disqualified under any of the provisions of the bill which set out disqualifications, of course, it does not follow that it is impossible to select a trustee who does qualify. The mere selection of a trustee has no influence at all on the management of the business, except remotely, in case the corporation gets into trouble.

Mr. AUSTIN. Oh, before that.

Mr. BARKLEY. In case the corporation gets into trouble, the trustee may have an obligation to keep a little more in touch with the current course of the corporation's business, so as to know to what extent the rights of investors are protected both before and after default. However, so far as concerns the management of the business, fixing the rate of interest, the terms of payment, the amortization, or passing upon the desirability or necessity of the loan itself, the bill gives the Commission no authority whatever.

Mr. AUSTIN. Does the Senator recognize that in nearly all indentures issued by factories, quarry companies, or companies engaged in active production of any kind, there is a control of the management of the business throughout the indenture? For example, development is limited to a certain ratio between liquid assets and cost of development; and throughout the life of the indenture there must be an active, and in some instances a very intimate, relationship between the trustee and the management. So, at the outset, management is interested in the selection of the trustee.

Mr. BARKLEY. Of course I can understand that; and there ought to be a close connection—even closer than has heretofore existed in many cases—between the trustee and the operation of the concern, because that relationship may very vitally affect the interests of the bondholders for whom the trustee is acting, and their ability to assert their rights in a given set of circumstances.

For example, if a bond issue is being floated, and a trustee is appointed to represent the whole situation, of course those who have put their money into the bonds of the company cannot be ignored. If later something occurs in the management of the business, or in the dissipation of its assets, or in the issue of additional bonds of some other sort, which would affect the interests of the prior obligees who are represented by the particular trustee, there ought to be a way in which they could have some voice, and some knowledge of the situation, because in a real sense the bondholders, those who have put their money into the bonds of the company, are certainly entitled to equal rights with those who have simply bought stock and put their money into the company in another form.

All the bill does is to tighten up on the obligations of the trustee, and compel him to keep more closely in touch with the operations of the company, to see that the terms of the indenture are complied with. If that obligation involves management in some way, or if it impinges upon what might technically be called management, it is only necessary because of the right of those who have invested their money to be protected all along the line.

Mr. TAFT. Mr. President, I should like to make one point in connection with the discussion. The Senator said that bondholders have always been accustomed to look to the trustees. The truth is that bondholders have not been accustomed to look to the trustees. If the Senator has any bonds of his own, or if he has any clients who have bonds, I venture to say that he does not know, and none of his clients knows, who are the trustees on those bonds. No; the truth is not that they look to the trustees.

Mr. BARKLEY. I did not make that statement.

Mr. TAFT. The Senator made that statement earlier in the day.

Mr. BARKLEY. In many cases the bondholders does look to the trustee if he happens to know the trustee. If the trustee is an outstanding institution whose reputation for soundness and integrity is known all over the country, that fact undoubtedly has an effect upon the willingness of the investor to buy the bonds of the concern which is issuing them.

Mr. TAFT. I question the accuracy of that statement. I question whether any investor knows who is the trustee on a bond issue. Not only that; the fact is that 99 percent of the bondholder's safety depends not on the trustee, but on the solvency of the obligor, and the way in which the obligor is managed. The bondholder looks to the obligor. If the obligor remains solvent and earns money, the bondholder will get back his money; and if it fails, he probably will not get back his money.

The only reason why I do not feel strongly on the subject of the bill is that I do not think its importance is sufficient to justify taking the afternoon to discuss the question. The truth is that nobody looks to the trustee. The trustee's position makes very little difference in the ultimate result. The only thing I object to is that the bill imposes additional machinery, making it more difficult for anyone to float a bond issue. It discourages financing. It discourages putting money into capital. I believe that today the people of the country, from the President down, are anxious to convince the businessman that the Government wants to help him, and not to hamper him; that it wants to reduce regulation and taxation, and wants to encourage him to go ahead and put back to work some of the 11,000,000 unemployed.

Mr. WHEELER obtained the floor.

Mr. LODGE. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I have concluded.

Mr. LODGE. I desire to ask the Senator from Ohio a brief question. Will the Senator from Montana permit me to ask a question?

Mr. WHEELER. I will if it will not take too long.

Mr. LODGE. It will not take long at all. I merely wish to recur once more to the question of taking business away from other cities and putting it into New York.

Mr. WHEELER. I fear it will take a long time to answer that.

Mr. LODGE. It will not take long to answer the question I desire to ask; I wish to get it in for the RECORD. I wish to say that, in my opinion, there is no one better qualified to express an opinion on a matter of that kind than is Mr. T. Jefferson Coolidge, and I wish to know if any evidence was put into the record to controvert his opinion?

Mr. TAFT. Mr. President, frankly, I do not remember that there was any such evidence; I should not like to say now, after some 2 or 3 months since the hearings were held, that I positively remember; but I do not recall that any evidence was offered in opposition to the claim of a considerable number of bankers that local business would tend to be shifted to New York because of the restrictions on trustees which are provided by the pending bill.

Mr. LODGE. I thank the Senator for his answer, and also thank the Senator from Montana for yielding.

Mr. WHEELER. Mr. President, I do not happen to have the honor of knowing Thomas Jefferson Coolidge, of Boston, but I do know that I have come in contact with numerous people who have been interested in getting some of the business away from New York and into the smaller cities. I am sure they will say it is not such things as the S. E. C. that take business away from Boston or Cleveland or Cincinnati and give it to New York, but that there are deeper and more fundamental factors involved in the question of business moving away from or to New York City than the matter of whether or not this bill shall be passed.

The Senator from Ohio says that no one looks to the trustee. I will have to differ with him in respect to that statement. When it comes to the selling of bond issues, whether they are railroad bonds or any other kind of bonds, why is it that the name of trustee for the bonds is so prominently displayed upon the literature that is sent out to prospective purchasers? When there is put upon such literature the statement that the Guaranty Trust Co. of New York is going to act as trustee or that the House of Morgan is associated with the financing, almost immediately the prospective purchaser is led to believe that it must be a good security because of the fact that the bonds are being issued by, say, one of the institutions referred to, or because such an institution is going to be the trustee. It does have a tremendously important effect on the sale of the securities. That is why institutions such as the Guaranty Trust Co. and other similar institutions pride themselves on their reputations in dealing with securities so that they may sell them.

Mr. President, I have not read all the details of the pending bill, but I wish to call attention to some matters which were disclosed before the Interstate Commerce Committee and which this bill seeks to correct, although not in the railroad industry but in other lines of endeavor.

This bill, known as the Barkley bill, is of great moment to thousands of public investors who have placed billions of dollars of their savings in corporate bond issues. Investors have long been under the illusion that the great banks and trust companies, who ostensibly act as fiduciaries under the usual corporate trust indenture, are in fact active guardians of their interests. Even if there were not any evidence before the Banking and Currency Committee to that effect, there certainly was evidence to that effect before the Interstate Commerce Committee investigating the finances of the railroads under Senate Resolution 71 of the Seventy-fourth Congress. I understand that this bill is designed to translate these illusions into fact. The sponsors of the bill propose to accomplish this result by eliminating many palpable defects known to exist in trust indentures and by correcting certain serious abuses in corporate trust practice.

The defects and abuses which this bill has been drafted to prevent were disclosed to the Senate as a result of a study of trust indentures conducted by the Securities and Exchange Commission. Although the Commission's study in its field was conducted with painstaking and comprehensive thoroughness, it did not go into railroad financing; it did not consider trust indentures under which billions of dollars of railroad bonds have been issued to the public. Railroad indentures were entirely outside the scope of the Commission's study, but information on that subject is nevertheless available. It is my unpleasant duty to inform the Senate that the inquiries in the railroad field by the Committee on Interstate Commerce at the Senate's direction pursuant to Senate Resolution 71 of the Seventy-fourth Congress, in connection with the investigation of railroad financing and holding companies, show that precisely the same defects and abuses which were discovered by the Securities and Exchange Commission outside the railroad field are only too common in railroad indentures.

Railroad indentures, like the indentures examined by the Securities and Exchange Commission, contain the familiar "exculpatory" clauses which customarily relieve trust companies even of the obligation to exercise ordinary prudence in the management of their trusts. Of these provisions, Mr. Frederick A. O. Schwarz, of Davis, Polk, Wardwell, Gardiner & Reed, prominent New York lawyers and counsel for one of the most influential and well-known trust companies in the country, testified before our committee. I want to call the attention of the Senator from Ohio to this statement by Mr. Schwarz, of the firm of Davis, Polk, Wardwell, Gardiner & Reed. Testifying before our committee, he said:

> I for one—and I am expressing only my personal opinion now—feel that the so-called exculpatory clauses in trust indentures, relieving the trustee from any common-law responsibility—

And that is all they do—relieve them of "common-law responsibility"—

> which it would have as a trustee under a corporate trust, are undesirable.

Mr. President, I further desire to call attention to the fact that this same lawyer, whose firm is counsel for the principal banking firm in America, testified in that investigation that some of the provisions in bond indentures are—to use his own language—"terrible."

Railroad indentures, like the indentures examined by the Securities and Exchange Commission, customarily permit the indenture trustee to acquire interests which materially conflict with those of the bondholders whom it is supposed to protect as trustee. Our investigation has disclosed numerous instances where this unhealthy situation has existed.

One striking example occurred in the reorganization of the Missouri Pacific system. In that situation a prominent New York trust company was the trustee under an indenture securing a quarter of a billion dollars of publicly held bonds. In addition, the trust company was on its own account a large creditor of the railroad for whose bondholders it was trustee. This trust company had the foresight to arrange the terms of its own loan so that in the pending reorganization of the railroad the trust company's loan will receive preferential treatment over the publicly held bonds. The trust company was also the holder of a substantial block of junior debentures which had been obtained through the financing of a transaction on behalf of Alleghany Corporation, the holding company which controlled the railroad. The same trust company also had numerous relationships toward this holding company. The transaction under which the trust company acquired the debentures was ultimately carried through by contracts for the transfer of the properties involved to the Missouri Pacific, which contracts became a major financial scandal. The same trust company became the depositary under these contracts and also became the trustee of certain notes which were issued by the vendor company, a wholly owned subsidiary of Alleghany which also controlled the railroad. The terms and conditions of these contracts were subsequently found by the district court in which the Missouri Pacific reorganization proceeding is pending to be so onerous and unfair that lawsuits have since been instituted to disaffirm the contracts and recover the moneys expended by the railroad under them. Needless

to say, the trust company is a defendant in these lawsuits. The notes of the vendor company, Alleghany's wholly owned subsidiary, and Alleghany's stock and bond holdings in the Missouri Pacific system, were all pledged as collateral behind three trust indentures of Alleghany Corporation. And the same trust company was also the indenture trustee under each of these Alleghany trust indentures. Because of defaults in the collateral requirements under these trust indentures, as the record of our investigation shows, the trust company was for a long period in control of the Alleghany stock holdings in Missouri Pacific, and in that capacity it was its duty to act for the benefit of Alleghany bondholders. At the same time, however, it had these numerous other conflicting interests in the Missouri Pacific situation, including its own personal creditor position and its position as trustee for Missouri Pacific bonds.

The mere recital of these numerous conflicting positions in which the trust company permitted itself to become involved is sufficiently clear evidence of the impossibility of affording the bondholders of the railroad and the holding company the vigorous trusteeships to which they were entitled. The situation I have just described, moreover, is by no means uncommon in the railroad field, and clearly calls for corrective legislation. Our investigation showed a number of cases where the trustee was on both sides of the fence, and the indenture permitted the trustee to act despite the trustee self-interest which was in conflict with its duties as trustee. I am happy to see that defects and abuses such as these, which we have uncovered in our own investigation, will be eliminated by this bill in the case of trust indentures which are filed hereafter under the Securities Act, and I hope the bill will be passed. I realize that the bill does not apply to railroad indentures, but I trust its passage will provide a basis for the enactment of similar legislation in the railroad field. At any rate, I am glad to support a proposal for the correction of these situations in indentures to which the bill applies.

The Senator from Ohio says they might be sued; but the provisions of the indenture itself permitted the trustee to act in a dual capacity. I do not say the trustee in this particular instance acted from any ulterior motive. It simply got itself into a certain position unwittingly, without thinking of the consequences. If an attorney practicing law before any of the courts of this country had acted in the way in which the trustee acted, he would have been disbarred because of the fact that he occupied a position that was entirely untenable, representing conflicting interests, in some of these instances, to the extent of three or four different parties.

This bill, as I understand it, seeks in the first instance to prevent that. We are told that in such cases the trust company may be sued. This railroad went into bankruptcy; and after it went into bankruptcy and defaulted on its bonds, the judge who was presiding had the matter called to his attention, and he directed the bankruptcy trustee to bring suit. If it had not been for the fact that the company happened to go into bankruptcy, no suit ever would have been brought; and they had to go through a long period of delay, and will have to go through a long and tedious trial to find out whether or not they can actually recover.

Mr. TAFT. But, Mr. President, of course, under this bill they can go on. There is nothing in the bill which says that such persons or institutions shall not act as trustee. They simply contract that they will not represent conflicting interests, and that they will resign if the interests do conflict. Suppose they do not do so. In other words, suppose a man does not do what he ought to do. There is no way that I can see in which he can be made to do it, and the bill will not regulate that feature of the matter. The bill simply says that trust indentures shall provide that the trustee shall not do these things. Suppose he does them anyway. There is no penalty except a suit that may be brought by anybody who may be hurt, and in the case the Senator cites the whole thing was finally brought into court. There is no evidence that I can see, however, that ultimately any bondholders were injured.

My point is, I agree that there are abuses. I only say that I have yet to see the tremendous importance or the direct effect on bondholders' losses that will justify this additional extension of Government authority into another field. It is simply a cumulative building up of Government regulation until business is so hampered that it fails to function.

Mr. WHEELER. Let me say to the Senator that in this particular instance if there had been in the law a provision saying that the trustee should not enter into conflicting relations, and that provision had been in the indenture, I am just as sure as that I am standing here that this particular trust company would have looked into the matter and never would have permitted itself to get into that position.

Mr. TAFT. Any lawyer would have advised them that they were doing wrong, anyway. Any lawyer would have told them, and, in fact, they, themselves, should have known it. They did not look into the common law. The Senator says they would look into the indenture. The fact is that they will not look into the common law. I do not see the distinction the Senator makes.

Mr. WHEELER. But in their indenture they were relieved from the common-law liability.

Mr. TAFT. No; not in the indenture. They relieved themselves from liability for negligence but not from liability for representing conflicting interests, contrary to the interests of those whom they represented.

Mr. WHEELER. I say to the Senator that in this particular indenture they did relieve themselves from common-law liability.

Mr. TAFT. Yes; for negligence, but not for deliberate breach of trust.

Mr. WHEELER. Not for deliberate breach of trust; but this trust company was one of the biggest in the country, one of the most influential, and one that the Senator and I and everybody else would look up to, and say that if that trust company put its O. K. on an issue of bonds, we would feel that we would be guaranteed protection of our interests; and it employed the best lawyers in the country. There is no question in my mind that they did not go into this thing with the idea of cheating somebody; but they found themselves in a position where unconsciously, I think, they represented conflicting interests.

The Senator says they could have looked into the matter, and they should have done so, and any lawyer should have advised them of the situation; but this was one of the most influential companies in the United States, and their lawyers did not advise them, or they perhaps did not ask their lawyers because of the fact that they thought they knew so much about the subject.

When we come to talk about passing legislation of this kind, and say that that is the thing that is retarding recovery in the United States, I say that whether we pass this bill or do not pass it will have very little effect upon recovery in the United States. I do not want to go back and get into a political discussion of what brought about the present condition in America; but, if I were to do so, all I would say would be that we had no regulation of the stock exchange, and we had no regulation of any of these things in 1929, and that is one of the reasons why we are in our present condition. We had a wild orgy of speculation in which there were unloaded upon the little banks all the Triple A bonds and the double A bonds, and so many little banks in the West and so many other banks in the West went broke because of the fact that there were unloaded upon those banks fake securities and fake bonds. Then when we want to correct these conditions, we are told, "You cannot have any reform because, if you do, you are going to retard business."

As a matter of fact, that is what is said by everybody who comes before the Interstate Commerce Committee of the Senate when efforts are made to pass the slightest little bill with reference to some reform or to put under regulation somebody who ought to be under regulation. Opponents of the legislation come in and say, "I am afraid of what is going to happen." We have a fear psychology in the United

States today, and that is what is guiding us. Every lobbyist who comes before our committees, trying to protect some selfish interest that he is representing, or representing himself, says "If you pass this legislation, something terrible is going to happen to the country." I am becoming disgusted with it.

Whether this bill passes or does not pass is not going to affect in the slightest degree the question of whether we shall put to work the 11,000,000 unemployed persons in the United States. That is the great problem that is before us; but everybody who comes before the committee says, "If you pass this bill, we cannot put those 11,000,000 persons back to work." I wish the problem were as simple as that, but I am sure it is not.

I hope the bill will pass. I think it is time that these matters were regulated. The evidence before the Committee on Interstate Commerce entirely bears out the conclusion which was reached by the Securities and Exchange Commission, that there is need of such legislation; and I am sure the Senate is going to pass it.

Mr. MILLER. Mr. President, I shall not detain the Senate very long; but there are some things to which I desire to allude which to my mind are sufficient reasons for supporting the pending bill.

In the beginning, it should be understood that by the passage of this bill, or any other legislation which the present session of Congress may enact, we shall do very little to put an end to defaults in bonds. Bond investors in this Nation should not entertain the idea that merely because we are attempting to regulate the conduct of the trustees of bond issues, their investments in bonds are thereby made safe. On the other hand, the testimony before the committee, and the experience which has been acquired by the Securities and Exchange Commission over a period of almost 3 years, are, in my opinion, sufficient to justify the enactment of this proposed legislation.

It has been stated by the able Senator from Ohio [Mr. TAFT], for whom I entertain a very high regard and who always makes a legalistic and logical argument, that one complaint regarding this bill has been that the Congress is attempting to lay down a formula for writing trust indentures. We are attempting to do that, and the bill does prescribe a formula for such indentures; but what has happened in actual business? Probably every lawyer here who ever drafted an indenture went to his shelves or to his filing cabinets and took from some prior indenture nine-tenths of its phraseology and simply inserted it in the document he was drawing. Those clauses, as some witnesses said, are called "boilerplate" clauses. As a general thing there is very little difference between the various indentures that are drawn up. Country lawyers do not know so very much about this sort of thing, except what they learn at the expense of their clients; but the city law firms which draw up trust indentures charge enormous fees for doing nothing in the world except inserting "boilerplate" indenture clauses. What we ourselves are doing here is to substitute a little "boilerplate" for the "boilerplate" which has grown up over a period of years. I hope our action will have a salutary effect upon business.

Trust indentures are very mystifying to a lawyer, and, of course, much more so to a layman. They frequently contain 50 pages or even as much as 200 pages, which it is said nobody reads; and I presume that is true, for I think very few men could stay awake long enough to read intelligently an indenture. But when a practice has grown up in this Nation, as it has grown up, of hiding away in trust indentures clauses which exculpate the trustee not merely from negligence but from willful misconduct, it seems to me it is about time for the Congress or some other body to step in and regulate the matter.

It is interesting to read the report of the Securities and Exchange Commission on the 600 indentures which the Commission examined. We find that few of the indentures contain any restrictions as to conflicting interests on the part of the trustee, whether or not the trustee should become a creditor of the borrower or the issuer, whether or not he should become the holder of additional securities, and so forth; and of all the abuses that have grown up in the country, one of the worst is the conflicting interests of the trustee under the average indenture.

We hear much said about confidence and the lack of confidence in this Nation. I say that if the investing public knew the provisions of the average trust indenture, there would be no investments made. Notwithstanding the fact that the trustee is not the managing authority of the business, and notwithstanding the fact that the question whether or not the bonds will be repaid, or whether or not the interest will be met, is one of business management of the corporation or of the issuer itself, still the trustee does have an obligation to perform. I do not know of any provision in the bill which is going to cause any restriction or undue liability upon business. If there is any such provision, I fail to find it.

Complaint is made that additional cost will be incurred. The only additional cost will be for the mere simultaneous filing of the indenture, that is all. Under the present law the indenture is filed in order that a full disclosure may be made of its contents. The only change will be in examination of the indenture for the purpose of seeing that it complies with the law. That will be the only additional expense.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. TAFT. Are there not at least three provisions which will have to be submitted to and discussed with the Commission?

Mr. MILLER. I am coming to that point.

Mr. TAFT. And as to which the Commission's express approval will have to be obtained?

Mr. MILLER. There are three items upon which the Commission will or may exercise its discretion, to which I will refer in a few moments.

As to the fear that the enactment of this measure will result in sending trusteeships to New York and Chicago, most of the trusteeships are found in those centers anyway. Out of four and a half billion dollars of indentures which have been filed since the Securities and Exchange Commission came into existence, 87 percent in number have gone to Chicago and New York, and 85 percent in volume have gone to those two cities. They will continue to go to the cities where the financing is done.

Senators need not be alarmed about that matter. There are no trusteeships in 26 States in this Union, under the indentures filed with the Securities and Exchange Commission during the last 2½ years. My State is one of the 26. Not a trustee is named in 26 States; so Senators need not be worried about that. Their States will not lose any of this kind of business, because they have not any. They are not going to gain any until they can become financial centers such as New York and Chicago, because a trustee is going to be named where the investment banker lives. So we need not be at all alarmed about that.

The Senator from Ohio has referred to the matter of discretion. The bill does authorize the Securities and Exchange Commission to exercise certain discretion in three or four particulars, which are provided for, I believe, in section 310 of the bill. But that is only in connection with acts to be performed by the trustee immediately prior to default by a borrower. We cannot write a formula in this regard, for much will depend on the conditions which exist at that time. We have gone as far as we can in writing a formula to govern the conduct of the trustee, and require absolute good faith on his part and ordinary honesty in his dealings with the bondholders. That is all the bill does.

I think I am just as much opposed as is any other Senator on this floor to excessive Government regulation of business, but we know that there has been almost a national scandal in the bond business. I am not saying that had this measure been a law it would have prevented all abuses, though I think probably it would have been a deterrent, but there is nothing in the bill which will prevent investments.

There are provisions in it which will tend to increase investment confidence, and that is what we need.

I do not desire to consume the time of the Senate in a discussion of the bill, because I do not see anything in it which in any wise gives us any reason to view with alarm its operations. There is every reason in the world why a trustee should exercise ordinary prudence. Some trustees do. Indentures can be found in this country, such as indentures spoken of by the Senator from Vermont, to which the measure would not apply. Of course, the courts would apply the law. But many trustees do not need regulating, and the law will apply to those who do.

I hope the bill will be enacted.

Mr. DANAHER. Mr. President, earlier in the debate the Senator from Kentucky offered us the privilege of asking him questions to bring out any explanation of the figures we desired, and I should like to ask him under what condition additional bonds can be issued with reference to outstanding indentures.

Mr. BARKLEY. Mr. President, in subsection (c), on page 12, there is the following provision:

(c) The Commission shall, on application by the issuer and after opportunity for hearing thereon, by order exempt from any one or more provisions of this title any security issued or proposed to be issued under an indenture under which, at the time such application is filed, securities referred to in paragraph (3) of subsection (a) of this section are outstanding, if and to the extent that the Commission finds that compliance with such provision or provisions, through the execution of a supplemental indenture or otherwise—

(1) would require, by reason of the provisions of such indenture, or the provisions of any other indenture or agreement made prior to the enactment of this title, or the provisions of any applicable law, the consent of the holders of securities outstanding under any such indenture or agreement; or

(2) would impose an undue burden on the issuer, having due regard to the public interest and the interests of investors.

In other words, when an application is filed before the Commission, it will be subject to hearing, and the Commission can then pass upon the question whether additional securities may be isued.

Mr. DANAHER. Does not the Senator understand, however, that there still remains in the Commission the discretion to decide whether or not additional issues may be offered?

Mr. BARKLEY. Yes. The bill provides that when such an application is made the Commission shall hold hearings upon it and be governed by the effect it might have upon outstanding obligations already issued, or what the effect might be upon the situation described in these subparagraphs.

Mr. DANAHER. With the consequent disruption, perhaps, of the financial structure of the issuer.

Mr. BARKLEY. If the issuer be sufficiently disinterested in his own financial structure as to make application for the issue of additional bonds which would disrupt and destroy his financial structure, certainly the Commission at least ought to interfere with any such project by declining to approve the issue of additional bonds. It is hardly to be conceived that any corporation would deliberately make application of that kind for the purpose of disrupting its own financial structure.

Mr. DANAHER. Of course I do not believe that any issuer would do that for the purpose of disrupting its own financial structure.

Mr. BARKLEY. If there were an issuer which would do it, the Commission certainly ought to intervene and not permit it.

Mr. DANAHER. Keeping those things in mind, I ask the Senator what provision there is with reference to refunding outstanding issues under existing indentures.

Mr. BARKLEY. The refunding would be a new issue. It would have to be qualified just as the original issue was qualified, so that there would have to be a new indenture. The new issue under ordinary circumstances might require a different kind of indenture from that which was prepared originally. Under the proposed law, if the loan is refunded, it is treated as a new issue, so far as concerns the requirement that the indenture shall conform to the requirements of the provisions of the bill in order that it may qualify, if the bonds are to be sold and distributed among the public, which I assume they would be.

Mr. DANAHER. Does not the Senator feel that securities under indentures outstanding before the adoption of this measure ought to be able to qualify without the issuer coming to Washington and submitting to the discretion of the Commission?

Mr. BARKLEY. I do not.

Mr. DANAHER. Does not the Senator necessarily then feel that the exercise of that discretion might be adverse, and hence cause absolute collapse on the part of the already outstanding issue?

Mr. BARKLEY. No; I do not think it would, because if it is merely a refunding of an outstanding issue which has been issued under an indenture which qualified under the provisions of the bill and the applicant came and filed with the Commission an indenture under which it proposed to refund outstanding bond issues, the Commission would then pass on the question whether the indenture for that particular refunding issue complied with the law.

Mr. DANAHER. Right there, Mr. President, I will ask the Senator what terms he says the Commission would approve in the indenture.

Mr. BARKLEY. The terms, so far as the loan itself is concerned, are not subject to the approval of the Commission. The Commission's duty is to find whether in the body of the indenture itself the provisions are set out in compliance with the requirement of the law. The maturity date or dates of the bond issue, the amount of it, the amount of interest, the provision for amortization or repayment are not subject to approval of the Commission; they are not even subject to approval if they are contained in the indenture. The only thing that the indenture has to do in order to qualify is to conform to the provisions of the law, and they do not pertain to what may be called the business deal of the transaction.

Mr. TAFT. Still, in the case of a company which has outstanding an open first mortgage, let us say, with "A" bonds, and it wants to extend its financing under the mortgage, it cannot sell any bonds except first-mortgage bonds, and it comes out with a series "B" bonds. It is true, as I understand, that the Commission could say, "You cannot issue any 'B' bonds under the indenture." The bill, in fact, therefore, gives the Commission power absolutely to turn down a financing if they wish to do so. I do not say that they would, but is it not true that they could put that power into effect so that the company in question could not extend its financing by the issuance of any additional obligations?

Mr. BARKLEY. Under the provisions for exemptions which I read a moment ago, the Commission could pass upon the question whether the additional type of bond should be issued, or, in other words, whether it should be exempt from the provisions of the indenture.

Mr. DANAHER. Under section 312, page 37 of the bill on our desks, we find reference to bondholders' lists. Does the Senator find the reference?

Mr. BARKLEY. Yes.

Mr. DANAHER. I should like to ask, Mr. President, when we are undertaking to protect bondholders, why it should not be possible for a bondholder, after default, to go to the trustee and get a list of all other bondholders? Why should there be an option on the part of the trustee as to whether he will or will not release that list? The Senator will find the reference at the bottom of page 38.

Mr. BARKLEY. The committee and the Commission and all those who have had anything to do with the framing of this legislation, have undertaken to provide in the bill that under circumstances which are deemed sufficient and adequate, when bondholders desire, or there is a necessity to form a bondholders' committee to protect their interests, they shall have the right to apply for a list of all other bondholders so that they may communicate with them on the question of whether they desire to have a bondholders' committee appointed. It is conceivable also that there might be some mischievous desire on the part of some individual, a troublemaker here and there, who might apply for a bond-

holders' list simply for the purpose of instigating trouble, for the purpose of beginning litigation. In such cases the trustee probably ought to be given the power to decide whether a bondholders' list shall be furnished to an individual bondholder who makes the request.

Mr. DANAHER. So that there is an election remaining in the trustee.

Mr. BARKLEY. There is certain discretion in the trustee in that particular case.

Mr. DANAHER. And he may refuse to give the list?

Mr. BARKLEY. He might do so; yes.

Mr. DANAHER. Mr. President, right there, does not that suggest to the Senator that we ought properly to protect the trustee? Give the bondholders the right to get a list of all bondholders. Remember, sir, all this is after an existing default. Give the bondholder that right, so that he may be in a position to obtain the names of all the bondholders. The trustee should be protected to the extent that no suit would lie against him unless and until the Securities and Exchange Commission authorized such a suit. Then we would have the advantage not only of protecting the bondholder so he might maintain his rights but the trustee would also be protected. Certainly that ought to be done. If no restriction is placed upon the filing of a suit against the trustee, it may often result in irreparable damage being done—perhaps a run on a bank.

Mr. BARKLEY. I think we have gone as far as possible to protect not only the trustee but also the investor, for, after all, we cannot overlook what seems to be a prime obligation to the investor to the one who has trusted not only the trustee but has trusted the underwriter, and has trusted the issuer, and who does not have the facilities that are enjoyed by all those on the inside to understand all about the issues and the conditions of the company. I think we have gone as far as we can safely go to protect the trustee from undue harassment or unnecessary litigation consistent with protecting the bondholder in his right, so that he may obtain the list of bondholders in case of necessity without having to go to the only source now from which he can obtain it. And he cannot obtain them then unless the issuing company, the obligor, is willing to give to him such a list.

Mr. DANAHER. Does the Senator know whether or not the provision appearing at the foot of page 38 which retains in the trustee the discretion as to whether he will or will not grant the list of bondholders, is the result of compromise between interests involved in the bill?

Mr. BARKLEY. Yes; many of the provisions of the bill, I will say, are the result of negotiations and conferences of various kinds not only on the part of the Securities and Exchange Commission but the American Bankers Association, the American Association of Savings Banks, and, I will say, the Investment Bankers Association, which, as I said a while ago, have never come all the way along in endorsing the bill. However, many of the provisions of the bill have been worked out after negotiations, discussions, and conferences over the table with all interests involved in the issue of bonds and the formulation of indentures. I may say that the provision here is the result of those conferences and efforts to draft a provision that would be fair to those who have a right to expect protection.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. There was one statement made earlier in the day about the Investment Bankers' Association that I think was perhaps in error, and I want to correct it. Every investment banker of the United States is 100 percent opposed to the bill. I think there ought to be no misunderstanding as to their position.

Mr. BARKLEY. There is no misunderstanding about it. The Investment Bankers' Association as an organization is opposed to the bill. Whether or not every individual member of it is opposed to it I do not undertake to say. I do not intend to leave the impression, and I do not think I did by a proper construction of my remarks on the subject, that the Investment Bankers' Association as such has endorsed the bill and is not opposed to it.

Mr. DANAHER. Mr. President, I have only one other question to ask the indulgent Senator from Kentucky, and that is whether he knows of any losses that have occurred to bondholders because of the form of the indenture since the adoption of the Securities Act of 1933?

Mr. BARKLEY. Mr. President, that is not a fair test, I will say, of the measure we are now considering, because very few such indentures or bond issues have run sufficiently long to enable us to tell whether there will be losses. The time of their expiration has not yet arrived. We have not even nearly approached it. We can tell more about that, perhaps, 5, 10, or 15 years from now, when the bonds begin to approach maturity. Of course, in view of the fact that all these bond issues have been compelled under the law to be filed with the Commission, disclosures have been made. That of itself has operated as a protection to the public, because it then knew as much as it could know by an investigation and inspection, the nature of the bonds and of the company. It is hardly a fair test to ask or for me to attempt to answer as to the losses that have occurred since the act of 1933 or the act of 1934. I will say that the losses have not been very substantial in the last 4 years. But whether they will be substantial in the future on securities already issued which do not come under the provisions of this particular bill it is utterly impossible to foresee.

Mr. DANAHER. I wish to thank the Senator for his courtesy and his cooperation with me. I will say in passing that I had already talked over this phase with the able counsel for the Securities and Exchange Commission, Mr. Burke, who has been in charge of the bill before the committee. There were phases of it which it seemed to me ought particularly to be considered here, and I have raised them in question form. Particularly, it seems to me we ought to have in mind maturing obligations under already outstanding bonds. If the bill is enacted in its present form, I believe we shall leave ourselves open, in that particular, to some serious inroads upon the structure and the status of businesses today. If the situation were entirely prospective, that would be one thing; but in the absence of its being entirely prospective, and since the bill will not have an influence on maturities of outstanding indentures, I fear that all the spokesmen for the bill have offered is a sanguine hope in that particular.

I thank the Senator.

Mr. BARKLEY. I appreciate the Senator's remarks. His questions have been constructive and sincere. I will say that, of course, we cannot go back ab initio and revise the terms under which outstanding bond issues have been made. All we can do is to provide protection for the future; and in case outstanding bond issues are refunded they will have to come in under the shelter of the law, just as though they were original issues.

Mr. SCHWELLENBACH. Mr. President, I should like to submit a question to the Senator from Connecticut [Mr. DANAHER], if I may.

Mr. DANAHER. Certainly.

Mr. SCHWELLENBACH. Am I to understand that the Senator from Connecticut feels that it is entirely proper to have these debentures in the original issuance of bonds on an open-end mortgage concealed somewhere in the middle of an indenture, and to have the bonds sold to the investing public, in most cases with no knowledge on the part of the investing public that it is an open-end mortgage, and that the Senator would object to some restraint upon that sort of practice?

Mr. DANAHER. In answer to the question, Mr. President, I will say that as the law now stands there is no limitation upon the right of a person to enter into a contract. The contract has been entered into, interests have vested, title has passed, and persons have changed position in reliance upon the terms of the indenture as at present drawn.

There is no question in the world that any buyer who chose to do so could have had an opportunity to examine such

indentures. Under those circumstances maturities will come along and must be met, and the company's position may, indeed, be at stake. If the possibility of compliance with the discretion reposed in the Commission by the bill is a necessary condition precedent to whether the company does or does not stay in business, I have an idea that there will be failure to comply. The Senator knows that there are thousands of outstanding issues of corporations and businesses all over the country.

Mr. SCHWELLENBACH. I was limiting my first question to the question which I understand the Senator first raised; that is, the question of open-end mortgages. The Senator is answering by talking about the question of refunding issues.

Mr. DANAHER. I believe my question had to do with the matter of refunding issues, and I think the point to which the Senator adverts was interjected by the Senator from Ohio [Mr. TAFT].

Mr. SCHWELLENBACH. That may be. However, take as an example a corporation which issues $10,000,000 of bonds. The time comes when the bonds are due. We know that many corporations take the position that they never intend to pay the bonds. They intend merely to refund them. Does not the Senator think that the investing public which purchases the bonds for refunding purposes is entitled to the same amount of protection as the investing public which purchased the bonds when they were first issued?

Mr. DANAHER. The question at stake is, To what extent is the United States Government, through one of its agencies, to become a third party to every contract? After all, that is the question involved. Of course I recognize that there is much to be said in favor of the principle of the bill. I understand the degree of protection that is asked, and the hope that is held out for it. I must confess myself in doubt as to whether or not it is necessary at the present time, however, or whether there has been any demonstrable justification for it.

Mr. SCHWELLENBACH. I do not care to enter into an argument with the Senator, but I think there have been many abuses in this country in the matter of refunding issues, and in the attitude of corporations when they put out a bond issue which they never intend to pay off. I refer to the practices of certain public utilities throughout the years. Certainly the provisions of the bill, which are mild as compared with what some would like to do in the matter of regulation, are only those to which the investing public is entitled.

Mr. DANAHER. Let me say, Mr. President, that since the requirement for registration under the Securities Act of 1933, I know of no information called for by the registration requirements today which has disclosed any loss in any way whatever because of the form of the indenture. I know of no evidence of any such loss. I know of no claim of any. Quite the contrary; I believe the only justification offered by Mr. Douglas in his report with reference to the subject was that some 400 defaulting structures had been examined by him before 1933, with respect to which the same terms of indenture were written into the reissue indenture since 1933. He felt that there was thus reason to suspect and fear the worst from now on. He felt that this type of protection should be had from now on, and hence wrote the bill. I think that is the excuse for it. I know of no other.

Mr. SCHWELLENBACH. Mr. President, I wish to say just a word.

I am not a member of the committee which studied the bill, and therefore I am not in a position to discuss the testimony before the committee. However, in the past the reliance which has been placed by the investing public upon the name of a trustee has been most profound. I know of no greater fraud—and I use the word "fraud" in the sense of criticism—that has been perpetrated upon the investing public, taking into consideration the confidence they had in the name of a trustee, than the inclusion in trust indentures of provisions which completely deprive the investing public of any right so far as the trustee is concerned.

Anyone who has had any experience in the investment-banking business knows that a salesman goes out and says, "Here is a great institution which is the trustee. Don't you know that if this were not a proper issue the trustee would not act for it?" The salesman does not tell the public what every lawyer knows, that in that trust indenture are provisions which make it absolutely impossible for the investor to look to the trustee to protect him in any way.

Mr. ADAMS. Mr. President, will the Senator from Kentucky be good enough to allow me to ask a question?

Mr. BARKLEY. Certainly.

Mr. ADAMS. I was looking at page 45 of the bill, subdivision (4), under the heading "Duties and responsibilities of the trustee; duties prior to default." It is provided that the trustee's duties are to be imposed without limitation. Subdivision (4) bothers me a little. It says:

> The performance by the obligor of such of its other obligations under the indenture as the Commission deems necessary or appropriate in the public interest or for the protection of investors.

That language seems to indicate that there may be some obligations which are not to be enforced. It says "such of its other obligations." I am wondering just what the interpretation of that language is.

Mr. BARKLEY. That language is a part of section 315, which pertains to the duties and responsibilities of the trustee, under the subhead "Duties prior to default." The section reads as follows:

> DUTIES AND RESPONSIBILITY OF THE TRUSTEE
>
> Duties prior to default
>
> SEC. 315. (a) The indenture to be qualified shall contain provisions imposing upon the indenture trustee such specific duties and obligations prior to default (as such term is defined in such indenture) as are consistent with the duties and obligations which a prudent man would assume and perform prior to such a default if he were trustee under such an indenture, including, without limitation, action in respect of the following matters—
>
> (1) the recording, re-recording, filing, and refiling of the indenture;
>
> (2) the application of the indenture securities and the proceeds thereof to the purposes specified in the indenture;
>
> (3) the existence of or compliance with all conditions precedent to the authentication and delivery of the indenture securities, to the release or substitution of any property subject to the lien of the indenture, to the satisfaction and discharge of the indenture, and to any other action by the trustee under the indenture; and
>
> (4) the performance by the obligor of such of its other obligations under the indenture as the Commission deems necessary or appropriate in the public interest or for the protection of investors.

In other words, in addition to the specific things set out in subparagraphs (1), (2), and (3) in order for the indenture to be qualified it must also contain a provision that the trustees shall perform such specific duties and obligations prior to default as are consistent, and so forth, with respect to the performance by the obligor. That is a duty enjoined on the trustee.

Mr. ADAMS. I understand.

Mr. BARKLEY. It is his duty to see to it, before default, insofar as the trustee can do so, that the obligor is performing its duty.

Mr. ADAMS. I have not succeeded in making clear my point. I am not complaining of the rigidity of the provision, but of its liberality. It seems to indicate that there are some obligations the performance of which the Commission will not require, because it says:

> the performance by the obligor of such of its other obligations under the indenture as the Commission deems necessary or appropriate in the public interest or for the protection of investors.

I am wondering why there are obligations which the Commission is not going to require the obligor to perform, and what they could be.

Mr. BARKLEY. Of course this all pertains to the duty of the trustee; and among the duties of the trustee before default, of course, is the duty to see, insofar as the trustee can, that the terms of the obligation, the bonds and the indenture, shall be complied with with respect to reserves, sinking funds, and anything included in the debenture which will work toward the possibility of the obligor performing

its duty in respect of such matters at the time of maturity, if that is when the duty is to be performed, or before maturity.

Mr. ADAMS. Is not the implication of this section that there may be vested in the Commission a discretion to say to the obligor, "There are some of your obligations which you do not need to perform"? It seems to me that if an obligation is entered into, it ought to be performed, and the Commission ought to have no authority to waive it.

Mr. BARKLEY. That implies, I think fairly, the suggestion that in writing the indenture the Commission may exercise some jurisdiction over the trustee in determining that some other duty which the obligor is under as a result of the indenture may be waived for specific reasons which may exist at the time. It may be that in a certain case it would be better to hold off, and not to insist upon the actual rigid enforcement of the obligation of the trustee meticulously to do in detail everything that is set out in such a case under subsection (4).

Mr. ADAMS. I may be a bondholder and I may be interested in the enforcement of the clause. Does the Senator think the Commission should say to me, "Though you have bought the bond relying upon that clause, we are going to waive its performance"?

Mr. BARKLEY. Only in case the Commission decides that to do that is for the protection of the investment and in the interest of the public.

Mr. ADAMS. Would the Senator object if that paragraph should be stricken out?

Mr. BARKLEY. I do not think it ought to go out. There is not much discretion left to the Commission in the bill anyway. One of the few things the Commission may do is to exercise some discretion with respect to these very matters that may transpire prior to a default. Another is with respect to notices after default, and another relates to the Commission's approval of certain types of legal and accounting services. There is not very much left in the bill in the way of discretion to the Commission. It is practically all automatic. When the obligor has complied with the provisions of the bill by writing up his indenture in compliance with the law, the duties of the Commission almost entirely cease.

Mr. ADAMS. May I bother the Senator with just one more item?

Mr. BARKLEY. Yes.

Mr. ADAMS. I refer to the portion of the bill with reference to disqualification, on page 26, subsection (5).

In my State, in the city of Denver—which is quite a local commercial capital—there are a number of banks which engage in the business of acting as trustee. The financial center is not very large, and I have been finding some difficulty in working out the various details as to what would disqualify a trustee. I can understand an absolute, rigid rule that if the trustee has a single share of stock, or if anybody connected with the trustee has a single share, there is a disqualification. Here, however, we are setting out that ownership of 5 percent in one instance and 10 percent in another shall disqualify. That is, we abandon the hard and fast rule and attempt to work out the matter on a mathematical basis.

I can conceive that in the community of Denver there may be an individual owning 5 percent of the stock of a bank which is a trustee, and who happens also to be a director of, say, a mining company, or a lumber company, or a coal company. Under this bill the local trustee could not act. That is, the disqualification would be there because of a minority interest of the trustee in one case and a directorship in the other. Does not the Senator think that is a pretty stringent provision when we consider these smaller financial centers?

Mr. BARKLEY. Of course, we have undertaken to relieve the small financial centers by exempting all bond issues of a million dollars or less.

Mr. ADAMS. Of course, Denver is not small. We have a number of bond issues of more than a million dollars.

Mr. BARKLEY. I understand that Denver is not in that category, and I did not think the Senator was talking about Denver when he was talking about financial centers. We have attempted to relieve the so-called or actual small financial centers by exempting all bond issues of a million dollars or less. I assume that the Senator is talking about subsection (5) at the bottom of page 26.

Mr. ADAMS. Yes.

Mr. BARKLEY. The trustee would be disqualified, for instance, if—

5 percent or more of the voting securities of such trustee is beneficially owned either by an obligor or by any director, partner, or executive officer thereof—

That is, a single one—

or 10 percent or more of such voting securities is beneficially owned collectively by any two or more of such persons—

And so forth. We had to establish some arbitrary percentage; and it was the best judgment of the committee that in the case of a single individual the ownership of more than 5 percent ought to disqualify a trustee from acting, and that in the case of two or more individuals 10 percent or above that percentage ought to disqualify a trustee from acting.

Mr. ADAMS. I agree with the Senator that the percentage is arbitrary. It occurred to me that it was just a little too arbitrary, though I do not mean to question the action of the committee.

Mr. BARKLEY. I understand the Senator's point. If we go above that percentage, we get into a realm where there may be such conflict of interest that the trustee ought not to serve. In other words, even a smaller percentage of interest in the assets or the stock or the beneficial ownership of the obligations of a corporation might in some cases color the conduct of the trustee in such a way as to make possible the neglect of his larger duty as trustee of the widely diffused public that happens to own the obligations. Even in the smaller financial circles, and certainly in a major financial circle like the city of Denver, I think this 5- and 10-percent requirement would not work any hardship.

Mr. LODGE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	McNary	Sheppard
Andrews	Frazier	Maloney	Shipstead
Austin	Green	Miller	Slattery
Bankhead	Guffey	Minton	Taft
Barbour	Gurney	Neely	Thomas, Utah
Barkley	Hayden	Norris	Townsend
Capper	Hill	Overton	Wagner
Caraway	Hughes	Pepper	Walsh
Chavez	Johnson, Colo.	Russell	White
Connally	Lodge	Schwartz	Wiley
Danaher	McKellar	Schwellenbach	

The PRESIDING OFFICER. Forty-three Senators having answered to their names, there is not a quorum present. The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators, and Mr. BURKE and Mr. TOBEY answered to their names when called.

The PRESIDING OFFICER. Forty-five Senators have answered to their names. There is not a quorum present.

Mr. BARKLEY. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

The following Senators entered the Chamber and answered to their names: Mr. BILBO, Mr. BONE, Mr. CLARK of Missouri, Mr. GERRY, Mr. HATCH, Mr. LUNDEEN, Mr. MURRAY, Mr. O'MAHONEY, Mr. PITTMAN, Mr. REED, Mr. THOMAS of Oklahoma, and Mr. WHEELER.

The PRESIDING OFFICER. Fifty-seven Senators have answered to their names. A quorum is present.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and to be read the third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. McNARY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. WHITE (when Mr. HALE's name was called). On this vote my colleague the senior Senator from Maine [Mr. HALE] is paired with the junior Senator from South Carolina [Mr. BYRNES]. If my colleague were present and at liberty to vote, he would vote "nay." I am not informed as to how the junior Senator from South Carolina would vote.

Mr. McNARY (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. HARRISON]. I transfer that pair to the junior Senator from Vermont [Mr. GIBSON] and vote "nay."

The roll call was concluded.

Mr. SHIPSTEAD. On this vote I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am not informed as to how he would vote, and therefore I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. McKELLAR. The junior Senator from Tennessee [Mr. STEWART] is absent on important public business. He is paired with the junior Senator from Oregon [Mr. HOLMAN]. If the junior Senator from Tennessee were present, I am informed that he would vote "yea."

Mr. MINTON. I am authorized to announce that on this vote the Senator from New York [Mr. MEAD] is paired with the senior Senator from Michigan [Mr. VANDENBERG]. I am informed that if the Senator from New York were present and voting he would vote "yea," and that the Senator from Michigan would vote "nay."

I announce that the Senator from Virginia [Mr. BYRD] and the Senator from Maryland [Mr. RADCLIFFE] are unavoidably detained from the Senate. I am advised that if present and voting they would vote "nay."

The Senator from Indiana [Mr. VAN NUYS] is absent because of illness.

The Senator from Arizona [Mr. ASHURST], the Senators from North Carolina [Mr. BAILEY and Mr. REYNOLDS], the Senator from Michigan [Mr. BROWN], the Senator from South Dakota [Mr. BULOW], the Senators from South Carolina [Mr. BYRNES and Mr. SMITH], the Senator from Idaho [Mr. CLARK], the Senator from Ohio [Mr. DONAHEY], the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. GEORGE], the Senators from Iowa [Mr. GILLETTE and Mr. HERRING], the Senator from Virginia [Mr. GLASS], the Senator from Mississippi [Mr. HARRISON], the Senator from West Virginia [Mr. HOLT], the Senator from Utah [Mr. KING], the Senator from Oklahoma [Mr. LEE], the Senator from Kentucky [Mr. LOGAN], the Senator from Illinois [Mr. LUCAS], the Senator from Nevada [Mr. McCARRAN], the Senator from New York [Mr. MEAD], the Senator from New Jersey [Mr. SMATHERS], the Senator from Missouri [Mr. TRUMAN], and the Senator from Maryland [Mr. TYDINGS] are unavoidably detained.

Mr. AUSTIN. My colleague the junior Senator from Vermont [Mr. GIBSON] and the Senator from Pennsylvania [Mr. DAVIS] are necessarily detained from the Senate.

I announce the following general pairs:

The Senator from Pennsylvania [Mr. DAVIS] with the Senator from Kentucky [Mr. LOGAN].

The Senator from New Hampshire [Mr. BRIDGES] with the Senator from Georgia [Mr. GEORGE].

The Senator from North Dakota [Mr. NYE] with the Senator from Illinois [Mr. LUCAS].

The result was announced—yeas 40, nays 16, as follows:

YEAS—40

Andrews	Ellender	Maloney	Russell
Bankhead	Frazier	Miller	Schwartz
Barkley	Green	Minton	Schwellenbach
Bilbo	Guffey	Murray	Sheppard
Bone	Hatch	Neely	Slattery
Capper	Hayden	Norris	Thomas, Okla.
Caraway	Hill	O'Mahoney	Thomas, Utah
Chavez	Hughes	Overton	Wagner
Clark, Mo.	Lundeen	Pepper	Walsh
Connally	McKellar	Pittman	Wheeler

NAYS—16

Adams	Danaher	Lodge	Tobey
Austin	Gerry	McNary	Townsend
Barbour	Gurney	Reed	White
Burke	Johnson, Colo.	Taft	Wiley

NOT VOTING—40

Ashurst	Donahey	Holt	Radcliffe
Bailey	Downey	Johnson, Calif.	Reynolds
Borah	George	King	Shipstead
Bridges	Gibson	La Follette	Smathers
Brown	Gillette	Lee	Smith
Bulow	Glass	Logan	Stewart
Byrd	Hale	Lucas	Truman
Byrnes	Harrison	McCarran	Tydings
Clark, Idaho	Herring	Mead	Vandenberg
Davis	Holman	Nye	Van Nuys

So the bill (S. 2065) was passed.

THE FARM PROBLEM

Mr. BARKLEY obtained the floor.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WILEY. Mr. President, I shall not detain the Senate long. In view of the fact that it is necessary for me to depart for a little while into the Middle West, I feel that it is incumbent upon me to bring to the attention of the Senate a very significant matter.

Probably the indictment most frequently directed at any legislator is that he loses perspective. It is very easy for us, sitting in the quiet of this Chamber, with the warm Washington sun beating down outside, completely to forget that elsewhere 10,000,000 farmers stand in the ever-lengthening shadow of starvation earnings and loss of morale.

Today I listened with a great deal of—shall I say pleasure?—to the significant statements of Senators when they spoke about the need of staying in session to stop the possibility of war, or of America's getting into war. I agree with that conclusion. Our common concern today over foreign affairs and bond issues seems very great. It is very easy for us to forget that the $60,000,000,000 American farm investment totters on the brink of financial annihilation. In Washington it is perilously simple for us to ignore the gaunt tanned man who swaps his toil in a losing barter, in which his rightful wage is lost in the shifting sands of commodity price levels.

In Washington it is too easy and too politic for us to become so engrossed in conciliating various pressure groups that we lose sight of the great basic industry of the country.

In Washington it is sometimes too expedient to play the farm interest "against the middle"; to stall one bill while another is introduced; to consider one isolated, completely unintegrated part of a program, independent from a coordinated program; and to stir the cauldron of farm cross-interest for political purposes rather than to settle the problem.

Mr. President, I desire to bring to the attention of the Senate—and I shall not take more than 5 minutes—the fact that we do not seem to be getting anywhere in solving the farm problem. To me it is the greatest problem before the American people, because the farmers of the Nation constitute the economic backbone of the Nation. We sit here and laugh and talk and discuss other issues and let the backbone crack up.

Several months ago, because every sector of our farm group had individual bills introduced, I suggested the need of a coordinated bill wherein every farm section would be represented. Nothing came of that suggestion, so on the 28th of March I introduced an amendment to House bill 5269, calling for an appropriation of $100,000,000, $50,000,000 of which was to be used under section 32 of the A. A. A. Act to buy surplus butter.

After the bill was introduced, a conference was called, and some of the dairy and wheat farmers met in the office of the Senator from Illinois [Mr. LUCAS]. In view of the fact that there has been some talk among Senators as to what went on, I am glad to state that the purpose of the meeting apparently was to see if a coordinated bill could not be worked out. As a result, the Senator from Illinois was appointed chairman of a subcommittee, and he appointed the Senator from

Wisconsin [Mr. LA FOLLETTE] and the Senator from Idaho [Mr. CLARK] as members of the subcommittee.

It will be observed that the Republicans were not represented on the subcommittee.

What I cannot understand is that the Senate amendment to House bill 5269 was introduced thereafter, on April 6, as the bill resulting from the work of this subcommittee; but up to date no coordinated bill has been whipped into shape, no bill representing the interests of cotton, corn, wheat, dairy products, and so forth.

Another meeting of the committee was held recently, with the result that the subcommittee, as I understand, was to carry on with the other sectors of the agricultural picture, and see if a bill could not be gotten into shape that would satisfy the varied interests of the farm industry.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. CLARK of Missouri. Merely for the purpose of keeping the record straight, I desire to make a brief statement.

The Senator has just stated that the subcommittee which was appointed consisted of the Senator from Illinois [Mr. LUCAS], the Senator from Wisconsin [Mr. LA FOLLETTE], and the Senator from Idaho [Mr. CLARK]. I am perfectly willing to assume my part of the responsibility for whatever has been done by the subcommittee. It was the Senator from Missouri, and not the Senator from Idaho, who was the third member of the subcommittee.

Mr. WILEY. I beg the pardon of the Senator from Missouri. Was he on the subcommittee?

Mr. CLARK of Missouri. I certainly was; and I am perfectly willing to defend in the Senate, and before any Senate committee, the actions which have been taken by the subcommittee.

Mr. WILEY. I am not attacking the subcommittee. I am not attacking anyone. I am directing the attention of the country to the fact that we may discuss various things here. As was suggested earlier in the day by the Senator from Alabama [Mr. BANKHEAD], we may hold sessions of our committees, and we may arrive nowhere. As to the subcommittee, I want to say that when meetings were held by it, apparently the subcommittee was to report back to the general committee. We have had no report so far as I know.

At the time the committee was called into the office of the Senator from Illinois [Mr. LUCAS] I had in preparation a bill which represented the "Wisconsin idea" for taking care of the dairy farmers' interest. When the meeting was held, and again the coordinated idea was advanced that all "farm interests" should join to see if some feasible, practicable, and constructive plan could not be evolved, I went no further in introducing the bill on behalf of the dairy interest. I am informed that such a bill will be introduced soon.

I make this statement to dispel a little smoke screen that has been thrown out in this matter. My real object, however, in rising to my feet at this time is to pray to this session of Congress that they will recognize, as most of us do not recognize, the serious situation of the farmers. I mean that they are literally bleeding to death. Letters to this effect continually pour in from my State. Now letters are pouring in from bankers who tell us about the situation. I am bringing the matter to the attention of the Senate, as I say, because I expect to be gone for the next few days, and I feel that I should be remiss in the discharge of my duty if I did not make this statement.

I have introduced in the Senate a measure known as Senate Joint Resolution 93, which provides for a common-sense moratorium in relation to the foreclosure of mortgages by the Government. Up to date that bill has gotten nowhere. I have tried to get somewhere before the committee and to find out what is going on. As you know, the facts are that the Government is foreclosing mortgages and adding to the broken morale that has already grown to vast proportions. The Government, through its agencies, goes right on foreclosing, literally kicking people off the farms, making bums of many of them, putting the rest on W. P. A., and adding more and more people to the class known as "broken morale folks."

On April 27 I submitted in the Senate a resolution the purpose of which was to call to the attention of the Congress and the people a supplementary way of aiding the farmer. In the resolution I suggested that the President investigate the feasibility of entering into some barter arrangement to obtain materials which we do not produce in this country by exchanging dairy products for them.

Everyone knows that the price the farmer gets for his milk which produces butter and cheese is away below what it should be. During the past year the Government and its agencies accumulated about 80,000,000 pounds of butter. No effort was made by the Government to dispose of that butter in foreign markets, and no effort is now being made. It hung like the sword of Damocles above the heads of the farmers, with the result that the market for butter and milk products dropped to its present ruinous level.

Several months ago I talked to the Secretary of Agriculture about that situation, and I again talked with him several weeks ago, suggesting that this butter be sold in foreign markets even if a loss had to be taken, since the loss the Government would sustain was nothing compared with the loss the farmers were sustaining because of the depreciated market. At that time I was informed by the Secretary himself that he and the President and others felt that the American people would not approve such a step. The idea was to feed this butter out to the needy and the underprivileged of the Nation.

While I feel that this decision was honestly arrived at, I think it was a foolish decision. I am informed that most of the surplus butter could have been disposed of some months ago in foreign markets at 20 cents a pound or better, which is about 7 cents below the amount the Government had invested in the butter. If the Government had sold the butter, and had taken the money it would have received and purchased with it part of the butter that was being currently produced in America, it would have stabilized the market here, the farmers would have gotten somewhere near the cost of production for their butter, and the dairy farmers would not be facing the condition they are facing today.

Under our plan for rearmament there are certain necessary and vital so-called strategic war materials which we need, and which we do not produce in sufficient amounts in this country. Other countries which owe us money should sell us this material, and apply the purchase price on their indebtedness. If this arrangement cannot be worked out, then these countries should barter with us, exchanging their surplus strategic materials for our surplus dairy products.

I am grateful to the Senator from Kentucky for yielding to me sufficient time to make this statement.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. WAGNER, from the Committee on Banking and Currency, reported favorably the nomination of Leon Henderson, of New Jersey, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1939, vice William O. Douglas.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Thomas M. Simpson, to be postmaster at Hagerstown, Md., in place of J. T. Hartle, deceased; and also the nominations of several other postmasters.

Mr. HILL, from the Committee on Commerce, reported favorably the following nominations:

Pay Clerk James Black to be a chief pay clerk in the Coast Guard, to rank as such from March 1, 1939; and

Pay Clerk George M. Bailey to be a chief pay clerk in the Coast Guard, to rank as such from April 14, 1939.

The PRESIDING OFFICER (Mr. SCHWARTZ in the chair). The reports will be placed on the Executive Calendar.

CIVIL AERONAUTICS AUTHORITY—EDWARD P. WARNER

Mr. HILL. Mr. President, yesterday the Senate confirmed the nomination of Mr. Edward P. Warner, of Connecticut, to be a member of the Civil Aeronautics Authority. I ask unanimous consent that the President be notified forthwith of the confirmation.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be notified.

If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

COLLECTOR OF INTERNAL REVENUE

The legislative clerk read the nomination of Lipe Henslee to be collector of internal revenue for the district of Tennessee.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the President may be notified of the confirmation of this nomination, as there is a vacancy because of the death of the former collector.

The PRESIDING OFFICER. Without objection, it is so ordered, and the President will be notified.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Marine Corps are confirmed en bloc.

That concludes the calendar.

ORDER FOR ADJOURNMENT TO THURSDAY—AUTHORITY TO COMMITTEES TO REPORT, ETC.

Mr. BARKLEY. As in legislative session, I ask unanimous consent that when the Senate concludes its business today it adjourn until Thursday next; that in the meantime the Vice President be authorized to sign bills and resolutions, that committees be authorized to report bills, resolutions, and nominations, and that the Secretary of the Senate be authorized to receive messages from the House.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

ADJOURNMENT TO THURSDAY

Mr. BARKLEY. As in legislative session, and under the order just entered, I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 47 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Thursday, May 4, 1939, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 2 (legislative day of May 1), 1939

COLLECTOR OF INTERNAL REVENUE

Lipe Henslee to be collector of internal revenue for the district of Tennessee.

PROMOTIONS IN THE NAVY

MARINE CORPS

Donald K. Kendall to be a lieutenant colonel.

Evans F. Carlson to be a major.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 2, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Spirit of the living God, oh, that all men might know Thy atoning Lamb that taketh away the sin of the world; Master of Truth, descend upon us that we may testify to the sublime virtue of Thy holy name. As each day sets its task, steady us with concentration and perseverance and hold us to the conviction that triumph or failure rests with us. Heavenly Father, make us altogether worthy of the world's daily life; fill us with grace that we may enjoy the passing hours. Increase the power of our faith and inspire us with the realization that happy is the man who has his open Bible, who meditates, prays, and feels that the creation itself shall be delivered from the bondage of corruption into the liberty of the glory of the children of God. In the name of the Christ, our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 685. An act to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes.

LEAVE OF ABSENCE

Mr. SHANNON. Mr. Speaker, I ask unanimous consent that I be given a leave of absence for 1 week in order that I may attend the obsequies of my lifelong friend, Frank P. Walsh, of Kansas City and New York, who died suddenly and unexpectedly this morning.

Mr. Walsh was one of the greatest men it has been my privilege to know. He was a great American—great in Kansas City, great in New York, great in the world. Wherever Frank Walsh was, there was a man truly great in every respect.

He was the unfailing friend of the common man, the untiring champion of mankind in the battle for human rights. Even this morning, with death so near, he was representing the people before the Power Authority of New York.

Frank P. Walsh was my friend for more than 50 years. He was everything to me. To use the immortal words of Robert E. Lee at the time of the death of Stonewall Jackson, "I feel that I have lost my right arm." And well might this be said by all suffering and oppressed humanity, for Frank Walsh was their advocate, their friend.

The SPEAKER. Is there objection to the request of the gentleman from Missouri for a week's leave of absence?

There was no objection.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a few excerpts.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I am presenting a resolution entitled "Withholding Relief Benefits from Those Engaged in Un-American Activities." This has to do with the Federal Government's subsidizing people who make it their business to become professional agitators, professional rioters, breakers of the law, and disturbers of the peace, and who are living on money furnished by the United States Government. I am referring this to the committee investigating the W. P. A., and I hope that every Congressman who has the welfare of this country at heart will vote to help me get this resolution through to take these people off the rolls of the United States Government. [Applause.]

Resolution withholding relief benefits from those engaging in un-American activities

Whereas throughout the world certain philosophies of government have arisen which are inconsistent with that of the people

of the United States, and are subversive thereto, which philosophies advocate and teach the expansion of their influence over other governments and peoples; and

Whereas under such philosophies there have been created despotic regimes, the adherents of which long have been, and now are, making every effort to substitute such regimes for the democracy under which the people of the United States have prospered in the past and have been supremely happy in their independence; and

Whereas such subversive groups are known to be internationally organized and to be appealing for support to the less fortunate in our midst; and

Whereas it is known to be a fact that such subversive groups advocate the overthrow of our Government by ballot, by force of arms, by propaganda, by fomenting discord and discontent, and by any other means wherever possible; and

Whereas it is known that many of the local representatives of such foreign subversive groups and their followers repeatedly participate in practically every assemblage where seeds of discontent are being sown, and in nearly every unruly demonstration, agitation, and riot; and

Whereas these same representatives are known to be professional agitators, propagandists, rioters, lawbreakers, disturbers of the peace, and advocates of subversive doctrines; and

Whereas many such local representatives of foreign subversive groups and their converts are receiving relief directly and indirectly and are enjoying the bounty of that Government which they would destroy; and

Whereas such representatives and their followers constantly attempt to harass and coerce the representatives of the Government in the several governmental seats, and threaten disturbances of the peace of the community, threaten families of legislators, and further again threaten use of the un-American so-called sit-down strike and other means of mass violence, intimidation against property and the persons of public officials and their families, and law-abiding citizens: Now, therefore, be it

Resolved by this House of Representatives, That it does hereby deplore the fact that professional agitators, rioters, disturbers of the peace, lawbreakers, and others seeking to overthrow government are permitted to enjoy the bounty of such Government and while receiving therefrom relief which they sorely need, are verily biting the hand that feeds them; and be it further

Resolved, That this House of Representatives calls upon every loyal citizen to help stamp out such destructive and un-American activities; and be it further

Resolved, That this House of Representatives urge the special committee which is now investigating the Works Progress Administration to recommend such amendments to the law as to prohibit the furnishing of public aid to any person engaged or participating in any of the subversive activities hereinbefore referred to, especially and particularly those members of the Workers' Alliance and other communistic organizations, and wherever it is found that members of the Workers' Alliance or members of any other communistic organization are found to engage in any of the subversive activities outlined above, that any such member of any such group be immediately and permanently removed from any Federal Government pay roll.

CORRECTION OF ROLL CALL

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I was surprised this morning upon reading the RECORD to find on page 4969, where there appears the roll call on yesterday of the so-called veterans' pension bill, that a host of Republicans were paired as in opposition to the bill. I was surprised because, of course, no instructions were given to the pair clerks to pair anyone against the bill. After making an investigation I find that the pair clerks sent the record down to the Government Printing Office in proper form with general pairs on the part of those who were away. It was impossible to get a favorable pair because of lack of opposition. I have now been informed by a majority of the Members so recorded they were strongly in favor of the measure, and if here would have voted that way. Everybody understands, of course, there was only one vote in the House against the bill.

In order to correct the RECORD and make it conform with the facts, I ask unanimous consent these gentlemen be not recorded as being opposed to the bill but be given a general pair, as I understand there is no one opposed to the bill to pair with them.

The SPEAKER. The Chair understands the request of the gentleman from Massachusetts is that the permanent RECORD be corrected so as to show only general pairs for the gentlemen referred to, with no specific instructions for or against the bill.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Missouri.

Mr. COCHRAN. As a matter of fact, judging from the result, if every Republican and every Democrat who was missing yesterday had been present he would have voted for the bill without a shadow of a doubt?

Mr. MARTIN of Massachusetts. That is my understanding.

Mr. COCHRAN. It is reasonable to assume that practically everyone absent was in favor of the legislation.

Mr. MARTIN of Massachusetts. Of course, I understand it must be a mistake in the Printing Office, because anyone who read the RECORD and saw only one vote against the bill would know it was an impossible pair record. Furthermore, as the bill was passed under suspension, two favorable votes would be required to one vote in opposition.

The SPEAKER. Without objection, the request of the gentleman from Massachusetts will be granted.

There was no objection.

The SPEAKER. The Chair thinks it proper, in view of the confusion that has arisen with reference to this matter, to call the attention of all Members to the correct practice on the part of any Member desiring to secure a pair. It is his duty to make a request to the pair clerks on the right of the Chair, giving them his personal and individual instructions with reference to securing pairs and stating with whom the pair is to be made and for what purpose. If all Members would follow this rule and practice there would be no confusion about matters of this sort.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to make a statement about this same practice.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I called attention a year ago or 2 or 3 years ago to this matter, and I would like to have the attention of the gentleman from Massachusetts [Mr. MARTIN], as well as the attention of the majority leader.

I called attention several years ago to the fact that the pair clerks are indiscriminately pairing Members against Members of their own party. If your constituents ever read this RECORD and turn to the general pairs, they are going to find a most ridiculous situation. In other words, if Members are not here and they run out of Members of the opposite party, they pair them against each other. For this reason, I served notice on them not to pair me at all without my instructions.

I call attention to this again because somebody in authority ought to instruct the pair clerks not to place a Member's name in the RECORD as paired generally against a Member of his own party, because that not only cancels his pair but makes him look ridiculous.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a concurrent resolution passed by the Michigan Legislature and also a short excerpt from the Pontiac Daily Press on the subject of sugar.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CORRECTION OF ROLL CALL

Mr. DIRKSEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DIRKSEN. Would it be in order, Mr. Speaker, to ask unanimous consent that all of roll call No. 60, in corrected form, be reinserted in today's RECORD?

The SPEAKER. The Chair is clearly of the opinion that the request would be in order.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent that roll call No. 60 be reinserted in the RECORD of today in corrected form in line with the observations made by the minority leader.

Mr. RANKIN. The gentleman only refers to the pairs and not to the Members who answered the roll call?

Mr. DIRKSEN. I will amend it to include the pairs, Mr. Speaker.

The SPEAKER. The gentleman from Illinois asks unanimous consent that there be inserted in the RECORD of today, in corrected form, so far as the pairs are concerned, a proper record as indicated by the remarks of the gentleman from Massachusetts [Mr. MARTIN]. Is there objection?

Mr. DIRKSEN. Mr. Speaker, before the Chair puts the question, may I say that unless the entire roll call is put in——

Mr. RANKIN. I mean put in the entire roll call, but not to change anything in the roll call.

Mr. DIRKSEN. Insert the entire roll call, but the changes to be made are only with respect to the pairs.

The SPEAKER. The gentleman from Illinois asks unanimous consent that there be inserted in the RECORD of today's proceedings a corrected roll call, No. 60, of the vote taken on yesterday, including a correct statement with reference to the pairs.

Mr. MURDOCK of Utah. Mr. Speaker, reserving the right to object, I am not fully aware of just what the correction would do. I am paired in favor of the bill, and if there is any correction with respect to that pairing I would like the opportunity to state that I was absent from the chamber unavoidably, but I had conferred with members of the committee having the bill in charge and was informed that they did not anticipate opposition to it and, in all probability, no record vote would be asked, and depending on their statements, I was attending to some important matters pertaining to my district in the Departments and for that reason I was unavoidably absent, but had I been here I would have voted for the bill.

Mr. DIRKSEN. I am referring to roll call No. 60 and only to the roll call.

Mr. MURDOCK of Utah. I would say that I am paired for the bill, and if you correct that and destroy that pair, then certainly I should be given the right to explain my absence; that I was enthusiastically for the bill, and would have voted "aye."

Mr. MARTIN of Massachusetts. The gentleman would not want a pair to stand that would do an injustice to the other man.

Mr. MURDOCK of Utah. Certainly not, and I am sorry the gentleman should imply that I have that in mind.

Mr. MARTIN of Massachusetts. May I say to the gentleman that I am not trying to imply any such thing, because I knew he would not do that. I simply wanted to clarify his statement.

Mr. MURDOCK of Utah. Certainly not.

Mr. SHANNON. Mr. Speaker, I would like to reserve the right to object for the moment, and say that I was unavoidably absent, 600 miles away, and had I been here I would have voted for the bill. Knowing that there was not much opposition to it, I did not hurry back, but had I been present I would have voted for the bill.

Mr. ANGELL. Mr. Speaker, reserving the right to object, I would like to say that I was absent unavoidably and requested to be called, but through inadvertence I was not called. If I had been here I would have voted for the bill.

Mr. BOLLES. Mr. Speaker, I wish to say that I was absent yesterday. I had a general pair. I am recorded as voting against this bill. If any bill presented in this House would have received my "aye" vote, it is the bill that was voted upon yesterday. I would like to have the RECORD corrected to so state.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PIERCE of New York. Mr. Speaker, I also am paired on roll call No. 60 against the bill. I was unavoidably absent, due to the fact that my partner suffered a shock while in court last week and I was called home. I could not be present. Had I been present, I would have voted for the bill, and I would like the RECORD to so show.

Mr. WIGGLESWORTH. Mr. Speaker, I wish to state that I was also absent at the time of this roll call, unavoidably so, being in the committee investigating the Works Progress Administration. Had I been present, I should also have supported the legislation.

Mr. TABER. Mr. Speaker, I was attending the investigation of the W. P. A. downstairs. We had out-of-town witnesses and the committee was unable to leave. We sent the clerk up with instructions to the pair clerk to provide a general pair, realizing that nothing else was available. If I had been present, I would have voted for the bill.

Mr. CORBETT. Mr. Speaker, I was unavoidably absent on roll call No. 60 yesterday, and would have voted for the bill had I been present.

Mr. DOUGLAS. Mr. Speaker, on roll call 60 yesterday I was detained in the Department of Commerce. Had I been present, I would have voted "yea" on roll call No. 60.

Mr. SANDAGER. Mr. Speaker, my colleague, Mr. RISK, was called home last Friday on account of the illness of his daughter and therefore was paired against this bill. The gentleman from Rhode Island [Mr. RISK] is former Rhode Island commander of the American Legion. He has always been interested in veterans' affairs, and he certainly should not have been paired against this measure. He absolutely would have voted for it. I make this defense of a fine friend of the veteran.

Mr. AUSTIN. Mr. Speaker, I was unavoidably absent from the House yesterday, and I find myself recorded as paired against the bill. Had I been present, I certainly would have voted "aye" on the bill, and I wish to be so recorded.

Mr. GIFFORD. Mr. Speaker, relating to this same measure, had I been present on yesterday I would have voted in favor of the bill.

Mr. HOFFMAN. Mr. Speaker, had I been present yesterday on this roll call, I would have voted in favor of this measure.

Mr. JARRETT. Mr. Speaker, I was unavoidably absent yesterday on roll call No. 60. Had I been present, I would have voted "aye."

Mr. WHEAT. Mr. Speaker, I ask to have the vote corrected on yesterday, to show that I would have voted "aye" had I been present. I was having emergency dental work done, and it was impossible for me to be here.

Mr. DIRKSEN. Mr. Speaker, I was out of the city on yesterday. Had I been present, I would have voted for the bill.

Mr. LEWIS of Colorado. Mr. Speaker, in justice to the pair clerks, it should be emphasized again what the minority leader stated, namely, that the RECORD went down to the Printing Office in proper form, but through some error that happened down there the general pairs were printed as specific pairs and not stated to be general pairs. It was not the fault of the pair clerks. Since the generous statement made by the minority leader, I have conferred with him and with the pair clerks and have examined both the original and carbon copies of the matters sent to the Printing Office. The error did not occur in our organization up here. There were no specific pairs at all in the copies that went to the Printing Office.

EXTENSION OF REMARKS

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a brief editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. EATON of California. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a short article by Paul G. Hoffman on the subject of roads.

The SPEAKER. Is there objection?

There was no objection.

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and include an editorial from the Milwaukee Journal.

The SPEAKER. Is there objection?

There was no objection.

CORRECTION OF ROLL CALL

Mr. RANKIN. Mr. Speaker, further reserving the right to object, had I known I could write such a popular measure, I would also have drawn a tariff bill, and probably a power bill, a money bill, and a farm bill.

Mr. DIRKSEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DIRKSEN. Has my request been disposed of?

The SPEAKER. Without objection, the request of the gentleman from Illinois will be granted.

There was no objection.

Corrected roll call No. 60 follows:

The yeas and nays were ordered.

The question was taken; and there were—yeas 360, nays 1, not voting 69, as follows:

[Roll No. 60]

YEAS—360

Alexander	Crowther	Heinke	Marshall
Allen, Ill.	Culkin	Hendricks	Martin, Colo.
Allen, La.	Cullen	Hennings	Martin, Iowa
Allen, Pa.	Curtis	Hess	Martin, Mass.
Andersen, H. Carl	D'Alesandro	Hinshaw	Mason
Anderson, Calif.	Darden	Hobbs	Massingale
Anderson, Mo.	Delaney	Holmes	May
Andresen, A. H.	Dempsey	Hook	Merritt
Andrews	DeRouen	Hope	Michener
Arends	Dickstein	Houston	Miller
Ashbrook	Dingell	Hull	Mills, Ark.
Ball	Disney	Hunter	Mills, La.
Barden	Dondero	Izac	Monkiewicz
Barnes	Doughton	Jacobsen	Monroney
Barry	Dowell	Jarman	Moser
Barton	Doxey	Jenkins, Ohio	Mott
Bates, Ky.	Drewry	Jenks, N. H.	Mouton
Beam	Duncan	Jensen	Mundt
Beckworth	Dunn	Johns	Murdock, Ariz.
Bell	Durham	Johnson, Ill.	Murray
Bender	Dworshak	Johnson, Ind.	Nelson
Blackney	Eaton, Calif.	Johnson, Luther A.	Nichols
Bland	Eaton, N. J.	Johnson, Lyndon	Norrell
Bloom	Edmiston	Johnson, Okla.	O'Brien
Boehne	Ellis	Jones, Ohio	O'Connor
Boland	Elston	Jones, Tex.	O'Day
Bolton	Engel	Kean	O'Leary
Boren	Englebright	Kee	O'Toole
Boykin	Fay	Keefe	Oliver
Bradley, Pa.	Fenton	Kennedy, Martin	Owen
Brewster	Fernandez	Kennedy, Md.	Pace
Brooks	Fitzpatrick	Kennedy, Michael	Parsons
Brown, Ga.	Flaherty	Keogh	Patman
Brown, Ohio	Flannagan	Kerr	Patrick
Bryson	Flannery	Kilday	Patton
Buckler, Minn.	Ford, Leland M.	Kinzer	Pearson
Buckley, N. Y.	Ford, Miss.	Kirwan	Peterson, Ga.
Bulwinkle	Ford, Thomas F.	Kitchens	Pfeifer
Burch	Fries	Kleberg	Pierce, Oreg.
Burgin	Fulmer	Knutson	Pittenger
Byrne, N. Y.	Gamble	Kocialkowski	Plumley
Byrns, Tenn.	Garrett	Kramer	Poage
Caldwell	Gartner	Kunkel	Polk
Cannon, Fla.	Gathings	Lambertson	Powers
Cannon, Mo.	Gavagan	Landis	Rabaut
Carlson	Gearhart	Lanham	Ramspeck
Cartwright	Gehrmann	Larrabee	Randolph
Case, S. Dak.	Gerlach	Lea	Rankin
Casey, Mass.	Geyer, Calif.	Leavy	Rayburn
Celler	Gibbs	LeCompte	Reece, Tenn.
Chandler	Gilchrist	Lemke	Reed, Ill.
Chapman	Gillie	Lesinski	Reed, N. Y.
Chiperfield	Gore	Lewis, Colo.	Rees, Kans.
Church	Gossett	Lewis, Ohio	Rich
Clark	Graham	Lord	Richards
Clason	Grant, Ala.	Luce	Robertson
Claypool	Grant, Ind.	McAndrews	Robinson, Utah
Clevenger	Gregory	McCormack	Robsion, Ky.
Cluett	Griffith	McDowell	Rockefeller
Cochran	Griswold	McGehee	Rodgers, Pa.
Coffee, Nebr.	Gross	McGranery	Rogers, Mass.
Coffee, Wash.	Guyer, Kans.	McLaughlin	Rogers, Okla.
Cole, Md.	Gwynne	McLean	Romjue
Cole, N. Y.	Hall	McLeod	Routzohn
Collins	Halleck	McMillan, John L.	Rutherford
Colmer	Hancock	McMillan, Thos. S.	Ryan
Connery	Hare	Maas	Sacks
Cooley	Harness	Maciejewski	Sandager
Cooper	Hart	Magnuson	Satterfield
Cox	Harter, N. Y.	Mahon	Schaefer, Ill.
Creal	Harter, Ohio	Maloney	Schafer, Wis.
Crosser	Havenner	Mapes	Schiffler
Crowe	Hawks	Marcantonio	Schuetz
Schulte	South	Thill	Weaver
Schwert	Sparkman	Thomas, Tex.	Welch
Scrugham	Spence	Thomason	West
Seccombe	Springer	Thorkelson	Whelchel
Secrest	Steagall	Tibbott	White, Ohio
Seger	Stefan	Tinkham	Whittington
Shafer, Mich.	Sullivan	Tolan	Williams, Del.
Sheppard	Sumner, Ill.	Treadway	Williams, Mo.
Short	Sumners, Tex.	Van Zandt	Winter
Simpson	Sutphin	Vincent, Ky.	Wolcott
Smith, Conn.	Sweeney	Vinson, Ga.	Wolfenden, Pa.
Smith, Maine	Talle	Voorhis, Calif.	Wolverton, N. J.
Smith, Ohio	Tarver	Vorys, Ohio	Wood
Smith, Va.	Taylor, Colo.	Vreeland	Woodruff, Mich.
Smith, Wash.	Taylor, Tenn.	Wallgren	Woodrum, Va.
Smith, W. Va.	Tenerowicz	Walter	Youngdahl
Somers, N. Y.	Terry	Warren	Zimmerman

NAYS—1

Costello

NOT VOTING—69

Angell	Douglas	Johnson, W. Va.	Sabath
Arnold	Eberharter	Keller	Sasscer
Austin	Elliott	Kelly	Shanley
Bates, Mass.	Evans	Ludlow	Shannon
Bolles	Faddis	McArdle	Sirovich
Bradley, Mich.	Ferguson	McKeough	Smith, Ill.
Buck	Fish	McReynolds	Snyder
Burdick	Folger	Mansfield	Starnes, Ala.
Byron	Gifford	Martin, Ill.	Stearns, N. H.
Carter	Green	Mitchell	Taber
Corbett	Harrington	Murdock, Utah	Thomas, N. J.
Crawford	Hartley	Myers	Wadsworth
Cummings	Healey	Norton	Wheat
Curley	Hill	O'Neal	White, Idaho
Darrow	Hoffman	Osmers	Wigglesworth
Dies	Horton	Peterson, Fla.	
Dirksen	Jarrett	Pierce, N. Y.	
Ditter	Jeffries	Risk	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following general pairs:

Mr. Mansfield with Mr. Darrow.
Mr. Ludlow with Mr. Taber.
Mr. O'Neal with Mr. Ditter.
Mr. Johnson of West Virginia with Mr. Carter.
Mr. McReynolds with Mr. Wigglesworth.
Mr. Dies with Mr. Gifford.
Mr. Starnes of Alabama with Mr. Jeffries.
Mr. Faddis with Mr. Bolles.
Mr. Green with Mr. Fish.
Mr. McKeough with Mr. Hoffman.
Mrs. Norton with Mr. Pierce of New York.
Mr. Peterson of Florida with Mr. Wheat.
Mr. Shanley with Mr. Thomas of New Jersey.
Mr. Buck with Mr. Crawford.
Mr. Harrington with Mr. Bates of Massachusetts.
Mr. Murdock of Utah with Mr. Risk.
Mr. Sirovich with Mr. Jarrett.
Mr. Hill with Mr. Stearns of New Hampshire.
Mr. Cummings with Mr. Douglas.
Mr. Myers with Mr. Bradley of Michigan.
Mr. Snyder with Mr. Austin.
Mr. Eberharter with Mr. Corbett.
Mr. Healey with Mr. Angell.
Mr. Arnold with Mr. Hartley.
Mr. Shannon with Mr. Osmers.
Mr. Kee with Mr. Horton.
Mr. Ferguson with Mr. Burdick.
Mr. Mitchell with Mr. Curley.
Mr. Elliott with Mr. Sasscer.
Mr. Smith of Illinois with Mr. McArdle.
Mr. Byron with Mr. Martin of Illinois.
Mr. Keller with Mr. Folger.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GOVERNMENT REORGANIZATION

Mr. COCHRAN. Mr. Speaker, later in the day I shall submit a report from the Select Committee on Government Reorganization, reporting out the Taber resolution. It is the purpose of the committee to call the measure up tomorrow noon.

Mr. Speaker, I now ask unanimous consent that debate on this bill be limited to 5 hours, to be equally divided and to be controlled by the gentleman from New York [Mr. TABER] and myself.

I have conferred with all the members of the committee, and this request is perfectly satisfactory to them.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I understand the gentleman asks for 5 hours of general debate?

Mr. COCHRAN. Yes; the entire membership of the committee was present this morning, and it was agreed that 5 hours would be reasonable time for debate, 2½ hours on a side.

Mr. MARTIN of Massachusetts. When would that bring the vote?

Mr. COCHRAN. Tomorrow evening.

Mr. MARTIN of Massachusetts. It is the gentleman's purpose to continue until the measure is disposed of?

Mr. COCHRAN. Yes.

Mr. RICH. Mr. Speaker, reserving the right to object, is this another reorganization bill?

Mr. COCHRAN. It is the Taber resolution.

Mr. MAPES. Mr. Speaker, reserving the right to object, I have no objection to the request personally, but I call the Speaker's attention to the fact that the law provides for 10 hours' general debate on the motion to consider the proposed reorganization.

Mr. COCHRAN. Not to exceed 10 hours; but the House, by unanimous consent, can agree upon time.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. MARTIN of Massachusetts. Mr. Speaker, this is the first time I have heard about this proposal. For the present I shall object.

The SPEAKER. The gentleman from Massachusetts objects.

EXTENSION OF REMARKS

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short statement by Matthew Woll, vice president of the American Federation of Labor.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CORRECTION OF ROLL CALL

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I was amazed to find in this morning's RECORD the names of many stanch supporters of the veterans recorded as paired against the bill H. R. 5452, which was passed by the House yesterday.

It was beyond my comprehension to find such outstanding war veteran Members of the House of Representatives as HAMILTON FISH, of New York, one of the charter members of the American Legion, paired against a measure which was designed to do a simple act of justice to thousands of World War and Spanish-American War veterans, their widows, and dependents. I could not believe my eyes when I saw the name of CHARLES RISK, of Rhode Island, past department commander of the American Legion in that State, recorded as paired against a bill to increase the benefits now received by sightless, armless, and legless veterans. I was astonished to find the names of such war-veteran legislators as VINCE HARRINGTON, of Iowa; ED MCKEOUGH, of Illinois, and CHARLES FADDIS, of Pennsylvania, listed among those absent when a roll call was taken on an important piece of veteran legislation.

Among the loyal friends of the veterans, men who have supported every piece of legislation in behalf of the veterans since their election to Congress, who were listed as absent, although paired for the bill were JOE SHANNON, of Missouri; ABE MURDOCK, of Utah, and COMPTON WHITE, of Idaho.

When I reached the floor of the House, I found many other members as mystified as myself over this unusual and inexplicable situation. Several of us made an informal investigation and I wish to give the House the result. I wish to make this statement in fairness to all of the 69 Members who are recorded as absent and not voting and especially in behalf of the Members who were recorded as paired against this important piece of legislation. I make it in behalf of Democrats and Republicans alike, because there is no partisanship where the veteran is concerned.

We found that the Clerk charged with that duty had sent down to the Government Printing Office the list of the Members not voting on the roll call, together with a list of Members who had general pairs. This list of general pairs was printed in the CONGRESSIONAL RECORD, following the vote of 360 to 1, for suspension of the rules, as paired for and against the bill. Below the list of those paired for and against the bill was printed a list of general pairs. Why or how this division was made nobody seems to know.

Now, it is not my purpose to place the blame for this error upon anyone, the Clerk here in the House or the officials of the Government Printing Office. I simply wish to correct an obvious error, an error that is unfair to some of the best friends the veterans have in Congress.

I have not attempted to canvass the list of Members recorded as absent and not voting or those paired for and against the bill, but I have talked with a large number of them. I found that many of those recorded as merely absent were detained on Government business but only after they had been assured there was no opposition to this bill. If they had believed there would be even a remote chance of defeating this bill they would have been present and voting—voting for the bill.

A number of the Members listed as paired against the bill told me they were most enthusiastically in favor of the measure. I cannot speak for all the Members involved in this error, but I do wish to make this statement to show that a mistake has been made in a number of instances and veterans should be slow to criticize Members on the face of this record until the Member has had an opportunity to state his position, if he wishes to do so.

As a past commander in chief of the Veterans of Foreign Wars of the United States, I know the veterans throughout the country appreciate the all-but-unanimous vote cast for the bill. I am pleased to believe that if a full membership of the House had been present the vote would have been 434 to 1.

[Here the gavel fell.]

Mr. O'TOOLE. Mr. Speaker, on roll call No. 60 yesterday I voted in the affirmative. I was present in the Chamber and voted on the first call. I am carried in the RECORD as not voting. I ask unanimous consent that the RECORD and the Journal may be corrected accordingly.

The SPEAKER. Without objection, the Journal and the RECORD will be corrected accordingly.

There was no objection.

DISTRICT OF COLUMBIA MILK INVESTIGATION

Mr. RANKIN. Mr. Speaker, on behalf of the gentleman from West Virginia [Mr. RANDOLPH], I ask unanimous consent that a subcommittee of the Committee on the District of Columbia, the subcommittee investigating the milk situation in the District of Columbia, be permitted to sit during the session of the House today.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EXTENSION OF REMARKS

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in connection with the W. P. A. program.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by publishing a speech made by my colleague the gentleman from New Jersey [Mr. POWERS].

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VREELAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a report of the new industries board of the chamber of commerce.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a statement by E. Clements Horst, an economist.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a statement prepared by Capt. Tom Kirby, of the Disabled American Veterans of the World War, giving an explanation of the bill that was passed yesterday.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

MELVIN GERARD ALVEY

The Clerk called the first bill on the Private Calendar, H. R. 4131, for the relief of Melvin Gerard Alvey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Melvin Gerard Alvey, boatswain's mate, first-class, lifesaving, United States Coast Guard, the sum of $120.54, in full satisfaction of his claim against the United States for damage to and loss of his personal effects on September 17, 1934, when the Coast Guard station at Nome, Alaska, was destroyed by fire: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERSONAL PRIVILEGE

Mr. GEARHART. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state his matter of personal privilege.

CALL OF THE HOUSE

Mr. ALLEN of Illinois. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and eighty-eight Members are present, not a quorum.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 61]

Andresen, A. H.	Elston	Keogh	Schiffler
Arends	Evans	Kramer	Simpson
Arnold	Faddis	Lambertson	Sirovich
Buck	Ferguson	McReynolds	Smith, Conn.
Buckley, N. Y.	Fish	Maloney	Smith, W. Va.
Bulwinkle	Fulmer	Mansfield	Snyder
Byrne, N. Y.	Gavagan	Merritt	Starnes, Ala.
Byron	Green	Myers	Stearns, N. H.
Casey, Mass.	Gross	Nichols	Sumners, Tex.
Costello	Harness	Norton	Terry
Creal	Harrington	Osmers	Thomas, N. J.
Curley	Harter, Ohio	Peterson, Fla.	Thorkelson
D'Alesandro	Hartley	Rayburn	Wadsworth
Darrow	Healey	Reece, Tenn.	Walter
Dies	Horton	Risk	White, Ohio
Ditter	Jenks	Ryan	
Duncan	Kelly	Sabath	
Edmiston	Kennedy, Md.	Sacks	

The SPEAKER. On this roll call 361 Members have answered to their names. A quorum is present.

On motion of Mr. COOPER, further proceedings under the call were dispensed with.

PERSONAL PRIVILEGE

The SPEAKER. The gentleman from California [Mr. GEARHART] will state his question of personal privilege.

Mr. GEARHART. Mr. Speaker, with the indulgence of the Chair, may I point out that I will during the course of my remarks introduce or read copies of telegrams and an envelope, and I ask unanimous consent of the House that the telegrams may be printed in capital type.

The SPEAKER. The Chair would rather have the gentleman present his question of personal privilege in order to determine whether or not he has a question of personal privilege.

Mr. GEARHART. Mr. Speaker, there is one other request I will address to the Chair before proceeding to answer that. Since the matters and things which I am about to discuss will involve another Member of this body, with the indulgence of the Chair, I will now present to the Chair copy of telegram which I have this morning sent to the Representative of the Tenth Congressional District of California, Hon. A. J. ELLIOTT.

The SPEAKER. The gentleman will send up the telegram.

The Chair may say to the gentleman from California that, in order for the Chair to pass upon the question whether or not the gentleman presents a question of personal privilege, it is incumbent upon the gentleman from California to present for the consideration of the Chair statements or articles that reflect upon his character and reputation as a Member of the House of Representatives. The Chair is of the opinion that the telegram which the gentleman from California [Mr. GEARHART] sent to a colleague is not a sufficient basis to present a question of personal privilege. In other words, in order to be entirely fair to the gentleman, the Chair will give him full opportunity to present his alleged question of personal privilege, and calls the attention of the gentleman to the fact that he must present for the review of the Chair some charges or attacks that have been made upon him.

The Chair is of the opinion that the telegram which the gentleman sent to another colleague, a Member of Congress, is not a sufficient basis or ground for the matter of personal privilege.

Mr. GEARHART. Mr. Speaker, the telegram is offered as notice that I am going to discuss the conduct of a Member of this body. I did not want to do this without giving him ample notice, and in the telegram I set forth in detail what I intend to discuss and establish by proof. For these reasons I think the telegram should be received to show that notice has been given.

The SPEAKER. If the gentleman establishes the matter of personal privilege, of course he may use his own judgment about presenting the text of the telegram in his statement; however, the gentleman has not as yet presented for the consideration of the Chair any matter involving a question of personal privilege that affects the gentleman from California [Mr. GEARHART].

Mr. GEARHART. Mr. Speaker, I am confident I will be able to do that.

The SPEAKER. The Chair desires the gentleman to do that now.

Mr. GEARHART. Mr. Speaker, I do not desire to speak in a derogatory way in reference to a colleague of this House without first demonstrating to the membership of the House that I gave him due and formal notice of exactly what I intended to say. That is the only purpose for which I sent the telegram to the desk and the only reason I ask that it be read.

The SPEAKER. Will the gentleman kindly present now the matter upon which he bases his question of personal privilege?

Mr. GEARHART. Mr. Speaker, I ask the recognition of the Chair on these grounds and because of these reasons:

(a) That my rights in my representative capacity to propose and urge upon the appropriate legislative bodies the favorable consideration of legislation has been unjustifiably interfered with, restricted, and circumscribed by reason of unparliamentary, unfair, character-destroying, personal attacks, based upon falsehoods and misrepresentations by

the Representative of the Tenth Congressional District of California.

(b) That my reputation in my representative capacity for truth, honesty, and integrity has been impugned and brought into question by reason of the malicious initiation and circulation of false rumors by the Representative of the Tenth Congressional District to the effect that I am a cheap, money-taking, grafting, self-serving politician in the worst sense of that term, and by the exhibition at public gatherings, open meetings, and private conferences, and in the presence of numerous persons, collectively and individually, of photostats of certain documents, among others a check purporting to be that of Mrs. Gertrude Achilles, with the representation, express and implied, that such photostats constituted and were conclusive evidence of the base character and dishonest propensities of the Representative from the Ninth District of California in respect to his representative capacity.

(c) That my conduct in my representative capacity has been maliciously misrepresented by the Representative from the Tenth Congressional District and by others deceived and misled by him, to the people of the country, and especially to the people of the Ninth and Tenth Congressional Districts of California as base, dishonest, corrupt, and as utterly inconsistent with the high obligation which is that of those who compose the membership of this honorable body, to my damage and detriment.

In support of the grounds and reasons just mentioned I present the following proofs and explanations:

Mr. Speaker, on the 7th day of February 1939 I introduced in the House of Representatives of the Congress of the United States——

The SPEAKER. Will the gentleman pardon the Chair for just a moment? Does the gentleman state upon his responsibility as a Member that the charges to which he has referred affecting the character and reputation and standing of the gentleman who is presenting this question were made by the other gentleman from California, a Member of this House?

Mr. GEARHART. I state that on my own responsibility as a Member of this body and from affidavits which I will present in the course of this statement.

The SPEAKER. Has the gentleman the affidavits?

Mr. GEARHART. The affidavits come to me from persons whom I know to be of the utmost respectability and upon whose word I place complete reliance.

The SPEAKER. Will the gentleman kindly present one or more of those affidavits for the consideration of the Chair?

Mr. GEARHART. I will state to the Chair with all due respect that I have arranged everything in chronological order, and if I am required to present my evidence in a disorderly way I am afraid the import thereof will be lost.

The SPEAKER. The Chair has no disposition to interfere with the order of the gentleman's argument, but the Chair has a very solemn preliminary decision to make; that is, whether or not the gentleman has sufficient evidence of these charges being made, by affidavit or in the public prints or otherwise, before the Chair can entitle the gentleman to the floor to discuss his matter of privilege.

The Chair trusts that the Member will feel that the Chair has no inclination whatever to interfere with his method of presenting his case, but the Chair must have before him some substantive or rather conclusive evidence that the gentleman's character and reputation as a Member have been assailed. The Chair cannot recognize the gentleman on a matter of personal privilege until the gentleman has furnished evidence of that fact; in other words—and the Chair does not know whether or not the gentleman is a lawyer—under the procedure here the gentleman must make out and establish a prima facie case involving the question of personal privilege. This has been the uniform practice in all cases heretofore arising in the House.

Mr. GEARHART. I may state to the Chair that I am legally trained.

The SPEAKER. If the gentleman has an affidavit and desires to present fully his question of privilege, the Chair suggests that the gentleman furnish it to the Chair at this point.

Mr. GEARHART. Do I understand that the Chair desires to glance at it?

The SPEAKER. Only.

Mr. GEARHART. Very well.

The SPEAKER. The Chair does not desire to mislead the gentleman. If the affidavit is offered, it probably on request will go in the RECORD; but that, the Chair thinks, will not interfere with the gentleman's presentation.

The Clerk will read the affidavit for the benefit of the RECORD.

The Clerk read as follows:

AFFIDAVIT

STATE OF CALIFORNIA,
County of Santa Clara, ss:

Gertrude S. Achilles, being duly sworn, deposes and says:

I reside near Morgan Hill, Calif.; I am interested in the proposed John Muir-Kings Canyon National Park and received literature from some of the organizations interested in the creation of that project. These communications requested me to write Congressman B. W. GEARHART and Congressman ALFRED J. ELLIOTT.

On March 4, 1939, I wrote two notes on cards; one of these I addressed to Congressman B. W. GEARHART and the other to Congressman ALFRED J. ELLIOTT, both in my own handwriting. These I enclosed in envelopes of the same type of stationery as the cards and these envelopes were large enough to hold the cards without the cards being folded. I enclosed in the envelope addressed to Congressman ALFRED J. ELLIOTT by mistake a check for $100, payable to Congressman B. W. GEARHART, which I expected to be used in furthering the project.

I later received a letter from Congressman B. W. GEARHART dated March 9, 1939, in which he thanked me for my interest in the project. I later received a letter dated March 15, 1939, from Congressman B. W. GEARHART in which he thanked me for my proffered assistance and with which he returned to me the above-mentioned check, which check I had formerly sent in the envelope addressed to Congressman ALFRED J. ELLIOTT.

I have been shown an envelope addressed by a typewriter to Congressman B. W. GEARHART, postmarked San Jose, Calif., March 13, 1939, with an air-mail sticker attached. I had never seen this envelope until it was recently shown me on March 27, 1939. I did not send this envelope to Congressman GEARHART. I do not possess any such stationery; I do not own a typewriter, and I did not authorize anyone to address such envelope for me on a typewriter. My letters are written by me in my own handwriting, as were the two notes dated March 4, 1939, above-mentioned, and I did not authorize anyone to address an envelope by a typewriter to Congressman GEARHART. I addressed but one envelope to Congressman GEARHART and that contained the note dated March 4, 1939, and was in my own handwriting.

GERTRUDE S. ACHILLES.

Subscribed and sworn to before me this 1st day of April A. D. 1939.

A. M. FREE,
Notary Public in and for the County of Santa Clara, State of California.

Mr. GEARHART. Mr. Speaker, may I ask that the second affidavit be read, as it will indicate the misuse of the check in question by the Representative of the Tenth Congressional District of California?

The Clerk read as follows:

STATE OF CALIFORNIA,
County of Fresno, ss.

H. B. Williams, being first duly sworn, deposes and says:

That he is a citizen of the United States of America and a resident of the County of Kings, State of California; that his postoffice address is route 2, box 417, Kingsburg, Calif.; that he is by occupation a farmer, and has resided at his present address continuously for the past 22 years;

That for sometime last past he has been in favor of the creation of the John Muir-Kings River Canyon National Park and the Pine Flat bill; that on the evening of April 13, 1939, he was invited by one W. B. Wilbur, of Tulare, Calif., to attend a conference to be held at the city of Tulare, County of Tulare, State of California, with Congressman A. J. ELLIOTT; that affiant was informed that there would be exhibited at such conference photostatic copies of certain documents that would compromise Congressman B. W. GEARHART in his efforts to establish the national park and enact the so-called Pine Flat bill; that these documents were in the possession of Congressman ELLIOTT, but that Mr. GEARHART did not know of Mr. ELLIOTT's possession of said documents.

That the following persons, all residents of Kings County, Calif., were invited by the said W. B. Wilbur to attend said conference, to wit: C. L. Montgomery, J. J. Dawson, S. W. Tome, Nick Weiss, Ralph Gilkie, Clarence Salyers, and Louis Robinson; that affiant attended said conference on Friday morning, April 14, 1939, at the offices of the Tulare Chamber of Commerce in Tulare, Calif.; that all of the persons heretofore mentioned attended said conference and in addition there were present W. B. Wilbur, R. W.

Wilbur, Congressman A. J. ELLIOTT, and three other persons unknown to this affiant; that at said conference Mr. ELLIOTT stated that he had not arranged the meeting but had received an invitation to attend;

That shortly after Mr. ELLIOTT's return to California in April of 1939 a report spread through Tulare and Kings Counties that Mr. ELLIOTT had in his possession certain documents which would discredit Mr. GEARHART and his support of the park and Pine Flat bills;

That after Mr. ELLIOTT had concluded his statement of his reasons for opposing the park bill, questions were asked him regarding the subject of insincerity on the part of those who were supporting the bills; that Mr. ELLIOTT then produced three photostats consisting (1) of an ordinary envelope addressed to A. J. ELLIOTT, House of Representatives, Washington, D. C., (2) a short note or letter from Mrs. Achilles, and (3) a check in the sum of $100, made payable to W. B. GEARHART, signed by Mrs. Achilles;

That before producing the photostatic copies herein mentioned, Mr. ELLIOTT stated that he always believed Mr. GEARHART to be honest, and after exhibiting the photostatic copies herein mentioned Mr. ELLIOTT stated, in substance and effect, that those present could use their own judgment; that after affiant had inspected the check, he stated to Mr. ELLIOTT that the documents did not appear to him to be evidence of corruption, because $100 would be only small change. Mr. ELLIOTT stated to affiant that it wouldn't be small change if one received enough of them;

That during the course of the conversation one of the persons present asked Mr. ELLIOTT what had become of the check and Mr. ELLIOTT stated that he gave the check to Mr. GEARHART, but he didn't know what GEARHART had done with it.

H. B. WILLIAMS.

Subscribed and sworn to before me this 25th day of April 1939.

[SEAL] EMMA DELK,
Notary Public in and for the County of Fresno, State of California.

The SPEAKER. The Chair is of the opinion that the affidavit just offered might have a tendency, although not very clearly or definitely, charging corruption, but it affords the gentleman from California a basis for a question of personal privilege, and the Chair recognizes the gentleman.

Mr. GEARHART. Mr. Speaker, on the 7th day of February of 1939 I introduced in the House of Representatives of the Congress of the United States a bill to establish in California a new national park, to be known as the John Muir-Kings Canyon National Park, and to transfer thereto the lands now included in the now existing General Grant National Park.

In accordance with the rules of the House of Representatives, this bill (H. R. 3794) was duly referred to the Committee on Public Lands, where the bill at this moment now rests.

The support of this bill is widespread throughout the entire United States. Among the organizations which are supporting this measure is the Sierra Club, an organization of mountain climbers and wilderness enthusiasts. In order to further this bill this highly reputable organization caused to be issued and disseminated widely a pamphlet or brochure which bore the title "The Kings River Region Should Be a National Park."

In this pamphlet there was inserted a loose-leaf page, upon which in printed words stating that all those who favored the legislation were urged to write Congressman B. W. GEARHART, who introduced the bill, and Congressman A. J. ELLIOTT, of the House Committee on Public Lands, in expression of their approval of the measure.

For reasons quite beyond my ability to explain, my bill for the creation of the John Muir-Kings Canyon National Park and for the transfer thereto of certain lands in the now existing General Grant National Park incurred the bitter opposition of the Representative in Congress from the Tenth Congressional District in California, an opposition which has not abated nor been carried on with less vigor to this day.

Among the members of the Sierra Club there is listed a Gertrude Achilles, of Morgan Hill, Santa Clara County, Calif., an elderly woman of the utmost respectability, as are most of the members of the Sierra Club, if not all of them.

Mrs. Achilles became very earnestly alined in support of the legislation to which I have just referred. Upon receiving a copy of the pamphlet of the Sierra Club and reading the admonition to write to Congressman ELLIOTT and myself, Mrs. Achilles, actuated by the best of intentions, endeavored to comply with the suggested course. On March 4, 1939, she wrote a letter to me and enclosed a letter, properly addressed, with postage prepaid, in an envelope directed to me. This letter arrived in Washington in due course via 3-cent rail mail on the 9th day of March 1939 and was delivered at my office, suite 1118, New House Office Building, where it was later brought to my attention.

I will now send a copy of this letter to the Clerk, with the request that it be read.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

MORGAN HILL, CALIF., *March 4, 1939.*

Hon. Mr. GEARHART:

DEAR SIR: Please support to your utmost your bill for the creation of the John Muir National Park. He had, I am sure, no more ardent supporter, or one who appreciates what he would love to have done. Call upon me should there be need for financial help. See Mr. ELLIOTT.

Yours sincerely,

Mrs. GERTRUDE S. ACHILLES.

Am a member of the Sierra Club of San Francisco.

Mr. GEARHART. On the date that the letter from Mrs. Gertrude Achilles of March 4, 1939, was received, that is, on the 9th day of March 1939, I immediately replied. I now send to the desk of the Clerk the copy of the letter which I wrote to this most estimable lady and ask that it be read.

The SPEAKER. Without objection, the Clerk will read the letter.

There being no objection, the Clerk read as follows:

MARCH 9, 1939.

Mrs. GERTRUDE S. ACHILLES,
Morgan Hill, Calif.

MY DEAR Mrs. ACHILLES: I appreciate more than I can express in mere words the receiving of your letter of recent date, in which you voice your approval of H. R. 3794, which I recently introduced in the House of Representatives.

I know that you are a busy woman, but if you will spare a few minutes to write similar letters to every Member of Congress in the California delegation, I know that such action will lend tremendous impetus to our drive to have this bill enacted into finished legislation. The small and selfish minority has already flooded Washington with letters opposing the bill. It is time for the friends of this legislation to come to the rescue.

With kindest personal regards, I beg to remain,

Most cordially yours,

B. W. GEARHART,
Member of Congress.

Mr. GEARHART. On the 15th of March 1939 I received a second letter from Mrs. Gertrude S. Achilles, of Morgan Hill, Calif. Though it bore the same date as the former letter—that is, March 4, 1939—it did not reach my hands until the 15th day of March of this year.

With this second letter from Mrs. Achilles, which arrived at my office on March 15, 1939, there was enclosed a check for $100, which was drawn upon a New York bank, the name and identity of which I cannot now state or reveal, for the reason, as will very shortly appear, that I returned that check to Mrs. Achilles on the same day that it was by me received. This check was made out in favor of W. B. GEARHART, my initials being reversed.

I will now send a copy of this letter to the desk of the Clerk, and ask that it be read.

The SPEAKER. The Clerk will read the letter without objection.

There being no objection the Clerk read as follows:

MORGAN HILL, CALIF., *March 4, 1939.*

DEAR SIR: Kindly accept my contribution for the creation of The John Muir National Park. I have been over parts of the ground and can interest many people in the project. My son, T. C. Achilles in the State Department, joins me in furthering this project.

Wishing the bill success.

Very sincerely,

Mrs. GERTRUDE S. ACHILLES.

Mr. GEARHART. I will now send to the desk of the Clerk a copy of the envelope in which the letter of Mrs. Achilles, which has just been read, was received. And I ask that the written matter on that envelope be read including the post-office stamp cancelation markings which indicate that the letter last referred to was mailed, not in Morgan Hill, but in the city of San Jose, a city which is situate some 15 miles, more or less, from Morgan Hill.

I further point out that the envelope in which this second letter of Mrs. Achilles, which has just been read, was received was addressed in typewriting and not in longhand, as Mrs. Achilles is accustomed to address the envelopes of letters which she mails. May the envelope be read.

The SPEAKER. Without objection, the Clerk will read the written matter on the envelope.

There being no objection, the Clerk read as follows:

[Copy of envelope]

Via air mail.

[Post-office stamp cancelation.] "San Jose, Mar. 13, 3 p. m., 1939, Calif." [Two 3-cent stamps.]

Congressman W. B. GEARHART, House of Representatives, Washington, D. C.

Mr. ELLIOTT. Mr. Speaker, will the gentleman yield?

Mr. GEARHART. I will not yield at this time until I finish my statement. The second letter of Mrs. Achilles, the one to which I am now referring, arrived at my office on the morning of March 15, 1939, 2 days after it was mailed in San Jose, Calif., as indicated by the stamp-cancelation marks of the Post Office Department.

During the course of that day I replied to her letter under date of March 15, 1939, and returned to her in the envelope containing my letter the check to which I have just referred.

Mr. Speaker, I now send to the desk a copy of my letter to Mrs. Achilles of March 15, 1939, and I ask that it be read.

The SPEAKER. Without objection, the letter will be read into the RECORD.

There being no objection, the Clerk read as follows:

MARCH 15, 1939.

MRS. GERTRUDE S. ACHILLES,
Morgan Hill, Calif.

MY DEAR MRS. ACHILLES: In this morning's mail I received your brief note of the 4th instant. By way of reply, permit me to thank you most kindly for your proffered assistance in the matter of the creation of the John Muir-Kings Canyon National Park, a bill for which I have heretofore introduced in the House of Representatives.

In view of the fact that I have no bookkeeping system or organizational set-up for the handling of trust funds, it would be quite inconvenient for me to accept the contribution to the cause which your generous check of $100 represents. To date everything that I have expended in support of my bills has been expended out of my private funds and I really prefer to continue that way as the amounts involved are too insignificant to give me much concern. In returning the check, which I am enclosing herewith, I trust that you will understand.

My bill is being supported vigorously by several national organizations, among them the American Planning and Civic Association, 901 Union Trust Building, Washington, D. C.; the Emergency Conservation Committee of New York, of which Mrs. C. M. Edge is chairman, 734 Lexington Avenue, New York; the John Muir Association, of which Mrs. Linnie Marsh Wolfe is secretary, 2831 Garber Street, Berkeley, Calif.; and the Sierra Club, Mills Tower, San Francisco. I do not know whether or not any of these organizations accept contributions, but I do know that they have expended considerable sums in the printing of pamphlets which they have disseminated. I might suggest that you communicate with one or the other of them, as they would be very glad to know that their efforts in support of the legislation is appreciated.

Thanking you very kindly for your great interest in the success of the John Muir-Kings Canyon National Park legislation, and with kindest personal regards, I beg to remain,

Most cordially yours,

B. W. GEARHART,
Member of Congress.

Mr. GEARHART. About a week passes. On the 21st or 22d day of March, I received a telephone call from one, the identity of whom is to me quite unknown. The person whose voice I heard over the telephone wire conveyed to me most startling information, all of which I have since verified as a result of painstaking efforts of investigation. It is because I have verified the information so conveyed to me, the facts which I will later in my remarks of today present proof of, that I make mention at this time of this anonymous telephone call at all.

I was informed by the one who spoke that the Representative from the Tenth Congressional District of California, the Honorable A. J. ELLIOTT, had for the sole and only purpose of accomplishing the defeat of the pending legislation to which reference has already been made, fabricated an elaborate scheme for the personal entrapment of the author of the legislation, and for the purpose of accomplishing the utter destruction of the reputation of the one who now addresses this honorable body for truth, honesty, and integrity, both as a Member of this honorable body and as a citizen worthy of respect and confidence; and I was cautioned to avoid the trap and to by no means cash a certain check for $100 which the one who spoke to me had learned was to be sent to me through the cooperated activities of the Representative from the Tenth Congressional District of California and an unnamed confederate residing in the city of San Jose, county of Santa Clara, State of California.

Going into detail, my informant advised me that he had learned that the gentleman from California, [Mr. ELLIOTT] had received by mistake a note from a lady in California with which a check for $100 was enclosed which was intended for the Representative from the Ninth Congressional District of California, the one who now occupies the floor; and that he, the gentleman from California [Mr. ELLIOTT], had taken the letter and the check to the Federal Bureau of Investigation in Washington and caused the same to be photostated; that he had instructed the Federal Bureau of Investigation to dispatch a man to the New York bank upon which the check was drawn and to rephotostat the check if and when it arrived at that banking institution with the endorsement of the Representative from the Ninth Congressional District of California, and to transmit such additional photostat to the Representative from the Tenth Congressional District of California.

I was further informed by the unidentified voice that the Representative from the Tenth Congressional District of California had further instructed the Federal Bureau of Investigation to dispatch one of their operatives to Morgan Hill, Santa Clara County, Calif., to interview the said Gertrude Achilles, and to ascertain, if possible, whether or not the said Gertrude Achilles stood to profit as a consequence of the enactment of legislation for the creation of the John Muir-Kings Canyon National Park.

The voice concluded by words in substance and effect as follows:

He is out to frame you, Buddy, and I would not be a party to it. I had to tell you. Be on your guard.

This was the first information I had received from any source that any part or portion of my epistolary relationship with Mrs. Gertrude Achilles, Morgan Hill, Santa Clara County, Calif., was not in every respect aboveboard. It was the first information that I had received from any source that the Representative from the Tenth Congressional District had had anything to do whatever with the free exchange of letters which Mrs. Gertrude Achilles and myself had written, one to the other.

Placed on inquiry by the receipt of this information, believing that I should ascertain and reduce to evidentiary form the true facts under such circumstances that they could not thereafter be questioned, I wrote a long letter to the Honorable Arthur M. Free, an outstanding member of the bar now practicing his profession in the city of San Jose, county of Santa Clara, State of California—a gentleman of the highest integrity and also of great ability. Mr. Free is a former district attorney in and for the county of Santa Clara, State of California, and a former Member of this legislative body, representing as he did with honor and distinction the congressional district which is now known as the Eighth Congressional District of California.

I now send to the Clerk's desk a copy of this letter, and ask that it may be read.

The SPEAKER. Without objection, the Clerk will read the letter.

There was no objection.

The Clerk read as follows:

MARCH 23, 1939.

HON. ARTHUR FREE,
Attorney and Counselor at Law, San Jose, Calif.

MY DEAR ARTHUR: As you have no doubt read in the public prints, some time ago I introduced a bill for the creation of a John Muir-Kings Canyon National Park in the high Sierras of Fresno County. For no reason worth while considering, my colleague from the Tenth District of California, ALFRED J. ELLIOTT, has interested himself in promoting a vigorous opposition to the program. In his zeal for his cause he has resorted to tactics which, I do not believe, can be considered within the amities. In other

words, he has so disported himself in these precincts as to have incurred my ire. In still other words, I am mad.

And when I, in the succeeding paragraphs of this communication, recite to you that which he has been reported to me as having done, I am sure that you, as a former Member of the popular branch of the National Legislature, will feel that I am not without justification. Though my displeasure may be personal in its larger aspects, it affects every other Member of this group. And I feel that I should not let the matter pass without at least endeavoring to reveal the facts.

It is because of that desire that I am assuming to impose upon you, Arthur, old friend, in this instance.

There is a lady living in Morgan Hill by the name of Mrs. Gertrude S. Achilles. Under date of March 4 she wrote me a brief communication heartily endorsing my bill for the creation of the John Muir-Kings Canyon National Park. In this communication she inquired as to whether or not she could be of financial help. Under date of March 9 I replied to her communication, thanked her profusely for her proffered assistance, but ignored her inquiry concerning a possible contribution to the cause.

Following this the Sierra Club, of which she asserts she is a member, and other organizations, including the John Muir Association, the American Planning and Civic Association, the Emergency Conservation Committee of New York, caused to be printed and disseminated a number of highly artistic pamphlets in each of which it was urged that the reader write to B. W. GEARHART, the author of the bill, and to A. J. ELLIOTT, a member of the Public Lands Committee, the committee to which the bill had been referred, in support of the measure. Parenthetically I might point out that ELLIOTT was specifically mentioned, because at the time of the printing of these pamphlets it was anticipated he might be in the opposition.

Again, under date of March 4, 1939, Mrs. Achilles wrote a second time and on this second occasion included a check for $100 drawn in my favor upon a New York bank. The envelope in which this second letter was sent to me was postmarked San Jose and postmarked dated March 13. The envelope, which does not fit the card, is addressed on the typewriter, not in the handwriting of the lady herself.

When I received this communication, I again wrote to Mrs. Achilles, again thanked her for her proffered assistance, and returned to her her check, with thanks, of course.

In order that you may comprehend the file to which I have herein referred, I am enclosing the all thereof herewith. Because of the importance of this correspondence to me, I trust that you when it has served your purposes will return it all to me. Because of the importance of the envelope in which the second letter came I trust that you will guard that especially.

There is nothing unusual in the facts that I have just recited. It is that which I am now about to report to you which has made me indignant.

Three Members of Congress, each one a gentleman whose confidence I must keep, have come to me and told me of a conversation which they severally had with Mr. ELLIOTT in which he said that he was going to ruin me personally by demonstrating to the House of Representatives beyond the preadventure of a doubt that I was promoting the John Muir-Kings Canyon National Park bill for profit and that I was taking donations from all sources and devoting the money to my own uses. He further said that the second letter of Mrs. Achilles had been sent to him by mistake; that he had put it back, together with the check, into an envelope which he had addressed to me and sent the letter to San Jose for mailing to me in Washington. He further said that he had notified the Bureau of Investigation and that at his request they were "covering" the bank in New York and that as soon as the check with my endorsement was presented to that institution for cancelation and payment, he would be supplied with a photostatic copy..

Though I haven't expended any money out of my own pocket for the advancement of my park bill, it is my intention to separately print several of my speeches in favor of the park, and in the days to come I will probably be out a tidy sum because of my espousal of this legislation. It would have been entirely proper for me to have accepted the donation and applied the funds to that purpose. But I did not do so because I have long ago learned, as a public official, that if you take money from any person, no matter how disinterested your objective may be, your explanation is never accepted by those who are prone to suspect all persons in public office of chronic dishonesty. I had sent the check back to Mrs. Achilles simply because I did not want to incur the necessity of explanation.

But because one of my colleagues is opposed to one of my bills, he has deliberately set out to lay a trap for me. If I had stumbled into his snare he would have undoubtedly used the happening to convince those that might believe him that I was utterly without integrity, a cheap grafter, one entirely devoid of legislative decency.

Now, unless I am imposing upon you way beyond the limits which our ancient friendship would justify, I would appreciate it very, very much indeed if you would do these things for me.

Would you be good enough to interview Mrs. Achilles and obtain from her the facts? Ask her how she happened to write two cards on March 4, 1939. Ask her why she did not await my reply to her card in which she inquired of me as to whether or not she could be of financial assistance before writing the second time and enclosing the check. Exhibit to her the envelope in which the second letter came and ask her if that was from her stationery box. Inquire of her as to whether or not she addressed it or had it addressed by another. Ask her why it was mailed in San Jose rather than Morgan Hill. In other words, I would like to know all about that which has transpired there.

It may be that ELLIOTT sent the letter back to her and that she herself remailed it to me. This would relieve him of much of the guilt. This would leave him a little bit better off than he would be if he used a confederate in the City of the Roses. But even if he did return it to Mrs. Achilles, I would be interested in knowing if he included the stamped and addressed envelope for her use.

If Mrs. Achilles is a friend of my park proposal, she will, of course, very gladly cooperate. But if she is a "plant," that fact might be revealed. Anyway, I would like very, very much to know all about that which has transpired at the other end. As you know from experience, if ELLIOTT had been acting in a friendly manner as one colleague ought to be acting toward another, he would have sent Mrs. Achilles' letter to me immediately upon its receipt in his office with a brief line of transmittal. The fact that he went to all of the trouble to lay a trap for me certainly ought to condemn him as one unworthy of the association with those who endeavor to adhere to the standards which we associate with the word "gentlemen." If I could get the facts so I could clinch every nail, I wouldn't hesitate to move for his expulsion from this body. Because I feel so deeply about it, I would more than appreciate your sympathetic consideration of that which I have forced upon your attention herein. I trust that I really am not imposing too great a burden upon you.

Trusting this finds you in the best of health, and with kindest personal regards, I beg to remain,

Most cordially yours,

B. W. GEARHART,
Member of Congress.

Mr. GEARHART. Mr. Speaker, on the 30th day of March 1939 I received an air-mail letter from the Honorable Arthur M. Free, which bore the date of March 28, 1939, a letter which was dispatched to me by way of air mail. I now send a copy of this letter to the Clerk's desk and ask that it may be read.

The SPEAKER. Without objection, the letter will be read into the RECORD.

There was no objection.

The Clerk read as follows:

REA, FREE & JACKA,
LAW OFFICES, COMMERCIAL BUILDING,
San Jose, Calif., March 28, 1939.

Hon. BERTRAND W. GEARHART,
Member of Congress, House Office Building, Washington, D. C.

MY DEAR "BUD": I saw Mrs. Gertrude S. Achilles last night. She is an elderly and wealthy woman who is a great admirer of John Muir. She received the literature of some of the organizations interested in the new park and apologetically said that she should have sent the money to them, but having been informed that you were interested in the movement, sent the check to you, which check was finally returned and destroyed by her.

She informs me that she has never seen the envelope with the air-mail sticker attached; that she has no such envelopes, she does not own a typewriter, has no secretary who does, writes her letters in her own hands, and has them mailed at Morgan Hill; that she did not mail the envelope enclosed, nor did she have anyone mail it for her, did not address it, and that the envelope did not come out of her possession.

I therefore conclude that all of your surmises are correct and that your friend ELLIOTT tried to job you by having the check mailed in that envelope here in San Jose.

If I can be of further service in the matter, please advise me. Mrs. Achilles says that she will do anything to help you out in the matter, as she feels that the trouble arose from the fact that she sent the check to you and not one of the organizations interested in the movement.

I return herewith note of Mrs. Achilles dated March 4, 1939, attached to carbon copy of your letter dated March 15, 1939, also card of hers dated March 4, 1939, attached to carbon copy of your letter dated March 9, 1939, and envelope addressed with a typewriter with air-mail sticker attached, showing it to have been mailed in San Jose, Calif.

Hoping this finds you well, and with kindest regards, I am,

Yours very truly,

A. M. FREE.

Mr. GEARHART. Immediately following the receipt on March 30 of the letter of the Honorable Arthur M. Free, which has just been read, I dispatched a telegram to my correspondent, a telegram which I am now sending to the desk of the Clerk, and which I ask may be read.

The SPEAKER. Without objection, the Clerk will read the telegram.

There was no objection.

The Clerk read as follows:

MARCH 30, 1939.

Hon. ARTHUR FREE,
Attorney and Counselor at Law, San Jose, Calif.:

Letter received; greatly appreciate cooperation. Please make every effort to obtain affidavit reciting all facts in detail. If subject has no idea how second letter to me was misdirected, opinion would

be interesting. Realize preparation of affidavit is legal matter, and I will insist upon compensating you for your services.

GEARHART, M. C.

Mr. GEARHART. At the same time that I caused the telegram to be sent to the Honorable Arthur M. Free, of San Jose, the telegram which has just been read, I also caused a telegram to be sent to Mrs. Gertrude S. Achilles at Morgan Hill, Calif.

I now send a copy of this telegram to Gertrude S. Achilles to the desk of the Clerk and ask that it may be read.

The SPEAKER. Without objection, the Clerk will read the telegram.

There was no objection.

The Clerk read as follows:

MARCH 30, 1939.

Mrs. GERTRUDE S. ACHILLES,
Morgan Hill, Calif.:

Would deeply appreciate your further cooperation in respect to matter concerning that which former Congressman Free discussed with you. Opponents resorting to foul methods. Your assistance now would be very helpful. Mr. Free will communicate with you again I am sure.

Congressman B. W. GEARHART.

Mr. GEARHART. On the day following, that is, on the 31st day of March 1939, I sent a second telegram to the Honorable Arthur M. Free at San Jose, Calif.

I now send to the Clerk's desk a copy of this telegram of March 31, 1939, and ask that it may be read.

The SPEAKER. Without objection, the Clerk will read the telegram.

There was no objection.

The Clerk read as follows:

MARCH 31, 1939.

ARTHUR FREE,
Attorney at Law, Commercial Building,
San Jose, Calif.:

Is it correct to infer, since both letters bear same date of March 4, that subject wrote both letters that day. Did she write other Congressmen, including ELLIOTT, at same time. If so insertion of letter to me in wrong envelope by mistake would account for mystery. Am most anxious to have Mrs. Achilles' affidavit at earliest possible moment. Other evidence amassed here complete. Have telegraphed subject urging cooperative assistance.

GEARHART, M. C.

Mr. GEARHART. On or about the 3d day of April 1939, I received a letter from the Honorable Arthur M. Free at San Jose, Calif., which was sent to me via air mail, a letter which was written to me in response to my previous communications with him.

I now send a copy of the letter of the Honorable Arthur M. Free of April 1, 1939, to the desk of the Clerk and ask that it may be read.

The SPEAKER. Without objection, the Clerk will read the letter.

There was no objection.

The Clerk read as follows:

REA, FREE & JACKA,
LAW OFFICES, COMMERCIAL BUILDING,
San Jose, Calif., April 1, 1939.

Hon. B. W. GEARHART,
Member of Congress, House Office Building,
Washington, D. C.

MY DEAR BUD: I herewith enclose affidavit of Mrs. Gertrude S. Achilles, which I think covers all of the matters in which you are interested in regard to the $100 check. I purposely did not put into the affidavit the fact that the check had been destroyed.

If you need anything more let me know.

You spoke of compensating me for this work. I would not think of this, as I may want to impose upon your congressional generosity some time. In fact, if you feel real kindly, you could get me copies of the United States Statutes since 1932 and a copy of the latest Congressional Directory; I would forgive you for all your past sins.

Sincerely yours, A. M. FREE.

P. S.—I dictated the above before I saw Mrs. Achilles today. When I got to her home, she said the Department of Justice was sending a man down to see her and would I stay until he arrived. I did. She told him the story as it was and I gave him a copy of the affidavit herein enclosed duly signed and sworn to by her. His name was Thurston. He was very pleasant and agreed with me that this was an attempt by ELLIOTT to make trouble for you.—A. M. F.

Mr. GEARHART. Mr. Speaker, at this point I had intended to have the affidavit of Mrs. Achilles included in my remarks. May I ask unanimous consent to have it considered read and included in the RECORD at this point?

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The affidavit referred to follows:

AFFIDAVIT

STATE OF CALIFORNIA,
County of Santa Clara, ss:

Gertrude S. Achilles, being duly sworn, deposes and says:

I reside near Morgan Hill, Calif.; I am interested in the proposed John Muir-Kings Canyon National Park and received literature from some of the organizations interested in the creation of that project. These communications requested me to write Congressman B. W. GEARHART and Congressman ALFRED J. ELLIOTT.

On March 4, 1939, I wrote two notes on cards; one of these I addressed to Congressman B. W. GEARHART and the other to Congressman ALFRED J. ELLIOTT, both in my own handwriting. These I enclosed in envelopes of the same type of stationery as the cards, and these envelopes were large enough to hold the cards without the cards being folded. I enclosed in the envelope addressed to Congressman ALFRED J. ELLIOTT by mistake a check for $100, payable to Congressman B. W. GEARHART, which I expected to be used in furthering the project.

I later received a letter from Congressman B. W. GEARHART, dated March 9, 1939, in which he thanked me for my interest in the project. I later received a letter dated March 15, 1939, from Congressman B. W. GEARHART, in which he thanked me for my proferred assistance and with which he returned to me the above-mentioned check, which check I had formerly sent in the envelope addressed to Congressman ALFRED J. ELLIOTT.

I have been shown an envelope addressed by a typewriter to Congressman B. W. GEARHART, postmarked San Jose, Calif., March 13, 1939, with an air-mail sticker attached. I had never seen this envelope until it was recently shown me on March 27, 1939. I did not send this envelope to Congressman GEARHART. I do not possess any such stationery, I do not own a typewriter, and I did not authorize anyone to address such envelope for me on a typewriter. My letters are written by me in my own handwriting, as were the two notes dated March 4, 1939, above mentioned, and I did not authorize anyone to address an envelope by a typewriter to Congressman GEARHART. I addressed but one envelope to Congressman GEARHART, and that contained the note dated March 4, 1939, and was in my own handwriting.

GERTRUDE S. ACHILLES.

Subscribed and sworn to before me this 1st day of April, A. D. 1939.

A. M. FREE,
Notary Public in and for the County of Santa Clara,
State of California.

Mr. GEARHART. Pending the receipt of definite information from the Honorable Arthur M. Free, of San Jose, Calif., and the affidavit of Mrs. Gertrude Achilles, of Morgan Hill, Calif., I caused due inquiry to be made concerning the activities of the Representative of the Tenth Congressional District of California in respect to my exchange of correspondence with Mrs. Gertrude Achilles, of the Federal Bureau of Investigation of the United States Department of Justice at Washington, D. C., and became fully informed in respect to that which had occurred.

Being desirous of a full and complete report from that very efficient agency of our Federal Government, I, on the 25th day of April 1939, addressed a letter to the Honorable Frank Murphy, Attorney General of the United States, in which I requested that I be advised in detail concerning the investigation which had theretofore been conducted at the request and under the direction of the Representative in Congress from the Tenth District of California, and that I be furnished with a report in respect to the results thereof.

In order that my right to this very great consideration might be made more definite and clear, I sought and obtained and was graciously accorded a personal interview by the Attorney General of the United States who, after fully considering the subject, directed that I be furnished in writing with the information desired.

In full compliance with my request for a report from the Department of Justice, I received on April 28, 1939, a letter from the Honorable John Edgar Hoover, Director of the Federal Bureau of Investigation of the United States Department of Justice, to which was attached a copy of a letter of even date from the Director of the Federal Bureau of Investigation to the Representative in Congress from the Tenth Congressional District of California, the Honorable ALFRED J. ELLIOTT.

I now send the Honorable John Edgar Hoover's letter to me of April 28, 1939, to the desk of the Clerk and ask that it

and the attached letter to the Representative in Congress from the Tenth Congressional District in California be read.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

FEDERAL BUREAU OF INVESTIGATION,
UNITED STATES DEPARTMENT OF JUSTICE,
Washington, D. C., April 28, 1939.

Hon. BERTRAND W. GEARHART,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: With reference to your letter of April 25, 1939, I am enclosing herewith a copy of a letter which I have today directed to the Honorable ALFRED J. ELLIOTT, House of Representatives, Washington, D. C.

With expressions of my highest esteem and best regards,

Sincerely yours,

J. EDGAR HOOVER.

APRIL 28, 1939.

Hon. ALFRED J. ELLIOTT,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: With reference to the interview conducted at your request with you on March 11, 1939, concerning information reaching you indicating that Congressman BERTRAND W. GEARHART had received a check in the amount of $100 from Gertrude S. Achilles, I desire to advise you that a complete investigation has been made into the facts in this situation. The investigation conducted by the Bureau discloses that the check sent to Congressman GEARHART by Gertrude S. Achilles was not only not cashed by Congressman GEARHART but was returned to Gertrude S. Achilles, who subsequently destroyed this check. It appears, therefore, that the conduct of Congressman GEARHART in this situation was entirely proper.

In accordance with your request I am returning herewith the photostatic copies of the documents which you submitted.

I am sending a copy of this letter to the Honorable BERTRAND W. GEARHART, House of Representatives, Washington, D. C.

Sincerely yours.

Mr. GEARHART. For a week or 10 days, perhaps 2 weeks, prior to the 6th day of April 1939, the House of Representatives Committee on the Public Lands had been conducting hearings in respect to the bill which is now pending before that committee for the creation of the John Muir-Kings Canyon National Park and for the inclusion in said park of the lands now embraced in the now existing General Grant National Park. The last witness to appear before that committee was the Representative of the Tenth Congressional District of California, Mr. ELLIOTT. During the course of his testimony the Representative of the Tenth Congressional District of California frequently protested his warm and fervent friendship for the Representative of the Ninth Congressional District, the author of the bill. Regretting, as he indicated, the necessity of his opposition to the creation of the park, he constantly referred to the one who now occupies the floor as "my friend, Mr. GEARHART," and took pains to relate to the members of the Public Lands Committee that the Representatives of the Ninth and Tenth Congressional Districts in California have always "been good friends." So frequently did the Representative from the Tenth Congressional District of California repeat such phrases as "my good friend, Mr. GEARHART," that the Representative of the Ninth Congressional District of California became convinced that the Representative of the Tenth Congressional District of California, upon being informed that the Representative of the Ninth Congressional District of California had not cashed the Gertrude Achilles check but had returned it to the sender, was trying to make amends for his unparliamentary conduct in endeavoring to entrap a colleague.

Being completely deceived by the attitude of the Representative from the Tenth District in California toward the Representative from the Ninth Congressional District of California, indignant as he had been theretofore because of what he regarded as an outrageous attempt to misrepresent him in respect to that which was in every respect an honorable transaction, was inclined toward dropping the whole subject and saying nothing more of or concerning the carefully concocted and fabricated plot and plan to accomplish his destruction.

On or about the 7th or 8th, perhaps the 9th, of April 1939, the Representative from the Tenth Congressional District of California decided to return to his district for the purpose of rendering an account to his constituents in respect to his activities as a Member of the Congress of the United States.

As soon as the Representative of the Tenth Congressional District of California arrived within his congressional district, rumors began to circulate "like wildfire" among the people of the counties of Kern and Tulare in the Tenth Congressional District and in the counties of Kings and Fresno in the Ninth Congressional District, to the effect that the Representative of the Ninth Congressional District was a crook, a cheap, grafting politician, who had introduced and was now supporting the bill for the creation of the John Muir-Kings Canyon National Park for the sole purpose of profit; that the Representative of the Tenth Congressional District in California had cleverly set a trap for the Representative from the Ninth Congressional District, and caught him, had possessed himself of photostats of letters and checks and other evidence which, when revealed to the public and to the Members of the House of Representatives, would completely destroy the reputation of the Representative of the Ninth Congressional District for truth, honesty, and integrity and drive him from public life; that the Representative from the Tenth Congressional District of California would produce said letters, documents, and check photostats at the proper time, so the rumor had it.

That the Representative of the Ninth Congressional District of California has heretofore been informed by numerous persons, persons who are entitled to the highest credibility and in whom the Representative of the Ninth Congressional District of California reposes the greatest confidence, and he doth verily believe from such information so conveyed to him, that the Representative of the Tenth Congressional District of California has, on at least four occasions in public meetings, and to hundreds of individuals in private conversation, exhibited the photostat of (1) Mrs. Gertrude Achilles' letter to the Representative of the Ninth Congressional District, (2) a photostat of Mrs. Achilles' check for $100 drawn upon a New York bank in favor of W. B. GEARHART, and (3) a photostat of an envelope addressed to Congressman A. J. ELLIOTT, Representative in Congress, Washington, D. C., with the representation expressed and implied, that such photostats constituted proof positive of the base character and cheap grafting propensities of the Representative of the Ninth Congressional District of California.

Upon receiving the information of the character just mentioned and described, the Representative in and for the Ninth District of California telegraphed to one H. B. Williams, a long-time and a most highly respected resident of the county of Kings, State of California, a person who, so the Representative for the Ninth Congressional District of California had been informed, and did verily believe, had attended at least one of said meetings and with his own eyes and ears had witnessed the performance and listened to the words of the Representative of the Tenth District in California, and urged the said H. B. Williams to appear before an attorney of undoubted respectability and make an affidavit of that which he observed and heard.

I now send to the desk of the Clerk a copy of my telegram to the said H. B. Williams and ask that it be read.

The SPEAKER. Without objection, the Clerk will report the telegram.

There was no objection.

The Clerk read as follows:

APRIL 19, 1939.

Mr. H. B. WILLIAMS,
District Deputy, Kings County Pomona Grange,
Route 2, Box 331, Kingsburg, Fresno County, Calif.:

Your letter received. Astonished by information you convey. Please have affidavit by someone, preferably yourself, executed before an attorney-notary which will emphasize following facts: First, that immediately after return of ELLIOTT to California rumors began to circulate that I was corrupt and that I had accepted money for supporting park bill and that ELLIOTT had in his possession photostats of checks including a $100 check. Second, fully describe incident when others were present that ELLIOTT exhibited photostats describing same in accordance with best memory of them. Other matters you mention in your letter equally false and equally outrageous but I will deal with them later. Must have sworn proof of circulation of rumors shortly after his arrival

and of his exhibition of photostats with implied or express representation of personal corruption on my part. Since this involves my very character, not only as an official but as a citizen, I sincerely hope that I can have your full cooperation in revealing this dastardly attempt to ruin me through false representations when he fully and well knows that I have not ever accepted one red cent because of my espousal of this or any other bill. Any legal expense you are put to will be promptly reimbursed out of my personal funds. Suggest employment of highly ethical lawyer such as Gilbert Jertberg or Philip Conley in Fresno, or Sidney Sharp in Hanford. As soon as lawyer selection is made telegraph me and I will phone him long distance with supplemental information in respect to requirements for Washington use. For reasons that are obvious, please treat this matter confidential in California until I can handle it here. Fondest fraternal regards.

Congressman B. W. GEARHART.

Mr. GEARHART. Mr. Speaker, in due course I received the affidavit of H. B. Williams from California, the affidavit which was read earlier in the day. I ask unanimous consent that that affidavit of H. B. Williams may be considered as having been read at this point and be printed in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The affidavit referred to is as follows:

AFFIDAVIT OF H. B. WILLIAMS

STATE OF CALIFORNIA,
County of Fresno, ss:

H. B. Williams, being first duly sworn, deposes and says:

That he is a citizen of the United States of America and a resident of the county of Kings, State of California; that his postoffice address is Route 2, Box 417, Kingsburg, Calif.; that he is by occupation a farmer and has resided at his present address continuously for the past 22 years.

That for some time last past he has been in favor of the creation of the John Muir-Kings River Canyon National Park and the Pine Flat bill; that on the evening of April 13, 1939, he was invited by one W. B. Wilbur, of Tulare, Calif., to attend a conference to be held at the city of Tulare, county of Tulare, State of California, with Congressman A. J. ELLIOTT; that affiant was informed that there would be exhibited at such conference photostatic copies of certain documents that would compromise Congressman B. W. GEARHART in his efforts to establish the national park and enact the so-called Pine Flat bill; that these documents were in the possession of Congressman ELLIOTT, but that Mr. GEARHART did not know of Mr. ELLIOTT's possession of said documents.

That the following persons, all residents of Kings County, Calif., were invited by the said W. B. Wilbur to attend said conference, to wit: C. L. Montgomery, J. J. Dawson, S. W. Tome, Nick Weiss, Ralph Gilkie, Clarence Salyers, and Louis Robinson; that affiant attended said conference on Friday morning, April 14, 1939, at the offices of the Tulare Chamber of Commerce in Tulare, Calif.; that all of the persons heretofore mentioned attended said conference and in addition there were present W. B. Wilbur, R. W. Wilbur, Congressman A. J. ELLIOTT, and three other persons unknown to this affiant; that at said conference Mr. ELLIOTT stated that he had not arranged the meeting but had received an invitation to attend;

That shortly after Mr. ELLIOTT's return to California in April of 1939 a report spread through Tulare and Kings Counties that Mr. ELLIOTT had in his possession certain documents which would discredit Mr. GEARHART and his support of the Park and Pine Flat bills;

That after Mr. ELLIOTT had concluded his statement of his reasons for opposing the Park bill, questions were asked him regarding the subject of insincerity on the part of those who were supporting the bills; that Mr. ELLIOTT then produced three photostats consisting (1) of an ordinary envelope addressed to A. J. ELLIOTT, House of Representatives, Washington, D. C.; (2) a short note or letter from Mrs. Achilles; and (3) a check in the sum of $100 made payable to B. W. GEARHART, signed by Mrs. Achilles;

That before producing the photostatic copies herein mentioned, Mr. ELLIOTT stated that he always believed Mr. GEARHART to be honest, and after exhibiting the photostatic copies herein mentioned Mr. ELLIOTT stated, in substance and effect, that those present could use their own judgment; that after affiant had inspected the check, he stated to Mr. ELLIOTT that the documents did not appear to him to be evidence of corruption, because $100 would be only small change. Mr. ELLIOTT stated to affiant that it wouldn't be small change if one received enough of them;

That during the course of the conversation one of the persons present asked Mr. ELLIOTT what had become of the check, and Mr. ELLIOTT stated that he gave the check to Mr. GEARHART, but he didn't know what GEARHART had done with it.

H. B. WILLIAMS.

Subscribed and sworn to before me this 25th day of April 1939.

[SEAL] EMMA DELK,
Notary Public in and for the County of Fresno, State of California.

Mr. GEARHART. Mr. Speaker, the allegations in this affidavit speak for themselves. In the light of that which I have heretofore said and sent to the desk to be read by the Clerk, there is nothing, it strikes me, that requires from me at this time any further explanation, admissions, or denials, save one allegation.

Addressing myself to that allegation, I do now, and upon my integrity as a Member of this body, deny, and deny as effectively as I can, that the Representative from the Tenth Congressional District of California ever exhibited to me, least of all, gave to me, the Gertrude Achilles check for $100, or any other check of any kind or character, either relating to the matters and things in my remarks of today more specifically mentioned or in respect to any other matter.

And in this connection I desire to further state and emphasize that to this day the Representative from the Tenth Congressional District in California has maintained, insofar as the Representative from the Ninth Congressional District is concerned, a complete silence in respect to his activities and knowledge of the matters and things which I have today referred to in such detail.

In other words, the Representative from the Tenth Congressional District of California, though he has had every opportunity in the world so to do, has never made mention at any time of anything in which Gertrude Achilles or the Representative from the Ninth Congressional District of California might be involved.

Rumors of the kind hereinbefore described, initiated and deliberately circulated by the Representative in Congress from the Tenth Congressional District of California in public meetings, private conferences, and in conversations with innumerable individuals, as aforesaid, soon found their way into the public prints of California. In the Los Angeles Daily News of April 20, 1939, a newspaper of general circulation distributing in the neighborhood of 100,000 copies each day, under a two-column headline entitled "Trap Set for Congressman Fails to Land Victim," prints the sordid story of Mrs. Gertrude Achilles' check, giving currency to the rumor to which I have hereinbefore frequently referred.

On April 27, 1939, the San Francisco News, a newspaper of general circulation distributing in the neighborhood of 100,000 copies each day, carries the story under the title or caption of "Two Congressmen Plus One G-Man Enjoy Red Faces," in which further currency to the rumor of the corruption of the author of the bill for the creation of the John Muir-Kings Canyon National Park is given.

Mr. Speaker, this has been the performance of the most unpleasant duty of my life. If there is anything I have—or anything that you have—that is worth fighting to retain, it is the reputation I have spent a lifetime building. I say it is wrong, terribly wrong, for one of our body to even attempt to set the kind of a trap that he did in respect to a transaction in itself, per se, honest and honorable in every one of its phases, to set a trap for the sole and only purpose of destroying me to defeat a bill that I have in accordance with my right as a Member of this body introduced and offered for your consideration. But I say it is damnable for one of our body, after he knows that the trap he has set has failed to catch its quarry, after he knows the check had not been cashed, to take to California photostats of that check and refer to them, to take them to California and exhibit them in public meetings and, by implication, as set forth in the affidavits before you, to tell the people that assembled about him asking a report upon his activities in Congress that the check represented evidence of my corruption, to spread rumors everywhere, from one end of the San Joaquin Valley to the other. I say that is wrong.

I have searched the precedents of this body, searched them down through the 150 years of the history of this body, and I fail to find one case referred to in those proceedings that even approaches that which I have been compelled to lay before you.

I ask no action. There was a time when I thought of expulsion. There was a time when I thought of disciplinary action. But that is all of the past now. The record is made. I am content. [Applause.]

Mr. ELLIOTT. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from California rise?

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to speak at this time on the false statements made by the gentleman from California [Mr. GEARHART] of District 9 of California.

The SPEAKER. For how long a period of time does the gentleman desire to speak?

Mr. ELLIOTT. From 30 to 40 minutes.

The SPEAKER. The gentleman from California asks unanimous consent to address the House for 40 minutes. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, the gentleman from California [Mr. GEARHART] has painted a picture to make the Members feel that I had no right to ask for an investigation of this check. Never at any time did I display this check to more than eight Members of the House of Representatives, a member of the F. B. I., and the clerk of the Public Lands Committee. While I was in California I was asked to display this check, and when I did I said, "This check has not been cashed, to my knowledge, and I am not doing anything to hurt Mr. GEARHART's feelings" [laughter]; and when displaying it I reaffirmed my belief a second time, and the Members of the House, to whom I showed this check, will verify that those were the words I spoke to them.

Now, I am compelled to go back to bring out why I asked for an investigation on this check. There is always a reason to bring out the facts.

In 1938 the gentleman from Louisiana [Mr. DEROUEN], of the Public Lands Committee, introduced a bill in the House, sponsored by the Department of the Interior, known as Kings Canyon National Park bill. That bill was tabled. At that time I made the statement to three different people in Mr. GEARHART's district that he was interested in this bill. I learned from the gentleman from California [Mr. GEARHART] that he was not interested in the bill, and I wrote letters in his district restracting my statement.

Along after primary elections were over in August the gentleman from California [Mr. GEARHART] made numerous talks in his district discussing this park bill and Pine Flat Dam in connection therewith, two separate bills.

In January, on returning to Congress, I spoke to the gentleman from California [Mr. GEARHART] and asked if he was going to introduce this bill and he told me he was. He did not tell me what area he was going to take in. However, this bill takes in an area in my Tenth Congressional District and in my home county.

In February Mr. Ickes, Secretary of the Department of the Interior, made a trip to California, and while there talked to various groups in behalf of this bill.

The State legislature, in January of 1939, by approximately an 85-percent vote, voted against the creation of this area into a national park in the State of California.

While Mr. Ickes was in California, he brought pressure to bear on various individuals to furnish resolutions supporting both his and Mr. GEARHART's bills, even to the point wherein he publicly made the statement:

> I have been Santa Claus to California and this is the first time I have ever asked for anything.

On February 7, 1939, the gentleman from California [Mr. GEARHART] introduced those bills, and I received the check the gentleman from California [Mr. GEARHART] spoke about after that date. As I told you, I conversed with eight other House Members, who advised me what to do. Contrary to Mr. GEARHART's statement, I did not send the check to California personally. Contrary to the statement he made that the first letter sent to me—and the only letter I received from this party—was sent from Morgan Hill, I have a photostatic copy which shows San Jose, Calif., canceled postmark.

Now, what happened? The bill was picking up momentum from the ones opposing and the ones in favor.

On Mr. Ickes' trip to California he told the people of that State:

> If you will give me the park bill, I will support the $25,000,000 Pine Flat Dam; in other words, you have got to trade with me, if you expect to get what you want in flood control and power, but in return I want the park bill.

So men went out and worked upon that theory, namely, if we do not give Mr. Ickes his park, he will work against our Pine Flat Dam bill.

So that was the kind of program that was built up, and in the meantime I was offered different things for my district if I would withdraw my objections and comply with Mr. Ickes' program.

On the 13th day of March I was called down to the Department of the Interior by Mr. Ickes. He said, "I guess you know what I asked you to come for." I said, "No, sir; I presume the Central Valley's water project." "No," he answered, "It is about the park bill." I replied, "Mr. Ickes, my people do not want the park bill." He said, "That is what you think; but your people do want the park bill." Then he informed me that he held the strings to the money bags and if I did not withdraw my objections, I would not receive certain favors in my congressional district.

Mr. CULKIN. Mr. Speaker, will the gentleman yield at that point?

Mr. ELLIOTT. I will not yield at this time.

My secretary was present in the Department of the Interior. He said, "If you have any fear that you will be defeated in 1940—and I have never told this to any other Congressman—I will go out in your district and will make a public speech in your behalf." [Laughter.] Continuing, he said, "If this bill is killed, young man, I am laying this at your doorstep and a block of Republicans." [Laughter.]

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield at that point?

Mr. ELLIOTT. I yield.

Mr. O'CONNOR. As the gentleman knows, I am a member of the Committee on Public Lands and participated in the cross-examination of Secretary Ickes when he was on the stand.

Mr. ELLIOTT. You are telling me a story now. I did not yield for that.

Mr. O'CONNOR. I want to ask this question: Was Secretary Ickes cross-examined by you or anyone else upon the subject you are now telling this House about?

Mr. ELLIOTT. I am coming to that.

Mr. O'CONNOR. Well, answer the question. Was he?

Mr. ELLIOTT. No.

Mr. O'CONNOR. You know that there never was a single suggestion made to Secretary Ickes with reference to what you are now speaking about before that committee.

Mr. ELLIOTT. We are not through with the bill yet.

Mr. O'CONNOR. Well, answer that question. It was never even suggested to him?

Mr. ELLIOTT. What do you mean, "suggested"?

Mr. O'CONNOR. That he had made you any promises in support of that bill?

Mr. ELLIOTT. I said we are not finished with the bill yet. I can still make a statement on that.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. No further.

Now, the point I want to bring out is this: After Mr. Ickes' invitation to his mansion, where he promised me various things and made suggestions, and told me I would not get this or I would not get that, on the afternoon of the same day Congressman GEARHART came to my office, sat down, and he said just this, "A. J., you should withdraw your objections and go up to the Department of the Interior with me and Mr. Ickes and have your picture taken." [Laughter.] He said, "I can get you additional things for your district if you will just do that."

Mr. CUMMINGS. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. CUMMINGS. The point of order I make is this: I do not know whether it is well taken or not, but the gentleman is stating remarks that somebody else is supposed to have made, that would not be in evidence in any court on God's green earth. Can a man come here and villify another man and say, "This man told me so and so," and introduce it as evidence? I am just asking.

The SPEAKER. The House gave the gentleman unanimous consent to address the House.

Mr. CUMMINGS. Are there not any rules regulating what he shall say? [Laughter.]

The SPEAKER. The Chair will state in answer to the point of order that the gentleman is replying to a question of privilege. The Chair knows of no limitation that can be placed upon his statements. There is no evidence, under the rules of the House, to be submitted by the gentleman from California.

The gentleman from California is recognized.

Mr. ELLIOTT. If I may be permitted now to finish: There is a trade on this proposed park measure. The gentleman from California [Mr. GEARHART] is aware of the fact. There is private ownership involved in this area that very few people know about. The transfer of this area—over 400,000 acres—has led to talk throughout the Nation, "Save the big trees." The gentleman from California [Mr. GEARHART] said before the Public Lands Committee:

> You don't saw; you dynamite. When you fell these trees they come thundering to the ground in little splinters to rot. Only a small percentage is used for commercial purposes. Those are for redwood posts and grape stakes.

Now, Members of the House, where these big trees lie is not in this area [indicating on map]. The big trees are over here on Redwood Mountain, 30 miles distant. You are going to be called upon to purchase from private ownership those trees. In the same breath the gentleman from California [Mr. GEARHART] testified that there were no natural resources in this area [indicating]. Then when we in committee had a representative of the Federal Power Commission on the stand, he testified that the area contained a second Boulder Dam, making available 800,000 horsepower; 3,600,000 kilowatt-hours of electric energy to be created in this high area supported by dams.

When I received this check, knowing that private ownership depended on selling Redwood Mountain, not knowing who this interested party might be, I did not deliberately nor otherwise go out to wreck Mr. GEARHART'S life. I wanted to find out if there were some people interested who were relatives of this lady who wanted to sell Redwood Mountain to the Government. There is a bill in the Senate calling for $460 an acre for this area. When I talked to the F. B. I. I specified: "I don't want to do anything to hurt the character of Congressman BUD GEARHART. All I am asking you to do is to follow this thing through, and your findings will be divulged to me and nobody else. But if you find that this check has been destroyed, I want you, when you write a letter to me, to submit a duplicate copy to BUD GEARHART." If that F. B. I. official were here, he would affirm those words; that and nothing more.

Now, after knowing that there was a transaction regarding privately owned property; knowing that Mr. Ickes had been in California trying to buy this area at a lesser price than the Senate bill called for; knowing that Mr. Ickes went to California at the expense of the Government; knowing that Mr. Ickes on three or four different occasions in one day called California at the expense of the Government relative to the proposed park bill; knowing he also called the Southern Pacific of California to do what it could to stop me, and that he had endeavored to influence my friends—even Mr. McAdoo has been drawn into the picture with one of my close friends to try to stop my opposition to this bill.

Now, Mr. Speaker, with such situation existing and then having something of this nature coming up, I felt justified in following it up as I did. I think it has been a funny deal clear down the line. I wanted to know more about this piece of legislation. I wanted to know whether people were attempting to influence legislation with money.

Here is something that has been mailed out; maybe some of you received a copy of it. It reads:

> Emergency Conservation Committee. Mrs. C. N. Edge, chairman, 734 Lexington Avenue, New York. Will you kindly help us in our campaign to establish the John Muir-Kings Canyon National Park? Enclosed find—

And a blank space is left in which the amount of money may be indicated.

Knowing that these things were being mailed to people I felt I had a perfect right as a member of the Committee on the Public Lands to follow this check through to see if they were relatives, or if the party owned property in this area where the Federal Government was going to be called upon to purchase land. It had nothing to do with destroying the character of the gentleman from California "BUDDY" GEARHART, at any time. I was acting within my perfect right.

When I went into my district I did not hold a public meeting. Men came to my office in the Tulare Chamber of Commerce, as I am executive secretary of that organization and also manager of the county fair held on the grounds there. Individuals came to my office and said they heard I had a check and wanted to see it. I never advertised it, and when I showed it to them, I said: "Ladies and gentlemen, this is no reflection on Mr. GEARHART." I followed the method I had been advised to pursue. I did not—and I will take an oath on it—address the envelope back to California, nor did anyone in my office. Neither were the photostatic copies made in the F. B. I. I did not want anyone to know of this incident, but I did want to find out its significance, if any, since it was rumored to me on numerous occasions that various persons were interested in the outcome of the legislation.

Let me repeat that Mr. Ickes was doing his utmost to put this thing over and laying the blame of the opposition to me.

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. I cannot yield at this time. Mr. Ickes laid the blame on me. It was said that I was working in the interest of the power people, which is a false statement.

When I showed this check to the Members here, to the clerk of the committee, to the F. B. I., I properly protected the gentleman from California [Mr. GEARHART]. Whoever says I did not is guilty of a gross misrepresentation.

Mr. Ickes through his method of operation made it more probable for me to believe that there was perhaps money involved in this issue.

Mr. KEEFE. Mr. Speaker, will the gentleman yield at that point?

Mr. ELLIOTT. No.

Mr. Speaker, let me say further that out in California the Argonaut, a famous California weekly founded in 1877, published at San Francisco, in its issue of April 21, printed the following statement:

> Harold L. Ickes, Secretary of the Interior, and a leading proponent of the park plan, said: "We would have had this bill reported favorably by the House committee long before this if it had not been for the stubborn opposition of Congressman ELLIOTT and Congressman ENGLEBRIGHT, of California, who seem determined to defeat this bill at all costs, regardless of its merits."

They are now bringing the gentleman from California, Congressman ENGLEBRIGHT, into the picture. [Laughter.]

> "In face of the bitter, unfair, and foul tactics," he says, "of those who oppose the development of our mountains and valleys in the interest of the people, to stop now would constitute surrender, which I for one will not be a party to. Not alone have they resorted to 'phony' telegrams and unauthorized objections, but they have stooped so low as to sequester from stenographic reports letters and documents which I, during course of my testimony, introduced in the record. Not only that but effort has been made to entrap me, and by misrepresentation to destroy my reputation for truth, honesty, and integrity, and all this just to defeat a legislative proposal."

There he points out that the gentleman from California, Congressman ENGLEBRIGHT, and I deliberately mislaid, misplaced, and took away evidence from the committee. I challenge any member of the Committee on the Public Lands to stand up and say that either the gentleman from California [Mr. ENGLEBRIGHT] or I took a single document away from the committee.

Mr. SCHAFER of Wisconsin. Mr. Speaker, if the gentleman will yield, who made that charge?

Mr. ELLIOTT. Ickes. Ickes charges that the gentleman from California [Mr. ENGLEBRIGHT] and I were working together.

Mr. SCHAFER of Wisconsin. What has Ickes' statement got to do with an answer to the gentleman from California [Mr. GEARHART]? What paper is the gentleman reading from?

Mr. ELLIOTT. The Argonaut, a California paper.

Mr. SCHAFER of Wisconsin. What issue?

Mr. ELLIOTT. April 21, 1939.

Mr. SCHAFER of Wisconsin. Is the gentleman answering Mr. Ickes? As one Member who granted unanimous consent to the gentleman from California to address the House I withheld objection because the gentleman said he was going to answer the gentleman from California [Mr. GEARHART], not try Mr. Ickes here. [Laughter.]

Mr. ELLIOTT. We are not trying Mr. Ickes here. Yet in the face of this publication it is reasonable to presume that a correspondence between Mr. Ickes and the gentleman from California [Mr. GEARHART], have brought them to the rash conclusion that as opponents to the Gearhart bill we are guilty of "bitter, unfair, and foul tactics." That is the representation made to a publication which on its own assertion is "read and quoted throughout the world." Both Mr. Ickes and the gentleman from California [Mr. GEARHART] share this opinion just because there is opposition to his legislation. If conscientious bona fide opposition to an issue signifies foul tactics then there is a warped viewpoint as to what really is fair and what is foul. In further answer: The statement that the gentleman from California [Mr. GEARHART] made, that I at any time made any allegation in California detrimental to him, regardless of who made it, is a false statement, and I challenge anyone who makes such a statement to prove its truth.

There are three or four members of the Public Lands Committee of the House who saw this check. At no time to those members or the other four members did I ever say anything against the gentleman from California, Congressman GEARHART. I only wanted this check followed through, knowing the volume of money and time that had been taken up by Secretary Ickes to try to shove this piece of legislation down the people's throats. I could not help but reasonably believe there was something funny down the line.

Mr. HOFFMAN. Will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Why did the gentleman take that photostatic copy to California after he knew that the gentleman from California [Mr. GEARHART] had not cashed the check?

Mr. ELLIOTT. I did not have it. It was air-mailed to me.

Mr. HOFFMAN. Did somebody out there ask you to see it?

Mr. ELLIOTT. Yes.

Mr. HOFFMAN. Why did the gentleman show it if he knew it was not cashed?

Mr. ELLIOTT. I did not know at that time whether or not the check had been cashed.

Mr. HOFFMAN. The gentleman did not know it had been cashed?

Mr. ELLIOTT. No. Not until I returned to Washington, April 21. Here is the photostatic copy of the check and letter and also the letter from the F. B. I., dated April 28. You will note the letter from Mrs. Gertrude S. Achilles is addressed to me postmarked "San Jose, Calif., March 5"; the letter is headed, "Morgan Hill, Calif., March 4," and the check to W. B. GEARHART is dated March 2.

Congressman A. J. ELLIOTT, House of Representatives, Washington, D. C.

Fifth Avenue Office
Guaranty Trust Co. of New York
Fifth Avenue at Forty-fourth Street

No.

NEW YORK, N. Y., *March 2, 1939.*

Pay to the order of W. B. GEARHART one hundred dollars.

GERTRUDE S. ACHILLES.

MORGAN HILL, CALIF., *March 4, 1939.*

DEAR SIR: Kindly accept my contribution for the creation of the John Muir National Park. I have been over parts of the ground and can interest many people in the project. My son, T. C. Achilles, in the State Department, joins me in furthering this project.

Wishing the bill success,
Very sincerely,

MRS. GERTRUDE S. ACHILLES.

FEDERAL BUREAU OF INVESTIGATION,
UNITED STATES DEPARTMENT OF JUSTICE,
Washington, D. C., April 28, 1939.

Hon. ALFRED J. ELLIOTT,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: With reference to the interview conducted at your request with you on March 11, 1939, concerning information reaching you indicating that Congressman BERTRAND W. GEARHART had received a check in the amount of $100 from Gertrude S. Achilles, I desire to advise you that a complete investigation has been made into the facts in this situation. The investigation conducted by the Bureau discloses that the check sent to Congressman GEARHART by Gertrude S. Achilles was not only not cashed by Congressman GEARHART but was returned to Gertrude S. Achilles, who subsequently destroyed this check. It appears, therefore, that the conduct of Congressman GEARHART in this situation was entirely proper.

In accordance with your request, I am returning herewith the photostatic copies of the documents which you submitted.

I am sending a copy of this letter to the Honorable BERTRAND W. GEARHART, House of Representatives, Washington, D. C.

Sincerely yours,

J. EDGAR HOOVER.

Mr. HOFFMAN. Who asked you to see it?

Mr. SCHAFER of Wisconsin. Ickes.

Mr. HOFFMAN. How did they learn out in California about this check?

Mr. ELLIOTT. I do not know. I never wrote a letter about it. I never sent a telegram, and I never mentioned it over the telephone.

Mr. HOFFMAN. What did the gentleman do with the check after he received it in Washington? To whom did he give it?

Mr. ELLIOTT. To whom did I give it?

Mr. HOFFMAN. Yes.

Mr. ELLIOTT. A party in Washington.

Mr. HOFFMAN. Who was it? Name him. We want to know how that check got back to California and remailed to the gentleman from California [Mr. GEARHART].

Mr. ELLIOTT. I did not mail the check.

Mr. HOFFMAN. I know the gentleman did not, but the gentleman said he gave it to someone.

Mr. ELLIOTT. Yes.

Mr. HOFFMAN. To whom did you give it? I am sure the House is interested in what the gentleman did with the check after he received it. I feel friendly toward the gentleman. I would like to know what he did with that check after he got it. [Laughter.]

Mr. VINCENT of Kentucky. Will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from Kentucky.

Mr. VINCENT of Kentucky. Nobody questions that the check was written by this lady in California?

Mr. ELLIOTT. No.

Mr. VINCENT of Kentucky. There is no question about that?

Mr. ELLIOTT. No.

Mr. VINCENT of Kentucky. The check was written and mailed by her?

Mr. ELLIOTT. Yes.

Mr. VINCENT of Kentucky. Then the question of what you did with it seems to me to be very immaterial.

Mr. LEAVY. Will the gentleman yield for just one short question?

Mr. ELLIOTT. Just one short one.

Mr. LEAVY. The gentleman has made a charge against a high public official, the Secretary of the Interior, in reference to the fact that he was told he would get a $25,000,000 dam by going along on the park. In fairness to that official, I think the gentleman ought to state the time, the place, and who was present when that conversation occurred so that it can be answered.

Mr. ELLIOTT. I will answer that. The statement was made in Fresno, Calif., in the month of February during his trip there.

Mr. LEAVY. The place and who was present?

Mr. ELLIOTT. It was at a public meeting.

Mr. LEAVY. At a public gathering?

Mr. ELLIOTT. At a public meeting.

Mr. LEAVY. Held where?

Mr. ELLIOTT. I think at the California Hotel. I was not present.

Mr. LEAVY. It was part of a public address?

Mr. ELLIOTT. Yes.

Mr. LEAVY. Can the gentleman give us the date?

Mr. ELLIOTT. No; I cannot give that. Here is a telegram about the meeting:

FRESNO, CALIF., *March 16, 1939.*

Hon. ALFRED J. ELLIOTT,
United States Congressman, Washington, D. C.:

In protesting unfair tactics used by Secretary Ickes in conducting California hearings February 13 and 14, we cite following instances. San Francisco meeting Almon Roth, vice president, State chamber of commerce, presented S. P. Frisselle, director of State chamber, to present views of San Joaquin Valley Council, which had been approved by State chamber board of directors. Secretary heard Roth and Frisselle and when Burke, also State chamber director, representing lower San Joaquin area arose to make his presentation he was denied the floor by Ickes saying that State chamber had been heard. Two representatives State chamber heard, one refused. At least four representatives John Muir Association afforded unlimited time to talk with no objection. In Fresno meeting Frank Long, representing Farm Bureau, only allowed to talk after verbal clash with Secretary. Same treatment given Buckman and Dudley. All park proponents afforded unlimited time without heckling. We feel park opponents definitely not accorded same fair treatment proponents received. The undersigned were present at meeting in question. We further call attention to fact Secretary chose to challenge and belittle nearly every park opponent who attempted to offer evidence. Ickes closed both San Francisco and Fresno meetings with sarcastic and unfair statements relative opponents; permitting no rebuttal.

S. P. FRISSELLE.
C. T. BUCKMAN.
W. M. CLINGAN.
E. F. WALLACE.
LUCIAN SCHMITTOU.

Mr. O'CONNOR. Will the gentleman yield?

Mr. ELLIOTT. No.

Mr. THOMAS F. FORD. Will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from California.

Mr. THOMAS F. FORD. Did I understand the gentleman to say that Secretary Ickes told him in substance that unless he went along on the park he would penalize the gentleman by not giving him things in his district?

Mr. ELLIOTT. He made this statement:

That I hold the strings to the money bag, young man.

Mr. THOMAS F. FORD. Where was that statement made?

Mr. ELLIOTT. In Mr. Ickes' office on the 13th day of March.

Mr. THOMAS F. FORD. In Washington?

Mr. ELLIOTT. In Washington, D. C.

Mr. THOMAS F. FORD. In the presence of whom?

Mr. ELLIOTT. In the presence of my secretary and no one else.

Mr. THOMAS F. FORD. And yourself?

Mr. ELLIOTT. Yes.

Mr. KEEFE. Mr. Speaker, will the gentleman yield for a question?

Mr. ELLIOTT. I yield for a question, just a short question.

Mr. KEEFE. The gentleman was asked by the gentleman from Michigan [Mr. HOFFMAN] for an explanation as to how that check got back to California and who sent it. The gentleman stated that he would advise the House who sent it. I think it is very important as bearing upon this question for the House to know, and I know I would like to know, in view of the charge of entrapment which has been made by the gentleman's colleague, how that check got back to California to be mailed back to the gentleman from California [Mr. GEARHART] here in Washington, and who did it. The gentleman has stated that he conferred with eight Members of this House. Was the action the result of a conspiracy of the gentleman with eight other Members to entrap the gentleman from California [Mr. GEARHART], and to whom did the gentleman give the check?

Mr. ELLIOTT. The gentleman asked one question, did he not?

Mr. KEEFE. I did, and I would like to have it answered, and I know the House would like to have it answered.

Mr. ELLIOTT. I will answer. To prove that I did not send it——

Mr. KEEFE. I accept the gentleman's word.

Mr. ELLIOTT. Sit down; just hold still and I will tell you. The check was given in an envelope addressed to Mr. Dunwoodie, and Mr. Dunwoodie mailed it to a friend of his in San Jose, Calif., and it was returned to the gentleman from California [Mr. GEARHART]. I did not send that check, as has been accused.

Mr. KEEFE. Who is Mr. Dunwoodie?

Mr. ELLIOTT. He is a member of the State Chamber of Commerce of California, the secretary.

Mr. KEEFE. The gentleman mailed it to Mr. Dunwoodie in California?

Mr. ELLIOTT. Oh, no; he was here.

Mr. KEEFE. The gentleman gave it to Mr. Dunwoodie?

Mr. ELLIOTT. I gave it to him.

Mr. KEEFE. With instructions that he should mail it to the gentleman from California [Mr. GEARHART] from Fresno; is that right?

Mr. ELLIOTT. No.

Mr. KEEFE. What were the gentleman's instructions to him?

Mr. ELLIOTT. From San Jose. [Laughter.]

Mr. KEEFE. Then, so the record may be clear, if I understand the gentleman's statement correctly, the gentleman gave this check to Mr. Dunwoodie?

Mr. HOOK. Mr. Speaker, a parliamentary inquiry.

Mr. ELLIOTT. You asked me to yield for one short question, and I answered your question.

Mr. KEEFE. I think perhaps you did.

Mr. ELLIOTT. Then sit down.

The SPEAKER. Does the gentleman from California yield to the gentleman from Michigan for a parliamentary inquiry?

Mr. ELLIOTT. I yield.

Mr. HOOK. I want to know whether this is a controversy between individuals or whether it is a controversy between parties. From the acts of the Republicans one would think it was a party controversy.

The SPEAKER. The Chair may state that he does not consider that a real parliamentary inquiry. The Chair will repeat that the House gave the gentleman from California the right to talk 40 minutes on any subject he saw fit.

Mr. ELLIOTT. Now, if I may be permitted to proceed, some of you might think you are making a monkey out of me, but that cannot be done. [Laughter.]

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. I yield.

Mr. HOFFMAN. I made the statement a while ago that I felt friendly toward the gentleman and some of the Members laughed at that statement. The gentleman knows, does he not, that I have been friendly throughout his service in this House?

Mr. ELLIOTT. You have. Thank you very much, Mr. HOFFMAN.

Mr. Speaker, I was hoping I might be able to finish my statement before anyone started asking me questions, but I have been kind enough to yield a part of my time to those wishing to ask questions. Now I am going back, if I may be permitted without further delay, to say that this bill is a dangerous piece of legislation the way it has been carried on up to the present time. I had a perfect right, after I discovered the many irregularities that were happening and the pressure that was being put on by the Department of the Interior—and he has had lobbyists on this floor. Mr. Beiter, a former Member of this House, now working for the Department of the Interior, sat in the second row of

seats facing the speaker and tried to induce me to withdraw my objections to this bill. They have had other paid men on this hill. They have had men working in California for the past 15 months making speeches before Rotary Clubs, Lions Clubs, and others, to try to pass this piece of legislation, knowing all the time, after telling the people "We want to save our big trees," that they moved over and included this area 30 miles distant from the Kings Park area for a sucker grab to make the people feel that there were big trees in this area, knowing they were going to have to purchase this area from private owners and the taxpayers were going to be called upon to pay for it.

Mr. Speaker, as a member of the Public Lands Committee, when I received this check, knowing that statements of solicitation had been sent us for this park area, I had a perfect right to find out and demand where this check was going and what was behind the movement, and that is all I asked of the Department when I turned it over to them.

I turned it over to the Department in good faith that they would follow this thing through, and these are the words in which I asked the gentleman, "Will you find out whether or not this lady has any relatives that own land in Redwood Mountains, and if this check is cashed I want you to notify me and nobody else"—that is the statement I made to the gentleman—"I don't want any harm done to BUDDY GEARHART."

In concluding, I do not wish to take up any further time of this honorable assembly. Conceivably, my colleague from California, whose extensive experience in law should have taught him otherwise, has, in part, presented a case on an "anonymous telephone call." Naturally, those of you who have had the advantage of pursuing law and formal principles of law, know full well the weight of hearsay evidence. It was only through Mr. GEARHART'S admissions that we learned of such an anonymous conversation, and the nature of the same.

I have outlined my every movement and have openly challenged a face-to-face rebuttal of any ulterior motive; such a challenge went unanswered!

As Congressman from the Tenth District of California, I, like other Members here present, have several purposes in accepting the responsibility of a congressional office. Primarily, to serve both this body and the people whom I represent to the best of my ability, within honorable bounds, and, by all means, with aboveboard practices. Therefore, the why and wherefore of everything I did, and mind you, gentlemen, it was with absolute good faith that I pursued the course I did in the tracing of a check, my privilege as a member of the Public Lands Committee considering legislation for which funds are known to be solicited by outside interests to further its approval. My constituents do not want it; and I am representing my constituents. I am but a medium through whom they speak. They have pronounced an emphatic "No!" to the passage of this bill, and in compliance with my oath of office, I shall protect their welfare.

[Here the gavel fell.]

PRIVATE CALENDAR

R. DOVE AND LAURA J. DOVE

The Clerk called the next bill, H. R. 2044, for the relief of R. Dove and Laura J. Dove.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. Dove, of Bartlesville, Okla., the sum of $1,394.31; and to Laura J. Dove, of Bartlesville, Okla., the sum of $2,500; in all, $3,894.31 in full settlement of their respective claims against the United States for injuries received when the vehicle in which they were riding struck a truck of the Works Progress Administration on United States Highway No. 64, near Hartman, Ark., November 13, 1937.

With the following committee amendments:

Line 6, strike out the figures "$1,394.31" and insert "$250."
Line 7, strike out the figures "$2,500" and insert "$750."
Line 8, strike out the figures "$3,894.31" and insert "$1,000."
At the end of the bill add the following: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTHOULA S. MASKAS

The Clerk called the next bill, H. R. 5077, for the relief of Anthoula S. Maskas.

Mr. ALLEN of Louisiana, Mr. HANCOCK, and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

MARY COHEN BIENVENU

The Clerk called the resolution (S. J. Res. 72) readmitting Mary Cohen Bienvenu to citizenship.

Mr. ALLEN of Louisiana and Mr. TALLE objected, and, under the rule, the Senate joint resolution was recommitted to the Committee on Immigration and Naturalization.

ELBERT R. MILLER

The Clerk called the next bill, H. R. 2687, for the relief of Elbert R. Miller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, effective on and after the date of enactment of this act, all rights, claims, and benefits forfeited by Elbert R. Miller (C–132757) under the provisions of section 504 of the World War Veterans' Act, 1924, as amended, by the decision of the Director, United States Veterans' Bureau, dated October 28, 1929, are hereby restored.

With the following committee amendment:

In line 8 of the bill after the last word, "restored", change the period to a comma and insert the clause "but this act shall in nowise be construed as authority to pay any sum, claim, or benefit that may have matured or become due prior to effective date of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF THE NINETY SIX OIL MILL, OF NINETY SIX, S. C.

The Clerk called the next bill, H. R. 3345, for the relief of the Ninety Six Oil Mill, of Ninety Six, S. C.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to D. M. Lipscomb, sole surviving trustee of Ninety Six Oil Mill, Ninety Six, S. C., the sum of $5,842.76, balance due on cotton linters in accordance with the findings of fact made by the Court of Claims under date of May 2, 1938.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNE BOICE

The Clerk called the next bill, H. R. 1831, for the relief of Anne Boice.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anne Boice, of Columbia, S. C., the sum of $361 in full satisfaction of her claim against the United States for adjusted compensation earned prior to the resignation from the Army of her late husband, Leonard Theodore Boice, who was a second lieutenant of Infantry, National Army, and was formerly attached to Headquarters Company, Three Hundred and Sixth Ammunition Train.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIKE CHETKOVICH

The Clerk called the next bill, S. 1093, for the relief of Mike Chetkovich.

The SPEAKER. Is there objection?

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

LOUISIANA NATIONAL BANK OF BATON ROUGE

The Clerk called the next bill, S. 1515, for the relief of the Louisiana National Bank, of Baton Rouge, and the Hibernia Bank & Trust Co., of New Orleans.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Louisiana National Bank, of Baton Rouge, La., the sum of $400, in full satisfaction of its claim against the United States for refund of the amount of a judgment paid to the United States based upon four fraudulent United States postal money orders issued on December 23, 1932, by Harry G. Peek, a former postmaster at Sondheimer, La.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SEC. 2. The judgment against the Hibernia Bank & Trust Co., of New Orleans, La., in the amount of $1,100, based upon certain fraudulent United States postal money orders issued by the said Harry G. Peek, is hereby canceled.

SEC. 3. Nothing in this act shall be construed to prevent the recovery by the United States of funds embezzled by the said Harry G. Peek, or on money orders unlawfully issued by him, except those which are the subject of this act.

With the following committee amendments:

Page 1, line 11, strike out the first five words of the proviso; and on page 2, beginning in line 1, strike out all of lines 1 to 11, inclusive, and the words "not exceeding $1,000" in line 12, and insert "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NADINE SANDERS

The Clerk called the next bill, H. R. 1876, for the relief of Nadine Sanders.

The SPEAKER. Is there objection?

There was no objection.

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that Senate bill 1164 be substituted for the House bill.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nadine Sanders, Santa Fe, N. Mex., the sum of $1,096.40. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said Nadine Sanders on account of personal injuries received on February 13, 1937, when the automobile in which she was riding was struck in Santa Fe, N. Mex., by a Soil Conservation Service truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. BARDEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARDEN: On page 1 of the Senate bill, in line 6, after the words "the sum of", strike out "$1,096.40" and insert in lieu thereof "$750."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 1876) was laid on the table.

MARGUERITE KUENZI

The Clerk called the next bill, H. R. 1883, for the relief of Marguerite Kuenzi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marguerite Kuenzi, Mayville, Wis., the sum of $7,500. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said Marguerite Kuenzi as the result of personal injuries received on March 24, 1936, when a partition, constituting part of the interior of the post office at Prairie du Sac, Wis., fell and struck her.

With the following committee amendments:

Page 1, line 6, strike out "$7,500" and insert "$2,500."

Page 2, line 1, after the word "her", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JESSIE DENNING VAN EIMEREN ET AL.

The Clerk called the next bill, H. R. 2058, for the relief of Jessie Denning Van Eimeren, A. C. Van Eimeren, and Clara Adolph.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he hereby is, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jessie Denning Van Eimeren, of Cincinnati, Ohio, the sum of $520; to A. C. Van Eimeren, of Cincinnati, Ohio, the sum of $450; and to Clara Adolph, of Cincinnati, Ohio, the sum of $1,655.95. These payments shall constitute settlement in full of all their claims against the United States for personal injuries sustained by them on October 7, 1936, when the automobile in which they were riding was struck by a Civilian Conservation Corps truck, said collision occurring on Colerain Avenue, Cincinnati, Ohio: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. BARDEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARDEN: Page 1, line 6, strike out "$520" and insert in lieu thereof "$250."

Page 1, line 7, strike out "$450" and insert in lieu thereof "$200."

Page 1, line 8, strike out "$1,655.95" and insert in lieu thereof "$1,000."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOWARD E. DICKISON

The Clerk called the next bill, H. R. 2071, for the relief of Howard E. Dickison.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Howard E. Dickison, Cass

Lake, Minn., the sum of $3,500. The payment of such sum shall be in full settlement of all claims against the United States for losses sustained by the said Howard E. Dickison on account of the death of Ronald Dean Dickison, his minor son, as the result of an accident on January 15, 1938, near Cass Lake, Minn., involving a motor vehicle in the service of the Civilian Conservation Corps.

With the following committee amendments:

Page 1, line 6, strike out "$3,500" and insert "$2,500."

Page 2, line 2, after the word "Corps", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOMER C. STROUD

The Clerk called the next bill, H. R. 2097, for the relief of Homer C. Stroud.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Homer C. Stroud, first sergeant, United States Marine Corps, in full settlement of all claims against the Government of the United States, the sum of $500 for reimbursement for damages to and loss of personal effects while in shipment, under Government care, from the Marine Corps Base, San Diego, Calif., to the Marine Corps Barracks, Quantico, Va.

With the following committee amendment:

Line 6, after the word "Corps", insert "Reserve."

Line 8, strike out the figures "$500" and insert "$324."

Line 9, after the word "shipment", insert "from April 13, 1936, to May 22, 1936."

At the end of the bill add ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

R. H. GRAY

The Clerk called the next bill, H. R. 2345, for the relief of R. H. Gray.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 17 and 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (U. S. C., 1934 ed., title 5, secs. 767 and 770), are hereby waived in favor of R. H. Gray, San Antonio, Tex., who sustained an injury on May 5, 1933, while employed as a quarantine officer in the United States Public Health Service, which resulted in permanent physical disability, and his case is authorized to be considered and acted upon under the remaining provisions of such act, as amended, if he files a claim for compensation with the United States Employees' Compensation Commission not later than 60 days after the date of enactment of this act.

With the following committee amendments:

Page 1, line 9, after the word "who", insert "is alleged to have."

At the end of the bill add: "*Provided*, That no benefits shall accrue prior to the approval of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VIRGIL KUEHL

The Clerk called the next bill, H. R. 2346, for the relief of Virgil Kuehl, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Virgil Kuehl, a minor, of San Antonio, Tex., the sum of $7,500, in full settlement of all claims against the Government for injuries sustained on December 13, 1935, when a ladder, negligently placed against a school building by employees of the Works Progress Administration, fell upon him at Perry School, Perry, Tex.

With the following committee amendments:

Line 7, strike out the figures "$7,500" and insert "$5,000."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. W. EVANS

The Clerk called the next bill, H. R. 2583, for the relief of A. W. Evans.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to A. W. Evans, of Mount Olive, Miss., the sum of $7,500 in full and final settlement of any and all claims against the United States for injuries received when he was struck by a Forest Service truck in Mount Olive, Miss., on August 18, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. HANCOCK. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK: Page 1, line 6, strike out "$7,500" and insert in lieu thereof "$5,000."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAKE C. AARON ET AL.

The Clerk called the next bill, H. R. 2903, for the relief of Jake C. Aaron and Thomas W. Carter, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, jointly to Jake C. Aaron and Thomas W. Carter, Jr., of Martinsville, Va., the sum of $2,000 as a reward for the apprehension of Dr. H. R. Hege in connection with the mailing of a parcel containing a bomb.

With the following committee amendments:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $2,000, as may be required by the Postmaster General to reward Virginia Guthrie, Jake C. Aaron, and Thomas W. Carter, Jr., for the apprehension of Dr. H. R. Hege, in connection with the mailing of a parcel containing a bomb. The amount to be rewarded to each person is to be determined by the Postmaster General, and to be accepted in full settlement of all claims of the said Virginia Guthrie, Jake C. Aaron, and Thomas W. Carter, Jr., against the United States for their parts in said apprehension: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. BARDEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARDEN to the committee amendment: Strike out the figure "$2,000" and insert "$1,200."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Virginia Guthrie, Jake C. Aaron, and Thomas W. Carter, Jr."

CAPT. ROBERT E. COUGHLIN

The Clerk called the next bill, H. R. 4617, for the relief of Capt. Robert E. Coughlin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of Capt. Robert E. Coughlin, Engineer Corps, United States Army, in the sum of $165 on account of stoppage of pay as the result of alleged neglect of duty while stationed at Fort Worden, Wash., during the year 1922, and to certify the same to Congress for an appropriation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOLIET NATIONAL BANK ET AL.

The Clerk called the next bill, H. R. 5719, conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on the claims of Joliet National Bank of Joliet, Ill., and Commercial Trust & Savings Bank, of Joliet, Ill., arising out of loans to the Joliet Forge Co., of Joliet, Ill., for the providing of additional plant facilities and material for the construction of steel forgings during the World War.

Mr. BARDEN and Mr. HANCOCK objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

CAPT. ROGER H. YOUNG

The Clerk called the next bill, H. R. 5720, for the relief of Capt. Roger H. Young.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Roger H. Young, late captain, United States Infantry, the sum of $727.55, representing the amount refunded by him on account of the loss of the company funds of Company G, Horsed Battalion, Fifth Ammunition Train, United States Army.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EVELYN GURLEY-KANE

The Clerk called the next bill, H. R. 5722, for the relief of Evelyn Gurley-Kane.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Evelyn Gurley-Kane the sum of $116, in full and final satisfaction of her claim against the United States for reimbursement of travel and miscellaneous expenses incurred under authority of the Veterans' Administration in the care of her son, Cecil Gurley-Kane, a veteran of the World War.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRED G. LEITH

The Clerk called the next bill, S. 513, to provide for the promotion on the retired list of the Navy of Fred G. Leith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States is authorized, by and with the advice and consent of the Senate, to appoint Fred G. Leith (chief pharmacist's mate, United States Navy, retired) as a lieutenant, junior grade, United States Navy. The President is authorized, immediately upon such appointment, to place the said Fred G. Leith on the retired list with the rank of a lieutenant, junior grade, United States Navy: *Provided*, That he shall not receive any increase in retired pay, allowances, or other benefits as the result of the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SGT. MAJ. EDWIN O. SWIFT, UNITED STATES MARINE CORPS

The Clerk called the next bill, H. R. 4511, to extend to Sgt. Maj. Edwin O. Swift, United States Marine Corps (retired), the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Sgt. Maj. Edwin O. Swift, United States Marine Corps (retired), is hereby placed on the retired list of the United States Marine Corps with the rank of second lieutenant: *Provided*, That no increase in active or retired pay or allowances shall result from the passage of this act over and above that now authorized under the act of June 6, 1924, to enlisted men on the retired list.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM A. REITHEL

The Clerk called the next bill, H. R. 3907, for the relief of William A. Reithel.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay the sum of $20,000 to William A. Reithel, of Brooklyn, N. Y., for personal injury by reason of the negligent driving of an Army autotruck driver which resulted in driving over the foot of the said William A. Reithel and necessitating amputation of the foot: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provision of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 4, after the word "authorized", insert "and directed."

Page 1, line 4, strike out the figures "$20,000" and insert in lieu thereof "$5,000 out of any money in the Treasury not otherwise appropriated."

Page 1, line 5, after "New York", insert "in full settlement of all claims against the United States."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES H. PARR

The Clerk called the next bill, H. R. 3965, for the relief of Charles H. Parr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission is hereby authorized and directed to receive and consider, when filed, the claim of Charles H. Parr for disability alleged to have been incurred by him on or about September 14, 1933, when engaged in authorized activities while an enrollee of the Civilian Conservation Corps at North Vernon, Ind., and to determine said claim upon its merits under the provisions of said act.

With the following committee amendment:

Page 2, line 3, after the word "act", insert a colon and the following: ": *Provided*, That said claim shall be filed with the United States Employees' Compensation Commission not later than 60 days after the approval of this act: *And provided further*, That no benefits shall accrue prior to the approval of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUSSELL J. VAUGHAN

The Clerk called the next bill, H. R. 5364, for the relief of Russell J. Vaughan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Russell J. Vaughan, of Muskogee, Okla., the sum of $980.84. Such sum shall be in full settlement of all claims against the United States for pay withheld from said Vaughan, and shall represent reimbursement for suspension from duty and pay status for a period from October 18, 1933, to April 19, 1934, inclusive.

With the following committee amendment:

Page 1, line 11, after the word "inclusive", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JACK STUCKEY

The Clerk called the next bill, H. R. 5395, for the relief of Jack Stuckey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jack Stuckey the sum of $3,500 as compensation in full for medical expenses and injuries received October 29, 1934, when an automobile he was driving was struck in a collision by a truck operated for the Federal Emergency Relief Administration by D. C. Oldham.

With the following committee amendments:

Page 1, line 6, after "$3,500", strike out "as compensation in full" and insert "in full settlement of all claims against the United States."

Page 1, line 11, after the word "Oldham", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN T. CLARKSON

The Clerk called the next bill, H. R. 5601, for the relief of John T. Clarkson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the of the Treasury be, and he is hereby, authorized and directed to pay to John T. Clarkson, out of any money in the Treasury not otherwise appropriated, the sum of $478, in full settlement of all claims against the United States for losses incurred by him as a result of a collision with a Chevrolet truck, No. 3630, being negligently driven by a member of the Civilian Conservation Corps stationed at Camp No. 769, near Albia, in Monroe County, Iowa, on July 21, 1933: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOFTS & SON

The Clerk called the next bill, S. 270, for the relief of Lofts & Son.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lofts & Son, of Hood River, Oreg., the sum of $33,500 in full satisfaction of all its claims against the United States for damages resulting from the loss of its sand and gravel plant at the mouth of the Hood River and its inability to further carry on the operations of removing sand and gravel on land now leased from the Oregon Lumber Co., because such land will be flooded by the backwaters of the Bonneville Dam: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 1, after the word "dam", strike out down to and including line 13 and insert the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

L. M. BELL AND M. M. BELL

The Clerk called the next bill, S. 1038, for the relief of L. M. Bell and M. M. Bell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to L. M. Bell and M. M. Bell, of Portland, Oreg., the sum of $943.33, in full satisfaction of their claim against the United States for payment of rental of three trucks, under contract numbered ER-Tps 94-1789, dated July 16, 1936, from November 17, 1936, to the time each such truck was returned in as good condition as when received, ordinary wear and tear excepted: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 11, after the word "excepted", strike out all of lines 11 and 12, down to and including line 11, page 2, and insert the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KENNETH B. CLARK

The Clerk called the next bill, H. R. 2695, for the relief of Kenneth B. Clark.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Kenneth B. Clark, captain, Field Artillery Reserve, United States Army, the sum of $850, for the loss of uniforms, clothing, and other personal

property belonging to the said Kenneth B. Clark, as a result of a fire in the quarters of the Three Hundred and Thirty-seventh Company, Civilian Conservation Corps Camp S-139, Canadensis, Pa., on the 1st day of October 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of service rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 7, strike out "$850" and insert "$790.55."

Page 1, line 12, after the word *"Provided"*, strike out the remainder of the line and all down to and including line 12, page 2, and insert the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. HANCOCK. Mr. Speaker, I offer an amendment to the Committee amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK: Page 1, line 7, strike out "$790.55" and insert "$650."

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BERNARD WOODRUFF

The Clerk called the next bill, H. R. 2926, for the relief of Bernard Woodruff.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the limitations of time in sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended by sundry acts, including the act of February 15, 1934, are hereby waived in favor of Bernard Woodruff, and the United States Employees' Compensation Commission is authorized to receive and consider his claim under the remaining provisions of said act as extended to enrollees in the Civilian Conservation Corps, for disability resulting from an injury alleged to have been sustained while in the performance of his duty as an enrollee in the said corps during the month of October 1935: *Provided*, That claim hereunder shall be filed within 6 months from the approval of this act.

With the following committee amendments:

Page 2, line 1, after the word "injury", insert "to his foot."

Page 2, line 5, after the word "act", insert a colon and the following: *"And provided further*, That no benefits shall accrue prior to the approval of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDGAR GREEN

The Clerk called the next bill, H. R. 3074, for the relief of Edgar Green.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and is hereby, authorized to consider and determine, notwithstanding the limitations of time in sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the claim of Edgar Green, of Chillicothe, Ohio, on account of disability due to a blow on his head alleged to have been suffered while on duty and during the course of his employment by the Works Progress Administration on September 8, 1936, on Works Progress Administration project No. 7585, in Ross County, Ohio: *Provided*, That claim hereunder shall be filed within 6 months after the approval of this act.

With the following committee amendment:

Page 2, line 6, after the word "act", insert a colon and the following: *"And provided further*, That no benefits shall accrue prior to the approval of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN CHASTAIN AND MOLLIE CHASTAIN

The Clerk called the next bill, H. R. 3541, for the relief of John Chastain and Mollie Chastain, his wife.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Chastain and Mollie Chastain, his wife, of Soledad, Monterey County, Calif., the sum of $5,000. The payment of such sum shall be in full settlement of all claims of the said John Chastain and Mollie Chastain, his wife, against the United States for the death of their minor son, Thomas Chastain, on August 11, 1937, when he was struck down and killed by a truck, the property of the United States, in the service of the Civilian Conservation Corps, on the Salinas River Bridge on Highway No. 101, 1 mile south of Soledad, Monterey County, Calif.

With the following committee amendments:

Page 1, line 7, strike out "$5,000" and insert "$3,500."

Page 2, line 4, after "California", insert *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WISCONSIN MILLING CO. AND WISCONSIN TELEPHONE CO.

The Clerk called the next bill, H. R. 2478, for the relief of the Wisconsin Milling Co. and Wisconsin Telephone Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sums of $813.36 to the Wisconsin Milling Co. and $9.09 to the Wisconsin Telephone Co. for damage to property caused by a Civilian Conservation Corps truck on April 16, 1937, at Menomonie, Wis.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 10, after the word *"Provided"*, strike out down to and including line 11 on page 2 and insert the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRACE ROUSE

The Clerk called the next bill, H. R. 3300, for the relief of Grace Rouse.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the

Treasury not otherwise appropriated, the sum of $2,000 to Grace Rouse in full settlement and satisfaction of her claim against the United States for expenses and permanent personal injuries sustained as the result of being struck by a National Youth Administration car, on February 28, 1938, at Markham and Main Streets, in Little Rock, Ark.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "$2,000" and insert "$1,000."
Line 6, after the word "Rouse", insert "of Little Rock, Ark."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCES VIRGINIA M'CLOUD

The Clerk called the next bill, H. R. 5933, for the relief of Frances Virginia McCloud.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frances Virginia McCloud, widow of Robert C. McCloud, late American vice consul at Naples, Italy, the sum of $3,000, such sum representing 1 year's salary of her deceased husband who died while in the Foreign Service.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

W. ELISABETH BEITZ

The Clerk called the next bill, H. R. 5934, for the relief of W. Elisabeth Beitz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. Elisabeth Beitz, widow of William E. Beitz, late American consul at Rio de Janeiro, Brazil, the sum of $4,400, such sum representing 1 year's salary of her deceased husband who died while in the Foreign Service.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLOTTE J. GILBERT

The Clerk called the next bill, H. R. 5935, for the relief of Charlotte J. Gilbert.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charlotte J. Gilbert, widow of Prentiss B. Gilbert, late American Counselor of Embassy at Berlin, Germany, the sum of $8,600, such sum representing 1 year's salary of her deceased husband who died while in the Foreign Service.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FILIBERTO A. BONAVENTURA

The Clerk called the next bill, H. R. 1904, for the relief of Filiberto A. Bonaventura.

Mr. MOTT and Mr. BARDEN objected, and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

OTIS M. CULVER, SAMUEL E. ABBEY, AND JOSEPH REGER

The Clerk called the next bill, H. R. 1882, for the relief of Otis M. Culver, Samuel E. Abbey, and Joseph Reger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Army Otis M. Culver, Samuel E. Abbey, and Joseph Reger shall be held and considered to have been honorably discharged on December 10, 1898, as privates, Company C, Third Battalion, Fourth Regiment Wisconsin Volunteer Infantry, United States Army: *Provided*, That no pension, back pay, bounty, or other benefit shall be held to have accrued by reason of this act prior to its passage.

Mr. THILL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THILL: Page 1, line 6, after the word "Reger", insert "and August Miller."

Mr. THILL. Mr. Speaker, the case of August Miller is identical with the other cases this bill proposes to rectify.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

The Chair recognizes the gentleman from Mississippi.

DETENTION OF CERTAIN ALIENS

Mr. COLMER. Mr. Speaker, I call up House Resolution 175.

Mr. DICKSTEIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DICKSTEIN. I have several points of order I would like to raise on this rule and on the so-called Hobbs bill whose consideration this resolution makes in order. I would like to know when is the proper time for me to make my points of order against the rule and against the bill?

The SPEAKER. The Chair is of the opinion that the gentleman would be entitled to make a point of order against the resolution when read.

The Clerk will report the resolution.

Mr. MARCANTONIO. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. I make the point of order, Mr. Speaker, that a quorum is not present.

The SPEAKER. Evidently, there is no quorum present.

CALL OF THE HOUSE

Mr. COLMER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 62]

Andresen, A. H.	Darrow	Horton	Sabath
Arends	Dies	Jenks	Shafer, Mich.
Arnold	Dirksen	Kelly	Shannon
Bates, Ky.	Elliott	Kennedy, Md.	Simpson
Bradley, Pa.	Elston	Keogh	Sirovich
Buckler, Minn.	Evans	Lea	Smith, Conn.
Buckley, N. Y.	Ferguson	McGranery	Smith, Ill.
Bulwinkle	Fish	McReynolds	Smith, Maine
Burch	Flaherty	Maloney	Smith, W. Va.
Burdick	Flannagan	Mansfield	Snyder
Burgin	Folger	Marshall	Starnes, Ala.
Byron	Ford, Thomas F.	Martin, Ill.	Stearns, N. H.
Cannon, Fla.	Fulmer	Mason	Sumners, Tex.
Case, S. Dak.	Gavagan	Merritt	Sweeney
Casey, Mass.	Gibbs	Myers	Terry
Chandler	Gifford	Nichols	Thomas, N. J.
Chapman	Gross	Norton	Thorkelson
Clark	Harness	Osmers	Voorhis, Calif.
Cooley	Hart	Peterson, Fla.	Wadsworth
Costello	Harter, Ohio	Peterson, Ga.	Wallgren
Creal	Hartley	Rayburn	White, Idaho
Cummings	Healey	Reece, Tenn.	Winter
Curley	Hennings	Risk	Wood
D'Alesandro	Hill	Ryan	

The SPEAKER. On this roll call 335 Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain excerpts from an address which I delivered before the Men's Club, Orange, Va., May 1, 1939.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a talk that I made before the Finlandia Chorus this morning.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DETENTION OF CERTAIN ALIENS

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 175

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 5643, a bill to invest the circuit courts of appeals of the United States with original and exclusive jurisdiction to review the order of detention of any alien ordered deported from the United States whose deportation or departure from the United States is not effectuated within 90 days after the date the warrant of deportation shall have become final; to authorize such detention orders in certain cases; to provide places for such detention; and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendments under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DICKSTEIN. Mr. Speaker, I make a point of order to the substance of the resolution and the adoption of the resolution for consideration of this bill upon the ground that this bill did not have a hearing before the committee authorized by the rules of the House, and that the Rules Committee had no right to hear it, because there was no proper report from a committee authorized to conduct the hearings on this legislation or to sanction the approval of this bill.

This bill is 100 percent immigration, but was referred to the Committee on the Judiciary; and I submit, Mr. Speaker, I should like to have some time to go into the precedents and the rules of the House which will establish definitely that this bill is improperly before the House for consideration under a rule or under any other provision of the laws of this Congress or any other Congress, and that this is an immigration bill and the Immigration Committee has had no consideration of this measure by hearings or otherwise.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. MICHENER. Did the gentleman avail himself of the opportunity of taking this matter up after the bill had been referred to the Judiciary Committee?

Mr. DICKSTEIN. Well, to be frank with the gentleman, I did not know until 2 or 3 days after the bill was introduced and referred to the Judiciary Committee that there was such a bill pending before the Judiciary Committee.

Mr. MICHENER. Does not the gentleman realize that after a bill has been referred to a committee and has been acted upon by the committee and reported to the House, under the precedents of the House it is then too late to raise the question?

Mr. DICKSTEIN. I am going to the substance of the power of the House to consider this legislation under precedents that I have, which I have checked, that do not give the House any power to consider it unless you do so by some method that I do not know anything about. The gentleman may be right that I might have turned around the day after the bill was referred to the committee and asked consent to refer it to the Committee on Immigration, but this goes further than the point which the gentleman now makes.

Mr. MICHENER. I think the Speaker is familiar with the precedents.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. COLMER. Did the gentleman avail himself of the opportunity to appear before the Rules Committee and oppose the resolution on the ground that he now opposes it?

Mr. DICKSTEIN. I did not. That does not affect the substance of my argument. I am not opposing this bill in principle. I am not here defending the criminal aliens. I am referring to the jurisdiction and the basic principles of this Congress when bills are referred to committees to which they do not belong. For example, my attention was called to the fact that a bill belonging to the Committee on Indian Affairs was referred to the Judiciary Committee. Mr. Speaker, from an examination of the authorities that I believe I have showing the jurisdiction of the committees of this House, the Hobbs bill, being completely an Immigration Committee bill, had no right and can never obtain the right to go to another committee when the powers of the right committee have not had a chance even to consider the legislation.

The SPEAKER. May the Chair ask the gentleman from New York a question in order that this matter may be fully presented? Did the gentleman from New York raise the question of jurisdiction with respect to this bill, so far as the proper committee is concerned, before the Committee on the Judiciary had reported the bill back to the House?

Mr. DICKSTEIN. Mr. Speaker, I did not. I did not appear before the Judiciary Committee.

The SPEAKER. Did the gentleman in any way attempt to raise that question prior to the time the bill was actually reported back to the House by the Judiciary Committee?

Mr. DICKSTEIN. To be frank, I did not. As a matter of fact, as I stated to my colleague from Michigan [Mr. MICHENER], I only learned that this bill was referred to the Committee on the Judiciary several days after the bill was referred to that committee. But I go further than that, Mr. Speaker. I raise the point of jurisdiction. The next point I raise is that this bill is not properly before the House and therefore could not properly be before the Rules Committee, because the standing committee created under the law for the purpose of considering legislation pertaining to various phases of deportation did not consider the bill. Since the Congress, by its precedents, which I am ready to present to the Speaker, has created this committee, I say there is no jurisdiction at this time to consider this legislation. We might as well send a farm bill to the Committee on Immigration or an immigration bill to the Committee on Agriculture. I say that this bill has no semblance of bearing on any question which should be dealt with by the Judiciary Committee, and that we are trespassing upon the prerogatives of the House and also the standing committees which this House has created. We are destroying every principle of legislation by this method, and I submit that the mere fact that I did not move, on the next morning or at any other time after the introduction of the bill, when it was referred to the Committee on the Judiciary, to have it referred back to the Committee on Immigration does not deprive me of raising the question of jurisdiction now.

If the Speaker sees fit to permit me to go into the question, I have taken the time to study the history of the creation of the committee and the powers granted and the designation of bills pertaining to certain legislation. Technically I may be wrong, but, in my opinion, it seems to me it is the wrong procedure to follow, just because someone made a mistake. I have gone into this matter very carefully and I have examined the precedents. If the Speaker will permit me to proceed——

The SPEAKER. The Chair will be glad to hear the gentleman if he has precedents bearing upon this question.

Mr. DICKSTEIN. Mr. Speaker, prior to the creation of the Committee on Immigration, jurisdiction in the House of Representatives over matters in this field rested principally with the Committees on the Judiciary and on Foreign Affairs. That is how the matter was referred to the Judiciary Committee.

In 1882——

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I will not for a moment.

In 1882 that portion of the President's message dealing with "the construction of the law restricting immigration of laborers from China" was referred to the Committee on the

Judiciary. (CONGRESSIONAL RECORD, 47th Cong., 2d sess., p. 56.) The general question of Chinese immigration, however, had rested with the Committee on Foreign Affairs, the first legislation on the subject having resulted from a bill, H. R. 4747, reported from the committee in 1875 (18 Stat. L. 474).

Up to 1893 the Committee on the Judiciary exercised jurisdiction over naturalization, reporting general bills in the Forty-eighth, Forty-ninth, Fiftieth, Fifty-second, and Fifty-third Congresses. (Hinds, Asher C,, Hinds' Precedents of the House of Representatives of the United States, vol. IV, p. 829.) The Judiciary Committee also reported in 1894 on the exclusion and deportation of alien anarchists, on the inspection of immigrants by consuls (H. Repts. 1460 and 416, 53d Cong., 2d sess.), and on bills relating to the ownership of lands within the United States by aliens (H. Rept. 1951, 49th Cong., 1st sess.; H. Rept. 255, 50th Cong., 1st sess.; H. Rept. 2388, 51st Cong., 1st sess.)

December 9, 1889, Representative Mark S. Brewer (Michigan) submitted a resolution:

> That there be created and added to the other standing committees of the House a committee to be known and designated as "the Committee on Immigration." (House Journal, 51st Cong., 1st sess., p. 17.)

The committee was to be composed of 11 members, and the proposed resolution was referred to the Committee on Rules.

Representative William McKinley, Jr. (Ohio), on December 20 submitted a report from this committee which provided among other things for the appointment by the Speaker of:

> A select Committee on Immigration and Naturalization, to consist of seven members, to which shall be referred all proper legislation relating to immigration and naturalization. (House Journal, op. cit., p. 74.)

The resolution was agreed to and the next day the following Representatives were appointed to the committee: William D. Owen, Indiana; Mark S. Brewer, Michigan; Herman Lehlbach, New Jersey; John J. DeHaven, California; James W. Covert, New York; James E. Cobb, Alabama; Herman Stump, Maryland.

(The first mention of this committee in the Congressional Directory is as the "Select Committee on Emigration and Naturalization." (Congressional Directory, 51st Cong., 1st sess., 2d edition, p. 143.) A later edition of the directory carried the corrected title.)

The committee was made a standing committee August 18, 1893, and increased in size to 11 members. (CONGRESSIONAL RECORD, 53d Cong., 1st sess., p. 477.) Although this change was effected in an amendment to the rules of the House, no explanation for it is found in the debate. The number of members comprising the committee has been increased four times, from 11 to 14 in 1905 (CONGRESSIONAL RECORD, 59th Cong., 1st sess., pp. 296–297), 14 to 15 in 1907 (CONGRESSIONAL RECORD, 60th Cong., 1st sess., p. 356), 15 to 17 in 1924 (CONGRESSIONAL RECORD, 68th Cong., 1st sess., p. 1143), and 17 to 21 in 1927 (CONGRESSIONAL RECORD, 70th Cong., 1st sess., p. 111).

Examples of the general jurisdiction of this committee may be found among representative measures reported—

On the immigration laws: House Reports 3472 and 3807, Fifty-first Congress, second session; House Report 1573, Fifty-second Congress, first session; House Reports 2197, 2206, 2542, Fifty-second Congress, second session; House Report 1597, Fifty-fourth Congress, first session; House Reports 3021, 3635, 4558, 4912, Fifty-ninth Congress, first session.

On the construction of facilities for the inspection of immigrants: House Report 3857, Fifty-first Congress, second session; House Report 4640, Fifty-ninth Congress, first session; House Reports 8026, 8028, 8061, Fifty-ninth Congress, second session.

On the naturalization of aliens: House Reports 1789 and 3632, Fifty-ninth Congress, first session; House Report 1185, Sixty-sixth Congress, third session; House Report 1634, Sixty-eighth Congress, second session.

On the naturalization and citizenship of married women: House Report 1110, Sixty-seventh Congress, second session.

On extending privileges to aliens who served honorably in United States forces in the World War: House Report 157, Sixty-ninth Congress, first session.

On purchasing equipment for immigration officers and providing overtime pay: House Report 1042, Sixtieth Congress, first session; House Report 1512, Sixty-eighth Congress, second session.

On establishing the Bureau of Immigration and Naturalization: House Report 1185, Sixty-sixth Congress, third session.

On a head tax on immigrants and other pertinent regulations concerning aliens: House Report 481, Sixtieth Congress, first session; House Report 851, Sixty-second Congress, second session.

On the deportation of aliens: House Report 143, Sixty-sixth Congress, first session; House Report 867, Sixty-seventh Congress, second session.

On the admission into the Territory of Hawaii of aliens otherwise inadmissible to meet an agricultural labor shortage (CONGRESSIONAL RECORD, 67th Cong., 1st sess., p. 2838); and on exempting certain Spanish residents of Puerto Rico from the provisions of the Immigration Act: House Report 927, Sixty-ninth Congress, first session.

Without going into further detail, I ask at this point to extend and revise my remarks, which will give you other precedents which will lead up to the point of jurisdiction.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I submit that where there is no jurisdiction of a subject matter the mere reference of a bill to another committee does neither legalize that jurisdiction nor create it.

This bill, made in order by the pending rule, proposes to create a concentration camp for alien criminals. It proposes to do the same thing that Hitler has been doing in Germany. We have a number of criminals who I agree ought to be deported and for this very reason I am pleading with the Rules Committee to give the Committee on Immigration and Naturalization a rule to permit us to dispose of these alien criminals.

This bill proposes in substance—and I am appealing to the Chair, because it will have an effect on my argument—to change present immigration and deportation practices. Under the present law an alien who commits a crime is to be deported. To do so the Government must obtain a passport and send him back to his native country. In certain instances the passport cannot be obtained because either the country of origin has been destroyed under the Versailles Treaty or there has been a change of the map since. Some of these aliens have been here a long time. They should be deported. Under the pending bill, if this man cannot get out within 90 days or obtain a passport to the country of his birth he is to be placed in a concentration camp. If we should have a Secretary of Labor who is not interested in these aliens they can stay there for a lifetime under the provisions of the bill.

The whole subject matter of the bill deals almost entirely with jurisdictional matters pertaining to the Committee on Immigration and Naturalization, a committee of this House created by Congress many years ago; but because the bill provides for review by the circuit court of appeals, the Committee on the Judiciary assumes jurisdiction of matters pertaining to immigration, naturalization, and deportation. I might here say that the alien has always had the opportunity of judicial review of an administrative order of the Department of Labor by means of the writ of habeas corpus; and, as a side light, it is interesting to note that, notwithstanding the fact that the bill comes from the Judiciary Committee with a favorable report, the right to a writ of habeas corpus guaranteed by the Constitution is apparently withdrawn in the cases covered by the bill.

There is another bill—H. R. 5138—along the same line, before the Judiciary Committee, which rightfully belongs before the Immigration Committee—the Hobbs bill—and I am not disagreeing with my colleague in the principle of

getting rid of criminals, even though I would prefer another method, if the bill were properly before the Immigration Committee, to solve this problem which I have been hoping to solve the moment I get a rule from the Rules Committee—the Hobbs bill is not the proper way to solve this problem. It cannot be solved by the creation of camps or prisons for aliens.

I call attention further to the fact that this bill is retroactive in nature. Under its provisions you can go back 50 years. If an alien committed only a misdemeanor many years back, under this bill, he can be thrown into a concentration camp if there is no way of deporting him. This, I submit, is a matter that comes under the jurisdiction of the Committee on Immigration and Naturalization. While I may have been technically wrong in not asking for reference immediately after the bill was introduced, my argument, Mr. Speaker, is that the basic jurisdiction has not been complied with.

Either we are a committee which has the right to develop, to discuss, and to recommend to this House legislation pertaining to particular problems dealing with immigration, naturalization, and deportation. If this be not so, why not abolish the committee?

If this is just a hunting proposition, let us know something about it. I think 22 members of my committee, of high intelligence, men who understand the problem thoroughly, who have been working on this problem for years, ought to have the opportunity to consider legislation that pertains to matters clearly within the jurisdiction of their committee.

Mr. Speaker, I submit this bill is not properly before the House.

Mr. HOBBS. Mr. Speaker——

The SPEAKER. Does the gentleman from Alabama desire to be heard on the point of order?

Mr. HOBBS. Yes, Mr. Speaker.

The SPEAKER. The Chair will hear the gentleman.

Mr. HOBBS. Mr. Speaker, I am perfectly sure that the distinguished gentleman who has just spoken understands full well that the constituted authorities of this House never have had the remotest idea of doing violence to the jurisdiction of any committee, much less the important Committee on Immigration and Naturalization.

What I wish to say is, no doubt, already in the Speaker's mind, but I wish to call to the attention of the distinguished chairman of the Committee on Immigration and Naturalization that this bill has nothing whatever to do with immigration, has nothing whatever to do with naturalization, has nothing whatever to do with deportation until after warrant has been aborted. It is merely a sincere attempt to plug a hole in the dike. After the constituted authorities of this Nation, acting under congressional mandate, have ordered the deportation of these aliens that fall within the four classes covered by this bill, their deportation has failed because foreign nations thumb their nose at Uncle Sam and say, "Keep our trash." We take it up, therefore, at a point where the jurisdiction of the Committee on Immigration and Naturalization of the House has utterly ceased, in a field that its jurisdiction never was designed to cover; and, what is more—and I submit that probably that profound, honest, and erudite gentleman who made the reference to the Judiciary Committee may have had this in mind, the outstanding characteristic of this bill is that it enlarges the jurisdiction and function of the circuit courts of appeals of the judicial system of this country, and also somewhat changes the practice of the district courts. Dealing, therefore, with a matter involving judicial jurisdiction and functions, and covering a subject matter which is in a field beyond the jurisdiction of the Committee on Immigration and Naturalization, it was properly, naturally, and inevitably referred to that committee which has jurisdiction of the judiciary.

The SPEAKER. The Chair is prepared to rule.

Mr. MICHENER rose.

The SPEAKER. Does the gentleman from Michigan desire to be heard?

Mr. MICHENER. Briefly.

The SPEAKER. The Chair will hear the gentleman.

Mr. MICHENER. The gentleman from Alabama has clearly stated the purposes of the bill, and if his analysis is correct—and it is correct—then the jurisdiction of the Judiciary Committee is plainly apparent. Permit me, however, to suggest another and a controlling reason why the point of order made by the gentleman from New York [Mr. DICKSTEIN] cannot prevail, and that is because it comes too late.

Under the precedents of the House, even though a bill has been improperly referred to a committee by the Speaker, if that bill receives consideration by the committee to which it was referred and is reported back to the House and placed on the House Calendar, it is then too late to raise the point of order which has been raised by the gentleman from New York as to the jurisdiction of the committee reporting the bill. The argument of the gentleman from New York was aimed largely at the merits of the bill and the reasons for creating the Immigration Committee and is academic so far as the practical point of order is concerned. Neither reasons why the Immigration Committee was set up, nor the advisability of the law, are involved in the point of order.

The gentleman from Michigan [Mr. MAPES] has called my attention to a precedent found on page 401 of Jefferson's Manual which substantiates my position, to which I call the Speaker's attention. The Speaker has the precedent before him and I am sure is familiar with it. It settles this controversy.

The SPEAKER. The Chair is familiar with that precedent. The Chair is prepared to rule.

The gentleman from Mississippi, on behalf of the Committee on Rules of the House, has offered a resolution, which has been reported, providing for the consideration of H. R. 5643.

The gentleman from New York, chairman of the Committee on Immigration and Naturalization, has raised a point of order, which may be stated in two different forms, possibly, that the resolution now offered is out of order. Primarily, as the Chair understands, the point of order is raised against consideration of the bill because of the fact that the Committee on the Judiciary, to which it was referred, had no jurisdiction or authority under the rules of the House to consider the bill; therefore it had no legal right to report the bill to the House for its consideration under the rules of the House.

The Chair has given considerable consideration to the problem, because it is a matter of some importance. It is a matter of grave importance, of course, to all committees, their chairmen and members, affecting as it does the matter of jurisdiction of the committees over important legislation. For this reason it is not to be acted upon capriciously or without due consideration.

This is not a new matter that is now raised by the gentleman from New York. It may be proper here to state that the present occupant of the chair nor any other Speaker who has been his predecessor has had any personal interest in reference to any bill. The Speaker does not participate in the deliberations by the committees. His function is entirely to undertake to preserve the rules and precedents of the House as its presiding officer.

This bill now being attacked in the ordinary course was referred to the Parliamentarian, and, with the consent of the Speaker, referred to the Committee on the Judiciary, for the reasons rather admirably stated by the gentleman from Alabama. It was felt at that time that the Committee on the Judiciary was the proper committee to which the bill should be referred. But for the purpose of this decision the Chair does not think it necessary to review the arguments on that question of jurisdiction.

The defect in the position taken by the gentleman from New York, although earnestly and conscientiously contended

for, is that under the uniform practices and precedents of the House, as far as the Speaker has been able to find them, the gentleman has slept upon his rights in raising this question, if the Chair may use that term, although he may not have been actually advised of this bill until recently called to his attention; however, constructively at least, he has been guilty of parliamentary laches.

In making this ruling, the Chair desires to refer to a decision heretofore made by the present Speaker of the House on an identical question involving the jurisdiction of a committee. This is found on page 1526 of the CONGRESSIONAL RECORD of January 26, 1938.

On January 26, 1938, Mr. MAY, by direction of the Committee on Military Affairs, called up the bill (H. R. 8176) providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes.

The gentleman from Texas [Mr. PATMAN] made the point of order that the bill was improperly referred to the Committee on Military Affairs, the proper committee being the Committee on World War Veterans' Legislation. He made the point of order that the bill was not in order for consideration at that time. As the Chair understands that is the principle invoked by the gentleman from New York.

The gentleman from Kentucky [Mr. MAY] made the point of order that the question of order raised by Mr. PATMAN came too late, inasmuch as the bill had been reported to the House.

The Speaker, in sustaining a point of order made by Mr. MAY, said:

> The gentleman from Texas [Mr. PATMAN] raises the point of order against consideration of the bill, that it was not referred under the rules of the House to the Committee on World War Veterans' Legislation, to which, according to his contention, it should have originally been referred.
>
> Pending that question the gentleman from Kentucky [Mr. MAY], the chairman of the Committee on Military Affairs, raises the point of order that the point of order made by the gentleman from Texas comes too late.
>
> In view of that issue being raised the Chair feels it is his duty primarily to dispose of that question, because a disposition of that question possibly might settle the original point of order raised by the gentleman from Texas.
>
> This is not a matter of first impression, the Chair will state, as there have been a number of decisions and precedents upon this particular question. The Chair refers especially to a decision made by Mr. Speaker Longworth, as reported in volume 7 of Cannon's Precedents of the House of Representatives, section 2113.

Then quoting Speaker Longworth's decision:

> After a public bill has been reported—

As is the case here, the bill having been referred to the Committee on the Judiciary, whether properly or erroneously referred, the quotation goes on to say:

> it is not in order to raise a question of committee jurisdiction—

And so forth. The gentleman from Michigan has cited for consideration of the Chair a syllabus found on page 401, section 854, of the House Rules Manual, which the Chair will quote:

> According to the later practice, the erroneous reference of a public bill, if it remains uncorrected in effect, gives jurisdiction to the committee receiving it, and it is too late to move a change of reference after such committee has reported the bill.

The Chair desires particularly to direct the attention of the House to a decision made by Mr. Speaker Crisp which may be found in Hinds' Precedents, volume IV, section 4365. In that instance Speaker Crisp delivered an elaborate opinion on a question which the Chair thinks is on all fours with the one now before him.

The Chair could cite, of course, a number of other precedents along the same line by former occupants of this chair; but for the purposes of this decision the Chair is clearly of the opinion that despite the fact there might be considerable merit in the contention made by the gentleman from New York so far as the spirit and purposes in the establishment of committees are concerned, nevertheless, under these precedents, which seem to be absolutely uniform, the Chair is constrained to overrule the point of order made by the gentleman from New York.

Mr. MAPES. Mr. Speaker, in order to protect the rights of the Committee on Rules, will the Chair permit this observation? The gentleman from New York slept on his rights further until the Committee on Rules reported a rule making the consideration of this measure in order. Even though the reference had been erroneous and the point of order had been otherwise made in time, the Committee on Rules has the right to change the rules and report a rule making the legislation in order. This point also might be taken into consideration by the Speaker, if necessary.

The SPEAKER. The Chair is of the opinion that the statement made by the gentleman from Michigan, although not necessary to a decision of the instant question, is sustained by a particular and special decision rendered by Mr. Speaker GARNER on a similar question. The decision may be found in the RECORD of February 28, 1933. In that decision it is held, in effect, that despite certain defects in the consideration or the reporting of a bill by a standing committee, such defects may be remedied by a special rule from the Committee on Rules making in order a motion to consider such bill. The Chair thinks that that decision by Mr. Speaker GARNER clearly sustains the contention made by the gentleman from Michigan.

Mr. MAPES. I call attention to the point, Mr. Speaker, only for the purpose of future reference. I agree fully with the ruling of the Speaker.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

I yield myself 5 minutes, Mr. Speaker.

This bill is not, as has been said, an immigration bill. This is merely a bill which undertakes to plug the loopholes by which undesirable aliens who have been ordered deported have been escaping deportation heretofore; in other words, the Congress has heretofore in its wisdom seen fit to provide that certain undesirable aliens shall be deported. It has been discovered that in the practical operation of deportation proceedings some of these aliens have escaped deportation after all the legal machinery has been set in motion for their deportation simply because the country to which they were to be deported would not give them passports or the other necessary papers. Under those circumstances, it seems, there was nothing the Department of Labor could do but to release the aliens, and they were back upon the country.

The gentleman from Alabama [Mr. HOBBS], a member of the Committee on the Judiciary, has very wisely given study to this question and has introduced this bill which you are considering today. This bill represents a great deal of time and thought on the part of the distinguished gentleman from Alabama, and I am sure that the House is grateful to him, as well as the Judiciary Committee, for the very fine job that he and the committee have done in this respect.

This bill would stop that practice, or at least would stop it to a large extent, and would provide that in the event the aliens who were ordered deported did not leave the country or their countries did not provide for their transportation they should still be held in the custody of the Labor Department. Provision is made for considerable latitude in the discretion of the Secretary of Labor in that event and provision is made for bond.

There is nothing in this bill that I can see at which any American citizen should get alarmed. This country has pursued a course of rather broad latitude in its attitude toward immigrants who came to this country seeking the benefits they would find here. However, when these immigrants abuse the privileges that are offered them here and violate the laws of this country we should not be in the position of being held powerless to do anything about it.

This bill does not affect all aliens, but simply a small group of aliens of four classifications: Certain classes of criminals who have violated the laws of this country and have been convicted of felonies or crimes involving moral

turpitude; certain violators of the narcotic laws; certain anarchists and those of kindred classes; and certain classes of immoral persons, those who deal in the abominable trade of white slavery. These are the four classes and the only four classes this bill undertakes to reach; not to deport them, if you please, but to see that they do not escape deportation after they have been ordered deported, which has happened heretofore because the aliens could not get the necessary passports or other documents.

Mr. Speaker, as I intimated a moment ago, there is nothing in this bill for loyal, patriotic Americans to get concerned over. This bill is a much-needed piece of legislation. For the life of me I cannot understand how any American citizen who is interested in keeping our philosophy of government intact, and who is desirous of seeing undesirable aliens who have abused the privileges this country extended to them, could object. Who is it that desires to see this class of criminals described in the bill remain in this country even after the courts have determined that they should be returned to their native countries? I am very much in hope, Mr. Speaker, that this bill will pass and that this type of alien who has been ordered deported can no longer remain in this country by collusion with officials of their own countries, as we have reason to suspect has been done heretofore. Under the present laws there is nothing that we can do about it. This bill, if enacted into law would, to say the least, make it uncomfortable for those who desire to evade the law by conniving with consular officials and others in having passports refused them. This is an American bill. It should be supported and hailed by all good Americans everywhere. [Applause.]

[Here the gavel fell.]

Mr. DICKSTEIN. Will the gentleman yield himself a little more time so I may ask a question in order to clarify some of the statements the gentleman has made?

Mr. COLMER. With all due deference to my distinguished colleague, I assure the gentleman he will have plenty of opportunity to ask questions of other Members.

Mr. DICKSTEIN. No; I just want to clear up something.

Mr. COLMER. I have used my time. Others desire to speak.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, it is not my purpose to attempt to influence any Member in regard to this bill. I merely wish to make a few observations. As I see it, the purpose of this bill is this: We find many aliens in this country who have been found guilty by our courts and turned loose to continue the practices which caused their imprisonment. We find that aliens who have been found guilty of selling narcotics or of making money through prostitution, or who have been found guilty of crimes involving moral turpitude, have been turned loose on the country. The present laws require that they be deported; but because foreign countries will not accept them, they remain in this country and continue to prey on American citizens.

In my opinion, there are two limitations to this bill. First, I believe that practically everyone realizes that the Department of Labor has been totally unfit and inefficient in regard to the deportation of criminal aliens.

Mr. O'TOOLE. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from New York.

Mr. O'TOOLE. If these aliens repeat their crimes, are they not subject to the laws of the country, and do not the laws of the country provide how they shall be punished?

Mr. ALLEN of Illinois. Yes; if the aliens are caught; but I believe if we leave such aliens in this country, it is important for us to detain them until the time comes when they are accepted by foreign countries. It is true that this works a hardship on criminal aliens so adjudged by our courts, but I feel it is better they undergo certain inconveniences and hardships instead of turning them loose to again prey on American citizens.

Mr. MAGNUSON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. MAGNUSON. I wonder if the gentleman will clear up this point: Page 4 of the bill provides that—

> Those aliens who have been sentenced to imprisonment for a term of 1 year or more because of conviction in this country of a crime involving moral turpitude—

And I am sure the gentleman recalls the ill-fated eighteenth amendment, when many States of the Union provided that possession of liquor was a felony, and some of our courts, in a somewhat intolerant mood in those days, held that possession of liquor was a crime involving moral turpitude. I am wondering if under this bill some alien who had made some wine, some Italian alien, perhaps, could be put in a detention camp because he had been convicted of such a felony in prohibition days.

Mr. ALLEN of Illinois. The able gentleman from Washington, I am sure, has made a contribution that will be helpful to the debate.

Mr. MAGNUSON. Will the gentleman answer my question?

Mr. ALLEN of Illinois. It is a phase we should wisely consider.

Mr. CELLER. Will the gentleman yield to me, so that I may answer the question?

Mr. ALLEN of Illinois. I yield.

Mr. CELLER. I will say to the gentleman that it would involve the detention of that alien, innocent as he may have been, because he is an alien and because this bill is retroactive and goes back any number of years. Therefore if an alien has committed two felonies involving imprisonment for 1 year or more he would be involved, because the language is in the alternative. It may be a mere misdemeanor involving imprisonment for 1 year or it may be a felony if it involves something more, and therefore that particular alien, if he has committed a crime twice and has been imprisoned twice, although he has been here for 40 years, can be taken and held in a concentration camp under the provisions of this bill.

Mr. ALLEN of Illinois. I am of the opinion that we owe little to criminal aliens. We should be thinking more of our misguided and innocent American citizens that have undergone detriments by reason of the actions of these criminal aliens.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman, briefly.

Mr. MARCANTONIO. Inasmuch as this bill has been described, both by its author during the argument on the point of order and by the gentleman from Mississippi, as not necessarily an alien bill and as a bill which does not deal with deportation, how can the gentleman justify detention without due process of law from a constitutional standpoint? How does the gentleman meet the constitutional question involved there?

Mr. ALLEN of Illinois. That is a question, of course, that we do not know about for sure. The gentleman might contend that, while others might contend differently, but I do know this, as far as I am personally concerned, I owe nothing to those aliens who are in this country who go out and sell narcotics, or who go out and derive profits from prostitution and to go ahead and say to them, "We will let you go free and continue to sell opium and other drugs and wreck the bodies and minds of American citizens," to me is unthinkable.

I say the regrettable part of this bill is that it puts too much power in the hands of the Secretary of Labor, a department that has continuously demonstrated its inefficiency and its neglect in dealing with these aliens. It is provided in this bill that the Secretary of the Department of Labor shall determine a great many things, and in my opinion, a great many too many things.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield for an observation?

Mr. ALLEN of Illinois. In just a moment.

Some will argue, I know, that it is wrong to put people in detention camps. They feel that that is a thing that belongs in foreign countries, but I repeat that I know it is going to inconvenience some of these criminal aliens to go into some of these detention camps. It may even wreck the body and minds of some of these alien criminals, but I would ask you if it would not be better to do that than have them go throughout the United States continuing to sell their drugs to the young people of this Nation.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman now yield for an observation?

Mr. ALLEN of Illinois. Yes.

Mr. DICKSTEIN. On pages 3 and 4, the gentleman will admit there are four provisions in this bill, one dealing with alien radicals, is not that right?

Mr. ALLEN of Illinois. That is right.

Mr. DICKSTEIN. The Department now has jurisdiction to deport them. The next refers to criminals and the next one to immoral cases and the next one to violators of the narcotic law. These are four classes of aliens that the Judiciary Committee has considered with respect to this bill. I am agreeing with the gentleman that the men who sell narcotics or the criminals referred to ought to be deported or disposed of in some way or other; but you are approaching the thing from a bad angle in our form of a democracy. You are taking men who have been out of prison for 20 years, who have paid the penalty to the State, who are no longer criminals and have not been for the past 20 years, who are married to American women and have fine American children, and under this bill you are making the law retroactive for 20 years or more when this man's country or the country in which he was born is no longer in existence, and through no fault of his own he cannot get a passport, and yet you are going to throw him into this camp and keep him there for a lifetime. Is that going to justify the ends of this bill?

Mr. THOMAS F. FORD. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. Yes.

Mr. THOMAS F. FORD. The presumption is that the attempt to concentrate these aliens is for the protection of democracy, our form of government. In order to do that we must import from Russia, Germany, and Italy a form that is absolutely abhorrent to all democratic principles and employ that to save America. You are simply taking the first step to break down American institutions. [Applause.]

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. SCHAFER of Wisconsin. I hold in my hand a 72-page Communist pamphlet indicating that the Communist Party in America is linked directly to the bloody "red" Communist butchers in Moscow and Spain, through the internationale. This pamphlet contains the plan of destroying our democracy by violence and replacing it with a Communist system of autocracy. I have personal knowledge of aliens who have been ordered deported because they were Communists, and when I asked the Immigration Office why they had not been sent back to Moscow, I was informed that they could not be sent back because those in charge of the Moscow "red" Communist government would not issue passports. That is a good way for Moscow to keep their Communist hencemen over here to undermine and destroy our American constitutional system of government.

I hope the Congress will pass this bill and lock those alien Communists up in a concentration camp—those alien Communists who no doubt have been sent here by the Moscow Government. A concentration camp is very lenient. They should be put in the penitentiary for the rest of their natural lives.

Let us approach our vote on this bill with the welfare of our American constitutional democracy in mind and not the welfare of its alien enemies.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. Yes; I yield.

Mr. LEWIS of Colorado. This is an open rule, is it not, with 2 hours of general debate on the bill?

Mr. ALLEN of Illinois. That is correct.

Now, Mr. Speaker, in conclusion, as I have heretofore stated, we can expect little from the Department of Labor. Their sympathies seem to be with these aliens. It seems to me the only solution of this problem is to have the Department of State, which is an able and efficient department, revive our treaties with foreign countries, whereby they will agree to accept these aliens who have come here and violated our laws. In return we naturally would accept American criminals in other lands. I would like to see some effort made by our State Department to revive the treaties to take care of these aliens who have violated our law.

Mr. THOMAS F. FORD. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. THOMAS F. FORD. Is that not the orderly, decent, and democratic way to proceed?

Mr. ALLEN of Illinois. Yes; that is an orderly way, and I hope eventually that will come about.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. CELLER. I have been in touch with the State Department. They have indicated they would much prefer to deal with the question in the way indicated by the gentleman from California, namely, by treaty arrangement, and for some time past they have been endeavoring to work out a situation satisfactory to all parties. They feel that this method of attacking the problem is an erroneous method. The Labor Department is on all fours with the statement in that regard. It is for that reason that the Labor Department has sent to the Judiciary Committee a very strong letter protesting against the passage of this bill. That letter will be placed in the RECORD later on. The State Department has likewise issued a strong letter in opposition to certain phases, similar to those found in the so-called Smith bill, reiterating that they would much prefer to settle this matter by treaty with those offending nations.

Mr. ALLEN of Illinois. Mr. Speaker, in conclusion, I believe the gentleman from Alabama [Mr. HOBBS] has brought forth a bill that merits favorable consideration until the time comes when the State Department can enter into treaties with foreign countries to take care of the situation, and I hope the membership of this House will pass this rule. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the balance of my 30 minutes to the gentleman from Mississippi [Mr. COLMER], to use as he sees fit.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, it is with great reluctance that I find myself in a position opposing this bill. I would much prefer not to say anything in opposition to a bill that seeks to deport—to get rid of the despicable classes of aliens mentioned in this bill, like procurers, dope fiends, narcotic peddlers, and such like. But the bill goes much further and involves also aliens who may have committed mere misdemeanors, provided they were sentenced to at least 1 year's imprisonment. Remember many prohibition violations were deemed crimes involving moral turpitude. The bill is retroactive and therefore can reach back for years and cause great trouble for aliens who may have been State liquor or prohibition law violators although such aliens may be here for 30 or 40 years.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. WALTER. There is nothing in this bill that seeks to deport anyone.

Mr. CELLER. I differ with the gentleman, because the purpose of the bill is to compel voluntary departure or forceful deportation, and if nations from which these men originally came refuse to give a passport to insure departure or deportation, then these criminals can be held or detained or imprisoned or placed in a camp. So that I differ with the distinguished gentleman from Pennsylvania by saying it is a deportation bill.

The proponents of the bill want to deport them, but because they cannot deport them this bill goes to these unlawful and unconstitutional extremes. Its real vice is its failure to grant due process and its double jeopardy.

I hold no brief for those wretched persons who violate our statutes, but I am here to defend something that is priceless, far more important than denying rights to those whom I have mentioned. That is the principle underlying our Constitution. Even the vilest criminal is entitled to his day in court. The Constitution says so. This bill denies that right, as I shall prove in my main argument when we come to general debate under the bill.

There is a false notion that prevails in some parts of this House that the Constitution does not apply to aliens. I say that the Constitution in its entirety does apply to aliens.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. WALTER. Of what right, constitutional or otherwise, is this class of undesirables deprived?

Mr. CELLER. Because I say this bill would inflict upon them dual punishment, because I say they are denied due process, because they are denied trial by jury, and are subject to cruel and inhuman treatment; their constitutional rights are denied and invaded. If they committed a crime, for example, and served their sentence, they have expiated the crime. You then come along with this bill and say: "Despite the fact that you have expiated your crime, despite the fact that you have been already punished, you shall be subjected to a second punishment or imprisonment. You are again to be held or detained in custody or deprived of liberty or imprisoned because the country of origin refused to grant a passport to permit your deportation."

You may cavil with me and say there is no second imprisonment, but there is, for you deprive the individual of his liberty; you detain him. I do not care where you detain him, whether on a farm, at Ellis Island, in the county jail, or at Lewisburg or San Quentin, it makes no difference—that is imprisonment; and, mind you, it may be for life.

There is no limitation whatsoever on the time during which the Secretary of Labor may hold such an alien despite the fact he has once served his sentence, has theretofore been imprisoned. The Secretary of Labor may act on good grounds or "coffee grounds." There is no limitation upon her authority. She can imprison for the term of office and her successor can continue the incarceration during his term and so on indefinitely.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. PACE. What is the gentleman's authority for the statement that an alien is vested with all the constitutional rights of an American citizen?

Mr. CELLER. The gentleman asks for authorities; I will give him the decisions.

ALIENS WITHIN THIS COUNTRY ARE NOT WITHOUT THE PROTECTION OF THE CONSTITUTION OF THE UNITED STATES

I cite the case of *Yick Wo* v. *Hopkins* (118 U. S. 356), and I quote the following from the opinion of Judge Matthews:

> The fourteenth amendment to the Constitution is not confined to the protection of citizens. It says: "Nor shall any State deprive any person of life, liberty, or property without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws."
>
> These provisions are universal in their application to all persons within the territorial jurisdiction, without regard to any differences of race, of color, or of nationality; and the equal protection of the laws is a pledge of the protection of equal laws. It is accordingly enacted by section 1977 of the Revised Statutes that "all persons within the jurisdiction of the United States shall have the same right in every State and Territory to make and enforce contracts, to sue, be parties, give evidence, and to the full and equal benefit of all laws and proceedings for the security of persons and property as is enjoyed by white citizens, and shall be subject to like punishment, pains, penalties, taxes, licenses, and exactions of every kind, and to no other."

ALIENS MAY NOT BE RESTRICTED IN EMPLOYMENT SO AS TO DENY THEM THE ORDINARY MEANS OF A LIVELIHOOD

I also cite the case of *Truax and the Attorney General of the State of Arizona* v. *Raich* (239 U. S. 33), wherein it was decided that an alien admitted to this country not only has the privilege of entering and abiding in the United States but also entering and abiding in any State; and that being an inhabitant of any State, he is entitled, under the fourteenth amendment, to the equal protection of the laws. Consequently it was further asserted by Justice Hughes, who delivered the opinion of the Court, the alien's right to work for a living in the common occupation of the community is part and parcel of the essence of that personal freedom and opportunity which it was the purpose of the fourteenth amendment to secure. Hence the conclusion of the Court that the State of Arizona had no right to enact a statute requiring that employers employ only a specified percentage of alien employees, since such statute denies to aliens the equal protection of the law.

Another case in point is *Frazer* v. *McConway* (82 Fed. 257).

THE PROPERTY OF ALIENS, LAWFULLY ACQUIRED, MAY NOT BE TAKEN FROM THEM

In *Terrace et al.* v. *Thompson, Attorney General of the State of Washington* (263 U. S. 197), it was held that a statute of the State of Washington disqualifying aliens from taking or holding interest in land in the State for farming or other purposes was unconstitutional, in that it in essence resulted in the taking of property without due process of law, and, further, that it tended to prohibit an alien from following a common occupation of the community.

See also *Fairfax* v. *Hunters Lessee* (7 Cr. 603) and *Philips* v. *Moore* (100 U. S. 208).

ALIENS MAY NOT BE DENIED THE USE OF THEIR FOREIGN LANGUAGES

In *Meyer* v. *State of Nebraska* (262 U. S. 390), the Court held that a law of the State of Nebraska forbidding under penalty the teaching in any private, denominational, parochial, or public school of any modern language other than English to any child invades the liberty guaranteed by the fourteenth amendment and exceeds the power of the State. Such State law, the Court held, is, therefore, unconstitutional.

See also *Farrington* v. *Tokushige* (273 U. S. 284) and *Yu Cong Eng* v. *Trinidad* (271 U. S. 500).

ALIENS MAY NOT BE DEPRIVED OF LIBERTY WITHOUT DUE PROCESS OF LAW—A REASONABLE OPPORTUNITY TO BE HEARD AND A REASONABLE DETERMINATION OF THEIR RIGHTS

In *Chin Yow* v. *United States* (208 U. S. 8) it was held by the Supreme Court that a Chinese person who sought to enter the United States is entitled to a fair hearing, and that if without a fair hearing or being allowed to call witnesses he is denied admission and delivered to the steamship company for deportation he is deemed to be imprisoned without due process of law to which he is entitled. The decision in this case, it is interesting to note, was delivered by the late great Justice Oliver Wendell Holmes.

See also the *Japanese Immigrant Case* (189 U. S. 86), *Gegun* v. *Uhl* (239 U. S. 3), *Ny Fung Ho* v. *White* (259 U. S. 276), *U. S.* v. *Williams* (185 Fed. 598), *Roux* v. *Commr. of Immigration* (203 Fed. 413). [Applause.]

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SIROVICH, indefinitely, on account of illness.

To Mr. MYERS, for the balance of the week, on account of illness.

EXTENSION OF REMARKS

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include

therein an address made before the National Chamber of Commerce this morning by S. Clay Williams.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

OTIS M. CULVER ET AL.

Mr. THILL. Mr. Speaker, I ask unanimous consent to vacate the proceedings whereby the bill (H. R. 1882) for the relief of Otis M. Culver, Samuel E. Abbey, and Joseph Reger was passed; and I make this request for the purpose of offering a clarifying amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Army, Otis M. Culver, Samuel E. Abbey, and Joseph Reger shall be held and considered to have been honorably discharged on December 10, 1898, as privates, Company C, Third Battalion, Fourth Regiment Wisconsin Volunteer Infantry, United States Army: *Provided*, That no pension, back pay, bounty, or other benefit shall be held to have accrued by reason of this act prior to its passage.

Mr. THILL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THILL: Page 1, line 6, after the comma following the word "Abbey", strike out the word "and"; and after the word "Reger", insert "and August H. Krueger."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REORGANIZATION PLAN NO. 1

Mr. COCHRAN, from the Select Committee on Government Organization, submitted the following adverse report, to accompany House Concurrent Resolution 19, which was referred to the Union Calendar and ordered printed:

The Select Committee on Government Organization, to whom was referred the resolution (H. Con. Res. 19), after consideration, report the same unfavorably with the recommendation that the resolution do not pass.

PERMISSION TO ADDRESS THE HOUSE

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa [Mr. HARRINGTON]?

There was no objection.

Mr. HARRINGTON. Mr. Speaker, on yesterday, May 1, 1939, when H. R. 5452, a bill, providing certain benefits for World War veterans and their dependents, was under consideration, I was present and in the Chamber during most of the debate. Just prior to the conclusion of the debate, the passage of the bill, and the roll call thereon, I was called from the Chamber on official business and was unable to return until after my name had been passed on the second call of the roll. Not being able to qualify, I could not vote, but had I been permitted to do so I would have voted "aye."

ENROLLED JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 279. Joint resolution making supplemental appropriations for printing and binding and stationery for the Treasury Department for the fiscal year ending June 30, 1939.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1034. An act to authorize the Secretary of War to terminate certain leases of the Long Island Railroad Co.; and

S. 2044. An act making inapplicable certain reversionary provisions in the act of March 4, 1923 (42 Stat. 1450), and a certain deed executed by the Secretary of War, in the matter of a lease to be entered into by the United States for the use of a part of the former Fort Armistead Military Reservation for air-navigation purposes.

ADJOURNMENT

Mr. COLMER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 3, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10:30 a. m., Wednesday, May 3, 1939, for the consideration of H. R. 6065, to authorize major overhauls for certain naval vessels and for other purposes.

COMMITTEE ON LABOR

The Committee on Labor will hold a hearing in the Caucus Room of the House Office Building at 10:30 a. m., Thursday, May 4, 1939, on proposed amendments to the National Labor Relations Act.

COMMITTEE ON FLOOD CONTROL

There will be a meeting of the Committee on Flood Control at 10 a. m. on Wednesday, May 3, 1939, for the consideration of pending resolutions, pending bills for examinations and surveys, and pending amendments to the act of 1938.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, May 3, 1939, at 10:30 a. m., for the consideration of H. R. 952, H. R. 2390, H. R. 5746, H. R. 5758, H. R. 5851, and H. J. Res. 117.

The meeting of the Roads Committee originally called for Tuesday, May 2, 1939, at 10 a. m. has been postponed until Thursday, May 4, 1939, at 10 a. m.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 a. m. Wednesday, May 3, and Thursday, May 4, 1939, on bills H. R. 3657, H. R. 5401, H. R. 5402, and H. R. 5403. These hearings will be public.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, May 3, 1939, at 10 a. m., on H. R. 5584, amending the Canal Zone Code.

On Thursday, May 4, 1939, at 10 a. m., on H. R. 4650, making electricians licensed officers; and H. R. 5130, merchant marine bill, 1939. Hearings will be held on sections 1, 3, 5 to 11. Sections 2, 4, and 12 will be heard at some later date.

On Tuesday, May 16, 1939, at 10 a. m., on H. R. 4051, relating to hiring of seamen on Government vessels.

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4985, relating to fishery educational service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

COMMITTEE ON THE JUDICIARY

There will be a hearing before Subcommittee No. 2 of the Committee on the Judiciary on Tuesday, May 9, 1939, at 10 a. m., on the bill (H. R. 4587) to give the Supreme Court of the United States authority to prescribe rules of pleading, practice, and procedure with respect to proceedings in criminal cases prior to and including verdict or finding or plea of guilty. Room 346, House Office Building.

There will be a public hearing before Subcommittee No. 1 of the Committee on the Judiciary on Wednesday, May 10,

1939, at 10:30 a. m., on House Joint Resolution 190, to make available to the Federal Government the facilities of the Council of State Governments, and for other purposes. Room 346, House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

687. A letter from the Acting Secretary of Agriculture, transmitting data and other information prepared by the Bureau of Agricultural Economics on the subject of cotton-crop insurance (H. Doc. No. 277); to the Committee on Agriculture and ordered to be printed.

688. A letter from the Comptroller of the Currency, transmitting a copy of the complete Annual Report of the Comptroller of the Currency for the year ended October 31, 1938; to the Committee on Banking and Currency.

689. A letter from the Acting Secretary of the Interior, transmitting copies of two resolutions passed by the Municipal Council of St. Thomas and St. John, V. I., on April 13, 1939; to the Committee on Insular Affairs.

690. A letter from the Secretary of War, transmitting the draft of a bill authorizing cash relief for certain employees of the War and Navy Departments in the Canal Zone not coming within the provisions of the Civil Service Retirement Act; to the Committee on the Civil Service.

691. A letter from the acting Secretary of the Treasury, transmitting a proposed bill to amend the Government Losses in Shipment Act; to the Committee on Expenditures in the Executive Departments.

ADVERSE REPORT

Under clause 2 of rule XIII,

Mr. COCHRAN: Select Committee on Government Organization. House Concurrent Resolution 19. Concurrent resolution opposing the No. I plan for reorganization (Rept. No. 531). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS:

H. R. 6109. A bill to extend the times for commencing and completing the construction of a bridge across the Niagara River at or near the city of Niagara Falls, N. Y.; to the Committee on Foreign Affairs.

By Mr. BLAND:

H. R. 6110. A bill to clarify the status of personnel of the Lighthouse Service serving under the jurisdiction of War or Navy Department during national emergency; to the Committee on Merchant Marine and Fisheries.

By Mr. BUCKLER of Minnesota:

H. R. 6111. A bill to extend the times for commencing and completing the construction of a bridge across the Red River at or near a point suitable to the interests of navigation, from a point in Walsh County, N. Dak., at or near the terminus of North Dakota State Highway No. 17; to the Committee on Interstate and Foreign Commerce.

By Mr. COOLEY:

H. R. 6112. A bill to amend the Federal Crop Insurance Act; to the Committee on Agriculture.

By Mr. COSTELLO:

H. R. 6113. A bill to provide pensions, compensation, retirement pay, and hospital benefits for certain Reserve officers of the Army of the United States; to the Committee on Military Affairs.

By Mr. DIMOND:

H. R. 6114. A bill to authorize postmasters within the Territory of Alaska to administer oaths and affirmations, and for other purposes; to the Committee on the Territories.

By Mr. DOUGHTON:

H. R. 6115. A bill to authorize the sale of the monthly document prepared by the Treasury Department entitled "Bulletin of the Treasury Department"; to the Committee on Ways and Means.

By Mr. HORTON:

H. R. 6116. A bill granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River; to the Committee on Irrigation and Reclamation.

By Mr. IGLESIAS:

H. R. 6117. A bill to amend the Merchant Marine Act, 1936, as amended, to further promote the merchant marine policy therein declared, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 6118. A bill to amend the Merchant Marine Act, 1936, as amended, and to remove discrimination in such act against Puerto Rico in connection with ship subsidies, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LEWIS of Colorado:

H. R. 6119. A bill to authorize the construction of works for flood control, and other purposes, on Cherry Creek and tributaries in Colorado; to the Committee on Flood Control.

By Mr. PLUMLEY:

H. R. 6120. A bill to exclude employment performed by certain students from the definition of "employment" for the purposes of the taxes and benefits of the Social Security Act, as amended; to the Committee on Ways and Means.

H. R. 6121. A bill to exclude employment performed by certain students from the definition of "employment" for the purposes of the taxes and benefits of the Social Security Act, as amended; to the Committee on Ways and Means.

By Mr. SCRUGHAM:

H. R. 6122. A bill creating a Mines Finance Commission, defining its duties, establishing its salaries, defining and establishing its authority, defining the qualifications of its commissioners, providing for its operation and providing funds to carry on its purposes, and to encourage production of commercial and strategic minerals; to the Committee on Banking and Currency.

By Mr. SUTPHIN:

H. R. 6123. A bill for the relief of certain purchasers of lands in the city of New Brunswick, N. J.; to the Committee on Claims.

By Mr. THOMASON:

H. R. 6124. A bill giving the consent of Congress to the addition of lands to the State of Texas and ceding jurisdiction to the State of Texas over certain parcels or tracts of land heretofore acquired by the United States of America from the United Mexican States; to the Committee on Foreign Affairs.

By Mr. VOORHIS of California:

H. R. 6125. A bill to amend section 2 of the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," approved June 28, 1938; to the Committee on Flood Control.

By Mr. COLLINS:

H. R. 6126. A bill authorizing appropriations to reimburse States, counties, and other political subdivisions for loss of tax receipts on account of the acquisition of certain lands by the United States; to the Committee on the Public Lands.

By Mr. CANNON of Florida:

H. J. Res. 283. Joint resolution to establish the Maj. Gen. William Jenkins Worth Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Maj. Gen. William Jenkins Worth; to the Committee on the Library.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Puerto Rico, memorializing the President and the Congress of the United States to consider their Concurrent

Resolution No. 9, with reference to the critical situation of the coffee growers of Puerto Rico; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Kentucky:

H. R. 6102. A bill granting a pension to William Ridgway; to the Committee on Invalid Pensions.

By Mr. DEMPSEY:

H. R. 6103. A bill granting a pension to Florence Cravens; to the Committee on Invalid Pensions.

By Mr. GILLIE:

H. R. 6104. A bill granting a pension to Jessie C. Donaldson; to the Committee on Invalid Pensions.

By Mr. PATMAN:

H. R. 6105. A bill authorizing the President to present a Distinguished Service Medal to Harold R. Wood; to the Committee on Naval Affairs.

By Mr. REECE of Tennessee:

H. R. 6106. A bill granting a pension to Isabelle Bullock; to the Committee on Pensions.

By Mr. VINCENT of Kentucky:

H. R. 6107. A bill for the relief of Barnet Warren; to the Committee on Claims.

By Mr. WOODRUFF of Michigan:

H. R. 6108. A bill for the relief of Regina Howell; to the Committee on Claims.

By Mr. WHELCHEL:

H. J. Res. 282. Joint resolution to confer jurisdiction on the Court of Claims or the District Court of the United States for the Northern District of Georgia to hear, determine, and render judgment upon the claim of Mrs. J. W. Marks, of Stephens County, Ga.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2827. By Mr. CROWTHER: Petition of the Federation of Italian-American Societies of Schenectady, N. Y., protesting against the lifting of the embargo on the shipment of war materials to warring countries; to the Committee on Foreign Affairs.

2828. By Mr. EATON of California: Resolution adopted by the Council of the City of South Gate, Calif., and signed by H. C. Peiffer, as city clerk, urging the Congress of the United States to give favorable consideration to House bill 4576, to the end that the relief afforded thereby may be experienced at the earliest possible moment; to the Committee on Appropriations.

2829. By Mr. ENGEL: Petition of Edward Baltzer, Harry Smith, A. E. Johnson, and others of Mason County, Mich., urging adoption of the Ludlow war referendum bill; to the Committee on Foreign Affairs.

2830. By Mr. MARTIN J. KENNEDY: Petition of the American Humane Association, Albany, N. Y., opposing the shipment of horses and mules to foreign countries in the event of war; to the Committee on Foreign Affairs.

2831. Also, petition of the New York City Federation of Women's Clubs, Inc., urging support of House bill 944, wool labeling bill; to the Committee on Interstate and Foreign Commerce.

2832. Also, petition of Caddo Lodge, No. 769, Brotherhood of Railway and Steamship Clerks, Marshall, Tex., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2833. Also, petition of the Merritt-Chapman & Scott Corporation, New York City, concerning House bill 1809; to the Committee on Rivers and Harbors.

2834. Also, petition of the Jewish Fellowship Unit, No. 1, New York City, concerning the Rogers-Wagner refugee bills; to the Committee on Immigration and Naturalization.

2835. By Mr. KEOGH: Petition of the New York City Federation of Women's Clubs, Inc., concerning the Martin wool labeling bill (H. R. 944); to the Committee on Interstate and Foreign Commerce.

2836. Also, petition of the National Rivers and Harbors Congress, Washington, D. C., concerning the Wheeler bill (S. 2009); to the Committee on Agriculture.

2837. By Mr. SCHIFFLER: Petition of J. M. Hogl, secretary of Townsend Club of Wheeling, W. Va., urging the Ways and Means Committee to make a favorable report on House bill 2, known as the General Welfare Act; to the Committee on Ways and Means.

2838. By Mr. REES of Kansas: Petition of Tabor College, Hillsboro, Kans.; to the Committee on Foreign Affairs.

2839. Also, petition of Townsend Club, No. 1, of Junction City, Kans.; to the Committee on Ways and Means.

2840. Also, petition of G. E. Segelquist, of Scranton, Kans., and approximately 250 other citizens of that community; to the Committee on Agriculture.

2841. By Mr. SANDAGER: Memorial of the Pawtucket Businessmen's Association and Chamber of Commerce, Pawtucket, R. I., commending the action of the President and the Secretary of the Treasury and concurring with the reasons given: (1) It is especially urgent that at this time we do not place any avoidable burden on American productive enterprise; (2) a suspension of the increase in the tax-rate scheduled to take place in 1940; to the Committee on Ways and Means.

2842. By Mr. SCHAEFER of Illinois: Petition of citizens and members of Marissa (Ill.) Townsend Club, John A. Stodghill, president, with endorsements from local organizations of United Mine Workers of America, Progressive Mine Workers of America, and its auxiliary, and Workers' Alliance, urging enactment of House bill 2, known as the General Welfare Act; to the Committee on Ways and Means.

2843. Also, petition of Hoyleton (Ill.) Townsend Club, No. 1, F. William Grote, secretary, urging enactment of House bill No. 2, known as the Townsend Old Age Pension Act; to the Committee on Ways and Means.

2844. By Mr. VORYS of Ohio: Petition of Roy Walling, president of the Columbus Society for Handicapped, signed by 2,000 persons and petitioning for the enactment of a law providing pensions for all needy handicapped persons who by reason of their disability are kept from gainful employment; to the Committee on Appropriations.

2845. By the SPEAKER: Petition of the Empire Typographical Conference of the International Typographical Union, Niagara Falls, N. Y., petitioning consideration of their resolution with reference to National Labor Relations Act; to the Committee on Labor.

2846. Also, petition of the American Society of Mammalogists, College Station, Tex., petitioning consideration of their resolution with reference to predatory prey regulations in national parks; to the Committee on the Public Lands.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 3, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O gracious Father of mankind, do Thou cleanse our prayer from all human dross and attune our hearts to Thee. Draw near us, through Christ, that Thy promises may assume fresh meaning and power. O Thou who art the Father-God, who made the mother's heart like unto Thine own, care for our youth and keep them from the sin and shame which bruise the souls which love them most. When vicissitude comes, when adversity overtakes, and when the storm breaks, hold Thou the hand and cheer the trembling heart. Oh, may the shifting sand beneath weary feet be as

stable as the Rock of Ages. We praise Thee that light is sown for the righteous and gladness for the upright in heart.

Speak Lord and may Thy servants hear: Trust in the Lord with all thine heart; and lean not unto thine own understanding. In all thy ways acknowledge Him, and He shall direct thy paths.

In the adorable name of our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendments of the House of Representatives to the amendments of the Senate numbered 9, 16, 19, 27, 32, 46, and 49, to the bill (H. R. 4852) entitled, "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2065. An act to provide for the regulation of the sale of certain securities in interstate and foreign commerce and through the mails, and the regulation of the trust indentures under which the same are issued, and for other purposes.

SPECIAL COMMITTEE ON THE TAXATION OF GOVERNMENT SECURITIES AND SALARIES

Mr. JARMAN. Mr. Speaker, from the Committee on Printing I report back favorably (H. Rept. No. 533) a resolution and ask for its immediate consideration.

The Clerk read as follows:

Senate Concurrent Resolution 6

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Special Committee on Taxation of Governmental Securities and Salaries of the Senate be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of the hearings held before said committee during the current session on the resolution (S. Res. 303, 75th Cong.) establishing a Special Committee on the Taxation of Governmental Securities and Salaries.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

VETERANS' PENSION BILL

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute in order to correct the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, when the vote was taken Monday on roll call No. 60 on the veterans' bill I was in one of the committee rooms of the Capitol on committee business. The bells did not ring. I knew nothing of the roll call until I picked up the RECORD on the following day. I have always consistently supported legislation for the veterans and their dependents, and had I been here I would have voted "yea" on the passage of this bill. I would like to have this statement appear in the RECORD.

EXTENSION OF REMARKS

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial appearing in the New York Times this morning on the death of Frank P. Walsh.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BYRNS of Tennessee asked and was given permission to extend his own remarks in the RECORD.

Mr. FAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an address by the Honorable John T. Cahill, United States attorney for the southern district of New York.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

Mr. SCHULTE. Mr. Speaker, by direction of the Committee on Immigration and Naturalization, I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the bill (H. R. 5138) to make unlawful attempts to overthrow the Government of the United States, to require licensing of civilian military organizations, to make unlawful attempts to interfere with the discipline of the Army and Navy, to require registration and fingerprinting of aliens, to enlarge the jurisdiction of the United States circuit court of appeals in certain cases, and for other purposes; and that the bill be referred to the Committee on Immigration and Naturalization.

The Clerk read the title of the bill.

The SPEAKER. The gentleman from Indiana asks unanimous consent that the bill, the title of which has just been reported, be rereferred from the Committee on the Judiciary to the Committee on Immigration and Naturalization. Is there objection?

Mr. WALTER. I object, Mr. Speaker.

Mr. SCHULTE. Mr. Speaker, I have to serve notice on the House, then, that we will move tomorrow that this reference be made.

EXTENSION OF REMARKS

Mr. LAMBERTSON. Mr. Speaker, on yesterday I asked unanimous consent to extend my remarks in the RECORD and include therein a speech delivered yesterday before the National Chamber of Commerce by S. Clay Williams. I am informed this speech is too long to conform to the rule, and this morning I have an estimate from the Public Printer. I now renew my request.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio discussion participated in by a Senator, a Congressman, and a former Congressman.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and refer to bills that have been introduced in behalf of people of Puerto Rico.

The SPEAKER. Is there objection to the request of the Commissioner from Puerto Rico?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. JOHNS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNS. Mr. Speaker, I would not take the time of the Members of the House this morning except to bring this resolution to your attention, as we will have under consideration very soon the problem of dairy products being made a basic commodity. I call your attention to this joint resolution of the Wisconsin Legislature, in which they ask that this be done not only for the dairymen of the State of Wisconsin but throughout the United States.

Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein the joint resolution to which I have referred.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNS. Mr. Speaker, the joint resolution is as follows:

Joint resolution memorializing Congress to provide by law that dairy products be made a basic commodity

Whereas dairying comprises a wide and varied agricultural enterprise which provides a major income for a large number of farmers in the several dairy States; and

Whereas because large sums of money are invested in the dairy sections of today for the purpose of producing dairy products of good quality and due to climatic conditions dairy farmers cannot profitably engage in other types of farming; and

Whereas the dairy farmer is at a disadvantage compared with the cotton, corn, and wheat farmer in that the Agricultural Adjustment Act does not control the production of dairy products; and

Whereas the dairy industry would be immeasurably benefited if it were made subject to the Agricultural Adjustment Act and dairy farmers favor control of production in dairying in the manner provided in said act for controlling production of agricultural products affected thereby: Now, therefore, be it

Resolved by the senate (the assembly concurring), That this legislature respectfully petitions the Congress of the United States to enact legislation providing that dairy products be made a basic commodity and that a parity payment be made to equal the difference between the average price of butter on the New York market and the parity price; and be it further

Resolved, That properly attested copies of this resolution be sent to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

Mr. GRISWOLD. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore made, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

VETERANS' PENSION BILL

Mr. FISH. Mr. Speaker, on roll call No. 60, the veterans' pension bill, for the benefit of widows and orphans, I was recorded, erroneously, as being against the bill on a pair. I should have been recorded in favor of it.

PERMISSION TO ADDRESS THE HOUSE

Mr. KUNKEL. Mr. Speaker, I ask unanimous consent to speak for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KUNKEL. Mr. Speaker, I want at this time to invite all of you and your friends and your guests at the lunch-time hour to partake of some of the famous Lebanon County bologna, of which I have a supply here, and which will be available in the cloakrooms for those of you who are too busy to get to the House restaurant. Those of you who have lunch at the House restaurant will find it available there. This is a very unique product. It is both very good and very sustaining. It is manufactured in Palmyra, Pa., one of the finest towns in our entire State, by the Palmyra Bologna Co., and I am sure you will all enjoy it. Try it yourselves and get your friends to come with you to lunch. [Applause.]

EXTENSION OF REMARKS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein discussions between Senator TAFT and Representative SMITH of Illinois.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, we have heard something today about Pennsylvania bologna and I hope you will all enjoy it at the lunch hour, but the greatest "boloney" I have ever heard offered to the American taxpayer is the proposal, which, according to one of the newspapers, has been offered with respect to giving Members of Congress who have served 10 years a pension of from $3,000 to $3,600 a year. That would be the greatest "boloney" that the American taxpayers ever heard of, and it is way beyond the question whether we ought to give everybody in this country $200 a month old-age pension. It may be termed more bologna for Congressmen. Oh, when will it ever cease? We are crushing by every act and by every law the American people. We are not helping them, we are not making them secure when we break down the Government of our people.

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, I do not know to whom the gentleman refers, but if he is referring to me, I have not suggested any pension for Members of Congress. I have suggested that we might put them under the civil-service retirement system, which covers 600,000 Federal employees, and under which the employees pay a large part of the cost themselves. I think if Members of Congress provide a system for 600,000 Federal employees and for 40,000,000 private employees, there is no reason why we should not supply a similar system for Members of Congress based upon a contributory plan, and there is no "boloney" in that, I will say to the gentleman from Pennsylvania. [Laughter and applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short financial statement of the Electric Light & Power System of Tacoma, Wash.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

GOVERNMENT REORGANIZATION

Mr. COCHRAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the concurrent resolution, House Concurrent Resolution 19, and, pending that motion, I would ask if there is any disposition on the part of the minority to come to any agreement with reference to time for debate.

Mr. MARTIN of Massachusetts. Mr. Speaker, I would suggest to the gentleman that we, of course, have no desire to prolong the debate beyond what may be reasonable, and I may suggest that we go into Committee and see what time is actually needed, and later we can arrive at some conclusion about limiting debate.

Mr. COCHRAN. Very well. Mr. Speaker, I renew my motion.

Mr. HINSHAW. A point of order, Mr. Speaker.

The SPEAKER. The gentleman will state his point of order.

Mr. HINSHAW. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. The gentleman from California makes the point of order there is not a quorum present. The Chair will count. [After counting.] One hundred and sixty-seven Members are present, not a quorum.

Mr. COCHRAN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 63]

Arnold	Duncan	Mansfield	Satterfield
Bland	Evans	McReynolds	Shannon
Buckley, N. Y.	Ferguson	Mitchell	Short
Bulwinkle	Flannagan	Mouton	Sirovich
Clark	Folger	Mundt	Smith, Maine
Crowther	Fulmer	Myers	Smith, W. Va.
Curley	Hartley	Norton	Stearns, N. H.
D'Alesandro	Healey	Osmers	Sweeney
Darden	Horton	Peterson, Fla.	Terry
Delaney	Jenks, N. H.	Reece, Tenn.	Vinson, Ga.
Dies	Kelly	Sabath	Wadsworth

The SPEAKER. On this roll call 386 Members have answered to their names, a quorum.

Mr. COCHRAN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

GOVERNMENT REORGANIZATION

Mr. COCHRAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the concurrent resolution, House Concurrent Resolution 19, and, pending that motion, I ask unanimous consent that the debate may be equally controlled by the gentleman from New York [Mr. TABER] and myself.

The SPEAKER. The gentleman from Missouri moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the concurrent resolution, House Concurrent Resolution 19, and, pending that motion, asks unanimous consent that the debate be controlled equally by himself and the gentleman from New York [Mr. TABER]. Is there objection to the request?

Mr. PARSONS. Mr. Speaker, reserving the right to object, I would like to know how much time there will be for debate.

The SPEAKER. The time has not been agreed upon and is not involved in this request. Under the rule, the time cannot exceed 10 hours.

Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the concurrent resolution, House Concurrent Resolution 19, with Mr. MCGRANERY in the chair.

The Clerk read the concurrent resolution, as follows:

House Concurrent Resolution 19

Resolved by the House of Representatives (the Senate concurring), That the Congress does not favor the reorganization plan No. I, transmitted to Congress by the President on April 25, 1939.

The CHAIRMAN (Mr. MCGRANERY). Under the order of the House, the gentleman from Missouri is recognized for 5 hours.

Mr. COCHRAN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, the concurrent resolution under consideration, submitted by the gentleman from New York [Mr. TABER], has for its purpose to set aside the first plan of Government reorganization submitted by the President. Your committee has recommended that it be not agreed to, which, if approved by the House, means the order will go into effect 60 days from date of submission.

We have heard a great deal with reference to reduction of Government expenditures. Those who are in favor of a reduction of Government expenditures have an opportunity to show by their votes today that they really are.

We have heard that we want better efficiency in the executive branch of the Government. The Executive order of the President will bring that about. Everyone desires simplification of procedure. Washington today is crowded with members of the United States Chamber of Commerce from all over the country. Ask any one of them how difficult it is for them to find the Government agency they want to do business with. In grouping these Government agencies the President simplifies procedure. It will enable them to reach the official they would like to talk to without employing a guard.

The Executive order submitted by the President is practically unanimously endorsed by the press of the Nation, by the businessmen of the Nation, and by the taxpayers of the Nation.

Under the law debate on this resolution cannot exceed 10 hours. Up to the moment I have requests for only a few minutes' time. I cannot conceive of the necessity of offering a defense for this Executive order. It is so meritorious it needs no defense.

As there is no one on this side who has anything to say at the moment, I ask the gentleman from New York to use some of his time.

Mr. WARREN. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. WARREN. Mr. Chairman, as has been properly said by the gentleman from Missouri [Mr. COCHRAN], the burden is certainly on the minority, represented by the gentleman from New York [Mr. TABER]. It is going to be our policy to figuratively let the gentleman from New York and those who may be associated with him "shell the woods" on this proposition, and it is our present policy to only reserve for ourselves 10 minutes. Is that not correct?

Mr. COCHRAN. That is correct. I therefore ask the gentleman from New York to use some of his time.

Mr. TABER. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, this is one of the most important measures that will be brought before the House of Representatives. I am satisfied that it will not promote efficiency in the Government and that it will not reduce expenses. I solicit your respectful attention to the situation that is presented by it.

To my mind the only possible way for the House of Representatives to approve of this proposition would be because it had not had thorough study on the part of the House. To my mind the only way that anyone can justify a position in favor of it is on the broad theory of reorganization without a detailed study of the program.

I desire to go very carefully into the proposition. Contrary to my usual custom, I have written out exactly what I propose to say, and I am going to read it, in spite of the fact that it makes it more difficult to follow. It is going to be a detailed analysis of the proposal and detailed reasons for my objections to it.

Mr. TABER. Mr. Chairman, the features of the reorganization proposal submitted by the President on the 25th of April, 1939, are:

PART 1. EXECUTIVE OFFICE OF THE PRESIDENT

The transfer to the Executive Office of the President of four items:

(1) The Bureau of the Budget.

(2) The Central Statistical Board.

(3) The National Resources Committee.

(4) The handling of personnel.

Of these transfers unquestionably that of the Bureau of the Budget is proper. It never did have a proper place in the Treasury Department.

The Central Statistical Board is about to expire by operation of law; it has been a total failure insofar as coordinating the statistical activities of the Government and insofar as reducing the expenses or creating any efficiency in the collection of statistics. It should be abolished because it serves no useful purpose whatever. No temporary agency which has not authority under law to continue should be placed in a permanent set-up.

The National Resources Committee has never done anything except propose the wild spending of public funds, which we did not have and which did not in any way help the economic situation of the United States. This outfit has no legal existence; it is operated as a part of the relief set-up under the W. P. A. and expires on the 30th of June without further legislative action by Congress. This is one of the things that stands in the way of recovery and is operating to promote the reactionary policies of the President to keep the country in debt and constructing projects which it cannot afford and which are not economic. Instead of being made a part of reorganization it should be abolished.

The President states in his message:

Because of an exemption in the act it is impossible to transfer to the Executive Office the administration of the third managerial function of the Government—that of personnel. However, I desire to inform the Congress that it is my purpose to name one of the administrative assistants to the President, authorized in the Reorganization Act of 1939, to serve as a liaison agent of the White House on personnel management.

In this way the President attempts to get around the exemption of the Civil Service Commission and the civil service laws, which was contained in the Reorganization Act. It is clearly improper and indicates a contempt of the act of Congress in exempting the Civil Service Commission.

Does the President intend by this operation to put into force and effect, through his own office, the management of the Civil Service Commission's activities and the civil service law in spite of any feeling in Congress or law that it has passed? It seems to me that this is one of the major reasons why we should not at this time in any way favor any of the proposal that has been submitted to us by the President.

PART 2. FEDERAL SECURITY AGENCY

The President attempts to set up a new agency handling or controlling upward of $2,000,000,000 a year, and perhaps more. This plan creates the Federal Security Agency as a new agency without any authority whatever in the Reorganization Act for that purpose. To this agency are transferred:

(1) The Social Security Board;
(2) The United States Employment Service;
(3) The Office of Education;
(4) The Public Health Service;
(5) The National Youth Administration; and
(6) The Civilian Conservation Corps.

The first four named are old agencies of the Government. The fifth, the N. Y. A., expires June 30, 1939, and should not be renewed. It is an attempt on the part of the Federal Government to interfere with the problem of education, which should be in the hands of the States. If, as a matter of relief, the States need to handle some such activity it should be done in that way and not be a national organization headed by such a man as Aubrey Williams. This organization should not be continued.

The C. C. C., the sixth item, expires by operation of law on the 1st of July 1940.

The mixing of temporary agencies, such as these last two, with regular activities of the Government tends to destroy the efficiency of the operations of the Government. For my own part, I believe that a very large portion of the operations of the Social Security Board must be changed very decidedly if we are to have business recovery in this country. I think that the act is the greatest menace to the underprivileged in this country that exists. The taxes that are levied on business prevent the operation of business and the employment of our people and destroy a possibility of its successful operation. Under those circumstances to set up a new bureau having charge of six agencies, one of which, although permanent, is exceedingly dangerous and which should be reorganized and much of its activity eliminated in the interest of the people, and two of which are only temporary relief agencies which should not be continued when the processes of government can be so changed as to permit the private employment of our people. It seems utterly ridiculous to call anything a reorganization to promote efficiency and to combine permanent activities with temporary relief activities which are at best merely an expedient.

PART 3. FEDERAL WORKS AGENCY

Here another agency is created without any authority of law. Salaries and positions are provided, and a new authority is placed over old agencies as follows:

(a) Bureau of Public Roads, now functioning satisfactorily in the Department of Agriculture.

(b) The Public Buildings Branch of the Procurement Division, now in the Treasury Department which is operating as efficiently as could be expected in these days of queer governmental operations.

(c) The Branch of Building Management of the National Park Service in the Department of the Interior, which has charge of the public buildings in the District of Columbia.

And the following relief, emergency, and temporary agencies:

(a) The United States Housing Authority, which has authority to dump money into alleged slum-clearance projects, where nothing is ever to be repaid to the Government.

(b) The P. W. A., which expired insofar as the granting of new projects is concerned on the 1st of January last.

(c) The W. P. A., which will expire on June 30 next.

No further extension should be given to the United States Housing Authority. It has had available to dump out of the Treasury $800,000,000 for the construction of alleged slum-clearance projects which will cost tremendous sums of money and where an attempt is made to give, in the ultimate analysis, one-tenth of 1 percent of the poor people practically rent free—a charge being made only equal to the amount of the heat provided and the maintenance—the last being paid for by a grant from the Federal Government, at the expense of 99.9 percent of the underprivileged class. This activity should be stopped.

The W. P. A. and the P. W. A. are notoriously inefficient. Of course, the evidence before the investigating committee of the W. P. A. was that the cost of projects under its care was nearly double that of public projects built by a contractor in the regular way.

The P. W. A. unquestionably throughout the country has induced communities to go into buildings which they could not afford to maintain and pay for. The cost of these buildings has been always at least 10 percent more as a result of this operation and generally is a great deal more than that. These two activities should be done away with. A consolidation of these activities under a set-up which I believe to be illegal is absolutely ridiculous. It will absolutely destroy the efficiency and integrity of the entire construction forces of the Government and bring them down to the level of temporary relief agencies.

This new set-up under the President's reorganization plan contains two agencies which expire on June 30, before the proposal can take effect, and another which has exhausted its power to make grants and borrow money. That anyone who studied the proposition could think for a moment of supporting this kind of a proposition is not sensible. It certainly is not businesslike. It certainly is not patriotism. It certainly is not meeting our responsibilities as Members of Congress.

PART 4. FEDERAL LOAN AGENCY

Here again a new agency is created without, in my opinion, any authority of law, superimposed above the others.

The outstanding ridiculous feature of this is the transfer to it of the Federal Home Loan Bank Board. This is the Board set up by law for the general control of the savings and loan institutions. It has absolutely no place in a governmental loaning agency. It is an absolute breach of faith with the savings and loan institutions of the Government for us to transfer this Board to a Federal loaning agency. It should not be permitted.

There will be no economy or efficiency resulting from this transfer; the only thing that will result will be the imposition of a useless overhead on almost all of these agencies. This will cost money. It will not promote efficiency but will destroy it.

The Congress should be so sensible of its obligations to the American people that it will express immediately its disapproval of a program to destroy efficiency of government and to mess up temporary relief activities with permanent activities. It should express its disapproval of a plan which obviously will cost money and not save it. No reorganization plan superimposing an overhead on any authority has ever saved money. The only way we can save money is by destroying useless activities. You cannot combine inefficiency of temporary activities without destroying the efficiency of the regular activities.

I am asking that the Congress put patriotism above partisanship and at this time vote in favor of this resolution to protect what little is left after 6 long years of abuse of the efficiency of governmental institutions. [Applause.]

Mr. Chairman, I reserve the balance of my time.

Mr. COCHRAN. Mr. Chairman, I yield myself one-half minute.

Mr. Chairman, many Members have requested information as to when a vote may be reached on this resolution. Let

me say it is our purpose to endeavor to keep the House in session today until the resolution is disposed of.

Mr. TABER. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, what could be of greater interest to the public at the moment than the question raised by the pending resolution?

Mr. KELLER. Mr. Chairman, I do not want to disturb the Committee, but I do want to hear the debate on this important matter, and certainly the House is not in order.

The CHAIRMAN. The Committee will be in order.

Mr. GIFFORD. I thank the gentleman from Illinois and I sympathize with him because I have no doubt he wants to know something about this measure.

Mr. KELLER. I do.

Mr. GIFFORD. It has been stated that 10 minutes is sufficient time for the Democratic side of the House to rubber stamp, according to custom, this very important message. No hearings have been held. It must pass immediately before the public becomes aroused over it.

I quote from the President's message:

> These measures have all had only one supreme purpose—to make democracy work, to strengthen the arms of democracy in peace or war—

Exactly. This President of ours wants to strengthen the arms of government even in peacetime. He wants tremendous power. This has not heretofore been supposed to be the plan of government during peacetimes.

> We are not free if our administration is weak. But we are free if we know, and others know, that we are strong; that we can be tough as well as tender-hearted.

I know I am tender-hearted to the last degree; my only hope today is that I can be tough. When messages like this come from the President I am reminded of what has gone on heretofore, and, if I may be pardoned a pleasantry, I will use this one:

> WIFE. Every time you see a pretty girl you forget that you are married.
>
> HUSBAND. Not at all. Nothing brings home to me the fact with so much force.

When a pretty message like this comes in under the guise of saving money, there comes to me with much force a reminder of with whom we are dealing in our official relations.

It will be expected that we of the minority who are members of the Committee on Reorganization should make comments on this first installment of the President's recommendations leading to further centralization of power in the hands of the Executive.

This particular measure should possibly not be regarded as a measure for united Republican opposition. However, the minority may well keep in mind that this President of ours has constantly demonstrated his insatiable thirst for power over all governmental functions, even to the point of control of the Supreme Court itself which has been that strong bulwark of safety against those who would do violence to that great charter of our liberties, namely, the Constitution of the United States.

Let us refresh our minds by quoting again the President's exact words:

> We have taken vast powers back to Washington which, in other hands, might be extremely dangerous.

After 6 years of constant attempts at control of Government and the browbeating of legislators themselves, and the constant injection of strange doctrines, especially during the Tugwellian era, it is highly important that any recommendations from the White House should be carefully considered. However, Congressmen are deprived of any real information as to the effect of the proposed changes brought about in this plan No. I, beause no official of the Government dares whisper a word of protest or even approach his Congressman on the matter. The threat of Secretary Ickes, openly proclaimed, that any such approach by anyone under his Department would be disciplined applies generally.

The Democratic Boston Post this morning carries an editorial which I shall let you enjoy with me:

It is as follows:

> The boldface effrontery of the warning issued yesterday to P. W. A. workers by Secretary Ickes should be awarded the grand prize. Mr. Ickes informs employees of that alphabetical bureau they will be disciplined if they are found working against the President's reorganization plan. No fault could be found if the memorandum sent to all employees had been a general statement in opposition to any political undertakings, but to single out one specific measure, and the intimation is that they are to work for it, not against it, savors too much of absolute dictatorship.

I remind you again that we have had no hearings, we have called nobody in to advise with us.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Always to my distinguished friend from California.

Mr. THOMAS F. FORD. Is it the President's plan or Congress' plan?

Mr. GIFFORD. The President said something about working on it for 2 long years, and it appeared suddenly after we gave him the authority in a recent bill.

The gentleman well knows the extraordinary powers originally asked for and how carefully we attempted to limit such powers.

Congressmen recognize the unfairness to those now holding responsible positions if we should insist on their expression of opinion. Many conscientious, successful heads of departments are now to be relegated to the background under full control of someone at the top politically appointed, and who, judging from so many appointments heretofore made, would be taken from a list of men whose only real qualification would be that they are "yes" men for the Executive.

Shall I name some of those appointees? Are they not fresh in your memory?

Mr. THOMAS F. FORD. Will the gentleman yield?

Mr. GIFFORD. Always to the gentleman.

Mr. THOMAS F. FORD. How about the "yes" men who were appointed in previous administrations—Mr. Fall and others?

Mr. GIFFORD. I should think the gentleman would get tired of mentioning Mr. Fall. We have been very kind to this administration. You have had a committee to watch over expenditures that has never been allowed to meet. I, for one, have repeatedly protested on this floor against such inactivity. I am not in pursuit of personalities. You have used the name "Fall." There are probably scoundrels in both administrations. Is one man sufficient to blacken the whole Republican Party, of which I am a member? Does that blacken me because of Fall's action?

Mr. COCHRAN. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Missouri.

Mr. COCHRAN. The gentleman states that the Committee on Expenditures has not been permitted to act.

Mr. GIFFORD. Exactly.

Mr. COCHRAN. Does the gentleman not know that that committee at this session of Congress has already reported to the House, and the House has passed, six bills?

Mr. GIFFORD. Yes; peanut bills. No examinations or investigations are made, such as the Appropriations Committee is now conducting in reference to the W. P. A. If present disclosures do not satisfy the gentleman from Missouri that the Committee on Expenditures should long ago have investigated the W. P. A., then I know of no argument that could be brought forward. It has proven the necessity for the demands I have repeatedly made.

It is true that the success of large corporations depends most largely upon the ability of their executive heads. The President of these United States, in contrast with arguments made by him so many times heretofore, says, in his message, that this plan conforms to methods of executive administration used by the large private enterprises which are engaged in carrying on production. When it suits his purposes the "economic royalists" and the great corporations, as operated, are perfect examples for his purpose. I cannot reconcile the two viewpoints as expressed by our Chief Executive.

Such men are appointed by boards of directors with a view to special qualifications for that particular business. Politi-

cal debts owed by the party and elected officials must be paid by distributing the plums of office. That is how we got Fall, if you will recall.

Mr. THOMAS F. FORD. Is that a new philosophy of American government?

Mr. GIFFORD. No; but that is why this method cannot work. You cannot make of a republic a Hitler Government such as the President seems to desire.

Able and efficient heads of departments will now be hampered and made subject to the will and whims of some one placed over many activities, who possibly might not properly understand the problems of any particular one of them.

We read this morning of the probable resignation of the head of the C. C. C. Men like Mr. Fechner are now to be dumped in the personnel grade of Government employees; and even though it says that all personnel are to be transferred, the heads of these departments certainly have the appointive power and, as I have said repeatedly, "many heads may roll." Many of them were appointed with the advice and consent of the Senate. Now they are relegated simply to personnel. Will these independent officials stand for that? They will soon realize the difficulty of explaining their problems and having intelligent and sympathetic assistance from the man at the top, whose attention will be diverted among many activities. Each one will have to await his turn for consideration. The President and legislative committees will get less intelligent information from the one man than they formerly received from the real head of the activity itself. However, discipline and a repression of independent view and action will be a real accomplishment of this centralization of authority.

After 17 years of service in this House, I can only marvel at the change of attitude in the Democratic Party. In my earlier service, centralization of power and even the word "subsidy" would start the Democratic oratorical leaders into a frenzy of debate against such proposals.

Now, however, having fed at the public trough by the workings of the sixteenth amendment to the Constitution and by Federal aid extended in every direction that mind of man can invent, all States less fortunate in economic wealth are now seemingly willing to sacrifice their liberties—formerly termed States' rights—a willingness to accept vast centralization of power and dictatorship from Washington.

Does anyone want to deny that? If so, I yield.

Let us not forget the Brownlow report incorporating the President's desire for power, which was referred to our Reorganization Committee and considered in secret for so many months, lest the public hear of those extraordinary demands. We must not forget how the people of the Nation became aroused over those demands, the spectacular fight on the floor of the Congress and the defeat of that first reorganization bill.

Many a man who votes the President this power today—and I hope it will not be a party measure—will have some difficulty in explaining to his people back home why he voted for it, because we ourselves know little about the workings of this plan as yet. It came upon us suddenly. We have had no time to study it. It is not fully explained, and yet you must vote for it. Considering how the public conscience was aroused to the degree that it was, a year ago, if you are now looking for your own safety I would not know what to suggest as a road to safety. It is plainly evident that the plan to rubber stamp it in so short a time is an attempt to prevent the opportunity of hearing from home about the measure.

To be sure, the bill which was recently passed was of very mild proportions as compared to the original demands. Independent agencies of the Government and a few other activities were specifically exempted. He could not abolish the Interstate Commerce Commission and several other agencies. However, you will note that in this plan we are considering today several activities are taken away from those exempted departments and placed under new supervisors, to be hereafter appointed. This illustrates how gradually any of these exempted departments could be robbed of their activities until only a skeleton might remain.

Mr. WARREN. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Yes; I thought that would get a response.

Mr. WARREN. I am wondering if the gentleman from Massachusetts will cite just one single activity that has been taken away from any of the exempt agencies and placed anywhere else. The gentleman just stated that now, and I think he ought to tell the House about it.

Mr. GIFFORD. I am very glad to. If I can read, it states here that the Bureau of Public Roads shall be taken away from the Department of Agriculture and placed somewhere else. There are perhaps a dozen of such cases.

Mr. WARREN. But the Bureau of Public Roads was never exempt.

Mr. GIFFORD. The Department of Agriculture was exempted, was it not?

Mr. WARREN. Oh, indeed no.

Mr. GIFFORD. What was exempted?

Mr. WARREN. Why, the 15 or 18 different agencies mentioned in the act.

Mr. GIFFORD. I do not have it at hand, but it does not matter. If I have made an error there, I am greatly surprised.

Mr. WARREN. I am sure the gentleman has made an error.

Mr. GIFFORD. I hardly think that I am in error. Many activities of these departments will be placed under new departments, I am sure. Was the Department of the Interior exempted?

Mr. WARREN. Of course, the Department of the Interior was not exempted.

Mr. GIFFORD. So that you can whiffle that about.

Mr. WARREN. Not at all.

Mr. GIFFORD. If the President wants to, can he abolish the Department of the Interior?

Mr. WARREN. No, indeed; he cannot abolish any department of Government.

Mr. GIFFORD. They cannot abolish that?

Mr. WARREN. But the gentleman made the statement——

Mr. GIFFORD. I still make it and I still insist on it.

Mr. WARREN. In justice to the House the gentleman ought to name just one specific activity.

Mr. GIFFORD. In justice to the House I will say that the gentleman from North Carolina says they cannot trouble the Department of the Interior, but they are taking away many of the activities that are grouped under it—many bureaus, even P. W. A. It may be that the gentleman can explain that to you; but if you read the plan you will understand the Department of the Interior is losing some of the bureaus that are under it. I claim they can remove many activities from these departments that are exempt.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from New York.

Mr. TABER. If the gentleman would look at page 2 of the President's message, he would find the statement in the next to the last paragraph that the President has set up an administrative agency in his own office to handle personnel, in spite of what he regards as a prohibition in the exemption of the Civil Service Commission.

Mr. GIFFORD. It may be the language of my statement was not as exact as it might have been; but if you read the report, you will see that these activities are being removed from the departments. That is perfectly plain.

It is not comforting to keep in mind that these vast powers in other hands might be dangerous. Some of us may feel that these powers are being transferred into hands that are now conceivably somewhat dangerous. It will be noted in portions of this present plan that heads of these newly formed agencies will have the power of reappointment and of making new appointments, and many heads will probably fall. Many heads will not wait to roll. If they have had independence of action and now do not want to be subjected to a higher power, they will probably remove themselves from dictated action. Many will remove their own heads before the operation can be performed.

It is highly regrettable that sufficient hearings could not be conducted and the advice of heads of departments taken as to the desirability of many of the suggested changes in this plan. Unless such information is forthcoming, how can the Members of this House vote intelligently? To many of us the claim that there will be a saving of money is not proven. It is ridiculous to many of us. Salaries of the new appointees and the clouds of assistants, clerks, and messengers; added floor space; travel expenses; together with the demand for new rock piles of great buildings, to bring them together under one roof, if possible, will undoubtedly more than offset any possible savings that might be claimed by coordination. Under a Democratic administration always seeking to make more jobs, how much overlapping would be prevented? No; the word "coordination" should be "submission."

I have had some experience in the reorganization of the activities of a State, in my own State, where 90 departments were said to have been brought under 19 heads. Did we notice any savings? We did not. For some 4 years I was chairman of that appropriation committee, so-called, having charge of the budget, and did we notice any savings?

Under a democratic form of government, efficiency is the most difficult end to attain; and unless a nation is fortunate in having really competent executives who fully understand the real problems we are placed in a more unfortunate position than existed previously.

Now, much to my regret, I cannot bring myself to vote for the bill under present consideration, bringing about this transfer of great powers leading to more centralization of government. I would be unfair to myself to vote for a measure with no hearings and with such a lack of information, and certainly in this situation it is much safer to vote "no."

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. TAYLOR of Tennessee. Has not the gentleman observed in the press a deliberate propaganda effort to leave the impression on the public that this is a very innocuous measure as compared with the original proposition?

Mr. GIFFORD. I have carefully studied the press, and I must confess—and this will be advanced by the other side—there is an almost unanimous approval by the editorial press of the country of this reorganization bill; but half of the editorials expressed grave doubt as to any savings, and they all practically note that there is no abolition of any jobs. But why should they not speak favorably of it? Everybody believes in a reorganization plan properly considered. They have had no opportunity to study this matter and comment as they should upon it. It is only a generalization of editorial opinion, but it is our duty to study the exact condition that is going to prevail in each and every department which we set up, and for the workings of which we are responsible. At present we have had no opportunity to pass upon this. Only a generalization of approval has been had, and almost unanimous doubt is expressed that there will be any real saving. And where there is no saving and no abolition of jobs, what does a reorganization bill amount to?

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman.

Mr. MOTT. Will the gentleman tell us whether there have been any hearings on this bill or any testimony taken by the committee?

Mr. GIFFORD. The Taber resolution was considered for about 15 minutes and voted out adversely.

Mr. MOTT. Has any other investigation or hearing been had on the President's proposal?

Mr. GIFFORD. No; the less we know about this, the better for us, appears to be the plan of the majority.

Mr. MOTT. Can the gentleman tell us why that was the case?

Mr. GIFFORD. Oh, of course, I can only say what I think. In view of what happened to this Congress last year, because of the expressed public opinion of our constituents, it must not be permitted to happen again, and time must not be given for criticism or opposition.

Mr. WARREN. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. WARREN. I would like to tell the gentleman from Oregon and the gentleman from Massachusetts and every one else in the House why there was no opportunity for a hearing. This situation is not of our making. The gentleman from New York [Mr. TABER] immediately rushed down and offered a disapproval resolution. Under the act itself, the committee would have been discharged on Saturday on this resolution. If the gentleman had not introduced that resolution then, of course, he would have had 30 or 40 days to have analyzed and studied it, but after he acted, of course, under the bill there has to be action on it. That is not of our making. The gentleman from New York did that.

Mr. MOTT. If the gentleman will permit, may I inquire whether there was not opportunity to hold hearings and take testimony after the bill was introduced? Did the gentleman say he had only 5 days within which to report it out?

Mr. WARREN. There was never any request for a hearing until yesterday, when the gentleman from New York [Mr. TABER] asked if we would have hearings. His resolution has been pending for a week and it would be subject to discharge on Saturday of this week. Now, you gentlemen created that situation. We did not do it, and therefore it is not up to you to come in here and complain.

Mr. MOTT. So far as I am concerned I have created nothing. I am inquiring why no hearings were had on this matter.

Mr. GIFFORD. I need only to refer to the evident joy on the part of the gentleman from North Carolina that the gentleman from New York [Mr. TABER] acted so quickly. It served him in a difficult situation. I do not know whether sufficient signatures could have been procured to force it out of the committee or not, but no action by the House was desired because if we expressed no disapproval, of course, it would then become law. It is too late to argue now, but it is a sufficient reason for anyone to vote against any reorganization plan because of that novel method by which it can become law without affirmative action by both branches of this Congress. [Applause.]

Constant should be our remonstrance against such action. Why did we so forget ourselves that we should ever have set that precedent of legislation becoming law without the affirmative action of both branches? If one branch is in violent disagreement and the other in agreement, still it becomes a law.

There are many phases which I had intended to discuss, but I have not the time. I shall rely upon that very able gentleman from Illinois [Mr. DIRKSEN], of the analytical mind, who will, in the brief period allowed him, give you some real information as to the effect of this reorganization plan upon the particular departments involved.

It is the general plan which interests me. The whole theory of representative government is at stake. During the last 6 years democratic government has gradually been undermined by these new doctrines. Now, even the able gentleman from North Carolina [Mr. DOUGHTON], for whom we have such high regard, during this administration, although conservative as he is, has had to yield to the word "subsidy"; to the taking away of States' rights. I know he cannot subscribe to that doctrine. But, like a good soldier, he has had to go along with his President. You will only take 10 minutes because it is not wise. It is always for the minority to try to speak of these matters. It is a distressing job sometimes when I take the floor and criticize a little or want to amend a little. Even my newspapers are unkind enough to say I am against the whole proposition. That is the risk one takes. Take it all. If you object at all, you are against the proposition.

I want to talk about these six anonymities. There are to be six of them under the control of the President. He says they are to have no power over anybody. That is what the President assured us. Ah, evidently we are going to have six "Charlie Wests" sitting in the dining room. He could not see all of us. So there will have to be six of them to lobby

for the White House. After having looked into it—we get no information about what they are going to do—they do not have any power. What on earth are they for? They can only say that the President is pretty busy and he needs six secretaries. He can have all the secretaries he wants now. No. It is for a peculiar and particular reason.

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. TAYLOR of Tennessee. The gentleman refers to them as "Charlie Wests." Did he not intend to say "Charlie McCarthys"?

Mr. GIFFORD. Worse than that.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. GIFFORD. They are not only men to say "yes" but they are men to look us up. They want to know who our friends are, who control us, who our mothers-in-law may be, who may have influence over us. We heard about Ickes yesterday saying that he handled the purse strings. Shall there be another Ickes put at the head of this Public Works Agency and enlarge the scope of his dictatorship? Will you vote for a measure giving all that power to another Ickes? Will you vote for a measure giving this power to another Harry Hopkins, the social worker, whom the President appointed, the last man on earth that could bring any confidence to the businessmen of the country?

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I think I had better be interrupted in this outburst of oratory.

Mr. SHEPPARD. I had no intention of having an outburst of oratory, but has the gentleman dined yet, and has he taken advantage of the invitation that was extended?

Mr. GIFFORD. I suppose the gentleman is trying to say that what I am saying is a lot of "boloney." I recognize the insinuation. That is a mean statement to make. I think he could have put it this way: "Why is the gentleman talking like a fool?" Why did you not say that? Then I could have said, "I have to talk that way so that you can understand me." [Laughter and applause.] You will pardon me, but it was a mean statement that you made.

Speaking about bologna, if I may have a happy ending to these remarks, this thing may look good to you. "I thought you said that water was lukewarm. It was cold as ice." "Well, it 'looked' warm, did it not?" I hope you get it. This may "look" good. But after you try it out it may be anything but good. The last 6 years of experimentation on we guinea pigs is still within our memory.

I will close by a rather unhappy line to some of you, I am sure, but I often take some risks. I found this little verse the other day. It may not tie up the argument I have tried to make on centralization of power, but it does tie with my argument with these new dealers of the Tugwellian stripe and the actions of this administration heretofore:

> Ten minutes! My, oh, my, how the donkey struts
> Since its insides have been filled with New Deal guts!
> It has been rejuvenated by that "brain trust" nuts!
> But one-third of the people still live in huts.

[Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 30 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, I heard a story the other day that rather aptly characterizes the bill that is before us. It is the story of a colored woman who was the servant in a rather generous family. She had become dissatisfied and had taken employment with another family of rather shabby gentility and slightly down at the heel. After 2 weeks with the new employer, she came back to the original family. The master said, "Mandy, what brings you back? Didn't you like it over there?"

"Well," she says, "Massa, there has been too much shufflin' of de dishes for the fewness of the vittles."

I would suggest with respect to this bill that there has been a lot of shuffling of the dishes but a fewness of the "vittles."

You can argue with facility on both sides of this bill. I recall when I was in the law school a very whimsical dean who was worried and solicitous about a certain student because he had that peculiar mental agility that enabled him to argue on both sides of a question. You can argue with eloquence and persuasiveness on both sides of the pending bill. There is a preponderance of editorial opinion in the country in favor of the reorganization plan, but my opinion is that they have not had an opportunity to analyze it. We do not see the implications of the plan. I confess frankly that after some study I do not understand its implications. I do not know what the ultimate purpose is, but let me show you what I mean by the implications in this plan. For instance, on page 12 of the report which embodies, of course, the plan, this statement is made with respect to the Office of Education, which is in the Interior Department:

> The Office of Education and its functions shall be administered by the Commissioner of Education under the direction and supervision of the Federal Security Administrator.

That will be the new administrator, understand; he has not been appointed yet. He is the man who is going to receive $12,000 a year to take over John Studebaker's agency, which is now in the Department of the Interior, and which is a clearing house for education. John Studebaker will lose his identity to a considerable extent; he will lose in some measure at least his power and authority to determine the policies of that agency, because the reorganization plan states that he shall be under the direction and supervision of the Federal Security Administrator.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Certainly.

Mr. COCHRAN. At the present time Mr. Studebaker, in the Bureau of Education, is under the Secretary of the Interior. All that will happen under this Executive order will be his transfer into this new agency, where he will have a superior the same as he has today; but the new superior will be in the same position that the present superior will be in. He will have no power to change existing laws or to abolish the functions of the Bureau of Education. If there were a change in the Presidency would there be a change of Secretaries of the Interior? Mr. Studebaker has served under many superiors who have been Secretaries of the Interior. He has always been a subordinate officer, and he remains one under this set-up.

Mr. DIRKSEN. Has my friend finished?

Mr. COCHRAN. I have.

Mr. DIRKSEN. The Bureau of Education was put in the Interior Department a long time ago because it was just the miscellaneous department of the Government. It was the catch-all. There was a time when the Department of Agriculture was the catch-all, and they finally stuck the Weather Bureau down there. There was a time when the Treasury Department was the catch-all, and they put the Bureau of Public Health in the Treasury Department. That is how the Bureau of Education was assigned to the Department of the Interior in the first place, with virtually complete autonomy and independence. It is intended now to transfer it to the Federal Security Agency.

I ask my friend from Missouri: Who is going to be the administrator? What will be his viewpoint? What will be his philosophy? How is he going to impress his views and his ideology upon the Department of Education? That is the essential thing about it and that is the reason I mention this as one of the implications. That I cannot see, and any good friend from Missouri cannot see. I do not offer this particularly as a reason for voting against reorganization as such, but I am pointing out to you that there is some reason, of course, for the editorial sentiment in the country today. They have not had an opportunity to analyze all the implications of the plan, and we have not either. You cannot do it in the short space of 8 or 10 days.

Mr. COCHRAN. The gentleman asked me a question.

Mr. DIRKSEN. I yield to the gentleman from Missouri.

Mr. COCHRAN. Personally, I have no idea who is going to be the administrator.

Mr. DIRKSEN. That is right.

Mr. COCHRAN. Secondly, the administrator will have no power to go beyond existing law. He will be required by the Congress of the United States to administer existing law.

Mr. DIRKSEN. Existing law, I may say to my friend, has exactly nothing to do with it so far as the broad policy of the Federal Security Agency is concerned. When they start out upon a course of security doctrine in the country the Department of Education rises and falls with it in the same proportion as any other agency that may be impounded in that particular organization.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I thought I was going to have a chance to make a little speech, but I yield to my friend from Wisconsin.

Mr. SCHAFER of Wisconsin. The New Deal gentleman's statement in defense of the transfer of the Bureau of Education clearly indicates that not one thin dime will be saved the taxpayers' Treasury by reason of this transfer.

Mr. DIRKSEN. I suppose there are some here who are in about that same mixed frame of mind in which I find myself with respect to this bill. I know there are countless agencies and people in the country who want the Government simplified. So do I. We hoped for some modicum of economy even though the deficit for this fiscal year will be four thousand millions of dollars. The $15,000,000 or $20,000,000 or even $35,000,000 which is the suggested saving under this bill is a mere drop in the bucket; it is simply idle talk. With one hand we spend billions, with the other we reclaim a few pennies.

But I have some doubts as to whether that economy will be effected, because when the three new administrators are set up at $12,000 a year and the three assistants are set up at $9,000 a year, and then the coordinating staff is set up to coordinate each one of the five or six agencies in these new groupings, as I stated, I have some grave doubts as to whether or not a single dollar will be saved.

The other thing is this, and the gentleman from North Carolina alluded to it a moment ago: There is no abolition of functions. I think in my speech on the reorganization matter here some weeks or months ago I styled this the regrouping bill, not reorganization bill. I used a simile at that time. I said, "They can rearrange the flowers in the governmental vase, but they cannot remove any, even though they become drooped and somewhat faded."

Here is the living evidence of it. Here is the regrouping of agencies. There has been no dissipation of personnel under the pending bill. So I am wondering where the economies are going to be effected?

Mr. SHORT. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Missouri.

Mr. SHORT. It seems to me that the able gentleman from Illinois has put his finger on a sore spot. Instead of abolishing any of these agencies, whether they be temporary in character or not, it simply reshuffles the cards and sets up, in addition, three new administrators.

Mr. DIRKSEN. That is pretty nearly the situation.

Let us look at the bill and see what it contains, if you are interested in a bit of analysis. The first thing it does is to take the Budget Bureau from the Treasury and put it in the executive department. It was put in the Treasury under the Accounting Act of 1921. Frankly, I see no objection personally to putting the Budget Bureau in the executive department. I think that is the proper place for it. It functions close to the President and he ought to have control. The Treasury has never exercised control, as a matter of fact. So, to me, that is a wholly unobjectionable transfer, and I think it is probably in the interest of efficiency.

Next comes the Central Statistical Board, which is put in the Executive Office. We have had this matter of the Central Statistical Board before the Appropriations Committee for a number of years. My own notion was that it ought to die. It will die this year in the natural course of events. But if they are going to preserve the Central Statistical Board, if they are going to insist on keeping it, then it is all right to merge it with the Budget Bureau, because it may exercise a rather salutary effect and be in position where it can exercise some authority upon governmental agencies.

As the thing is today, with thousands of forms and questionnaires going out, most of these agencies do not have to pay any attention to the Central Statistical Board and, as a matter of fact, they do not pay much attention to it. The result is that the economies have been moderate, to say the least. But if you will merge that agency with the Budget Bureau and make it a case of dollars and cents and appropriations to be made, with this board sitting in the picture they may be able to do some good. So it is quite all right and I have no objection. In my opinion it ought to be lined up with the Budget Bureau.

The next item is the National Resources Planning Board. If there must be such a board, if those functions must be handled by a separate board, then I have no objection to having them placed in the executive branch, because planning, after all, is one of the functions that must be lodged with the President. However, I do make the statement that the planning functions could have been exercised by broadening the power of the Budget Bureau, perhaps, and we might not have gotten so many wild-eyed, crackpot schemes. My objection would be to keeping the Planning Board as an agency but rather expanding somewhat the functions of the Budget Bureau, because then you tie up planning with dollars and cents, you tie it up with the Budget, you tie it up with the appropriations that will be recommended and the estimates that will be made; so they will have some regard for the fiscal solidarity of the Government. But you go out and dip down most anywhere and get a few long-haired planners together, give them plenty of authority, and they will start right out to remake this country. That is the danger of a separate integral planning board.

You will remember when Dr. Tugwell in 1933 made that rather sage observation in one of his books. He stated, "I will roll up my sleeves and remake America." He testified to that effect before a Senate committee. Too often that is the trouble with professional planners. You know, we have been going along now for 160 years pretty well, until one of these visionaries comes along and decides that the good old U. S. A. is not good enough for this generation; it has to be remade and altered to order. So, if there is to be any planning, why not let the Budget Bureau do it? Why not enlarge its functions? Let us shuffle off one more agency. It would be in the interest of simplicity, in the interest of economy, and in the interest of efficiency.

Finally, in the Executive Office there has been placed the Federal Employment Stabilization Office. It has not functioned much heretofore. The reason is they have never received any money, and it seems Government agencies cannot function without the long green. Its purpose has been to coordinate activities and look after the employment potentialities of public works. So, if there is to be a Federal Stabilization Office, very well, let it be put in the executive branch. I have no objection.

So much for the first part of this bill. Now comes item No. 2, the creation of the Federal Security Agency.

There will be an administrator at $12,000 a year, there will be an assistant administrator at $9,000 a year, and there will be a coordinating staff to vitiate many of the possibilities of economy.

Let us make up our minds about this: You set up a Federal Security Agency, and what you have done is set up a department of social or public welfare. You can call it by any other name that you like, it will smell just as sweet or not so sweet. This is going to coordinate the social and welfare activities in the country. It is going to run into lots of difficulty. Here is one danger I want to point out. I think it will become a very powerful lobbying agency in the future, because in proportion as we walk in the pathway of social welfare we reach out and take away from the States the social-welfare functions and activities that they have carried on, and rightly

should carry on. So you are going to create here a great agency which, when it gets its guns trained upon Congress, will wangle extra dollars out of it and the economies will go with the wind.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Is it not very unfortunate also that the United States Employment Agency is taken from under the jurisdiction of the Department of Labor? The Department has all the statistics on the subject and knows how to enforce the laws, and so forth. The Department finds jobs for people and was created for that purpose, to protect labor.

Mr. DIRKSEN. I find myself in disagreement with the gentlewoman from Massachusetts on that particular item, and I am coming to it right now, for this reason: We have overlapping and duplicated service now in the field of employment service. There is the United States Employment Service, which administers grants-in-aid to the respective States.

As I recall, about 50 percent is paid by Uncle Sam to maintain these agencies, and the other 50 percent is made up from State and local sources. In the Social Security Board we have the Bureau of Unemployment Compensation, which also makes grants-in-aid to States. There is, therefore, a sharing or division of responsibility for the same line of work; and in the interest of getting away from confusion and in the interest of coordinating that activity, I am not so sure but that placing it in some agency and merging those two functions will be quite all right.

The question has been raised that the functions of veterans' placement may suffer as a result thereof. That may or may not be, and I am not prepared to say, simply because I do not know; but my notion is that while there may have been some hostility expressed in the Social Security Board with reference to the veterans' placement, the thing can be worked out; and if it is not worked out, why, the Congress of the United States by suitable legislation can say that the veterans will get a square shake in the matter of placement, certainly.

Mrs. ROGERS of Massachusetts. The veterans are very much opposed to this consolidation. They have felt it was the only place where they could go to secure jobs. They have also felt that if they were under the Social Security Board they would have unemployment insurance rather than jobs, and jobs pay much better wages, of course, than the compensation they could get for unemployment.

Mr. DIRKSEN. But we have this peculiar situation today: We have the Bureau of Unemployment Compensation in the Social Security Board actually making grants of larger amounts than are made by the United States Employment Service, and yet the United States Employment Service shares the responsibility of certification and of the administration of these funds. I believe it would be in the interest of economy and in the interest of expedition to merge these two activities. So, expressing purely a personal opinion, I am not particularly opposed to that item in the reorganization plan.

Mr. WARREN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to my friend from North Carolina.

Mr. WARREN. The gentleman so far is making a very fair and very intelligent analysis. He expresses a fear that this Federal security agency may become superlobbyists. As the gentleman well knows, there are 28 separate and distinct agencies of the Government dealing with welfare problems. I am wondering where the gentleman believes these agencies should go and whether there is not a fertile field for consolidation among these 28 agencies. Where could they go except into a security agency?

Mr. DIRKSEN. I may say that the gentleman in part is correct. I am simply raising the question rather than expressing a fear, for if the administrator of the Federal Security Agency is one who is possessed of a philosophy that will lead us into various and devious paths of the security principle, we know not how far, then it means he has at his command all these agencies, and every beneficiary of these agencies, and it will become a frightful pressure upon the appropriating branch of this Government. Make no mistake about that. We have seen it work before. [Applause.]

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I presume the gentleman will explain later why the W. P. A. is made a works administration matter rather than a relief matter? Is it a relief matter or a work matter?

Mr. DIRKSEN. I think it is a relief matter.

Mr. GIFFORD. Then why does it not go under this?

Mr. DIRKSEN. That is a question for which we must find the answer if we can.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Missouri.

Mr. SHORT. What is the necessity for weaving these temporary agencies in with permanent agencies?

Mr. DIRKSEN. If the gentleman will permit, I wanted to discourse on that very briefly just a little later.

Now, going on with the Federal Security Agency, there comes the Bureau of Public Health. It is over in the Treasury Department. You know how it got there. A long time ago it was the Marine Hospital Service. Shipping, Customs, Coast Guard, and that sort of thing were in the Treasury Department, so the Marine Hospital Service was there also and properly there. Later it was converted into the Bureau of Public Health and remained in the Treasury Department. Now it is proposed to put it in the Federal Security Agency. Is it a good or is it a bad move? Well, you take your choice, but I will say to you that it has enjoyed a full measure of independence in the Treasury heretofore. When it gets into the new agency the plan provides that the Bureau of Public Health shall be under the direction and the supervision of the Federal Security Administrator. The Surgeon General of the Bureau of Public Health may or may not remain a free agent. Up to this time he has been a free agent. He could go on the radio and discuss anything in the broad field of public health. He has done a great and a good work in that respect. Now, when he gets into the new agency, he will be under the direction and supervision of the new Administrator. What will the new administrator want? Will he want the Congress to enlarge the functions of health to carry on new social-welfare activities that probably will entail the expenditure of hundreds of millions a year for some kind of socialized health program ranging the whole field of medicine and dentistry?

I do not know. I do not know who the administrator is going to be. I do not know what recommendations he will make to the Congress, but when he turns on all the heat that is at his command, they may wangle some kind of a bill and it may not be particularly to our liking. We may feel it ought to be deferred a number of years, but when they start out, make no mistake, the full power of that lobbying agency will be turned upon the Congress of the United States. They cannot get it until you write it into law, but there is pending in the Senate and there is pending here now a bill providing for a Federal Health Insurance Corporation. I have forgotten who introduced it on this side. The genial Senator from Kansas, ARTHUR CAPPER, introduced it in the Senate. It is to set up an agency to make grants-in-aid to States for health, and it is virtually to make civil servants out of the doctors and the physicians in the country. That will be the ultimate implication of it when we put the Bureau of Public Health under the new Federal Security Agency and let them become a part of the social-welfare activities of the United States.

You see what you are doing? You are placing all these agencies in one basket. You are making them essentially social-welfare agencies and you are concentrating that power in the Federal Government. You are taking it away from the States where it rightfully belongs. Who would profess to see or to understand what the ultimate and logical end of

that sort of thing is going to be? I do not know, and I certainly am not going to cast any aspersions upon anybody. I am not going to professionally view with alarm, rather, I just want to point out with what impartiality I can, something which I think is here that bears watching.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Illinois.

Mr. KELLER. I wonder if the gentleman is thinking of that as anything new. Do we not face that same thing in relation to every new enterprise as well as every old one?

Mr. DIRKSEN. What is the point of the gentleman's question?

Mr. KELLER. The gentleman is setting out that there is danger of this House being called upon to pass some law to accomplish some purpose.

Mr. DIRKSEN. Not a danger, but rather something that we see here every day.

Mr. KELLER. I was going to ask if that is anything new or anything that is especially affected by this reorganization bill.

Mr. DIRKSEN. Yes; the essential point I am trying to make about the Federal Security Agency is this. As you coordinate all these social-welfare activities, take them away from the States, drop them into one basket here, array them with ample money, give them a chance to lobby with all the power at their command and the large number of the beneficiaries of the Federal Security Agency, we may be constrained under pressure, as we have been so often, and it is no secret in the country as to the pressure put on Congress before to push things through, that we have not had a chance, perhaps, to examine in detail as we should, to impose new social-welfare legislation on the country when it is suffering already from a species of legislative indigestion. Do you not think it is time that we wait a little bit?

Now, how soon is this new agency going to move? I will tell you how soon it is going to move. It is going to move as soon as the administrator has been appointed, and he will be appointed just as soon as the action of this House is known either this afternoon or tomorrow. After the appointment of the administrator, then comes coordination and then comes the devising of new social-welfare programs, to be administered where? From the States? No; it is to be administered from the great gilded domes in Washington, D. C.

Mr. KELLER. Does the gentleman doubt that future Congresses will be as competent about our future activities as is the present one?

Mr. DIRKSEN. We would hesitate to admit that fact, but I suppose they will be.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. COCHRAN. Can the gentleman from Illinois conceive of any agency in the United States Government under the executive branch that is more out of place than the United States Public Health Service in the Treasury Department?

Mr. DIRKSEN. I will admit to the gentleman that from the standpoint of functions it has no particular place in the Treasury Department. It got there, of course, very naturally, as a derivation of the marine hospital which was placed there, but I am speaking about this thing not so much from the standpoint of functions as I am from the standpoint of the independence of the Bureau of Public Health and the fear that they may convert it into a social-welfare agency as against the fine independence and the beautiful accomplishments that it has rendered and achieved for the American people throughout the life of that agency.

Mr. COCHRAN. The gentleman expressed the fear——

Mr. DIRKSEN. Not fear; the gentleman should not say I cherish fear—let us say there is a question in my mind about it.

Mr. COCHRAN. The gentleman has referred to the activities of the Public Health Service, saying it might be placed in a position to grant Federal aid to the States.

I want to ask the gentleman now whether he will join me, if that bill comes before this House, and use his great talent to help bring about its defeat?

Mr. DIRKSEN. That would be a fair question but for the fact that I do not have any idea what is going to be in that bill. It keeps me busy trying to find out what is in this bill today, let alone finding out what is going to be in some other bill that is now in the amoebic stage, that is just emerging forward to development for the time when it will be deposited on the floor.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman from Illinois 15 additional minutes.

Mr. DIRKSEN. They might bring in a bill calling for $5,000,000 to coordinate certain health activities. It might be unobjectionable. They might bring in a contributory scheme that might carry $200,000,000 or $500,000,000 or $800,000,000, and then we may have to retrace our steps even as we are going to do under one title of the Social Security Act, in order to appease the businessmen of the country and to lift the great deterrent tax obstruction. They are going to forego the glorious privilege of collecting that other one-half of 1 percent from now until 1942. So, in all fairness, you cannot express yourself upon a nebulous proposal of which I know exactly nothing.

Mr. COCHRAN. Knowing the principle involved, does not the gentleman believe that $5,000,000 at the outset is just as dangerous as $50,000,000, because once it is started there is no stopping it?

Mr. DIRKSEN. If the gentleman can tell me the basis on which that bill will be set up, I can give him an answer right now. He does not know and I do not know. I cannot even argue about the principle until I find out whether it is going to be concentrated here or whether we will shovel a little money to the States and let them do the job without regimenting the doctors and physicians and surgeons of the country.

Mr. COCHRAN. All Federal aid is concentrated in Washington, because the rules and regulations are set up under which it is to be allocated, and unless the States abide by the rules and regulations they will get no allocation. So, therefore, the power would be centralized in the Bureau of Public Health.

Mr. DIRKSEN. Yes. With fear and trembling I must confess that my brother from Missouri is exactly correct. It is concentrated in Washington and it has been provoking alarm and apprehension in the hearts and minds of the American people.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MOTT. The Reorganization Act prohibits the President from creating a new department, but if he had authority under that act to create a new department and he wanted to create a department of social security or a department of public works, would he go about it in any different manner than he has gone about the creation of these two agencies? And, in the gentleman's opinion, is there any real difference between the agency as set up in this plan and a department, at the head of which would be a secretary?

Mr. DIRKSEN. The gentleman is exactly correct. For instance, the President in his message says we will consolidate all these functions in 10 executive departments and 3 agencies. Now, the next step will be—why not call them secretaries? Why not give them executive departmental rank? Then you have not 10 Cabinet departments, but you have 13; and you will have absorbed those functions, permanent and temporary alike. Where the temporary expires, the chances are we will be asked to confer that authority upon those that are permanent.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. ROBSION of Kentucky. Is there anything in this reorganization plan that does decentralize or tends to stop the centralization of power here in Washington?

Mr. DIRKSEN. No. It is very definitely centralized. The bill speaks for itself in that respect. It means more and more control of functions down here. I do not pass upon that item so much at this particular time, because there may come times when some centralization of divergent agencies scattered all over and placed under one authority might be all right, but there is no manner of adjusting one's self to that problem academically. But here is a proposition before us, and I am seeking to do it with respect to the proposition before us.

Now, what I have said about the Bureau of Health is in a measure true of the Office of Education. It is in the Department of the Interior. It has enjoyed great freedom and independence. It is the clearing house, if you please, for educational information. Now, if it is brought under the direction and supervision of the Federal Security Administration, I do not know what is going to happen, but I venture the opinion that Mr. Studebaker is not going to enjoy quite the liberty of action and quite the freedom and quite the independence that he has enjoyed up to this time. That is my opinion. It looks to me like a very natural inference in this situation.

The National Youth Administration is concentrated under the Federal Security Agency. Opinions differ as to the National Youth Administration. I have received many letters from people back home who want the appropriations continued, who think it is a good thing.

I am not insensible that it is just temporary. Put it in here and it may expire, but you know there is going to be a way of making the National Youth Administration permanent just as sure as anything, and you will see these temporary agencies falling into the mold of permanent rigidity when you hitch them up with a couple of permanent horses. Hitch up a weak horse with a strong horse and keep it there long enough and one of two things is going to happen: Either one will go up or the other will drop down. With five permanent agencies put one or two temporary agencies and what is going to happen? Why, the temporary agencies are going to fit right in there like part of a three-team unit. After a time National Youth Administration, whether we like it or not, is probably going to be hardened into permanency and will become another of the social-welfare activities, not of the States but of the United States of America, administered from Washington.

Mr. WARREN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes; with pleasure.

Mr. WARREN. Is not the gentleman speculating?

Mr. DIRKSEN. Yes, yes; quite.

Mr. WARREN. He is speculating as to what some future Congress may do. The gentleman, it seems to me, has gotten away from the trend of his early argument. I would say that unless the gentleman changes his argument terribly in the next 5 minutes, I am going to be disappointed if he does not vote against this resolution, for he is making a mighty good speech for it.

Mr. DIRKSEN. I may say to my good friend from North Carolina that I approach this entirely with an open mind. I say to him frankly that I do not know how I am going to vote on this bill, whether I am going to vote for it or vote against it. I think many others are not quite sure, simply because they do not quite know. I make full and free confession of it, because you know open confession is good for the soul. I take advantage of this opportunity to think out loud, and probably out of my thinking will come a few solid propositions that will become the platform on which I can stand when the roll is intoned.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MASON. Is it not the gentleman's purpose to point out the implications of the plan? In order to do this he must speculate to a considerable degree. Is not that right?

Mr. DIRKSEN. That is right. I say to my friend that I not only speculate on future Congresses, but I speculate on what we will do in this session and in the next session.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Briefly.

Mr. SHORT. Under existing law many of these temporary agencies born under the cry of emergency will soon expire.

Mr. DIRKSEN. Yes.

Mr. SHORT. If this reorganization plan, however, is enacted into law not one, not a few, but several, if not many, of these so-called temporary agencies born of emergency will be frozen into a permanent agency of government along with other bureaus.

Mr. DIRKSEN. Let me admonish the gentleman that the original reorganization bill did not contemplate that a temporary agency might be continued whose functions would otherwise expire.

Mr. SHORT. But their functions will become absorbed in other ways.

Mr. DIRKSEN. Oh, yes; assimilation and absorption go on continuously.

Mr. SHORT. What is the difference?

Mr. DIRKSEN. Their objects and purposes are merged, as we have seen so often, and they become permanent functions after awhile. So much for the National Youth Administration. Let us look for a moment at one more item, the Civilian Conservation Corps.

The Civilian Conservation Corps is also grouped with others in the Federal Security Agency. The C. C. C. expires on the 30th of June 1940. It has received a fine testimonial from people everywhere. I think rather highly of the Civilian Conservation Corps. They have done a splendid lot of work, but it is not a security agency. There is not a Member of this House who lives out in the country anywhere but can testify that it is a conservation agency. We see them out there doing conservation work. Some of these camps are concentrated under the Interior Department, others in the Department of Agriculture, and some are doing work for the War Department.

Mr. DONDERO. And they are fighting forest fires.

Mr. DIRKSEN. They are fighting forest fires, yes; and these are not security functions; these constitute conservation. So to place the C. C. C. under Federal Security is rather illogical.

Let us now look at Federal Works for a moment. I think the saving is going to be small, for one thing, in consolidating P. W. A., W. P. A., the Public Buildings Branch of Procurement, the Buildings Management Branch of the National Parks Service, and the United States Housing Authority in the Federal Works Agency. There is a tendency, I would say, as has been pointed out before, to confuse the credit and engineering service performed by the Government with the construction services. Let us look at it for a moment with this premise in mind.

The Bureau of Public Roads will be shifted from the Department of Agriculture and put under the Federal Works Agency. The Bureau of Public Roads is not a construction agency, is not a works agency. If you have any idea that it is, ask Mr. MacDonald about it. It is a credit distribution agency operating under the Federal Aid Act of 1916—the Hayden-Cartwright Act and amendments thereto. Under these acts the Federal Government makes grants to the States in proportion to population and other factors. The States submit their plans after we tell them how much money they are to receive from the Federal Treasury. We do a little laboratory work here, we spend a million or so for supervision, but it is very essentially a supervisory agency, not a construction agency.

Now, we put it in the Federal Works Agency, and there is some objection to that. After all, the big job they are going to undertake from here on out for a while will be the farm-to-market road system. It will be built by the States. It will be administered by the highway agency. The money will come from here. The plans will be approved here. The supervision will be from here. But it is not a works agency.

Yet under this reorganization proposal it is put in the Federal Works Agency.

Mr. KELLER. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Illinois.

Mr. KELLER. I would like to know whether, in the gentleman's opinion, we can save money in reorganizing otherwise than by consolidating the smaller agencies into the larger ones?

Mr. DIRKSEN. Does the gentleman ask whether we can save any money?

Mr. KELLER. Yes. I would like to know how it can be done.

Mr. DIRKSEN. We can save a paltry sum. You cannot abolish a single function under the bill. You can consolidate them; you can transfer them; but the bill recites specifically that you cannot abolish functions. Frankly, I share with the gentleman some apprehension as to how we are going to save money in substantial quantities so that we can make some impression upon the American people so far as economy is concerned. At the maximum—and my friend from North Carolina will bear me out—it is pretended we will save $35,000,000.

Mr. KELLER. How much?

Mr. DIRKSEN. Thirty-five million dollars at the very outside.

Mr. WARREN. Fifteen million dollars to twenty million dollars on an overhead of $235,000,000.

Mr. DIRKSEN. Yes.

Mr. WARREN. That is a rather substantial saving.

Mr. DIRKSEN. Look at the President's own estimate of the deficit for 1939 and for 1940. What is it for 1940? When we wind up on June 30, 1941, what will be the deficit? According to the President, $3,400,000,000, or thereabouts. Now, then, we will pass some deficiency bills. So we will go right back to $4,000,000,000. What is $15,000,000? What is $20,000,000? What incentive is that to the business element of the country to start the wheels going so that 11,000,000 pairs of idle hands can get back to work? What incentive is it? Not much.

Mr. WARREN. The gentleman several times in his speech has lamented the fact that we are not able to abolish functions. I also lament that fact. I am going to recall a little ancient history to the gentleman. When that question was up I looked over there and I saw my distinguished friend from Illinois stand up over there and support an amendment which would prohibit the abolition of any functions.

Mr. DIRKSEN. I have no recollection of that, I may say. If the gentleman will bear me out, in the conference with the Senate——

Mr. WARREN. This was not in conference.

Mr. DIRKSEN. The thing we contended for was the fact that under the bill you could abolish no function. You could achieve no substantial economy.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. TABER. The gentleman will recall that the provision prohibiting the abolishment of functions was not in the House bill. It was placed in the bill by the Senate. The minority Members of the House in conference were opposed to receding upon that proposition. I called attention on the floor of the House when the conference report was up for consideration to the fact that the bill would not result in savings because it prohibited the abolishment of functions.

Mr. DIRKSEN. Exactly so; and I think that was the position that was taken.

Mr. WARREN. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from North Carolina.

Mr. WARREN. The gentleman from New York is entirely correct about what happened in conference. The Senate prohibited the abolition of functions and we were more or less sandbagged into accepting that proposition. The point I make is that as the bill left the House it provided for abolition of functions, and when the amendment was offered by the gentleman from Ohio [Mr. CROSSER] the gentleman from Illinois [Mr. DIRKSEN] supported the amendment.

Mr. DIRKSEN. I have no recollection of that. I have not refreshed myself on all the action that took place at that time. The gentleman may or may not be correct, but I have some doubt as to whether he is correct. If there is any record to substantiate that, I would, in all humility, admit my own error.

Mr. KELLER. May I ask another question? Does not the gentleman think the N. Y. A. has been a great blessing to the youth of the country?

Mr. DIRKSEN. May I say to my good friend from Illinois, it would take quite a while to answer that question. It probably has redeeming features and some not so redeeming.

Mr. KELLER. I wonder if the gentleman has looked into the matter, and I ask the question for the reason that educators of the country have written me on the subject. I have not only been thoroughly convinced from their viewpoint, but from the viewpoint of the actual operation of it in my own district. There I say it has been an unqualified blessing in every way. There has been only one difficulty and that is the fact it has not been capable of very great extension along the very lines we are using at the present time.

Mr. DIRKSEN. It may be that one of the real objections to the N. Y. A. might be located in the person of one by the name of Aubrey Williams, who has a habit of making the most curious and peculiar speeches about people sticking together in order to keep the administration in power, regardless of the method by which that may be done.

So N. Y. A. in some measure rises and falls by the horizon of ideals that has been established by the man down there, who certainly is a political realist if there ever was one.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Missouri.

Mr. SHORT. I do not want to answer for the gentleman from Illinois but as for myself I should like to say to the gentleman that practically every Member of this House worked his own way through school and college by firing furnaces, mowing lawns, and polishing doorknobs, but the youth of today under N. Y. A. have been robbed of their independence, their self-respect has been destroyed, ambition has been absolutely eaten out of their hearts, and they have been rendered dependent upon a patronizing and paternalistic Government in Washington.

Mr. KELLER. The gentleman accepts the idea that the present crowd are no good; is that the idea?

Mr. SHORT. In addition to that, it has fostered communism; otherwise it is fine.

Mr. KELLER. I do not favor communism, but will the gentleman from Illinois yield?

Mr. DIRKSEN. I cannot yield further.

Let me say to the members of the committee today that when you think of the youth of the country and of the programs and panaceas that have gone out from here, I know of no more expressive way to show the disintegration of spirit on the part of some of the youth of America than to read this headline carried in a high-school paper at Denver in June when those young men and women came out into the realistic world. This headline was, "W. P. A., here we come." God save the mark that the youth of America should look out into the horizon and then draw themselves up to full stature and say, "W. P. A., here we come." [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 5 additional minutes to the gentleman from Illinois.

Mr. LEWIS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to my friend from Denver.

Mr. LEWIS of Colorado. I may say to my distinguished friend from Illinois that on sundry and divers other occasions

he has referred to Denver, in some cases without complete accuracy.

Mr. DIRKSEN. I may say to my friend I will give my friend the authority for that statement. It comes from the Readers' Digest, which is pretty fair authority, I would say.

Mr. LEWIS of Colorado. I should like to see the original paper and not a secondary authority such as the gentleman refers to.

Mr. DIRKSEN. Does the gentleman say it has or has not happened? Does the gentleman say it has not happened?

Mr. LEWIS of Colorado. It has not been demonstrated by the mere statement of the gentleman, based on a secondary hearsay source.

Mr. DIRKSEN. I am saying that the statement comes from the Readers' Digest, which is a pretty authoritative source that is quoted in many deliberative bodies of the United States.

Mr. LEWIS of Colorado. Whether or not it is quoted in deliberative bodies of the United States, I will say it is not a complete or accurate authority.

Mr. DIRKSEN. Oh, the gentleman gets up here and says, "It is not true, because I never heard of it." I will say in all deference to my friend that that is no argument at all. If the gentleman wants to disprove it as against the authority of the Readers' Digest, why, first of all, let him write to the Denver high school and see whether this headline did not appear. That would be infinitely better.

Mr. LEWIS of Colorado. The evident purpose of the gentleman has been on this and other occasions to make reference to something that is alleged to exist or to have happened in Denver and to make a slighting remark about Denver. Even if the incident occurred—and the gentleman has produced no sufficient evidence of its occurrence, as he, as a lawyer, well knows—it was a mere bit of schoolboy humor, not an evidence of the disintegration of spirit on the part of the youth of Denver or of America.

Mr. DIRKSEN. I do not yield any more, unless my friend has some authority that it did not happen. I stick to my statement, and I have quoted the authority. If the gentleman wants it, I will bring the written authority to him insofar as I have it.

Mr. LEWIS of Colorado. Bring it in.

Mr. DIRKSEN. It may be secondary, but I am willing to consider it as a kind of primary authority. The gentleman should not get upset because I talk about his town, because they talk about my town.

Mr. Chairman, I cannot yield any further.

Mr. LEWIS of Colorado. This is not the first time the gentleman has misrepresented things alleged to exist or to have happened in Denver, and then when the gentleman's attention has been called to such errors he has declined to correct them.

Mr. BENDER rose.

Mr. DIRKSEN. I had no idea my friend from Denver was so thin-skinned about his town and about the great State of Colorado, I may say. It could have happened anywhere, as a matter of fact.

Mr. LEWIS of Colorado. I will say to the gentleman I am always ready to defend my city and my State.

Mr. DIRKSEN. I now yield to the gentleman from Ohio.

Mr. BENDER. Mr. Chairman, I asked the gentleman to yield merely to make this statement: The opposition to this proposition asked for 10 minutes in which to present their case, and we were given 5 hours.

Mr. DIRKSEN. I am afraid it is not going to be enough.

Mr. BENDER. Since we started using our 5 hours the opposition has taken up most of the time of this side. If the gentleman wants additional time, I would suggest that he ask for it.

Mr. DIRKSEN. With apologies to everybody, including my good friend from Colorado—and I still stand by that statement until it is disproved——

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Not just now. I am afraid my hour will be up. I asked for only 30 minutes and I will be violating the rules of the House shortly. I want to complete first my discussion of the Federal Works Agency.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Let me continue now and I will yield later.

Mr. LEWIS of Colorado. Mr. Chairman, I move that the gentleman's time be extended 10 minutes.

Mr. DIRKSEN. The gentleman does me too much honor, I am sure.

The CHAIRMAN. The time is under the control of the gentleman from New York [Mr. TABER] and the gentleman from Missouri [Mr. COCHRAN].

Mr. DIRKSEN. Now, let us go on for a moment to the United States Housing Authority, which has been lumped in with Federal Works Agency. It deals with public housing problems and would it not have been more logical to take all the housing agencies and lump them in one group and set up a kind of housing authority for housing administration? Here, for instance, we have Home Owners' Loan Corporation and it actually disburses money on homes and administers property as well. Then there is the Federal Housing Administration, which insures loans that are made by private financing institutions or, at least, it did at one time. Then there is the United States Housing Authority, which deals with slum clearance, the building of group houses and large units through public housing bodies, and, finally, there is the Farm Security Administration, which has been doing some work in that direction, and I would say that if this matter were pursued from the standpoint of logic it would have been infinitely better, instead of putting the United States Housing Authority under the Federal Works Agency, to set up an integral housing group and to consolidate all the housing activities of the United States in such a group. It would really develop efficiency and effect a national housing program that is well coordinated.

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DIRKSEN. Then there is the Public Buildings Branch of the Procurement Division and the Buildings Management of the National Park Service. As the name implies, this is a management service. One looks after buildings in the District of Columbia, and the other looks after buildings in other sections of the country.

I believe a merger of these two functions is quite all right. It does not necessarily have to be in the Federal Works Agency, because it is not a works function. It could have been left in the Treasury Department.

Now comes the W. P. A. I am only going to make one observation about it, and that is this: W. P. A., as we all know, and as was stated to us at the time we created W. P. A., was essentially a relief agency, a work relief agency, but not essentially a works agency as comes within the compass of the Federal Works Agency proposed in the reorganization plan. It does not deal necessarily with durable buildings nor with public works as we conceive the term, and so I am not so sure it ought to belong in the agency as provided.

This is all I want to say about the second group; and, finally, there comes the loan agencies. The Farm Credit Administration, the Federal Farm Mortgage Corporation, and the Commodity Credit Corporation are kept in the Department of Agriculture.

I think it is O. K. to put Commodity Credit Corporation there because they are dealing with farm commodities and surpluses, but, so far as the Farm Credit Administration is concerned and the Federal Farm Mortgage Corporation dealing with consolidated bonds in land banks and rural credits, if it is a credit agency, why not put it where it belongs? If you are going to recognize extensions of credit as a policy of government, why not put it in the Treasury? If it is done for the purpose of having some influence upon currency reform and monetary measures, it might very well have been grouped in the Federal Reserve Board. I am just making the suggestion. I recognize the fact that they deal with rural people, that they deal with credits to farmers, but the objective, of course, is credit pure and simple, and it ought to be classified and identified from the functional standpoint as a

credit agency, and maybe it ought to have been in the Treasury Department. In any event, to leave them in the Department of Agriculture will mean that the head of that Department might be importuned on credit matters relating to agriculture to the point where it impairs his freedom to deal with the basic problems of agricultural production and distribution as he should.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. COCHRAN. I want to compliment the gentleman for the suggestion he makes, and I hope the President one of these days will follow out his suggestions.

Mr. DIRKSEN. I am pleased the RECORD will show that the gentleman and I are in agreement on that. As a matter of fact, the gentleman and I agree on lots of things. I like the gentleman from Missouri.

Mr. COCHRAN. The gentleman does not like me a bit better than I like him, and he knows it. [Laughter.] I gave the gentleman a fine fish dinner yesterday, did I not?

Mr. DIRKSEN. Oh, yes.

Mr. COCHRAN. And I want to compliment the gentleman from Illinois upon his wonderful speech today. He has found credit in the President's order. He has also doubted the wisdom of some of his suggestions; but what worries me, after hearing the gentleman's excellent speech, is whether he is going to vote "yes" or "no" or "present" on this resolution. [Laughter.]

Mr. DIRKSEN. The gentleman from Missouri is not going to embarrass me with that kind of question. I want to say I feasted royally on the trout and the whitefish he served downstairs, and today I want to repay him by trying to find a few fish in this bill.

Now, getting back to the loan agencies, there is included, of course, the Reconstruction Finance Corporation, the Electric Home and Farm Authority, the RFC Mortgage Co., and others.

There is listed here the Electric Home and Farm Authority, dealing with the discount of paper, discount of paper that is issued for the purchase of washing machines, curling irons, electric ironers, and all that sort of thing.

A credit agency. Why was it not grouped with the Rural Electrification Administration, which advances money for wiring houses, installing plumbing on the farms, and all that sort of thing? That would have been the logical place for it.

As for the Home Owners' Loan Corporation, which is lumped in the Federal lending agencies, why was it not set up with the other housing agencies? The Federal Housing Administration, the United States Housing Authority, and the Home Owners' Loan Corporation, properly speaking, should all have gone into the same group.

There is included also the Federal Savings and Loan Insurance Corporation. Why was it not placed with the Federal Deposit Insurance Corporation from a functional standpoint? That probably would have been better.

Finally, there is the Export-Import Bank. Here it is put in the Federal lending agency. Properly speaking, it ought to have gone with the Department of Commerce.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. DIRKSEN. I think I have occupied the floor longer than I should and have trespassed upon your patience and good humor, so I want to bring this rather informal discussion to a close. I had only one purpose in making this statement today, and that is in my humble way to show what is going to happen, as I see it: how they are going to be allocated in these different agencies; what their functions are; and my own personal judgment as to where they might better have been included, in the interest of simplification, identity of interest and function, and finally, perhaps, just a little bit of economy. You can take it or leave it. I can see considerations for approving this bill. The editorial opinion of the country, for instance, says it is all right. They have not analyzed it. We do not know what the implications are. I do not believe I have a right to asperse the character or reputation or idealism of the President of the United States and to say that this is what he is going to do, and that is what he is going to do, or that he is going to subvert some agency to something other than a good public end, but you can see the political possibilities in some of these.

So I say to you I see good and I see bad. I resolve it into your keeping.

Before I close, I yield to the gentleman from New York.

Mr. MARCANTONIO. I am sure the gentleman does not want to leave the impression that American college boys and girls would look forward to W. P. A. if private enterprise offered them an opportunity to work at decent wages?

Mr. DIRKSEN. Oh, the gentleman is absolutely correct. There is no vigorous, pulsing, young American heart that would accept relief or the bitter crumbs of charity or the hand-outs of any government, no matter how bountiful it might be, if he could look the world in the face and with rugged hands and feeling heart say to the world, "I have got a job." That is the answer.

There may be simplicity in this measure, but there are times when it is doubtful whether substance should be sacrificed for streamlining. This bill may produce some efficiency. In fact, the subordination of heads of departments like that of Education and Public Health and Public Roads to the administrators of the new departments may provide so much efficiency as to be destructive of the will of Congress. And as for economy, the estimated saving of $20,000,000 a year might be and probably will be offset by the increased appropriations which will be requested when these new agencies get under way and mark out their fields of activity. Abraham Lincoln used to say that every proposition was a mixture of good and bad and that the true rule was to accept when the good outweighed the bad and to reject it when the bad outweighed the good. I am of the opinion that in this bill the Nation must give too much for what it gets. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. WARREN. Mr. Chairman, would the gentleman indicate how many other speakers he has, simply for information?

Mr. TABER. I have three at the present time.

Mr. RICH. Mr. Chairman, since this bill was passed on April 3, asking that we have reorganization of government, we have the first proposal submitted to the Congress, a big dose in a short time. I am confident that the Government needs reorganization. No one can believe that we do not, if he knows anything about our Government. In order to prove that assertion, I want to read to you from a speech that was entered in the RECORD by Senator VAN NUYS. It is a speech given by Senator BYRD last October. Just let me read to you a part of this speech, and if it does not prove to all Members of Congress that we need reorganization, then I certainly do not know what the Members of Congress might be thinking about:

The fact is that we are paying for a gigantic, gangling Government of some 150 major agencies and an uncounted number of subdivisions. We are paying for a Government that has not had a thorough overhauling since it was established. It has been growing continually, but since the turn of the century the record shows marked increases in costs and complexity. Piled upon a previous accumulation of disjointed agencies we now have half again as many agencies as we had before the depressions, when, to meet emergencies, we created by statute and Executive orders, agency after agency virtually without regard for coordination in the Federal Government pattern.

Some of these agencies fill very definite needs. Others overlap. Some have outlived their usefulness or have been superseded. There are glaring cases of duplicated effort. Where the Government was complex before, it frequently is found to be confusing now. To point out 50 Federal agency legal divisions in Washington alone is enough to describe the Federal jungle.

There have been at least 29 agencies concerned with lending Government funds, according to reports taken from Government records.

There have been at least three agencies concerned with insuring deposits and loans.

There have been at least 34 agencies concerned with the acquisition of land.

There have been at least 16 agencies concerned with wildlife preservation.

There have been at least 10 agencies concerned with Government construction.

There have been at least nine agencies concerned with credit and finance.

There have been at least a dozen agencies concerned with home and community planning.

There have been at least 10 agencies concerned with materials of construction.

There are more than twoscore personnel officers for the Government listed in Washington offices alone.

There are more than 100 information and publications offices in Federal agencies at Washington.

There are more than 100 Federal agency libraries in Washington, besides the Library of Congress.

The Federal Government operates an average of one motor vehicle for every 1,200 people in the United States, and they travel enough miles every year to traverse nearly every highway in the world.

Without counting those who are on relief, or those receiving pensions, or those in the Army, the Navy, and the Marines, or those in the legislative and judicial branch of the Government, there are more people on the Federal civil executive pay roll than there are people—men, women, and children—living in the State of Maine, or New Hampshire, or Vermont, or Rhode Island, or North Dakota, or South Dakota, or Delaware, or Montana, or Idaho, or Wyoming, or New Mexico, or Arizona, or Utah, or Nevada.

The great majority of these people do not work in Washington, and there are more than a hundred thousand of them in the Nation's Capital. This number alone is twice as many as 5 years ago.

The above statement of the good Democratic Senator from Virginia shows definitely we need reorganization. How will we accomplish it? How will it be done? Who will do it? That is the great and all-important question. At least it is to me. Remember the President had for 2 years the power to reorganize and he did nothing. No guaranty of saving any money for Government operation has been shown; but, on the contrary, it looks like the continuation of New Deal agencies set up by the New Deal and operated by the New Deal in an extravagant manner.

Senator BYRD's statement goes on to state how many people have been employed, and the fact that in the last 5 years we have doubled the number of employees on the Government pay roll. So it certainly does prove to us that we need reorganization of the Government.

What are some of these new bureaus? I will enumerate a few of them:

1. Agricultural Adjustment Administration.
2. Alley Dwelling Authority.
3. Central Statistical Board.
4. Civilian Conservation Corps.
5. Commodity Credit Corporation.
6. Corporation of Foreign Security Holders (discontinued).
7. Disaster Loan Corporation.
8. Electric Home and Farm Authority.
9. Emergency Conservation Work (replaced by C. C. C.).
10. Executive Council (replaced by National Emergency Council).
11. Export-Import Bank of Washington, D. C.
12. Farm Credit Administration.
13. Farm Security Administration.
14. Federal Alcohol Control Administration (replaced by Federal Alcohol Administration).
15. Federal Alcohol Administration.
16. Federal Civil Works Administration (replaced by Federal Emergency Administration of Public Works).
17. Federal Communications Commission.
18. Federal Coordinator of Transportation (discontinued).
19. Federal Deposit Insurance Corporation.
20. Federal Emergency Administration of Public Works.
21. Federal Emergency Relief Administration.
22. Federal Farm Mortgage Corporation.
23. Federal Housing Administration.
24. Federal Prison Industries, Inc.
25. Federal Savings and Loan Insurance Corporation.
26. Federal Subsistence Homesteads Corporation.
27. Federal Surplus Commodities Corporation.
28. Federal Surplus Relief Corporation (replaced by Federal Surplus Commodities Corporation).
29. Home Owners' Loan Corporation.
30. National Archives.
31. National Bituminous Coal Commission.
32. National Emergency Council.
33. National Labor Relations Board.
34. National Mediation Board.
35. National Railroad Adjustment Board.
36. National Recovery Administration (discontinued).
37. National Resources Committee.
38. National Youth Administration.
39. Prison Industries Reorganization Administration.
40. Public Works Emergency Housing Corporation (discontinued).
41. Public Works Emergency Leasing Corporation (discontinued).
42. Puerto Rico Reconstruction Administration.
43. Railroad Retirement Board.
44. Reconstruction Finance Corporation.
45. Resettlement Administration (replaced by Farm Security Administration).
46. RFC Mortgage Co.
47. Rural Electrification Administration.
48. Second Export-Import Bank of Washington, D. C. (discontinued).
49. Securities and Exchange Commission.
50. Social Security Board.
51. Soil Conservation Service.
52. Soil Erosion Service (replaced by the Soil Conservation Service).
53. Tennessee Valley Associated Cooperatives, Inc.
54. Tennessee Valley Authority.
55. United States Maritime Commission.
56. Works Progress Administration.

This list does not include certain Federal boards, commissions, committees, etc., established for certain special purposes, temporary in nature, viz: National industrial labor boards, Petroleum Administrative Board, Committee on Economic Security, Puerto Rican Hurricane Relief Commission, Special Mexican Claims Commission, etc.

Nor does it include certain bureaus or divisions created by the consolidation of functions within a Federal agency, or certain federally sponsored agencies or associations such as Savings and Loan Division, Federal Home Loan Bank Board; Procurement Division, Department of the Treasury; National Reemployment Service; Federal Credit Union System; Federal land banks; production credit corporations; etc.

Sources: United States Government Manual, United States Statutes at Large, Executive orders.

The great question, however, is, How shall we reorganize the Government? I ask the gentleman from North Carolina or the gentleman from Missouri—two Members of the House in whom I have as great confidence as anyone else in Congress—since they have tried to work out this reorganization plan, and since it has been proposed and the bill has been passed, what part have they played in this reorganization? Has it been their work, their handiwork, that is suggested in this reorganization reported by the President of the United States? I would like an answer.

Mr. WARREN. Does the gentleman ask that question of me?

Mr. RICH. I would like an answer to my question from you, please.

Mr. WARREN. I assure the gentleman that it is not my handiwork. I like candor. I can tell the gentleman that the gentleman from Missouri and I were told what this order would be, and had an opportunity to know of its general content several days before it was submitted to the Congress. Outside of that, I know nothing whatever about it.

Mr. RICH. I appreciate the gentleman's statement. If the gentleman from North Carolina and the gentleman from Missouri were to carry out the proposals of this reorganization plan, I would have a whole lot more of confidence in it than I do with its coming from the Chief Executive of the United States.

Again I state that I hold no ill will whatsoever toward the President of the United States, but I call attention to these statements made by the President of the United States, Franklin D. Roosevelt. He made this statement at Sioux City on September 29, 1932:

> We are attempting too many functions, and we need a simplification of what the Federal Government is giving to the people.
>
> I accuse the present administration of being the greatest spending administration in peacetimes in all our history—one which has piled bureau on bureau, commission on commission, and has failed to anticipate the dire needs or reduced earning power of the people. Bureaus and bureaucrats have been retained at the expense of the taxpayer.

Franklin Delano Roosevelt, the present President of the United States, made that statement in Sioux City, Iowa, in 1932, when he was seeking election as President. Let us look at the record of the President of the United States since his election to office. He has authorized by Executive order, or has requested the Congress to set up more bureaus, more functions of government, than any 10 Presidents in the history of our Nation.

I quote again from a statement of the President. This statement was made in Brooklyn on November 4, 1932:

The people of America demand a reduction of Federal expenditure. It can be accomplished not only by reducing the expenditures of existing departments, but it can be done by abolishing many useless commissions, bureaus, and functions, and it can be done by consolidating many activities of the Government.

Many times in the preelection campaign he promised to cut down Government agencies, Government functions, and Government expenditures. Has he done it? Has he made any effort to do it?

No. Instead he has done the very opposite.

The whole meat in the coconut of our consideration of this reorganization proposal is summed up in the following observation: If a man promises to do one thing and then does something else, how many times shall we place our confidence in him? How many times are we to give him sole power to do something when he promises one thing but does the direct opposite?

If the resolution now under consideration passes, the reorganization he has proposed will become effective, and we shall have passed over to him and confirmed that right and that privilege.

The Democratic platform of 1932 promised:

We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance to accomplish a saving of not less than 25 percent in the cost of Federal Government.

The President himself said:

I am for that platform 100 percent.

Mr. WARREN. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the distinguished gentleman from North Carolina.

Mr. WARREN. Since the gentleman is quoting platforms, I call his attention to the Republican platform of 1932, which favored a reorganization of the Government and which said that the President of the United States is the only one who could do it.

Mr. RICH. The Republican platform; yes. But they did not expect such a President as we have now. [Laughter.] They expected an honest, honorable, conscientious, hard-working man, a man who has had experience, a man who knows something about business, a man who when he says he will do a thing, does it. The people of the United States got fooled, and so did the Republican Party.

Let us go a little further in the matter of the proposed reorganization. We have 10 major departments of government. My idea of reorganizing the functions of government was a reorganization of functions of long standing, not of temporary agencies.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 10 additional minutes to the gentleman from Pennsylvania.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield for a question.

Mr. MAGNUSON. I have listened intently to the gentleman two or three times today on this matter, but I still would like to know what the gentleman's position is. Is he against the bill or is he for it?

Mr. RICH. I think this way: We need reorganization, but I have seen things happen here that have disturbed me profoundly. When I place confidence in men to do certain things and they fail me not once but two, three, or four times, I do not propose to put my faith in them longer. Certain things belong to the Congress and must be reclaimed by the Congress. We are supposed to cut down Government expenses. We are supposed to give an honest and efficient reorganization of the Government. This is your duty, this is my duty; and I propose to do my best honestly and conscientiously to do my duty.

If we place this power in the hands of the President, we do not know whether there will be any accomplishments or not, and I am not going to trust him any further. That is my answer.

Mr. PATRICK. Will the gentleman yield?

Mr. RICH. I cannot yield. I do not have the time.

Mr. Chairman, we are not by this bill reorganizing the old functions of the Government. We are taking these New Deal agencies that were set up and making them greater. We are making them permanent. Putting them under the direct supervision of the President.

We are starting a Federal works agency and making that a permanent set-up of the Government. We are creating a Federal security agency as one of the major bureaus. We are creating a Federal lending agency, as if it were going to be necessary for the Federal Government all the rest of our lives to continue making the loans that are being made today.

Mr. Chairman, I ask the gentleman from North Carolina, I ask the gentleman from Missouri, I ask the majority leader, I ask all the gentlemen on that side of the aisle this question: If we continue to go into debt to the extent of three, four, or five billion dollars a year, as we have in the last 5 years, where are we headed? What is going to happen to us? I ask anyone on that side of the aisle that question. Where are we going to get the money? We have been promised time and time again that the American resources would be conserved. We find that from July 1 last year until April 28 this year, the Government has gone in the red to the extent of $2,882,952,434. The Government will be in the red to the extent of at least three and one-half billion dollars before July 1 this year, and it will be in the red another three and one-half billion dollars when we get through with the year 1940.

Mr. Majority Leader, you promised to some day try to have the Budget balanced. When is that time going to come? Let me read a quotation from a statement the majority leader made on January 18, 1938. Nothing could have been finer, nothing could have been more appropriate, but we want to know when that time is coming. The gentleman from Texas [Mr. RAYBURN] said at that time that, "Some of these days whether we want it or not, we have got to do what the sane individual would do, what the sane, sound management of a corporation would do if it is to continue to operate; that is at some time this Government must balance its outgo with its income."

Mr. Majority Leader, when will that time be? Can you tell us? Have you got any idea? Has any Member on this side of the aisle any idea or can he tell us when that sometime will come?

Let us hope it will come soon. This reorganization bill in saving will be only a drop in the bucket. I question if there will be any saving at all.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 17 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, the expressed opposition to the reorganization measure that was before the Congress last year was profound and overwhelming. Its attempted passage struck fear into the hearts of all true Americans. They saw in its passage a dangerous thrust against our Constitution and liberties. That opinion was expressed to Congress in sufficient volume and intensity to bring about the defeat of the measure. The event heartened many of us to believe that possibly, after all, our statesmanship showed promise of preserving something of our Constitution and American system.

Came the second reorganization bill April 3, 1939. It passed both Houses easily. No opposition by the public was apparent. Yet, in my opinion, this reorganization measure is at least twice as bad as the one defeated last year. Why did the public not oppose it? Because they did not understand it. It was framed in such a manner and couched in such terms as to conceal its real intent and meaning. Indeed, it was so cleverly drawn and presented that it gave the appearance of not being a reorganization measure at all. It did not contain even a suggestion of any plan. Its context merely stated the President would submit a plan to Congress. It did contain a sop for many Congressmen, the exemption of some 21 Government agencies from any reorgani-

zation plan the President might set up. Apparently this had a sweetening effect upon many of the Members. I am certain if no agencies had been exempted the bill would not have passed. Yet just a little reflection should convince anyone that the exemption of these 21 agencies from the control of the Executive was an utterly futile gesture. Every agency of this entire Government is now a prey to complete Executive control and domination. I shall show the reason for this later.

It is difficult to describe the iniquity of this bill. First of all, it represents something entirely new in legislation in the United States. Perhaps no precedent for it can be found in the proceedings of any of our legislative bodies. The measure provided not for a reorganization plan but for the submission by the President of one. Then it provided that any plan he might submit would become a law, unless both Houses of Congress rejected it. Legislation by negative action. Of course, the promoters of the bill very well knew if they could get this through there would be little or no opportunity to defeat any reorganization plan that might be submitted. Once it was passed it became a very easy matter to so frame a plan and to so manage it here in Congress as to make it practically invulnerable to successful attack. This we now see before us.

The defeated reorganization bill of last year at least had the merit of being forthright. It actually embodied a reorganization plan which Congress and the Nation could see and understand. The bill we passed contains all but an infinitesimally small part of last year's measures, but in true Machiavellian style, which characterizes so much of recent legislation passed by this Congress, its true intent is completely concealed. This reorganization bill might better be called a handcuff bill. The President wanted his reorganization bill, and in order to get it he had to first put handcuffs on Congress. This is the first time Congress ever passed a bill handcuffing itself, which gives the Chief Executive complete power to pass his own legislation. Oh, what wisdom, statesmanship, and patriotism were here exhibited by this, the greatest parliamentary body that ever was or perhaps will be. Imagine the thrill our children and future generations will get when they read about this.

Are these powers really sought to effect economies and efficiency in our governmental departments? After adding from 50 to 75 new and all-powerful bureaus and 300,000 new political jobs, after doubling the regular operating costs of the Government, after increasing the Federal debt by $25,000,000,000 in peacetime within a period of 6 years, in the midst of the most profligate and wasteful spending any nation in the world was ever engaged, with the President lashing Congress into more and more spending, and with such colossal inefficiency in government operation as never before recorded in history, we are now to believe the purpose of this reorganization bill is to bring about efficiency and economy in government.

"The overhead administrative costs of all the agencies affected in reorganization plan No. I is about $250,000,000," says the President in his "first plan on Government reorganization." He estimates his plan No. I will make an annual saving of between fifteen million and twenty million dollars, or about 7 percent—but this affects only the administrative costs of these agencies and "does not include the loans they make, the benefits they make, the wages of the unemployed who have been given jobs; it does not include the loans and grants to States, or, in short, the functional expense." Bravo! Well, we can be glad it is not 25 percent reduction in government costs he is promising. You remember he did that once and we got an increase of 150 to 200 percent. At the same rate the 7 percent decrease he is promising will perhaps result in no more than 21 percent increase. [Applause.]

Then note the new high-salaried political jobs he creates:

(1) National Resources Planning Board, five members, $50 a day.

(2) Federal Security Administrator, $12,000 a year.

(3) Assistant Federal Security Administrator, $9,000 a year.

(4) Federal Works Administrator, $12,000 a year.

(5) Assistant Federal Works Administrator, $9,000 a year.

(6) Commissioner of Public Building Assistant, $9,000 a year.

(7) Commissioner Public Works, $10,000 a year.

(8) Works Progress Administration Commissioner, $10,000 a year.

(9) Federal Loan Administrator, $12,000 a year.

(10) Federal Loan Administrator Assistant, $9,000 a year.

The President's plan abolishes none of the mushroom bureaus which have developed in the last few years. He says not a word about the 300,000 new political jobs which have been created. These are all to be left intact, "to take from the mouth of labor the bread it has earned," as Thomas Jefferson would say.

Now, what does it mean that some 21 agencies—Civil Service Commission, Coast Guard, and so forth—are exempted from the provisions of the act? Really the irony of these exemptions is the Board of Governors of the Federal Reserve System. How can this inclusion in the exemptions possibly affect the President's power over this Board when all of them are appointees of the Executive and he already dominates that body completely?

What possibly can these exemptions mean in the face of all the powers now vested in the Chief Executive. He now has complete control over 47 Government corporations with assets in excess of $8,000,000,000, and which have authority to issue $8,000,000,000 more, with practically no check by the Comptroller General. He exercises the principal control over nearly 2,000 corporations partially owned by the Government, with assets of $4,000,000,000. Through the F. D. I. C., Government ownership of bank stocks, and his complete control of the Federal Reserve System he has virtual control of the credit of the banks, involving $60,000,000,000. Through loans made by the Reconstruction Finance Corporation and other agencies to insurance companies, building and loan associations, mortgage loan companies, railroads, private industry, and so forth, he has vast control over industry in general.

I pointed out to you here a few days ago that with the President's power over the banking system it is possible for him to issue more than thirty billions of fiat money. He has complete control of the fifteen and one-half billion dollars of gold buried in the ground in Kentucky, which is 60 percent of the world's monetary gold stock. He has unlimited power to use all the commodities of the United States to buy and buy and buy more gold. He has unlimited power over the $2,000,000,000 stabilization fund, which he can and does use to bolster and depress foreign currencies. He has unlimited power to use our commodities to buy more and more silver, for which we have no more use than a Chinaman's queue. He now virtually has unlimited power to fix the purchasing power of the dollar. In the face of all this unheard-of power delegated to one man, what boots it to have exempted a few of these agencies from his reorganization plan? Why, they will be swallowed up and digested by this power so completely that there will be nothing left of them but their names.

What madness is it that impels this Congress to continue to vote away to the Chief Executive our constitutional right and duty as a legislative body? From whence comes the evil spirit that causes us to thus barter away the liberties of our people for no more than a little temporary political gain? Well, one thing is certain—we have about reached the limit. There is no longer much left to give over to the President. All industry, all agriculture, all labor is now virtually in subjection to one-man power. Encroachment by the Executive upon all the other departments is now in the stage of consolidating all of them in one. The Father of our Country solemnly warned us in his Farewell Address of the danger of such encroachment when he said it will "create, whatever the form of government, a real despotism." In connection therewith, he further said:

A just estimate of that love of power and proneness to abuse it which predominates in the human heart is sufficient to satisfy us of this position.

We might also, with appropriateness, refer to another part of Washington's Farewell Address. Here we see in this Chamber today the full fruition of the spirit of party against which he also so solemnly warned us. He told us of its great dangers, how it may appear in popular government "in its greatest rankness," and how it could become our "worst enemy."

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism.

Is it not possible for this body here today to rise above this evil spirit? Can we not, for a few moments, divest ourselves of it long enough to realize what our solemn duty on this occasion may be? May it not possibly help us in this hour of trial if we think of the future—perhaps the heritage of our children? What are we leaving them? That is the big question now.

However, whatever action this body may take on this measure, and, for that matter, in perpetuating the present despotic regime, I, for one, am not resigned. I have faith that millions and millions of my fellow countrymen join with me in this feeling, and we shall yet break these shackles that are cruelly strangling out our social and economic existence. I am sure in due time we shall regain the heritage of our fathers, as so nobly expressed by Thomas Jefferson:

A wise and frugal government, which shall restrain men from injuring one another, shall leave them otherwise free in their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned.

[Applause.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Chairman, as I see it, this is just another phase of the juggling that has been going on ever since Congress convened. We are not establishing a permanent reform or relief that will be beneficial to the people generally; we are just juggling. This is another of the things we are doing to make permanent activities that were originally labeled as emergencies.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. BENDER. No; I will not yield.

Mr. COCHRAN. The gentleman has made a statement I would like to correct.

Mr. BENDER. I will yield when I get through.

Mr. COCHRAN. The law specifically provides that an agency cannot continue beyond the date Congress sets for its expiration.

Mr. BENDER. When you freeze emergency activities under a permanent heading and hide them under a general agency you are helping to make them permanent. When you make it possible for their employees to go under civil service you are perpetuating activities that should stand out like sore thumbs to remind the people that nothing has been accomplished in the way of correcting the evils these agencies were set up to correct. Despite the conditions of this depression—this recession or whatever else you label it—that has been with us for 7 long years, no effort has been made to abolish any of these emergency agencies. In a very clever way they are so concealed the people cannot see what is going on as readily as they could if the activities showed up, I repeat, like sore thumbs.

This business of juggling agencies is kidding the American people into thinking they are getting something when in reality they are getting nothing. They are asking for bread and we give them a stone. They are asking for employment, they are asking for relief from relief, and they are asking for a permanent solution of the problems of this depression and we give them a sleight-of-hand performance. You say to businessmen, "We are going to give you a breathing spell," and then you beat hell out of them while you kid them into believing that they are getting a breathing spell. [Applause.]

One gentleman on the other side, in questioning one of my colleagues on this side said, "Where will these agencies go?" I say the sooner they go out the window, the better off we will all be. They have done nothing else but reduce the earning power and the incomes of not the lower third, mind you, but the lower half of the people. Since this administration came into power, instead of having the lower third, you have 20 percent of the people actually dependent upon the Government for support and sustenance, and you have another 32 percent, according to the Gallup poll, that are within 3 months of the poorhouse.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. BENDER. No; I will not yield.

If you are going to do anything in the way of real reorganization, let us take this whole business and take plenty of time to discuss it and go into it carefully. This Congress was told by the electorate last November to do something about this situation, and yet we sit idly by and permit these artful pieces of juggling to be presented and passed on to the people, who are made to feel they are getting something when in reality they are getting nothing at all. Our business interests and our people are calling on us and have called repeatedly for help. How about private industry? Private industry wants the "go" sign. Private industry wants to be relieved of the continual prying into its affairs and making it impossible for it to make a reasonable profit and provide employment. Business wants to provide jobs and pay a regular American living wage. If those of us here who voted against this reorganization plan originally fail to vote against this plan now, we are being very inconsistent. In order to be consistent with our previous vote we can do nothing else, being the minority though we are, than to take a position against this measure. We should not fool our people back home into believing they are getting something when in reality they are just getting an empty bag, with a hole in the bag at that. I am voting for the Taber amendment. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. LORD].

Mr. LORD. Mr. Chairman, it is always popular for reformers to try to make people believe they are doing something for them. I was in the Legislature of New York for some years and we had this same proposition coming up from the Democrats. They told the people how much they could do by reforming government and finally brought about reform in government. They preached it so long the people really believed them. But when they cut down departments and combined them they had to have more high-priced men at the head, just as we are going to have in the present reform of government. We had to have more agencies and more departments, and we had to have better men, and when we got through it cost us one-third more for our government than it had cost in the beginning, and did not add any to efficiency in government. Now, we have this same gentleman who is asking for reform in government in our Nation. He was at the head of the government of the State of New York at one time. That is where he got his primary education. That is the reason he is such a good man now. You know we have not got over his being Governor yet. Just at this session of the legislature we have had to cut down the appropriations for schools, we have had to cut down the appropriations for highways, and we have had to cut down the appropriations for many activities to try to cure some of the evils that the present President of the United States foisted upon the State of New York. He did this all in good faith, supposedly. I think he did the very best he could, but he left our budget way out of balance and we have never been able to get it back in balance again. So we have had to go into these savings that we could ill afford to do. It has been hard on the people of our State, and although the taxes have been increased tremendously we have never been able to catch up with the tax burden in all of these years.

Now, we have the same thing here. We have reform in government. We are going to juggle about the departments. We are going to appoint expensive men at the head of them to administer them, but what is that going to do for us? When we get all through I venture to say that the Govern-

ment is going to cost us more than it has ever cost us before. Yet this man, in his wild sayings when he was going about the State campaigning for election, told us he was going to reduce these expenses by 25 percent. I suppose he thought he was going to do it. We do not think up there he has much business ability. We do not charge that he did this deliberately. He did not make the statement deliberately. He just did not know so much about government, and when we get all through here we are going to have the same thing here we have in New York State and our children's children will have to pinch and connive and save to catch up in the years to come, if we ever do catch up with this terrible bonded indebtedness that has been put upon this Government and on the people and the taxpayers of this Nation. [Applause.]

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, when the reorganization measure was up last year and the country was aroused, it was defeated. I spoke and voted against that bill and this year, when the reorganization bill was brought up again, I spoke and voted against it. My reasons for opposing those measures were the reasons that were generally accepted throughout the country.

Under the Constitution the Congress is invested with the power to reorganize the various branches of the Government and the American people expressed themselves to the effect that they did not desire Congress to transfer this legislative authority to the President.

Recently, we passed an act by which we surrendered our legislative authority and gave it to the President, and so far as this legislation is concerned, we abdicated instead of legislating. [Applause.]

Congress has the power and should reorganize the Government. What has been the history of the President's record to justify us in believing that he can do it? We know that in the State of New York, where he was Governor for several years, governmental agencies and officials grew in number year by year and the debt of that great State grew year by year.

When Mr. Roosevelt was seeking this great office he said that he was going to cut out useless bureaus and commissions. What has been the result? He has added more bureaus and commissions than any President or any dozen Presidents.

He said we had too many officeholders. When Hoover went out we had about 530,000 officeholders. If you count those engaged by the Department of Agriculture throughout the country, we have now 1,100,000 officeholders. He has given us more bureaus than any President. He has increased the number of officeholders more than any President. What is there in the record of President Roosevelt to convince you or me that he is going to reduce commissions or reduce the number of officeholders or reduce the expense of government?

Mr. ROUTZOHN. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. In just a moment.

The fact about it is there is nothing to this reorganization plan to convince anybody that there is going to be any reduction in the number of officeholders. It freezes into the general administrative agencies of this Government emergency commissions and bureaus, a thing many of us hoped to get rid of, and this is emphasized here in the President's plan. It will not be 6 months or 12 months until a lot of these emergency agencies will become a part of the warp and woof of the Government itself, and it will be impossible to take them out or get rid of them.

I now yield to the gentleman from Ohio.

Mr. ROUTZOHN. The gentleman has perhaps answered the question I was going to ask him, and that is, Does not this plan contemplate perpetuation in office of the present officeholders?

Mr. ROBSION of Kentucky. In my view of it, it does. A bill will soon be brought up to put all these emergency officeholders under civil service, giving a permanent status.

Mr. SHORT. In other words, it is impossible to unscramble eggs.

Mr. ROBSION of Kentucky. Yes. It will be a difficult matter, without this reorganization, to get rid of many of these so-called emergency bureaus and commissions; but it will make it much more difficult if we pass this reorganization measure and make them a part of and intertwine them with the regular agencies of the Government.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from Illinois.

Mr. KELLER. I am just wondering if a new Congress, different from the one at present in power, and a new President of a different party were elected in 1940, could not undo this whole thing?

Mr. ROBSION of Kentucky. Well, that is the trouble with the New Deal set-up. You have been doing this and doing that; we have emergency this and emergency that; saying we are going to get rid of it; yet every move you make tends toward making it permanent.

Mr. KELLER. Could you not do just what I have suggested?

Mr. ROBSION of Kentucky. Oh, there will be a new Congress and there will be a Republican House. It will be Republican; and there will be a new President just because of New Deal proposals of this kind. [Applause.]

Mr. KELLER. In that case could you not undo this whole thing?

Mr. ROBSION of Kentucky. Why should we commit a wrong today and wait 2 years to correct the wrong?

Mr. KELLER. You ought not fret about it if you cannot do it so quickly.

Mr. ROBSION of Kentucky. But here is the trouble with this situation. You and I know that the President himself did not work out this plan of reorganization. He got it just as we have been having bills handed to us for the last 6 years—from the bureaucrats down at the other end of Pennsylvania Avenue. They have been preparing these bills and sending them up to the Congress. The President did not have the time. He had to take the plans of the commissioners, administrators, and other bureaucrats who helped him and had most to do with handing to you and to me this reorganization proposition. It is the bureaucrats' plan.

Now, I object to it for another reason; not only because it is our duty but we have the right and power to reorganize the Government if it needs it. I, for one, am unwilling to admit that I am a legislative eunuch and that I must depend solely upon the bureaucrats at the other end of the Avenue to hand to me what I ought to vote for and what I ought to do as a Member of the House. [Applause.]

Here is where it irks me so much: These bureaus that have grown fat and powerful, who desire above all things that they continue and grow, have asked the President to bring this bill in and to weave each one of these emergency agencies into the regular department of the Government. They, no doubt, helped write into the reorganization bill that proposition that you cannot do away with any function of this Government, however useless it may be. Although we have three or four hundred thousand useless officeholders, under this bill you cannot do away with a single one of them. You have to keep them all.

If you have to keep them all, you have to keep all the officeholders. There is nothing to the claim you are going to save the taxpayers any money. But what do they send up here to you and to me? The President says it is necessary to preserve the democracy of this country; yet 531 of us, elected as Representatives and Senators by 130,000,000 people, do not have the right to dot an "i" or cross a "t." It cannot be amended or changed. Are you willing to admit that the group at the other end of the Avenue can get up something that is so perfect that neither the House nor the Senate of the United States dare to dot an "i" or cross a "t" in the document they sent here to us and to the Senate of the United States? [Applause.]

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. THOMAS F. FORD. Does the Congress dot an "i" or cross a "t" in the rulings of the Interstate Commerce Commission?

Mr. ROBSION of Kentucky. Well, I just have to laugh at that question. [Laughter and applause.]

Mr. THOMAS F. FORD. Well, does it? Does it?

Mr. ROBSION of Kentucky. It was the Congress that created the Interstate Commerce Commission as an agency of Congress to do certain things. It was not handed to Congress by the bureaucrats.

Mr. THOMAS F. FORD. And who created the bill as an agency to do this?

Mr. ROBSION of Kentucky. Well, you helped to do it—hand over your power to the President. I did not, I thank God. [Laughter and applause.]

Mr. THOMAS F. FORD. Of course. That is the answer.

Mr. ROBSION of Kentucky. When our distinguished chairman of the Committee on the Judiciary [Mr. SUMNERS of Texas], one of the ablest statesmen in this House and in this country, offered an amendment which, in effect, would say to the President and these bureaus and commissions, "You get up what you think is a good reorganization bill and send it up to Congress, but it can never become law until the representatives in the House and Senate elected by the American people vote to make it a law," that amendment was defeated by the administration. [Applause.]

Mr. WARREN. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to my friend from North Carolina.

Mr. WARREN. The gentleman is referring to an amendment offered by the gentleman from Texas [Mr. SUMNERS] which was under consideration. That amendment was declared by Mr. Hoover's Attorney General to be unconstitutional and was held as the reason for the invalidation of the Hoover act. That is the reason it was not accepted. [Applause.]

Mr. ROBSION of Kentucky. That is not the reason it was rejected. The majority of my New Deal friends over here wanted to do the very thing they did do—strip themselves of their legislative, constitutional power and hand it over to the President. That was your reason; not some decision of a Democratic Attorney General under Herbert Hoover some years ago. [Applause.]

Mr. ROUTZOHN. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. ROUTZOHN. Is it not a fact that the President would not submit his plan to Congress until Congress reversed the legislative procedure?

Mr. ROBSION of Kentucky. Absolutely.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. WARREN. Before the gentleman proceeds—and this will not be taken out of his time—I think we have been very liberal, indeed. We have given the opposition far more than they themselves stated they wanted. We would like to know when the minority will be through. Can the gentleman from New York tell us?

Mr. TABER. So far as we know at the moment, this is our last speaker.

Mr. ROBSION of Kentucky. Just a moment. Will the gentleman permit an interruption?

Mr. TABER. The gentleman from Kentucky has yielded generously to Members on the Democratic side.

Mr. WARREN. I am not objecting; I am merely asking the question how much longer the gentleman cares to go on; that is all.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. WARREN. I yield.

Mr. MICHENER. As I recall, the law which the gentleman advocated changed the rules of the House. That law guarantees the House 10 hours of debate.

Mr. WARREN. Oh, no, indeed; it does not.

Mr. MICHENER. Not to exceed 10 hours.

Mr. WARREN. That is a different thing, not to exceed 10 hours; but we had a unanimous-consent agreement, including consent of the three members of the minority, that this bill would be discussed for 5 hours. The House has not put that agreement into effect. The minority desired 2½ hours. They have certainly had more than that amount of time. We are not complaining. I am merely asking the gentleman is this to be the last speech.

Mr. MICHENER. The gentleman from North Carolina [Mr. WARREN] is not complaining, but he is here saying that this thing should be rushed through. It seems to me that if this bill is as important as the gentleman says, if it is of the importance the President says it is, that democracy hangs upon it, it little behooves the distinguished gentleman from North Carolina to complain because some Members of the House perchance might want to talk 15 or 20 minutes about this thing upon which democracy itself hangs.

Mr. WARREN. I am not complaining. I am sure that when the gentleman from Kentucky shall have concluded his last 5 minutes he will have said all that is necessary on the question.

Mr. MICHENER. Maybe the gentleman from North Carolina thinks that when the gentleman from Kentucky has concluded his 5 minutes he will have said enough. Possibly he has already said enough to satisfy the distinguished proponent of the bill, but there are others here who think the matter important and who feel that we should be permitted at least to debate the bill.

The regular order was demanded.

Mr. MICHENER. The regular order is demanded. The gentleman from North Carolina said that this would not be taken out of anybody's time.

The CHAIRMAN. It is taken out of the time of the gentleman from Kentucky.

Mr. WARREN. Not at all. I yield sufficient time to the gentleman from Kentucky that he may proceed for 5 minutes.

The CHAIRMAN. The gentleman from Kentucky is recognized for 5 minutes.

Mr. ROBSION of Kentucky. No; it was not a matter of what the plan of somebody else might be. I know one thing, the Constitution gives you and me the right—and it is our duty—to legislate on the matter of reorganization. The Constitution nowhere gives such power to the President or to any bureaucrat. That power is lodged in the Congress of the United States.

The Democrats may have the majority to force this plan through, but, mark my words, a year from now you will find that you have not added to the efficiency of the Federal Government, that you have not reduced the cost of the Federal Government, for that is not in your plan, that is not in your minds. You do not know how to reduce taxes or expenses of Government. [Applause.] The American people have quit expecting anything from this administration except bills like this and the centralization of power and more power in the President and the bureaucrats against the will of the people. They are waiting until they can go to the polls in November 1940. There will then be a reorganization in this House, at the White House, and throughout this Government of ours. The Republicans will be in control. [Applause.]

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Chairman, it must be evident to everyone that no votes will be changed by this debate; and those familiar with the situation realize, of course, that from the beginning there has never been any doubt that this Congress would permit the President's reorganization order to become law. The very fact that the Congress passed the reorganization bill of 1939 settled that matter definitely.

Whether we like to admit it or not, this matter, from which party politics should have been divorced, has resolved itself into more or less of a party matter, and when the vote comes I venture the prediction that it will be pretty much upon party lines. The Republicans generally, I think, can be expected to oppose the President's reorganization plan which is now before us, because they consider this particular plan or order to be the first step toward putting into effect the President's whole theory and philosophy of reorganization; and Republicans, as has already been demonstrated by their votes on the reorganization bills of 1938 and 1939, are generally opposed to that theory and philosophy, and they are also opposed to the motive which they believe to be behind the President's demand for reorganization.

This, I say, is generally true. There are a few exceptions, of course, as is evidenced by the fact that a few Republicans supported the 1939 reorganization bill, upon the authority of which the President has submitted this Executive order, known as reorganization plan No. I, and which will automatically become law unless the pending resolution to prevent it is adopted by the House and concurred in by the Senate.

The majority party, on the other hand, I think, can be counted upon to support the President's plan simply because it is the President's plan and because they have all along contended that the Congress is incapable of reorganizing the Government by law, and that the only way to accomplish reorganization is by Presidential order. So far as the President's plan or order is concerned, the majority party in the House has already announced that it is not even interested in the debate upon it. The majority leaders formally stated at the beginning that they intended to consume only 10 minutes in debate upon the resolution which is now before us.

Mr. COCHRAN. Will the gentleman yield?

Mr. MOTT. I yield to the gentleman from Missouri.

Mr. COCHRAN. Is the gentleman authorized to say to the House that the vote will be along party lines and that this is a political question?

Mr. MOTT. I do not know in what sense the gentleman uses the word "authorized." I am speaking on my own responsibility, of course, and am venturing to predict what the vote will disclose.

Mr. COCHRAN. I thought so.

Mr. MOTT. What I say in debate is naturally an expression of my own opinion, as the gentleman knows, and his question, therefore, is pointless.

Mr. SHORT. Will the gentleman yield?

Mr. MOTT. I yield to the gentleman from Missouri.

Mr. SHORT. Certainly the gentleman does not want to intimate that all Members on the majority side are rubber stamps and will support anything the President might send down here?

Mr. MOTT. I imagine there will probably be a few votes from the more independent Members on the other side of the aisle. I hope there may be, but I would be greatly surprised if there were many. I do not think it is a question of the majority Members' being rubber stamps in this case. I think most of them are really of the opinion that the Congress is incapable of legislating on this subject and that our authority in that regard ought to be surrendered to the President.

It has been said here—and perhaps correctly—that this proposal of the President's seems to be popular throughout the country and that it has the preponderance of editorial support. That may be true, because neither the people nor the editors have had opportunity to study it. Even the Congress has not studied it. There have been no hearings in committee. No testimony has been taken, and, as I have said, the majority party does not even intend to debate it here on the floor of the House. It is obvious, therefore, if this reorganization plan has popular support, that support is not based upon any real study of the proposal.

Perhaps that is a good reason why a Member of the House who is opposed to the proposition should state for the record, at least, his reasons for opposing it, and that I wish to do here briefly.

Mr. Chairman, aside from the fundamental principle involved, I oppose this reorganization plan because, from as careful an analysis as I have been able to make, I have failed to discover any merit in it. I cannot see, in the first place, where economy will be effected. I cannot see where any efficiency in government will be effected. I have studied the various transfers and consolidations set forth in this Presidential order, and I do not find where any of those transfers or consolidations will eliminate a single useless or overlapping bureau. I find no evidence that a single dollar will be saved. I find no evidence that any of the personnel of any bureau, agency, or department will be reduced. All I am able to discover in this plan is the further concentration of authority in the President. I am convinced that that is the sole purpose of this plan, known as reorganization plan No. I, just as it was the sole purpose of the reorganization bill of 1939, which became law this year, and of the original reorganization bill of 1938, which was recommitted last year.

There may be a few good individual items in the plan. One or two transfers may make for efficient operation. I do not object to those particular transfers, but under the Reorganization Act I cannot have those unobjectionable things unless I agree to accept everything else in the plan, no matter how objectionable. I must accept this thing just as the President has written it. I cannot change a word or a syllable of it.

There are transfers here which obviously should never be made. It would take too long to enumerate all of them or even a part of them; but I am going to mention one glaring example of the unsoundness of this proposal. That is the transfer of the Bureau of Public Roads to a new set-up under this bill called the Public Works Agency.

The work of the Bureau of Public Roads has nothing to do with such public works as the W. P. A., or P. W. A., or any of those other emergency agencies which are lumped together in this plan to form the Public Works Agency. The Bureau of Public Roads now functions as an independent agency in the Department of Agriculture. It functions for the purpose of carrying out the established road policy of the United States, a policy established by the Congress of the United States and with which all the people of the United States are in agreement. To transfer it to this new set-up and to make it subservient to an Administrator of Public Works would change the whole road policy, and might even result in taking away from Congress the exclusive jurisdiction which it now has on the road policy of the United States.

I cannot discuss these particular items because I want to tell you, if I have time, what the more fundamental reasons are for my opposition to this reorganization plan.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. MOTT. Mr. Chairman, I opposed the first reorganization bill when it was introduced in Congress at the direction of the President in 1938. I opposed the second reorganization bill in the last Congress. I was of the opinion that at that time, and I think the majority of the people in the country were of similar opinion, that the original reorganization bill was probably the most dangerous proposal that has ever been made to the Congress of the United States. [Applause.] To my mind it was equally as dangerous as the Supreme Court bill. It was introduced in Congress at the same time as the Supreme Court bill, by the same people who wrote the Court bill, and as a part of the same scheme. That scheme was to centralize all governmental authority in the hands of the President of the United States. If the original reorganization bill had become law, and particularly if the two companion measures, the Supreme Court bill and the reorganization bill, had both become law, I think to a very large extent representative government in this country would have ceased to exist. Those bills did not become law because consideration of them was deferred long enough so that the people understood them, and they then

brought enough pressure upon their Representatives in Congress to cause defeat of the measures.

In the Seventy-fifth Congress another reorganization bill was introduced. I took occasion to observe in my remarks in debate on that bill that in my opinion there was no essential difference between the second reorganization bill and the first one. I am still of the opinion that the President under the reorganization bill which became law can do practically everything he could have done under the original reorganization bill had that bill become law.

What was the purpose of the first and second reorganization bills, and what is the real purpose of this plan which the President has submitted under authority of the reorganization bill of 1939? I believe the real purpose and the real object behind the plan now proposed by the President is to centralize as much authority in his hands as he possibly can. It has always been his object, and I believe that this plan will enable him to carry it out, to take away as much of the independence of the so-called independent agencies as the Reorganization Act will permit him to take; and I further believe that this plan No. I and the other plans which are to follow will take away practically all of that independence.

Now, when you transfer these so-called independent agencies, whether they be separate agencies or whether they have been placed in some of the departments, and when you transfer them to one of the new set-ups created under this Presidential order, you take away their independent status and character, because then instead of being independent they are to become subservient to the administrator which under this plan is to be placed over them. That is the vicious part of the plan, and it is my belief that it is the main purpose and object of the plan.

Mr. Chairman, when the Congress created these agencies it admittedly created them as independent agencies to carry out the will of the Congress in the administration of certain laws. Had the Congress desired these agencies to be executive agencies, it would have placed them under the jurisdiction and direction of the President of the United States. But the Congress did not do so. If the Congress now wishes to change the status and character of those agencies it should do so by statutory law. Under this plan, however, and without the consent of the Congress, the President changes, alters, or repeals the law of the Congress by Executive order, and he becomes in effect the actual administrator of all the independent agencies affected by the order.

This reorganization plan No. I would have been bad enough, even if in making the plan the President had adhered to the spirit of his limitations as provided in the reorganization bill. But the President did not confine himself to the limits of the bill in formulating and presenting this reorganization plan. I observed in the debate on the second reorganization bill that in my opinion that would be the case. I said the President if he pleased under that reorganization bill could really create a new department, in spite of the fact that the language of the reorganization bill prohibited him from doing that. That is precisely what he has done under this plan in three separate cases.

He has created, for example, actually a Department of Public Works, with all the power, all the authority, and all the jurisdiction that a new department of public works, headed by a secretary of public works, would have if the bill provided for such a department in so many words. It is not called a department of public works in this Presidential order, because to call it that would be in violation of the letter of the law. So it is called an Agency of Public Works. The head of that department is not called a secretary. He is called an Administrator. But it is a new department, nevertheless, and it violates the spirit of the Reorganization Act.

This particular subterfuge is typical of the whole of the reorganization plan. The plan is wrong because its purpose is to carry out an authority which is wrong and which the Congress should never have given to the President. Now is the time and this is the opportunity for the Congress to correct the mistake it made in passing the reorganization bill. The resolution now before us declaring that the Congress does not agree to reorganization plan No. I should be adopted. [Applause.]

Mr. COCHRAN. Mr. Chairman, has the gentleman from New York concluded?

Mr. TABER. Yes.

Mr. COCHRAN. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. WARREN], and then will ask that the Clerk read the bill.

Mr. WARREN. Mr. Chairman, on April 25, immediately after the President sent his message to the Congress, accompanied by reorganization plan No. I, the gentleman from New York [Mr. TABER] took the floor and denounced the plan as bad. Because he said it was bad does not necessarily make it so. Immediately upon the conclusion of his statement on that day I took the floor and pronounced it good and said that the President had done a magnificent job. Because I said it was good does not make it good.

The difference, however, was this: The gentleman from New York was straining his ears to hear the message, and when he made the statement he had never even read the reorganization order itself, while I had had the advantage of knowing several days in advance just what was in the order and had had full time to study and analyze it. Since then any Member of the House who was sufficiently interested has had ample time to consider this whole question thoroughly.

As I previously stated during the remarks of the gentleman from Massachusetts [Mr. GIFFORD], this situation, calling up this matter today, is not of our making. The gentleman from New York did not wait 40 or 50 days from the time the order came in, but was so determinedly opposed to it that he immediately rushed in and offered the resolution to stop the reorganization plan. Under the very stringent rules to guarantee a vote and full expression by those who might be opposed to it, of course, this matter had to come up certainly between now and Monday.

I had hoped so much that we would reach some phase of the whole question of reorganization where it would not be treated solely as a partisan question, but the new leader of the minority, who has just preceded me, the gentleman from Oregon [Mr. MOTT], presumably speaking for others in his party, has told us that it is a partisan question and that the Republicans will vote accordingly.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. WARREN. Yes; I yield.

Mr. MOTT. The gentleman heard me state very plainly, I am sure, that in making that statement I was speaking on my own responsibility and was stating my opinion.

Mr. WARREN. Yes.

Mr. MOTT. I also ventured the guess that my opinion would be found to be correct when the vote came. That is what I stated, but that is not what the gentleman quoted me as stating.

Mr. WARREN. I am afraid the gentleman's opinion is going to be correct.

Mr. MOTT. Now, let me ask the gentleman a question. Does not the gentleman agree with me that this vote will be upon party lines?

Mr. WARREN. I am not putting it upon party lines, I assure the gentleman; not at all.

Mr. MOTT. That is not answering my question.

Mr. WARREN. Nor did I make the vote when we passed this bill on party lines; nor did I appeal to the Democrats of this House until we had seen it made an almost entirely partisan issue on that side.

Since my time is limited, I cannot yield any more.

Mr. MOTT. Will the gentleman answer that question?

Mr. WARREN. I cannot yield any more.

I criticize no one for his vote on any matter that arises here. I criticize no position that anyone may take on any matter of legislation. I am always willing to accord the same sincerity of purpose to any man or woman in this House that I would like to have accorded to me. But for years now we have all been prating about the necessity of governmental reorganization. We have recognized our inability to do it.

We have authorized the President to do it under certain restrictions and limitations and subject to our disapproval. He has acted with promptness and dispatch. It would be humanly impossible for the President or for any Member of Congress to write an order that would please everyone. There is no doubt some feature in the order now under consideration does not appeal to some Member of the House, and some of the features do not personally appeal to me, but the more I study this order as a whole the more I marvel at its basic reasoning and its desire to follow the mandate of Congress to promote efficiency and economy and to eliminate duplication and overlapping. It has met with widespread approval. The press of the country, regardless of party affiliation, students of government, business, and a large majority of the Congress have hailed it as a great forward step. Regardless of whether anyone disagrees with the method provided, surely a vote to overturn this order can only be construed as a vote against any form of Government reorganization whatever. The value of the order must be proven in the months to come after it goes into effect. Certainly the coordinator over each new agency must make an exhaustive study. Then we can best see what can be saved and what can be eliminated, and what efficiency we may secure. If it should develop that some regrouping or some transfer does not prove feasible, then it may be quickly changed by another order or by the Congress itself.

Mr. Chairman, this is one of a series of probably about five orders. It is my opinion that all of them will not be presented at this session. There are certain transfers and regroupings that in their very nature must have careful study, and the whole job should not be expected in a few weeks. The order now under consideration is a splendid start. It is entitled to our wholehearted support. When we get back here in January we will probably be in a position then to gage its full effects.

Mr. Chairman, I shall now yield the floor to the gentleman from Missouri so he may move that the Committee rise, and we will call the roll. Those who are in favor of this plan going into effect should vote "no" when we go back into the House. [Applause.]

Mr. COCHRAN. Mr. Chairman, I ask that the Clerk read the resolution.

The CHAIRMAN. The Clerk will read the resolution.

The Clerk read as follows:

House Concurrent Resolution 19

Resolved by the House of Representatives (the Senate concurring), That the Congress does not favor the Reorganization Plan No. I, transmitted to Congress by the President on April 25, 1939.

Mr. COCHRAN. Mr. Chairman, I move that the Committee do now rise and report House Concurrent Resolution 19 back to the House with the recommendation that it not be agreed to.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McGRANERY, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration House Concurrent Resolution 19, had directed him to report the same back to the House with the recommendation that it be not agreed to.

Mr. COCHRAN. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the concurrent resolution.

Mr. COCHRAN and Mr. TABER demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 128, nays 265, answered "present" 2, not voting 35, as follows:

[Roll No. 64]

YEAS—128

Allen, Ill.	Arends	Bender	Bradley, Mich.
Andersen, H. Carl	Austin	Blackney	Brewster
Andresen, A. H.	Ball	Bolles	Brown, Ohio
Angell	Bates, Mass.	Bolton	Carlson
Carter	Grant, Ind.	Lord	Sandager
Chiperfield	Griswold	McDowell	Schafer, Wis.
Church	Gross	Maas	Schiffler
Clason	Guyer, Kans.	Marshall	Seccombe
Clevenger	Gwynne	Martin, Iowa	Shafer, Mich.
Crawford	Hall	Martin, Mass.	Short
Crowther	Halleck	Mason	Simpson
Culkin	Harness	Michener	Smith, Maine
Curtis	Hawks	Monkiewicz	Smith, Ohio
Darrow	Heinke	Mott	Springer
Dirksen	Hess	Murray	Sumner, Ill.
Ditter	Hinshaw	O'Brien	Taber
Dondero	Hoffman	Oliver	Talle
Douglas	Holmes	Pierce, N. Y.	Taylor, Tenn.
Dowell	Jarrett	Pittenger	Thill
Dworshak	Jeffries	Plumley	Tibbott
Eaton, N. J.	Jenkins, Ohio	Powers	Tinkham
Elston	Jensen	Reed, Ill.	Treadway
Englebright	Johns	Reed, N. Y.	Van Zandt
Fenton	Johnson, Ill.	Rees, Kans.	Vorys, Ohio
Fish	Johnson, Ind.	Rich	Wheat
Ford, Leland M.	Jones, Ohio	Risk	Wigglesworth
Gamble	Keefe	Robsion, Ky.	Williams, Del.
Gartner	Kinzer	Rockefeller	Winter
Gifford	Lambertson	Rodgers, Pa.	Wolcott
Gilchrist	Landis	Rogers, Mass.	Wolfenden, Pa.
Gillie	LeCompte	Routzohn	Woodruff, Mich.
Graham	Lewis, Ohio	Rutherford	Youngdahl

NAYS—265

Allen, La.	Doxey	Kilday	Poage
Allen, Pa.	Drewry	Kirwan	Polk
Anderson, Calif.	Duncan	Kitchens	Rabaut
Anderson, Mo.	Dunn	Kleberg	Ramspeck
Andrews	Durham	Knutson	Randolph
Ashbrook	Eaton, Calif.	Kocialkowski	Rankin
Barden	Eberharter	Kramer	Rayburn
Barnes	Edmiston	Kunkel	Reece, Tenn.
Barry	Elliott	Lanham	Richards
Barton	Ellis	Larrabee	Robertson
Bates, Ky.	Engel	Lea	Robinson, Utah
Beam	Evans	Leavy	Rogers, Okla.
Beckworth	Faddis	Lemke	Romjue
Bell	Fay	Lesinski	Ryan
Bland	Fernandez	Lewis, Colo.	Sacks
Bloom	Fitzpatrick	Luce	Sasscer
Boehne	Flaherty	Ludlow	Satterfield
Boland	Flannery	McAndrews	Schaefer, Ill.
Boren	Folger	McArdle	Schuetz
Boykin	Ford, Miss.	McCormack	Schulte
Bradley, Pa.	Ford, Thomas F.	McGehee	Schwert
Brooks	Fries	McGranery	Scrugham
Brown, Ga.	Garrett	McKeough	Secrest
Bryson	Gathings	McLaughlin	Seger
Buckler, Minn.	Gavagan	McLean	Shanley
Buckley, N. Y.	Gearhart	McLeod	Sheppard
Burch	Gehrmann	McMillan, John L.	Smith, Conn.
Burgin	Gerlach	McMillan, Thos. S.	Smith, Ill.
Byrne, N. Y.	Geyer, Calif.	Maciejewski	Smith, Va.
Byrns, Tenn.	Gibbs	Magnuson	Smith, Wash.
Byron	Gore	Mahon	Snyder
Caldwell	Gossett	Maloney	Somers, N. Y.
Cannon, Fla.	Grant, Ala.	Mapes	South
Cannon, Mo.	Green	Marcantonio	Sparkman
Cartwright	Gregory	Martin, Colo.	Spence
Case, S. Dak.	Griffith	Martin, Ill.	Starnes, Ala.
Casey, Mass.	Hancock	Massingale	Steagall
Celler	Hare	May	Stefan
Chandler	Harrington	Merritt	Sutphin
Chapman	Hart	Miller	Sweeney
Clark	Harter, N. Y.	Mills, Ark.	Tarver
Claypool	Harter, Ohio	Mills, La.	Taylor, Colo.
Cochran	Havenner	Mitchell	Tenerowicz
Coffee, Nebr.	Hendricks	Monroney	Thomas, N. J.
Coffee, Wash.	Hennings	Moser	Thomas, Tex.
Cole, Md.	Hill	Mouton	Thomason
Cole, N. Y.	Hobbs	Murdock, Ariz.	Tolan
Collins	Hook	Murdock, Utah	Vincent, Ky.
Colmer	Hope	Nelson	Vinson, Ga.
Connery	Houston	Nichols	Voorhis, Calif.
Cooley	Hull	Norrell	Vreeland
Cooper	Hunter	Norton	Wallgren
Costello	Izac	O'Connor	Walter
Cox	Jacobsen	O'Day	Warren
Creal	Jarman	O'Leary	Weaver
Crosser	Johnson, Luther A.	O'Neal	West
Crowe	Johnson, Lyndon	O'Toole	Whelchel
Cullen	Johnson, W. Va.	Owen	White, Ohio
Cummings	Jones, Tex.	Pace	Whittington
D'Alesandro	Kean	Parsons	Williams, Mo.
Darden	Kee	Patman	Wolverton, N. J.
Dempsey	Keller	Patrick	Wood
DeRouen	Kennedy, Martin	Patton	Woodrum, Va.
Dickstein	Kennedy, Md.	Pearson	Zimmerman
Dingell	Kennedy, Michael	Peterson, Ga.	
Disney	Keogh	Pfeifer	
Doughton	Kerr	Pierce, Oreg.	

ANSWERED "PRESENT"—2

Alexander Thorkelson

NOT VOTING—35

Arnold	Burdick	Curley	Ferguson
Buck	Cluett	Delaney	Flannagan
Bulwinkle	Corbett	Dies	Fulmer

Hartley	McReynolds	Sabath	Sumners, Tex.
Healey	Mansfield	Shannon	Terry
Horton	Mundt	Sirovich	Wadsworth
Jenks, N. H.	Myers	Smith, W. Va.	Welch
Johnson, Okla.	Osmers	Stearns, N. H.	White, Idaho
Kelly	Peterson, Fla.	Sullivan	

So the concurrent resolution was rejected.

The Clerk announced the following pairs:

General pairs:

Mr. Sullivan with Mr. Wadsworth.
Mr. Kelly with Mr. Mundt.
Mr. Buck with Mr. Hartley.
Mr. Delaney with Mr. Jenks of New Hampshire.
Mr. Arnold with Mr. Osmers.
Mr. Bulwinkle with Mr. Cluett.
Mr. Dies with Mr. Corbett.
Mr. Mansfield with Mr. Stearns of New Hampshire.
Mr. Sumners of Texas with Mr. Horton.
Mr. McReynolds with Mr. Welch.
Mr. Fulmer with Mr. Burdick.
Mr. Peterson of Florida with Mr. Curley.
Mr. Ferguson with Mr. Shannon.
Mr. Terry with Mr. Healey.
Mr. Sabath with Mr. Smith of West Virginia.
Mr. Myers with Mr. White of Idaho.
Mr. Flannagan with Mr. Sirovich.

The result of the vote was announced as above recorded.

PERMISSION TO ADDRESS THE HOUSE

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, I think if there is a man in public life who has been treated kindly by the press, including the columnists, I might qualify, and I am deeply grateful that that is the fact.

On last evening, speaking before the Junior Chamber of Commerce of Gastonia, N. C., I did not mention in my speech the names Republican, Democrat, and in no wise did I make any statement that might be considered as partisan or critical of any human being alive.

I have in my hand a dispatch from Gastonia, N. C., published in many of the papers because it came to them, from which I read the following:

RAYBURN told the annual junior chamber of commerce meeting that many Washington columnists spy and lie for sensational effect.

I did not use the word "spy" or "lie" in reference to columnists or anybody else. I did not utter one unkind word about a columnist or any other writer. So this statement emanating from Gastonia, N. C., is an infamous and diabolical distortion of the truth. [Applause.]

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two particulars, to include a radio address to be delivered tonight over the National Broadcasting System by our colleague, the gentleman from Massachusetts [Mr. MCCORMACK] and myself, and also in connection with my remarks on the subject of neutrality.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CONSTRUCTION OF RESERVOIRS ON THE GRAND (NEOSHO) RIVER

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to withdraw the bill (H. R. 6078) to authorize the construction of reservoirs at Markhams Ferry and Fort Gibson on the Grand (Neosho) River for flood control and other purposes, introduced yesterday by myself.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

EXPLANATION OF VOTE

Mr. WHITE of Idaho. Mr. Speaker, I desire to announce that I was absent from the Chamber on urgent departmental business and missed voting on the concurrent resolution. Had I been present I would have voted against the concurrent resolution and in favor of the reorganization.

EXTENSION OF REMARKS

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a statement given by General Tyler to the Flood Control Committee yesterday on the question of flood control.

The SPEAKER. Is there objection?

There was no objection.

Mr. MICHAEL J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an editorial on the Pulitzer prize.

The SPEAKER. Is there objection?

There was no objection.

Mr. DUNN. Mr. Speaker, I ask unanimous consent to insert in the RECORD a bill I introduced just now.

The SPEAKER. Is there objection?

There was no objection.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Colorado. Mr. Speaker, on Friday next, after the regular order of business, and any special orders that have been entered, I ask unanimous consent that I may be allowed to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a radio address delivered by myself.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a letter from a friend of mine.

The SPEAKER. Is there objection?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a newspaper article of national educational value concerning the National Capital.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter addressed to Senator REYNOLDS, of North Carolina, by the publisher of the New York Inquirer. I am doing this with the Senator's permission.

The SPEAKER. Is there objection?

There was no objection.

DEATH OF THE SON OF HON. E. H. CRUMP, FORMER REPRESENTATIVE

Mr. CHANDLER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. CHANDLER. Mr. Speaker, Members of the House who served in the Seventy-second and Seventy-third Congresses with my predecessor, Hon. E. H. Crump, of Memphis, will learn with keen regret of the tragic death of his son, John Crump, on yesterday evening in an airplane accident. I mentioned the sad occurrence to some of our colleagues who are friends of former Representative Crump and found that they knew nothing of it, and I thought that it would be appropriate to mention it on the floor so that those who would want to communicate with Mr. Crump could do so.

The young man was a passenger in an airplane that was in the act of landing at Grenada, Miss., where Mr. John Crump was to extend an invitation on behalf of the city of Memphis, and in trying to avoid running over some children who had crowded onto the field the plane turned over and took fire, and the three occupants were burned to death.

John Crump was a splendid young man, of fine character, of great promise in the business world, and popular through-

out the South. His father is one of the distinguished citizens of our country, and no man in the House while he was here was more highly regarded than the Honorable E. H. Crump. He and his family have the sympathy of us all in their overwhelming loss.

[Here the gavel fell.]

The SPEAKER. Under the special order of the House heretofore entered, the gentleman from New York [Mr. DICKSTEIN] is recognized for 20 minutes.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, in view of the lateness of the hour I shall not address the House this evening, but ask unanimous consent that on Tuesday next, after the disposition of the legislative program for the day, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CORRECTION OF ROLL CALL

Mr. CRAWFORD. On roll call No. 60 I am paired against the veterans' bill. I was not present on the floor of the House when the roll was called and I had not left any arrangement for a special or general pair.

I ask unanimous consent that the Journal and the RECORD may be corrected accordingly.

The SPEAKER. Without objection, the RECORD and the Journal will be corrected accordingly.

There was no objection.

The SPEAKER. Under the special order of the House heretofore made, the gentleman from West Virginia [Mr. SCHIFFLER] is recognized to address the House for 20 minutes.

TARIFF POLICIES OF THE UNITED STATES

Mr. SCHIFFLER. Mr. Speaker, I rise to speak with regard to the protective tariff on imports, an issue that is at this time interwoven with our foreign policies and of vital importance to every American citizen. The retention of our domestic markets is far more important to the welfare of the American people than is the attempted capture of ever-changing foreign markets. Our total exports last year, stimulated by war conditions and the purchases to sustain warfare, were approximately $3,000,000,000. Our gross national income was about $66,000,000,000. Therefore, our total collections from exports contributing to our national income were less than 4 percent of such national income.

Our tariff policies date to the founding of our Republic, and the first protective-tariff law was approved and signed by President George Washington July 4, 1789. This act was supported by Mr. Madison, afterward President of the United States, and was in its preamble declared to be "for the support of the Government, for the discharge of the debt of the United States, and for the encouragement and protection of manufacturers." Thus from the very inception of our Government it was recognized by the Congress and the President that "protection of manufacturers" was fundamentally essential to the industrial and economic life of the Republic. This law was passed by the unanimous vote of the Senate and by a majority in the ratio of more than 5 to 1 in the House of Representatives.

From the time of the adoption of the first tariff and the beginning of the War of 1812, 12 additional tariff acts were passed, which generally increased the rate of duty and added to the protective power of such tariffs. In his message of December 1795 to the Congress, President Washington said "our agriculture, commerce, and manufacture are prospering beyond former example," and again, "every part of the Union displaying indications of rapid and various improvement with burden so light as scarcely to be perceived." In his message of 1796, the Father of his Country urged upon Congress "the necessity of accelerating the establishment of certain useful manufactures by the intervention of legislative aid and protection."

In his first message delivered in December 1801, Thomas Jefferson congratulated Congress upon the revenues derived from tariff duties and suggested that "there is now reasonable ground for confidence that we may safely dispense with all internal taxes."

By reason of the embargo during the year 1812, and during the period ending in 1815, the country made great strides in its development. American manufacturers and agriculturists were in very prosperous condition. Until this time little or no controversy arose between the Democratic statesmen and the Whig statesmen regarding the tariff policies. From 1816 until 1824, due to various changes both in the internal policy and in the tariff protective policy, considerable distress was experienced. This led to a difference as to the causes of such distress. In 1828 a still more effective tariff measure was passed. Following this, a southern hostility began to develop against the protective-tariff policy, and Mr. Calhoun, then the great Democratic leader, who had been an original protectionist, and concluding that manufactures could not be established in the planting States in the South, and that free labor and slave labor could not be made to harmonize, advocated and was successful in having enacted into law in 1833 a tariff bill which provided, over a 10-year period, for a sliding scale downward. This resulted in disaster in 1837 and contributed largely to that outstanding panic, which resulted in forced sales of farms and other property throughout the country, with thousands of men out of work and thousands of others toiling for 25 cents a day or less, and accompanying distress among the people.

Our foreign policies for nearly 150 years and our domestic policy with respect to imports and exports and the protection of American agriculture, labor, and industry are fundamentally identified and correlated to such extent that the future policy and preservation of our Nation depend upon the strict and unbiased observance of these principles. I am firmly convinced that the adherence to our Constitution, to the foreign policy and conduct inaugurated and advised by President Washington, and the tariff policy which was enacted into law by the First Congress with the approval of President Washington are the keystones to a revival of American progress and prosperity. Abandon constitutional government by whatsoever method or device and in lieu thereof we inevitably cannot avoid dictatorship; forsake the advice of President Washington by meddling in the affairs of foreign nations and by entering into alliances and agreements with them, and we shall pay with the precious lives of our boys, not to mention the incalculable suffering and monetary losses; abolish our protective-tariff policy, under whatsoever guise, whether by substituting so-called reciprocal-trade treaties, establishing a barter or trade system, or in any other manner, and the inevitable result is widespread unemployment of men and women in industry and a paralysis and collapse of our agriculture.

Partly through the reciprocal-trade agreements and by reason of the fact that we have traded ourselves out of markets, comes the outstanding fact that our recovery in the family of nations affected by the world-wide condition of 1929 and 1930 is down to fourteenth, and in a large measure is due to the abandonment of our tried and proven protective-tariff policies, as well as of other innovations in our system of government not contemplated by the Constitution. There remains unemployed approximately 12,000,000 men and women, who, in part, are compelled to accept relief, or employment at the hands of the Government at low and un-American rates of pay. Such wages do not sustain a standard of living as is regarded necessary to maintain a free American citizen and family, neither does it create the volume of purchasing power essential to maintain a prosperous America.

The more quickly that we, as the representatives of the people, recognize these deficiencies and inaugurate proper, progressive, and protective methods that will result in the reemployment in private industry of the unemployed men and women at the American standard of wages, just so soon shall we bring back prosperity, contentment, and sound progress to our people. Equally so, just as soon shall we destroy the seed of discontent which breeds the "isms" that are so much discussed and so violently loathed by every patriotic American citizen. It might also be observed that so long as

we fail to recognize that unemployment and distress are the fertile soil which breeds discontent and fanciful panaceas in the minds of the people, that anything which promises betterment, notwithstanding how fanciful and impracticable, is blindly followed with the hope that such is the remedy. In America obnoxious "isms" are developed by reason of unemployment and distress, and not, as in most countries, by reason of religious and political persecutions. Our constitutional Government is the most equitable and just yet devised by the mind of man. Permanent employment at good wages, with the opportunity for leisure and recreation, and no "ism" yet conceived, finds favor and support among intelligent American workers.

One of the important immediate steps in our economic and political life, and one that will make a profound difference in our prosperity, is the immediate abolishment of the so-called reciprocal-trade agreements and the establishment, through proper orderly processes, of protective tariffs upon all competitive manufactured commodities and farm products. Unfortunately, the fundamental policy which actuated the negotiation and entering into the reciprocal-trade agreements is highly illusory and fanciful. Such being predicated upon the idealistic theory that the removal of the so-called trade barriers by the giving away of American markets to foreign manufactured goods and commodities and foreign-grown agricultural products and livestock, would promote and produce world-wide peace among nations.

For more than 3 years we have pursued such policies and urged the balance of civilized nations, with whom we transacted business, to sit at the table of peace while we bartered away much of our markets in exchange for their good will and peace. This policy was false and unsound and is well evidenced by the economic and military aggressions the world over. Ominous for several months is the threat of a world conflagration that threatens to ensue at any moment. Experts predicted that such will rapidly destroy the constructive efforts of mankind attained after 2,000 years of constant effort and labor. This is the situation that faces American industry, agriculture, and labor after having made gratuities of American jobs and markets to those dovelike nations.

Having this experience and acting as ordinary prudent men and women, and holding the light of such experience as our guide, it is high time for us to turn to our fundamental American practices, in that we shall make America safe and prosperous for American farmers, workers, and industry. The future of American institutions and ideals which are seriously and eminently threatened, by the practice of internationalism rather than nationalism, require, and it is a solemn duty of every patriotic liberty-loving American citizen, to reestablish and reaffirm his allegiance to our Constitution and the institutions promoted and fostered by such.

There exists today no sectional difference on the issue of protective tariff. Well meaning and intelligent thought discloses that such is just as important for the protection of the cotton grower of the South as for the wheat and corn growers of the West; the cattle and sheep men of Texas and Wyoming and the grape and potato growers of California and Maine; equally as important for the textile and shoe manufacturer of New York and Massachusetts as for the glass and pottery manufacturer of West Virginia, Ohio, and New Jersey.

Our men and women now unemployed must be placed in jobs. A protective tariff will in a large measure aid in that. We must stop the Messianic attitude toward the world and protect our Americans by providing these jobs and this encouragement and protection to agriculture and industry.

It would be superfluous for me to recite numerous figures intended to demonstrate the difference in wages paid in the United States and other countries, as well as the differences in other elements entering into the cost of manufactured and grown commodities. Such are easily available and doubtless you are familiar with them. Suffice it is for me to say that the American farmer and the American manufacturer cannot grow and produce commodities that can be sold at any profit, in competition with the same articles grown and manufactured in nearly every other country on earth. Compare the labor costs of a Japanese girl, employed in a cotton-textile plant where she is paid 2½ cents per hour, as against an American girl employed in the same type of plant and who receives not less than 25 cents per hour, and in many instances more. Recognizing labor cost as one of the important elements in all manufactured and grown commodities, it is quite easy for us to discover that under no imaginable circumstances can the American manufacturer compete with the manufacturer of Japan, England, Belgium, France, and other countries where raw materials are cheaper, labor costs a fraction of those of the United States, and transportation charges comparatively small.

A ton of steel can be shipped from Liverpool to New York or Montreal more cheaply than it can be sent by rail from Pittsburgh to New York. However, I shall not burden you with matters already known to you, or easily discovered by only a most casual examination. Are we going to abandon the present high standard of living of American workers after preserving and protecting such for 150 years, and force our workers to subsist upon wages comparable to those received in foreign nations, and accordingly so lower the purchasing power of the workers' income and thereby completely demoralize and collapse the American economic system? If so, to what lower standard must they go? Shall it be the low paid and meagerly supported peasant and factory laborer of Europe who subsist from year to year upon only the meager necessities of life, or shall it be to the still much lower standard of the Far East, where malnutrition is widespread and only the barest necessities are obtainable for a day's labor? I reply, most emphatically, no. The American standard of living with an abundance of necessities of life and with ample time for leisure and recreation has been established, tried, and proven, and is yet easily available and cannot be abandoned. To countenance such would be a crime against God and our civilization. The constitutional form of our Government has well proven its worth and solidity. The economic system of the United States under such will sustain its position if permitted to do so without interference and with encouragement, and likewise American labor, as a part of such, cannot be let down.

Divine Providence endowed this Nation with every conceivable resource for an abundant and contented life for its citizens. Today we possess all such gifts. Money and credit remain idle; millions of men and women are unemployed, and natural resources are plentiful. The regret is that these have been ill-managed by the constituted leaders of men. It is not too late for action. We still possess the remedies. It is our sworn duty to apply sound and progressive policies to aid and encourage our people. I do not claim the adoption of a sound protective tariff to be a complete remedy for all our economic ills; I do claim, however, that it is one of the most important essentials, and as such, will contribute much to restoring a prosperous condition in our Nation.

I represent the First West Virginia District, which is one of the most highly industrialized districts in the United States. Glassware, potteryware, steel, cotton, textiles, aluminum and enamelware, tin plate, zinc, and tobacco, as well as various other commodities are manufactured. Our prosperity and success depend upon the proper tariff protection. When such tariffs are low and nonrestrictive of imports thousands of men and women from these industries are laid off. It is this type of worker that constitutes the backbone of American civilization, and it is to them that I feel an obligation of providing adequate tariff protection and of recovering their positions which have, by the process of reciprocal-trade agreements, been transferred to foreign soil.

I have introduced bills, known as H. R. 3372 and H. R. 3373, respectively, the former proposing to refer the tariff question to the Committee on Ways and Means for study of our tariff problem with a view of making recommendations for new tariffs, and the latter having for its object the abolition of the existing reciprocal-trade agreements, which are now and have been since January 30, 1939, pending before the Committee on Ways and Means.

I implore you members of the Committee on Ways and Means to give to these measures your immediate and energetic support in order that the Members of the House of Representatives may have an opportunity to vote on them.

As the elected leaders of a great nation, endowed by divine Providence, with an abundance of all things necessary for a happy, peaceful, and prosperous land, it is our solemn duty, without bias or prejudice, to courageously provide by sound legislation the means whereby our people are restored to prosperity by restoring jobs to make them happy and contented. [Applause.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CLAYPOOL, for 2 days, on account of important business.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 685. An act to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes; to the Committee on Rivers and Harbors.

S. 2065. An act to provide for the regulation of the sale of certain securities in interstate and foreign commerce and through the mails, and the regulation of the trust indentures under which the same are issued, and for other purposes; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 4492. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H. R. 4492. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes; and

H. J. Res. 279. Joint resolution making supplemental appropriations for printing and binding and stationery for the Treasury Department for the fiscal year ending June 30, 1939.

ADJOURNMENT

Mr. COCHRAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 49 minutes p. m.) the House adjourned until tomorrow, Thursday, May 4, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON ROADS

The meeting of the Roads Committee originally called for Tuesday, May 2, 1939, at 10 a. m., has been postponed until Thursday, May 4, 1939, at 10 a. m.

COMMITTEE ON LABOR

The Committee on Labor will hold a hearing in the caucus room of the House Office Building at 10:30 a. m. Thursday, May 4, 1939, on proposed amendments to the National Labor Relations Act.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Thursday, May 4, 1939, at 10 a. m., on H. R. 4650, making electricians licensed officers; and H. R. 5130, merchant marine bill, 1939. Hearings will be held on sections 1, 3, 5 to 11. Sections 2, 4, and 12 will be heard at some later date.

On Wednesday, May 10, 1939, at 10 a. m., on H. R. 4051, relating to hiring of seamen on Government vessels.

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4985, relating to fishery educational service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Monday, May 8, 1939, at 10:30 a. m. to hold hearings on the project for the waterway connecting the Tombigbee and Tennessee Rivers.

COMMITTEE ON THE JUDICIARY

There will be a hearing before Subcommittee No. 2 of the Committee on the Judiciary on Tuesday, May 9, 1939, at 10 a. m., on the bill (H. R. 4587) to give the Supreme Court of the United States authority to prescribe rules of pleading, practice, and procedure with respect to proceedings in criminal cases prior to and including verdict or finding or plea of guilty. Room 346, House Office Building.

There will be a public hearing before Subcommittee No. 1 of the Committee on the Judiciary on Wednesday, May 10, 1939, at 10:30 a. m., on House Joint Resolution 190, to make available to the Federal Government the facilities of the Council of State Governments, and for other purposes. Room 346, House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

692. A letter from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1940, amounting to $500 for the Supreme Court of the United States (H. Doc. No. 278); to the Committee on Appropriations and ordered to be printed.

693. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill to establish the status of funds and employees of the United States Naval Academy laundry; to the Committee on Naval Affairs.

694. A letter from the Secretary of War, transmitting a report in detail showing the expenditures made by the War Department in connection with the observance of the seventy-fifth anniversary of the Battle of Gettysburg; to the Committee on Expenditures in the Executive Departments.

695. A letter from the Acting Chairman of the Securities and Exchange Commission, transmitting chapter I and a section of chapter II of part 3 of the Securities and Exchange Commission's report on the study of investment trusts and investment companies made pursuant to section 30 of the Public Utility Holding Company Act of 1935 (H. Doc. No. 279); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

696. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers on a preliminary examination of Contentnea Creek, N. C., authorized by the Flood Control Act approved June 22, 1936, and Contentnea Creek, N. C., from a point near Wilson to its confluence with the Neuse River, authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Flood Control.

697. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Cannon River, Minn., authorized by the Flood Control Act approved June 22, 1936; to the Committee on Flood Control.

698. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Chefuncte River and Bogue Falia, La., authorized by the River and Harbor Act approved June 20, 1938; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 4745. A bill relating to benefit assessments from condemnation proceedings for the opening, extension, widening, or straightening of alleys or minor streets; without amendment (Rept. No. 532). Referred to the Committee of the Whole House on the state of the Union.

Mr. JARMAN: Committee on Printing. Senate Concurrent Resolution 6. Concurrent resolution providing for the printing of additional copies of the hearings held before the Special Committee on Taxation of Governmental Securities and Salaries; without amendment (Rept. No. 533). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAMSPECK: Committee on the Civil Service. H. R. 960. A bill extending the classified executive civil service of the United States; with amendment (Rept. No. 534). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURCH: Committee on the Post Office and Post Roads. H. R. 1827. A bill to allow moving expenses to employees in the Railway Mail Service; with amendment (Rept. No. 535). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 5801. A bill to grant permission for the construction, maintenance, and use of a certain underground conduit for electrical lines in the District of Columbia; without amendment (Rept. No. 536). Referred to the Committee of the Whole House on the state of the Union.

Mr. SUMNERS of Texas: Committee on the Judiciary. H. R. 5939. A bill to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges; without amendment (Rept. No. 537). Referred to the Committee of the Whole House on the state of the Union.

Mr. COFFEE of Nebraska: Committee on Agriculture. H. R. 5625. A bill to regulate interstate and foreign commerce in seeds; to require labeling, and to prevent misrepresentation of seeds in interstate commerce; to require certain standards with respect to certain imported seeds; and for other purposes; with amendment (Rept. No. 538). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 5357) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States; Committee on Claims discharged, and referred to the Committee on the Public Lands.

A bill (H. R. 5742) for the relief of Leon Frederick Ruggles; Committee on Claims discharged, and referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DICKSTEIN:

H. R. 6127. A bill to revise and codify the nationality laws of the United States into a comprehensive nationality code; to the Committee on Immigration and Naturalization.

By Mr. LEA:

H. R. 6128. A bill to amend section 601 (c) of the Revenue Act of 1932, as amended, to provide for an excise tax on eggs and egg products; to the Committee on Ways and Means.

By Mr. MAAS:

H. R. 6129. A bill to restore to the widows of the Regular Establishment the marriage privileges taken away by the Economy Act; to the Committee on Invalid Pensions.

By Mr. McCORMACK:

H. R. 6130. A bill to provide for mandatory or compulsory inspection and permissive or voluntary grading of fish, fishery products, fishery byproducts, shellfish, crustacea, seaweeds, and all other aquatic forms of animal and vegetable life and the products and byproducts thereof, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MURDOCK of Arizona:

H. R. 6131. A bill for the purpose of creating a Mines Finance Commission, defining its duties, establishing its salaries, defining and establishing its authority, defining the qualifications of its commissioners, providing for its operation and authorizing funds to carry on its purposes, and to encourage production of commercial and strategic minerals; to the Committee on Banking and Currency.

By Mr. VINCENT of Kentucky:

H. R. 6132. A bill for the erection of a memorial to the memory of Corp. James Bethel Gresham in McLean County, Ky.; to the Committee on the Library.

By Mr. IGLESIAS:

H. R. 6133 (by request). A bill to compensate certain Puerto Rican citizens of the United States for services rendered the United States in the World War; to the Committee on War Claims.

By Mr. PIERCE of New York:

H. R. 6134. A bill to exempt from the tariff laws products of certain farms situated partly within the Dominion of Canada but owned and operated by natural citizens and residents of the United States; to the Committee on Ways and Means.

By Mr. CARTWRIGHT:

H. R. 6135. A bill to regulate the times and places of holding court in Oklahoma; to the Committee on the Judiciary.

By Mr. EATON of California:

H. R. 6136. A bill to amend the act entitled "An act for the establishment of marine schools, and for other purposes," approved March 4, 1911 (36 Stat. 1353; 34 U. S. C. 1122), so as to authorize an appropriation of $50,000 annually to aid in the maintenance and support of marine schools; to the Committee on Merchant Marine and Fisheries.

By Mr. LEA:

H. R. 6137. A bill to establish the position of Under Secretary in the Department of Commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. LEMKE:

H. R. 6138. A bill providing that the United States Government and all of its departments and agencies and all Federal corporations shall be bound by the State statutes of limitations; to the Committee on the Judiciary.

By Mr. DISNEY:

H. R. 6139. A bill to authorize the construction of reservoirs at Markhams Ferry and Fort Gibson, on the Grand (Neosho) River for flood control, and other purposes; to the Committee on Flood Control.

By Mr. DUNN:

H. R. 6140. A bill to abolish chain-gang systems, dungeons, and inhuman treatment of prison inmates, and for other purposes; to the Committee on the Judiciary.

By Mr. McLEOD:

H. R. 6141. A bill for the relief of the depositors of the First National Bank, Detroit, Mich.; to the Committee on Banking and Currency.

By Mr. ANGELL:

H. J. Res. 284. Joint resolution proposing an amendment to the Constitution of the United States relating to old-age assistance; to the Committee on the Judiciary.

By Mr. MARCANTONIO:

H. J. Res. 285. Joint resolution providing for cancelation of loans made to farmers of Puerto Rico by the Puerto Rican Hurricane Relief Commission or its successor, and for other purposes; to the Committee on Insular Affairs.

By Mr. MARTIN J. KENNEDY:

H. Con. Res. 21. Concurrent resolution against the declaration of war; to the Committee on Foreign Affairs.

By Mr. LELAND M. FORD:

H. Res. 179. Resolution withholding relief benefits from those engaging in un-American activities; to the Committee on Appropriations.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to consider their Senate Joint Resolution No. 9 to provide by law that dairy products be made a basic commodity; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to adopt House bill 4723, to correct the military record of Oberlin M. Carter; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GAMBLE:

H. R. 6142. A bill granting a pension to Emma Grogan; to the Committee on Pensions.

By Mr. HOFFMAN:

H. R. 6143. A bill granting a pension to Ellen Soverign; to the Committee on Invalid Pensions.

By Mr. MAY:

H. R. 6144. A bill granting a pension to Chester Cornett; to the Committee on Pensions.

H. R. 6145. A bill for the relief of Elizabeth L. Riley; to the Committee on Claims.

H. R. 6146. A bill granting a pension to George W. Grigsby; to the Committee on Pensions.

By Mr. PIERCE of New York:

H. R. 6147. A bill granting an increase of pension to Martha Vroman; to the Committee on Invalid Pensions.

By Mr. TALLE:

H. R. 6148. A bill for the relief of Carl Swanson, Geraldine Cecelia Swanson, a minor, and Almer Swanson; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2847. By Mr. BOLLES: Petition of the Izaak Walton League of Albany, Wis., supporting the purposes of the Pittman-Robertson Act by setting aside the full amount of excise tax on sporting goods for conservation purposes only; to the Committee on Appropriations.

2848. By Mr. BUCKLEY of New York: Petition of the Norwood Democratic Club of Bronx, N. Y., favoring support of any neutrality act or bill; to the Committee on Foreign Affairs.

2849. By Mr. DOWELL: Concurrent resolution by the House of Representatives of the Iowa Legislature, taken from the pages of the journal of the House of Representatives of the Iowa Legislature, showing record and passage by that body of House Concurrent Resolution 24, memorializing the Congress of the United States in the interest of the general welfare bill (H. R. 2); to the Committee on Ways and Means.

2850. By Mr. JOHNSON of Illinois: Petition of 76 citizens of the Fourteenth District of Illinois; to the Committee on Foreign Affairs.

2851. By Mr. MARTIN J. KENNEDY: Petition of the National Coal Association, Washington, D. C., concerning payroll taxes under the Social Security Act; to the Committee on Ways and Means.

2852. Also, petition of the Amalgamated Clothing Workers of America, Local No. 169, New York City, opposing any changes in the National Labor Relations Act; to the Committee on Labor.

2853. Also, petition of Local No. 816, International Brotherhood of Teamsters, New York City, urging support of the Starnes bill (H. R. 4576) and the Mead bill (S. 2063); to the Committee on Appropriations.

2854. Also, petition of the Congress of Industrial Organizations, Washington, D. C., concerning House bill 5643; to the Committee on Immigration and Naturalization.

2855. By Mr. KEOGH: Petition of C. H. Pearson & Son Hardwood Co., Inc., New York City, concerning aliens and relief; to the Committee on Ways and Means.

2856. Also, petition of the New York State Society of Professional Engineers, Inc., favoring the passage of the Starnes bill (H. R. 4576); to the Committee on Appropriations.

2857. Also, petition of the American Humane Association, Albany, N. Y., concerning neutrality legislation; to the Committee on Foreign Affairs.

2858. Also petition of the Forty Plus of New England, Syracuse Chapter, Syracuse, N. Y., favoring the passage of the Voorhis bill (H. R. 118 and S. 890); to the Committee on the Civil Service.

2859. Also, petition of the Quality Products Co., Inc., New York City, concerning the cosmetic excise tax; to the Committee on Ways and Means.

2860. Also, petition of the Motor Haulage Co., Inc., Brooklyn, N. Y., concerning Senate bill 1526; to the Committee on Interstate and Foreign Commerce.

2861. By Mr. KRAMER: Resolution of the Assembly and Senate of the State of California, relative to construction of railway connecting link along northern California coast; to the Committee on Appropriations.

2862. Also, resolution of the Assembly and Senate of the State of California, relative to proposed legislation directing the allowance and payment of travel and other expenses to certain soldiers of the Spanish-American War in the Philippine Islands; to the Committee on Appropriations.

2863. Also, resolution of the Democratic Central Committee, Fifty-second Assembly District, California, relative to the extension of radio station KFVD, etc.; to the Committee on Interstate and Foreign Commerce.

2864. By Mr. LEAVY: Petition of the Twisp Valley Grange, urging the adoption of the Ludlow resolution to provide for a constitutional amendment to permit citizens to express themselves by ballot before Congress could make a declaration of war; to the Committee on the Judiciary.

2865. By Mr. LUCE: Memorial of the General Court of the Commonwealth of Massachusetts, relative to issuance of special commemorative postage stamp in the honor of Capt. Jeremiah O'Brien; to the Committee on the Post Office and Post Roads.

2866. By Mr. PFEIFER: Petition of the New York City Federation of Women's Clubs, Inc., New York City, urging favorable consideration of House bill 944, the Martin wool-labeling bill; to the Committee on Interstate and Foreign Commerce.

2867. Also, petition of the union label trades department of the American Federation of Labor, Washington, D. C., urging consideration of the Schwartz-Martin wool-products labeling bills; to the Committee on Interstate and Foreign Commerce.

2868. Also, petition of the Motor Haulage Co., Inc., Brooklyn, N. Y., urging support of the Barbour bill (S. 1526); to the Committee on Interstate and Foreign Commerce.

2869. Also, petition of B. J. McKenna, manager, life, accident, and group departments of the Travelers Insurance Co., New York City, to curb our war trade with Japan; to the Committee on Foreign Affairs.

2870. By Mrs. ROGERS of Massachusetts: Petition of the General Court of Massachusetts, memorializing the Postmaster General of the United States relative to a special postage stamp in honor of Capt. Jeremiah O'Brien; to the Committee on the Post Office and Post Roads.

2871. By Mr. SCHIFFLER: Petition of H. L. Franklin, secretary, Marion County Industrial Union Council, affiliated with Congress of Industrial Organizations, Fairmont, W. Va., favoring the following four-point program: Equality to the Negro people; to abolish Jim Crow segregation; the enactment of the Wagner antilynch bill; and enforcement of the

thirteenth, fourteenth, and fifteenth amendments to the Constitution; to the Committee on the Judiciary.

2872. By Mr. SPARKMAN: Petition of Alvah E. Hall and numerous other retail grocers, merchants, and farmers of the Muscle Shoals district in Alabama, supporting House bill 1; to the Committee on Ways and Means.

2873. By Mr. WIGGLESWORTH: Petition of the General Court of Massachusetts, memorializing the Postmaster General of the United States relative to a special postage stamp in honor of Capt. Jeremiah O'Brien; to the Committee on the Post Office and Post Roads.

2874. By the SPEAKER: Petition of the city of Garfield, N. J., petitioning consideration of their resolution with reference to Works Progress Administration lay-off necessitated because of limited funds and compulsory quota restrictions; to the Committee on Ways and Means.

2875. Also, petition of the Commonwealth of the Philippines, Larena, P. I., petitioning consideration of their resolution with reference to imposing additional tax of 2 cents per pound on Philippine coconut oil; to the Committee on Ways and Means.

SENATE

THURSDAY, MAY 4, 1939

The Chaplain, Rev. Z. Barney T. Phillips, D. D., offered the following prayer:

O Father of lights, from whom cometh every good and perfect gift, and with whom is no variableness, neither shadow that is cast by turning: Send out Thy light and Thy truth that they may lead us to a clearer understanding of the problems that confront us, with their everchanging meaning and their complicated worth.

Grant to our President such measure of Thy wisdom that, under his leadership, we may prove ourselves a people worthy of Thy choicest blessings as we yield ourselves wholly to Thy will.

May all who wait upon Thee here renew their strength; may they mount up with aspiration's wings that they may discern the truest way, the highest duty; may they run and not be weary, as the mighty rush of feeling interprets truth and goodness; and may they walk and not faint, as dream and rapture are carried out in the actualities of life, with duty no longer merely the stern daughter of Thy voice but their constant guide and inspiration on life's journey.

We ask it in the Saviour's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, May 2, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark, Idaho	Harrison	McKellar
Ashurst	Clark, Mo.	Hatch	McNary
Austin	Connally	Hayden	Maloney
Bailey	Danaher	Hill	Mead
Bankhead	Donahey	Holman	Miller
Barbour	Downey	Holt	Minton
Barkley	Ellender	Hughes	Murray
Bilbo	Frazier	Johnson, Calif.	Neely
Bone	George	Johnson, Colo.	Norris
Borah	Gerry	King	Nye
Bulow	Gibson	La Follette	O'Mahoney
Burke	Gillette	Lee	Overton
Byrd	Glass	Lodge	Pepper
Byrnes	Green	Logan	Pittman
Capper	Guffey	Lucas	Radcliffe
Caraway	Gurney	Lundeen	Reed
Chavez	Hale	McCarran	Reynolds
Russell	Slattery	Thomas, Utah	Wagner
Schwartz	Smathers	Townsend	Walsh
Schwellenbach	Smith	Truman	Wheeler
Sheppard	Taft	Tydings	White
Shipstead	Thomas, Okla.	Vandenberg	Wiley

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is detained from the Senate because of illness.

The Senator from Michigan [Mr. BROWN], the Senator from Iowa [Mr. HERRING], and the Senator from Tennessee [Mr. STEWART] are absent on important public business.

The Senator from Florida [Mr. ANDREWS] is detained because of a death in his family.

Mr. AUSTIN. I announce that the Senator from Pennsylvania [Mr. DAVIS] is necessarily absent.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE DURING ADJOURNMENT—ENROLLED BILL SIGNED

Under authority of the order of the 2d instant,

The following message was received by the Secretary from the House of Representatives on May 3, 1939: That the Speaker had affixed his signature to the enrolled bill (H. R. 4492) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1940, and for other purposes, and it was signed by the Vice President.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the bill (S. 513) to provide for the promotion on the retired list of the Navy of Fred G. Leith.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 6) providing for the printing of additional copies of the hearings held before the Special Committee on Taxation of Governmental Securities and Salaries.

The message further announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 270. An act for the relief of Lofts & Son;

S. 1038. An act for the relief of L. M. Bell and M. M. Bell;

S. 1164. An act for the relief of Nadine Sanders; and

S. 1515. An act for the relief of the Louisiana National Bank of Baton Rouge and the Hibernia Bank & Trust Co. of New Orleans.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1881. An act for the relief of Anne Boice;

H. R. 1882. An act for the relief of Otis M. Culver, Samuel E. Abbey, and Joseph Reger;

H. R. 1883. An act for the relief of Marguerite Kuenzi;

H. R. 2044. An act for the relief of R. Dove and Laura J. Dove;

H. R. 2058. An act for the relief of Jessie Denning Van Elmeren, A. C. Van Elmeren, and Clara Adolph;

H. R. 2071. An act for the relief of Howard E. Dickison;

H. R. 2097. An act for the relief of Homer C. Stroud;

H. R. 2345. An act for the relief of R. H. Gray;

H. R. 2346. An act for the relief of Virgil Kuehl, a minor;

H. R. 2478. An act for the relief of the Wisconsin Milling Co. and Wisconsin Telephone Co.;

H. R. 2583. An act for the relief of A. W. Evans;

H. R. 2687. An act for the relief of Elbert R. Miller;

H. R. 2695. An act for the relief of Kenneth B. Clark;

H. R. 2903. An act for the relief of Virginia Guthrie, Jake C. Aaron, and Thomas W. Carter, Jr.;

H. R. 2926. An act for the relief of Bernard Woodruff;

H. R. 3074. An act for the relief of Edgar Green;

H. R. 3300. An act for the relief of Grace Rouse;

H. R. 3345. An act for the relief of the Ninety Six Oil Mill, of Ninety Six, S. C.;

H. R. 3541. An act for the relief of John Chastain and Mollie Chastain, his wife;

H. R. 3907. An act for the relief of William A. Reithel;

H. R. 3965. An act for the relief of Charles H. Parr;

H. R. 4131. An act for the relief of Melvin Gerard Alvey;

H. R. 4511. An act to extend to Sgt. Maj. Edwin O. Swift, United States Marine Corps (retired), the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men;

H. R. 4617. An act for the relief of Capt. Robert E. Coughlin;

H. R. 5364. An act for the relief of Russell J. Vaughan;

H. R. 5395. An act for the relief of Jack Stuckey;

H. R. 5601. An act for the relief of John T. Clarkson;

H. R. 5720. An act for the relief of Capt. Roger H. Young;

H. R. 5722. An act for the relief of Evelyn Gurley-Kane;

H. R. 5933. An act for the relief of Frances Virginia McCloud;

H. R. 5934. An act for the relief of W. Elisabeth Beitz; and

H. R. 5935. An act for the relief of Charlotte J. Gilbert.

TERMS OF NORTHERN DISTRICT OF MISSISSIPPI FEDERAL COURT

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 70) to amend section 90 of the Judicial Code, as amended, with respect to the terms of the Federal District Court for the Northern District of Mississippi, which was to strike out all after the enacting clause and to insert:

That section 90 of the Judicial Code, as amended (U. S. C., 1934 ed., title 28, sec. 170), is amended to read as follows:

"SEC. 90. The State of Mississippi is divided into two judicial districts to be known as the northern and southern districts of Mississippi. The northern district shall include the territory embraced on the 1st day of December 1923 in the counties of Alcorn, Attala, Chickasaw, Choctaw, Clay, Itawamba, Lee, Lowndes, Monroe, Oktibbeha, Pontotoc, Prentiss, Tishomingo, and Winston, which shall constitute the eastern division of said district; also the territory embraced on the date last mentioned in the counties of Benton, Calhoun, Carrell, De Soto, Grenada, Lafayette, Marshall, Montgomery, Panola, Tate, Tippah, Union, Webster, and Yalabusha, which shall constitute the western division of said district; also the territory embraced on the date last mentioned in the counties of Bolivar, Coahoma, Leflore, Quitman, Sunflower, Tallahatchie, and Tunica, which shall constitute the Delta division of said district. The terms of the district court for the eastern division shall be held at Aberdeen on the first Mondays in April and October; for the western division, at Oxford on the first Mondays in June and December; and for the Delta division, at Clarksdale on the first Mondays in May and November. The southern district shall include the territory embraced on the 1st day of December 1923 in the counties of Amite, Copiah, Franklin, Hinds, Holmes, Leake, Lincoln, Madison, Pike, Rankin, Simpson, Smith, Scott, Wilkinson, and Yazoo, which shall constitute the Jackson division; also the territory embraced on the date last mentioned in the counties of Adams, Claiborne, Humphreys, Issaquena, Jefferson, Sharkey, Warren, and Washington, which shall constitute the western division; also the territory embraced on the date last mentioned in the counties of Clarke, Jasper, Kemper, Lauderdale, Neshoba, Newton, Noxubee, and Wayne, which shall constitute the eastern division; also the territory embraced on the date last mentioned in the counties of George, Hancock, Harrison, Jackson, Pearl River, and Stone, which shall constitute the southern division of said district; also the territory embraced on the date last mentioned in the counties of Covington, Forrest, Greene, Jefferson Davis, Jones, Lamar, Lawrence, Marion, Perry, and Walthall, which shall constitute the Hattiesburg division. Terms of the district court for the Jackson division shall be held at Jackson on the first Mondays in May and November; for the western division, at Vicksburg on the third Mondays in May and November; for the eastern division, at Meridian on the third Mondays in March and September; for the southern division, at Biloxi on the third Monday in February and the first Monday in June; and for the Hattiesburg division at Hattiesburg on the second Mondays in April and October. The clerk of the court for each district shall maintain an office in charge of himself or a deputy at each place in his district at which court is now required to be held, at which he shall not himself reside, which shall be kept open at all times for the transaction of the business of the court. The marshal for each of said districts shall maintain an office in charge of himself or a deputy at each place of holding court in his district."

SEC. 2. This act shall take effect on July 1, 1939.

Mr. HARRISON. Mr. President, the bill merely proposes to change the times of holding terms of the Federal District Court for the Northern District of Mississippi. The amendment of the House does not change the purpose of the bill passed by the Senate. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

JUDICIAL DISTRICT OF IDAHO

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 752) to amend section 78 of chapter 231, Thirty-sixth United States Statutes at Large (36 Stat. L., sec. 1109), relating to one judicial district to be known as the District of Idaho, and dividing it into four divisions, to be known as the northern, central, southern, and eastern divisions, defining the territory embraced in said divisions, fixing the terms of district court for said divisions, requiring the clerk of the court to maintain an office in charge of himself or deputy at Coeur d'Alene City, Idaho; Moscow, Idaho; Boise City, Idaho; and Pocatello, Idaho; and to authorize the United States District Court for the District of Idaho, by rule or order, to make such changes in the description or names to conform to such changes of description or names of counties in said divisions as the Legislature of Idaho may hereafter make, which were, on page 2, beginning with line 1, to strike out all down to and including "Large", in line 2, and to insert "That section 78 of the Judicial Code (36 Stat. 1109; U. S. C., title 28, sec. 151)"; and to amend the title so as to read: "An act to amend section 78 of the Judicial Code, relating to the district of Idaho."

Mr. BORAH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

LOFTS & SON

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 270) for the relief of Lofts & Son, which was, on page 2, line 1, to strike out all after *"Provided"*, down to and including "$1,000", in line 13, and to insert:

That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. McNARY. I move that the Senate concur in the House amendment.

The motion was agreed to.

L. M. BELL AND M. M. BELL

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1038) for the relief of L. M. Bell and M. M. Bell, which was, on page 1, line 11, to strike out all after *"Provided"*, down to and including "$1,000", in line 11 of page 2, and to insert:

That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. McNARY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

GALLUP POLL ON FLORIDA SHIP CANAL PROJECT

Mr. VANDENBERG. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a report of the Gallup poll showing that 75 percent of those who expressed opinions throughout the United States are opposed to the Florida ship canal project.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

75 PERCENT OPPOSE PROJECT FOR FLORIDA CANAL—73 PERCENT VOTE AGAINST PASSAMAQUODDY POWER PLAN IN MAINE, SURVEY SHOWS

THE QUESTIONS

Have you heard of the proposal to build a ship canal across Florida?

Should the Federal Government spend $150,000,000 for this project?

Have you heard of the Passamaquoddy power project in Maine?

Should the Federal Government spend $36,000,000 for this project?

(By Institute of Public Opinion)

NEW YORK, February 12.—With the proposed Florida ship canal and the Passamaquoddy tidal power projects in the lap of Congress again, a survey of public opinion throughout the United States shows that the great majority of those who have opinions about the projects are opposed to going ahead with either of them.

The two projects—one in Florida and the other in Maine—were voted down by Congress in 1936, after the economy-minded opposition had singled them out as supreme examples of "boondoggling" Government spending. But backers of the twin proposals have carried on their fight, and 3 weeks ago President Roosevelt recommended reconsideration.

Advocates of both plans in Washington have linked the idea of a Gulf-Atlantic canal and cheap electric power with the needs of national defense.

The public's chief objection to both "Quoddy" and the canal, today's survey shows, is the belief that the results would not justify the costs. "Quoddy" would involve about $36,000,000, while the costs of the Gulf-Atlantic canal have been estimated at between $150,000,000 and $200,000,000.

ONLY HALF OF VOTERS HAVE OPINIONS

Only about half of the voters proved familiar enough with either project to have a definite opinion about it. Among those having opinions, however, the votes on whether Congress should appropriate the necessary funds in each case are almost identical.

	Percent
Favoring Florida Canal	25
Opposed	75
Favoring Passamaquoddy	27
Opposed	73

Slightly more Republicans than Democrats have opinions about the two proposals, but the rank and file of both parties are critical.

Republican voters with opinions are 93 percent opposed to Passamaquoddy, 87 percent opposed to the Florida ship canal.

Even Democrats are 57 percent opposed to "Quoddy" and 66 percent against the Florida Canal. Some Democratic voters favor the former because they think it would be "the start of a little T. V. A. in New England," their comments show.

GOVERNMENT LOSSES IN SHIPMENT

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Government Losses in Shipment Act, which, with the accompanying paper, was referred to the Committee on Post Offices and Post Roads.

STUDY OF INVESTMENT TRUSTS AND INVESTMENT COMPANIES

The VICE PRESIDENT laid before the Senate a letter from the Acting Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, chapter I and a section of chapter II of part 3 of the Commission's report on its study of investment trusts and investment companies entitled "Background of Investment Company Industry in Relation to Abuses" and "Detailed Histories of Various Investment Trusts and Investment Companies," which, with the accompanying papers, was referred to the Committee on Interstate Commerce.

ACT 65 OF THE HAWAIIAN LEGISLATURE, SESSION OF 1939

The VICE PRESIDENT laid before the Senate a copy of Act 65 of the Session Laws of Hawaii, 1939 (transmitted through the Department of the Interior), being an act to amend Act 29 of the Session Laws of Hawaii 1929, granting to J. K. Lota and associates a franchise for electric light, current, and power in Hanalei, Kauai, by including Moloaa within said franchise, which, with the accompanying paper, was referred to the Committee on Territories and Insular Affairs.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of Wisconsin, which was referred to the Committee on Agriculture and Forestry:

Senate Joint Resolution 9

Joint resolution memorializing Congress to provide by law that dairy products be made a basic commodity

Whereas dairying comprises a wide and varied agricultural enterprise which provides a major income for a large number of farmers in the several dairy States; and

Whereas, because large sums of money are invested in the dairy sections of today for the purpose of producing dairy products of good quality and due to climatic conditions, dairy farmers cannot profitably engage in other types of farming; and

Whereas the dairy farmer is at a disadvantage compared with the cotton, corn, and wheat farmer in that the Agricultural Adjustment Act does not control the production of dairy products; and

Whereas the dairy industry would be immeasurably benefited if it were made subject to the Agricultural Adjustment Act and dairy farmers favor control of production in dairying in the manner provided in said act for controlling production of agricultural products affected thereby: Now, therefore, be it

Resolved by the senate (the assembly concurring), That this legislature respectfully petitions the Congress of the United States to enact legislation providing that dairy products be made a basic commodity and that a parity payment be made to equal the difference between the average price of butter on the New York market and the parity price; and be it further

Resolved, That properly attested copies of this resolution be sent to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

The VICE PRESIDENT also laid before the Senate the following translation of a concurrent resolution of the Legislature of Puerto Rico, which was referred to the Committee on Territories and Insular Affairs:

House Concurrent Resolution 9

Concurrent resolution to request from the Congress of the United States that it resolve the critical situation of the coffee growers of Puerto Rico

Whereas various agencies of the Federal Government have for some time been aware of the serious situation confronted by coffee growers in the insular possessions of the United States, and although several remedies have been suggested no definite program has been put into effect to resolve the difficult crisis experienced by these growers;

Whereas the coffee growers of Puerto Rico and Hawaii, although separated and at great distance from each other, and although their conditions are different, have in essence the same problem, inasmuch as both are forced to buy in a protected market having high prices and to sell their exports in unprotected markets, and it appears clearly that their condition can be remedied only through the grant of at least some measure of recognition by the Government of the United States, such as is granted to the sugarcane growers;

Whereas since there are over 14,000 coffee plantations in Puerto Rico and around 1,000 in Hawaii, and since 500,000 inhabitants depend for their subsistence on the success of these plantations, the problem is urgent, involving not only a social problem but also the just recognition of an old and well-established agricultural industry;

Whereas on the financial condition of the coffee industry depends directly the welfare of almost half a million people residing in the coffee districts, and indirectly the welfare of 2,000,000 people, it becomes very important that the critical condition of the said industry be recognized, with a view to remedying the situation;

Whereas coffee plantations occupy a considerable portion of the territorial area of the island of Puerto Rico, and coffee is the only commercial product of importance cultivated in such portion and occupies 25 percent of all the tillable land of the island, and it being a product grown in the most mountainous regions, no substitute has so far been found that will yield better results to the growers;

Whereas the cost of producing coffee in Puerto Rico amounts to approximately 14 cents a pound, of which approximately one-half is a fixed cost, inasmuch as almost the whole industry is laboring under the burden of heavy indebtedness dating from the hurricane of 1928;

Whereas the high cost of production and the high standards of living in Puerto Rico and in Hawaii hinder the coffee growers thereof from competing with other coffee sold in the market of the United States;

Whereas Puerto Rican coffee had a very good market in the various countries of Europe, which market it has gradually lost through the restrictions imposed by many of the various governments, and through the failure of the United States of America to take it into consideration in making its reciprocity treaties, the Puerto Rican growers find themselves in the difficult plight of not being able to export their coffee at prices in consonance with their high cost of production;

Whereas since the continental United States consumes more coffee than any other nation in the world, and since consumption therein has reached, during the last 3 years, an approximate average of 1,750,000,000 pounds, it would be easy for the United States to solve the problem;

Whereas in order to enable growers to compete successfully it would be necessary to grant each grower a subsidy or compensation of 5 cents a pound;

Whereas through a direct compensation of 5 cents a pound made to the coffee growers of Puerto Rico and Hawaii, these could attain sufficient stability, and the emigration en masse of the mountain people to the cities, which will come unless the situation with which they are confronted is not permanently resolved, would be prevented;

Whereas the payment of this compensation of 5 cents a pound would serve, among others, the following purposes:

(1) Of allowing coffee growers under the American flag to compete in the American market with foreign growers of Arabian type coffee.

(2) Of bringing with it a saving in direct emergency relief.

(3) Of rehabilitating the coffee industry of Puerto Rico, on which depend several hundreds of thousands of people and which is now experiencing deplorable conditions.

(4) Of enabling the coffee growers to save their plantations from mortgage foreclosures, said plantations being now heavily burdened with liens the growers will not be able to meet at maturity.

(5) Of enabling the United States to have a source of supply of coffee in case the Nation should be cut off from any South American countries through such internal revolutions or disturbances as may occur in some of these countries.

(6) Of greatly improving the general stability of the leading coffee districts of Puerto Rico and Hawaii and eventually rendering them capable of self-support.

(7) Of lessening social unrest and preventing an increased number of persons from leaving the coffee districts to move to the central cities which are already overpopulated.

(8) Of entailing recognition and encouragement of an industry in every way entitled to recognition and encouragement, and which, due to the absence of investments of American capital and to the distance which separates it from the continent, has found scant backing and small opportunity to protect itself, and lastly, the possibility of furnishing through this compensation, protection to the coffee growers of Puerto Rico against the consequences of the hurricanes by continuing the payment of 5 cents to the growers whose crops and trees are destroyed, taking as a basis therefor the average production of said growers during the 3 years preceding the hurricane. These annual payments assisting them in great measure in the rehabilitation of the plantations destroyed by the hurricanes and of farms in general by providing a source of income until such time as the farms are again in production: Now, therefore, be it

Resolved by the house of representatives (the Senate of Puerto Rico concurring), First. To request from the Congress of the United States, as it is hereby requested, that a tax be levied on each pound of coffee imported into the continental United States (an import duty and handling tax) and that the amount of this tax be one-fifth cent on each pound, to be applicable to all coffee imported, including the coffee from insular possessions.

Second. That a copy of this resolution be sent to the President and to the Speaker, respectively, of the two Houses of the Congress of the United States; to the President of the United States; to the Resident Commissioner for Puerto Rico in Washington, and to the Governor of Puerto Rico.

The VICE PRESIDENT also laid before the Senate a resolution of National Research Project Local No. 9, United Federal Workers of America, of Philadelphia, Pa., favoring the enactment of legislation to provide for the hearing and disposition of employee appeals from discriminatory treatment by superiors in the Federal Service, which was referred to the Committee on Civil Service.

He also laid before the Senate the petition of members of Local No. 10, United Federal Workers of America, of Highland Falls, N. Y., praying for the enactment of legislation to provide for the hearing and disposition of employee appeals from discriminatory treatment by superiors in the Federal service, which was referred to the Committee on Civil Service.

He also laid before the Senate a petition of sundry citizens of Oakland, Calif., praying for the enactment of House bill 2, a general-welfare bill granting old-age assistance, which was referred to the Committee on Finance.

He also laid before the Senate a letter in the nature of a memorial from the comptroller of the Muncie (Ind.) Gear Works, Inc., remonstrating against the adoption of certain proposed amendments to the Social Security Act, which was referred to the Committee on Finance.

He also laid before the Senate a resolution of the North Carolina C. I. O. Conference held at Greensboro, N. C., favoring amendment of the neutrality law so that an embargo may be placed against aggressor nations, which was referred to the Committee on Foreign Relations.

He also laid before the Senate petitions of sundry citizens of the States of Alabama and Nebraska praying for the enactment of the so-called Wagner-Van Nuys-Capper antilynching bill, which were referred to the Committee on the Judiciary.

Mr. CAPPER presented a letter in the nature of a memorial from citizens of Lawrence, Kans., remonstrating against the enactment of legislation establishing a Division of Cooperatives in the Department of Agriculture, which was referred to the Committee on Agriculture and Forestry.

He also presented the petition of members of Camp No. 3353, Royal Neighbors of America, of LeRoy, Kans., praying for the enactment of legislation to exempt fraternal societies from the tax provisions of the Social Security Act, which was referred to the Committee on Finance.

Mr. HOLT presented the memorial of Local No. 37, Federation of Flat Glass Workers of America, of Parkersburg, W. Va., remonstrating against amendment of the National Labor Relations Act, which was referred to the Committee on Education and Labor.

He also presented the petition of 125 members of Townsend Club No. 3, of Fairmont, W. Va., praying that hearings may be held on the so-called Townsend plan for national recovery and old-age security, which was referred to the Committee on Finance.

Mr. LODGE presented a resolution of the General Court of Massachusetts favoring the issuance of a special postage stamp in honor of Capt. Jeremiah O'Brien, an officer and commander in the Revolutionary navy of Massachusetts, which was referred to the Committee on Post Offices and Post Roads.

(See resolution printed in full when presented by Mr. WALSH on the 2d instant, p. 4994, CONGRESSIONAL RECORD.)

Mr. VANDENBERG presented a petition of sundry citizens of the State of Michigan praying for the enactment of legislation to prohibit the shipment of war supplies to Japan for use in operations in China, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the board of supervisors of Macomb County, Mich., favoring the enactment of neutrality or other legislation to keep the United States from participating in any foreign war whatsoever, which was referred to the Committee on Foreign Relations.

Mr. LUCAS presented a petition of sundry citizens of the State of Illinois praying that the United States be kept out of war and free of foreign entanglements, which was referred to the Committee on Foreign Relations.

Mr. LUCAS. I present a petition signed by various individuals, citizens of Illinois, favoring the Townsend plan. I do not assume any responsibility for the views expressed in the petition because I am opposed to the plan referred to.

The VICE PRESIDENT. The petition will be received and referred to the Committee on Finance.

REPORT OF COMMITTEE ON SOCIAL SERVICE AND CIVIC RIGHTEOUSNESS, NORTH CAROLINA BAPTIST STATE CONVENTION

Mr. BAILEY. Mr. President, I present a report, which is in the nature of a memorial, from the Committee on Social Service and Civic Righteousness of the North Carolina Baptist State Convention, which I ask to have printed in the RECORD and appropriately referred.

There being no objection, the report was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

REPORT OF COMMITTEE ON SOCIAL SERVICE AND CIVIC RIGHTEOUSNESS, 1938

Again this year, because of the crowded condition of the convention program and of the limited time allowed for the presentation and consideration of this report, we are limiting the report to a few simple, direct resolutions concerning some vital matters which ought to claim our attention at the present time.

We recommend the adoption of the following:

Be it resolved by the North Carolina Baptist State Convention:

I. CONCERNING RACE RELATIONS

1. We recognize and deeply regret human weakness and frailty which express themselves in universal racial antipathies and friction. Racial frictions are by no means limited to the South, nor to the relations of the white man and the Negro. The most flagrant expression of racial antipathy at the present time is found in the universal prejudice against the Jew and the terrible persecution now inflicted upon the Jews by Germany, Poland, and other countries. We rejoice that the gospel of our Lord and Savious Jesus Christ offers an adequate remedy for racial hate, and we believe that only as this gospel is preached and accepted by all nations can we hope to see racial hatred disappear and to see all races living together in peace.

2. We rejoice to believe and to recognize the fact that in North Carolina, and throughout the South, the spirit of harmony and cooperation between the white and colored races is steadily and surely increasing. This is manifest in many ways and in many places. Prejudice is being broken down on both sides; white people are coming to have greater freedom of approach and are using this freedom to help the less fortunate race and their efforts are bearing good fruit.

3. We recognize that there is yet much to be done to secure for the Negro a greater degree of justice in the courts, a more equal opportunity to labor and earn a livelihood and to receive a more adequate wage for his labor, and to secure for him more equal and adequate opportunities; and we pledge ourselves as citizens and Christians to strive to secure for the Negro race these things, and other fundamental human rights.

II. LYNCHINGS

1. We recognize that lynchings are not wholly the result of racial hatreds, but in many cases they are. We record our satisfaction that the number of lynchings has been steadily declining in recent years. There were only eight lynchings in the United States in 1937, and thus far this year there have been only three.

We pledge ourselves as citizens, as Christians and as ministers, to continue to use all of our influence and to put forth every effort to the end that this form of barbarism may be entirely banished from our State and our land.

III. FREEDOM OF RELIGION

1. That the North Carolina Baptist Convention reaffirms its devotion to the basic American and New Testament doctrine of the absolute freedom of religion and the absolute separation of church and state.

2. That this principle always and everywhere forbids all government subsidies to religion and religious institutions and all governmental authority over or control of the free exercise of religion.

3. That we urge upon all our Baptist people and institutions the vital importance and necessity for their being alert and sensitive in such matters and refusing all governmental aid, however indirectly offered, and of resisting the bestowal of such aid upon any interest or institution of any and all other denominations.

4. That the convention give its approval to the proposal to amend the Constitution of the United States so as to prohibit the appropriation of public funds to sectarian institutions by any unit of government.

5. That if and when such amendment shall be again offered in Congress, the Committee on Social Service and Civic Righteousness is hereby authorized to use its influence in every proper way to secure the adoption of such amendment.

IV. GERMAN PERSECUTION

1. That the North Carolina Baptist Convention, representing 400,000 white Baptists, condemn, and it does hereby condemn and deplore, the present policy of the German Government, which it pursues in relentless and inhuman persecution both of Christians and Jews on purely religious and racial grounds.

2. That we believe the Government of the United States, without any general repeal or revision of its immigration laws, should somehow find it possible so to modify the application of these laws as to offer asylum to these persecuted and outraged people, regardless of the immigration quotas fixed by statute.

V. THE THREAT OF THE RUMANIAN GOVERNMENT AGAINST RELIGIOUS FREEDOM

1. That the North Carolina Baptist Convention, representing 400,000 white Baptists, hereby expresses its deepest disapproval of the indicated purpose of the Rumanian Government to put into effect December 15 next an ordinance, No. 26208, which would make it impossible for Baptists or other free church people to have churches, maintain public worship, and carry on the preaching of the gospel. In behalf of our fellow Baptists of Rumania, numbering 70,000, and in behalf of our fundamental and deeply cherished religious principle of freedom of conscience in all matters of religion, and in keeping with the Rumanian Constitution, which guarantees entire freedom of conscience, we appeal to the Rumanian authorities to revoke the above-named ordinance entirely and promptly, and so to announce to the world.

2. That a copy of this resolution be sent to the Rumanian Minister at Washington, D. C., and also to Hon. Cordell Hull, Secretary of State of the United States.

VI. WORLD REFUGEES

That the Christian churches have a definite responsibility and a rare opportunity to act in the spirit of Jesus in caring for the castaways and refugees who wander hungry and homeless through many lands. Among them are the 700,000 persons in greater Germany, over half of them Christians—if that makes any difference; 70,000 devotees of democracy, Sudeten Germans who would not bow the knee to the dictator, now homeless in Czechoslovakia; other Czechoslovakians who will be homeless as Hitler tightens his grip on their land; threatened Baptists in Rumania; millions of hungry and homeless Chinese who must be fed until the harvest of 1939. Dr. Charles E. Maddry, secretary of our foreign mission board, has addressed to our people an appeal in favor of the Chinese, which must not be denied. Other reputable American Christian leaders are calling for help for the harassed and persecuted in Europe. Our own problems in the United States are tremendous, but if America would once more aid the oppressed in many lands, she would rise to new heights of greatness and would reap the harvest of her generosity for generations to come.

VII. PEACE AND WAR

Christianity and democracy need each other for the fullest expression of both. The American people want their country to do two things—stay out of war and be an influence for peace everywhere. For the purpose of attaining this dual goal we favor the following:

1. The removal of the economic causes of war. We commend the cultivation of good relations with Latin America. Mr. Hull's trade treaties have been, we believe, the most practical move for peace of all those carried out by our Government. We recommend that the Van Zeeland report on international economy be called out of hiding and that the President call a world economic conference, the principal end of which would be to remove the economic causes of war. We submit that it is far better to work together in the removing of the economic cause of war, which we think is the greatest single cause, than it is to enter upon an armament race which threatens as always to end in war, and which, according to leading and impartial economists, will invariably upset the economic structure of any nation which indulges therein and threatens the liberties of the people, as they are pauperized in the manufacturing costs of unproductive goods.

2. The second major movement for world peace which we must support as Christians, and in which we should not wait for our Government to lead, is the caring for the millions of refugees of the world as stated above. We commend most heartily the action of our country and that of Great Britain pointing to the establishment of a haven for these harassed human beings.

3. We are of the opinion that North Carolina Baptists need to be better informed on certain questions concerning world peace and recommend that systematic study of them be made in the churches. For example, should the present neutrality bill be strengthened in order to keep America out of war? Should a constitutional amendment requiring a popular referendum before foreign wars can be waged be adopted? Shall an all-time embargo on the export of munitions be effected? Should the United States lead in the rebuilding of world peace machinery, with the remaking of the League of Nations as a body which represents the will of all peoples, providing for peaceful change after the hearing of the grievances and demands of all, strong and weak? We are convinced that the world needs an informed Christian conscience, articulate and unafraid to guide it through the present crisis and at all times.

4. We recommend that a copy of this resolution on peace and war be forwarded to the Honorable Franklin D. Roosevelt, President of the United States, and to Hon. Cordell Hull, Secretary of State.

VIII. ELECTION LAW REFORM

1. That the North Carolina Baptist Convention hereby takes notice of the recent and numerous cases of dishonest ballots and election frauds within our State; that we regard a free and untainted ballot as the very foundation of all democratic government; that we hereby declare our earnest belief that the Legislature of North Carolina at its next session should make such amendments to the revisions of our election laws as to safeguard elections and to protect the name of our State from such further scandal.

2. That particularly we regard the absentee-ballot law as opening the way for all manner of irregularity and corruption when administered by dishonest and unscrupulous men, and that we believe that this law should be repealed, recognizing that the benefit it bestows upon honest citizens, who of necessity must be absent from their polling places on election day, is more than offset by the fraud and evil which the law makes possible.

IX. RESTORATION OF THE RIGHTS OF THE PEOPLE

1. That we hereby again express our hearty disapproval and condemnation of the acts of the North Carolina General Assembly by which it ignored the will of the people as expressed at the ballot box and usurped the rights of the people by fastening the liquor traffic upon North Carolina in violation of the sentiments and wishes of an overwhelming majority of North Carolina citizens.

2. That we appeal to the approaching session of the general assembly to correct this flagrant violation of the principles of representative democratic government by the enactment of a law which will give the people of North Carolina as a whole the right to pass upon the question of whether or not the manufacture, distribution, and sale of liquor in any form shall be tolerated anywhere within the bounds of our Commonwealth.

X. A RETURN TO REPRESENTATIVE GOVERNMENT

Without the slightest thought of political parties, but having solely in mind the fundamental principles of human liberty and individual initiative and action, upon which our American Government is founded and which are embedded in the Constitution, we record our conviction that the American people should go no farther toward the centralization of power in governmental affairs, in the regulation of details of private life, in the regimentation of the citizens and toward the establishment of a totalitarian state, but should return to the simple principles of representative and responsible democratic government, under which our fundamental rights, both religious and civic, will not be put in jeopardy.

XI. THE PRESENT DRY ORGANIZATIONS AND PLANS IN NORTH CAROLINA

1. That we gratefully recognize the patriotic and unselfish services of Mr. Cale K. Burgess, who has for the past several years given so much of his time, strength, and money to the dry cause, without compensation for his services, and even without full reimbursement of his funds.

2. That we regard the present dry organizations and plans in North Carolina as inadequate to combat the liquor forces and the liquor lobby in our State.

3. That we believe the dry organizations should be formed on such a basis and should lay such plans as will secure the presentation of the dry cause to the churches of all denominations in a regular and systematic way by strong and capable speakers, and thus call out from the people a much larger financial support of the cause, that we may maintain a more adequate working force, create a deeper conviction among the people, marshal public opinion against the liquor traffic and secure more adequate representation before the legislature and its committees and secure the repeal of the present liquor laws and the enactment of suitable prohibition measures.

XII. GREATER AND MORE ADEQUATE PRACTICAL EFFORT IN SOCIAL SERVICE AND CIVIC RIGHTEOUSNESS

1. That resolutions and commitments are good and ought to be continued, but that they are not the measure of our opportunities and obligations in this field.

2. That this convention instruct the general board to employ as soon as possible a suitable man to represent our North Carolina Baptist people in the whole field of social service and civic righteousness.

3. That such man should work in close cooperation with the committee on social service and civic righteousness.

4. That this convention express its hearty appreciation to the State prison system and to its religious director, the Reverend E. C. Cooper, for making it possible for our Baptist pastors and others to conduct services in the prison camps throughout the State each Sunday afternoon, and that this convention respectfully request the religious director of the State prison system to extend further this effective service, if possible, by furnishing to pastors or other religious workers at least a week or two in advance of their dismissal names and home addresses of prisoners whose terms will expire, in order that some assistance may be given them in the work of rehabilitation.

ARTHUR J. BARTON, *Chairman.*
W. R. CULLOM.
JOHN T. WAYLAND.
EUGENE OLIVE.
O. T. BINKLEY.

REPORTS OF COMMITTEES DURING ADJOURNMENT

Under authority of the order of the 2d instant,

On May 3, 1939:

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (S. 2054) for the relief of Joseph Alder, E. G. Allen, and E. G. Allen and By Hanchett jointly, reported it with an amendment and submitted a report (No. 363) thereon.

Mr. SCHWARTZ, from the Committee on Claims, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

S. 1322. A bill for the relief of Dorothy Clair Hester, daughter of E. R. Hester (Rept. No. 365); and

S. 1467. A bill for the relief of the Standard Oil Co., Inc., in Kentucky (Rept. No. 364).

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (H. R. 289) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899, reported it without amendment and submitted a report (No. 366) thereon.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1821. A bill for the relief of Harry K. Snyder (Rept. No. 369);

H. R. 1694. A bill for the relief of Bozzani Motors, Ltd. (Rept. No. 368); and

H. R. 2067. A bill for the relief of the Atlas Powder Co. (Rept. No. 367).

Mr. CAPPER also, from the Committee on Claims, to which was referred the bill (S. 1452) for the relief of Lloyd J. Palmer, reported it with an amendment and submitted a report (No. 370) thereon.

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 242) relating to the disposition of funds derived from the Coos Bay Wagon Road grant lands, reported it with an amendment and submitted a report (No. 371) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2154. A bill to modify the provisions of section 10 of the act of June 30, 1834, and section 10 of the act of June 22, 1874, relating to the Indians (Rept. No. 372); and

S. 2239. A bill for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge (Rept. No. 373).

Mr. THOMAS of Oklahoma also, from the Committee on Indian Affairs, to which was referred the bill (S. 2192) to carry out certain obligations to certain enrolled Indians under tribal agreement, reported it with amendments and submitted a report (No. 374) thereon.

Mr. ASHURST, from the Committee on Indian Affairs, to which was referred the bill (S. 2149) to add certain lands to the Papago Indian Reservation in Arizona, reported it without amendment and submitted a report (No. 375) thereon.

Mr. JOHNSON of Colorado, from the Committee on Indian Affairs, to which was referred the bill (S. 72) to amend the act entitled "An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians or any tribe or band thereof may have against the United States, and for other purposes," approved June 28, 1938, reported it with an amendment and submitted a report (No. 376) thereon.

Mr. BULOW, from the Committee on Indian Affairs, to which was referred the bill (S. 2178) to provide for the correction of the list of approved Pine Ridge Sioux lost allotment claims, and for other purposes, reported it without amendment and submitted a report (No. 377) thereon.

REPORTS OF COMMITTEES

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 1856) conferring jurisdiction upon the United States District Court for the District of Rhode Island to hear, determine, and render judgment upon the claim of George Lancellotta, reported it without amendment and submitted a report (No. 378) thereon.

Mr. HATCH, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 1879) to amend the United States mining laws applicable to the area known as the watershed of the headwaters of the Bonita River in the Lincoln National Forest within the State of New Mexico, reported it with an amendment and submitted a report (No. 379) thereon.

Mr. BAILEY, from the Committee on Commerce, to which was referred the bill (S. 2314) to establish the position of Under Secretary in the Department of Commerce, reported it without amendment.

Mr. LEE, from the Committee on Commerce, to which was referred the bill (S. 955) creating the City of Dubuque Bridge Commission and authorizing said commission and its successors to purchase and/or construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Dubuque, Iowa, and East Dubuque, Ill., reported it with amendments and submitted a report (No. 380) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

H. R. 3375. A bill to authorize M. H. Gildow to construct a free, movable, pontoon footbridge across Muskingum River Canal at or near Beverly, Ohio (Rept. No. 381); and

H. R. 4370. A bill authorizing the city of Chester, Ill., to construct, maintain, and operate a toll bridge across the Mississippi River at or near Chester, Ill. (Rept. No. 382).

Mr. SCHWARTZ, from the Committee on Military Affairs, to which was referred the bill (S. 688) for the relief of Homer N. Horine, reported it without amendment and submitted a report (No. 383) thereon.

Mr. PEPPER, from the Committee on Commerce, to which was referred the bill (H. R. 5375) to promote nautical education, and for other purposes, reported it with an amendment and submitted a report (No. 384) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 773) conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render final judgment on any and all claims which the Yakima Indian Tribes may have against the United States, and for other purposes, reported it with an amendment and submitted a report (No. 385) thereon.

NORVELL EVELYN WILLIS

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate Resolution 124, submitted by Mr. NYE on April 17, 1939, reported it without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Norvell Evelyn Willis, sole dependent of Joseph E. Johnson, late a special employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on May 3, 1939, that committee presented to the President of the United States the following enrolled bills:

S. 1034. An act to authorize the Secretary of War to terminate certain leases of the Long Island Railroad Co.; and

S. 2044. An act making inapplicable certain reversionary provisions in the act of March 4, 1923 (42 Stat. 1450), and a certain deed executed by the Secretary of War, in the matter of a lease to be entered into by the United States for the use of a part of the former Fort Armistead Military Reservation for air-navigation purposes.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BARBOUR:

S. 2319. A bill to amend section 601 (c) of the Revenue Act of 1932, as amended, to provide for an excise tax on egg products; to the Committee on Finance.

By Mr. VANDENBERG:

S. 2320. A bill to reenact the provisions of section 2 of the joint resolution of August 31, 1935, as amended; to the Committee on Foreign Relations.

By Mr. LOGAN:

S. 2321. A belief for the relief of Mary W. Gardner; to the Committee on Claims.

By Mr. NEELY:

S. 2322. A bill to provide for the distribution of surplus agricultural commodities to needy persons in certain localities; to the Committee on Agriculture and Forestry.

S. 2323. A bill for the relief of Pauline Caton Robertson; to the Committee on Claims.

S. 2324. A bill granting a pension to George M. Fisher; and

S. 2325. A bill granting an increase of pension to Emily L. Watkins; to the Committee on Pensions.

By Mr. SMITH:

S. 2326. A bill to provide and maintain an adequate supply of suitable seed for production of food for the population of Hawaii in times of emergency; to the Committee on Agriculture and Forestry.

By Mr. HILL:

S. 2327. A bill to authorize the President to appoint Frank T. Hines a brigadier general in the Army of the United States; and

S. 2328. A bill to promote on the retired list officers who were decorated and recommended for promotion for distinguished service during the World War, and who have not attained the rank to which recommended; to the Committee on Military Affairs.

By Mr. ADAMS:

S. 2329. A bill to authorize the construction of works for flood control and other purposes on the Rio Grande River and tributaries in the State of Colorado; to the Committee on Commerce.

By Mr. PITTMAN:

S. 2330. A bill to authorize cooperation with other American republics in accordance with treaties, resolutions, declarations, and recommendations by all of the 21 American Republics at the Inter-American Conference for the Maintenance of Peace; to the Committee on Foreign Relations.

By Mr. GILLETTE:

S. 2331. A bill to amend section 13 (a) of the act approved June 25, 1938 (52 Stat. 1069), entitled "Fair Labor Standards Act of 1938"; to the Committee on Education and Labor.

By Mr. MEAD:

S. 2332. A bill permitting the War Department to transfer old horses and mules to the care of reputable humane organizations; to the Committee on Finance.

By Mr. McCARRAN:

S. 2333. A bill to provide for adequate lighting facilities of cabooses used in connection with train movement on the railroads of the United States; to the Committee on Interstate Commerce.

By Mr. FRAZIER:

S. 2334 (by request). A bill to amend Public Law No. 383, Seventy-third Congress (48 Stat. L. 984), relating to Indians, by exempting from the provisions of such act any Indian tribe within the Mission Indian Agency, Riverside, Calif.; to the Committee on Indian Affairs.

By Mr. WALSH:

S. 2335. A bill for the relief of Joseph F. Bolger; to the Committee on Claims.

By Mr. O'MAHONEY:

S. 2336. A bill to authorize an exchange of lands at the Fort Francis E. Warren Military Reservation, Wyo.; to the Committee on Military Affairs.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 1881. An act for the relief of Anne Boice;

H. R. 1883. An act for the relief of Marguerite Kuenzi;

H. R. 2044. An act for the relief of R. Dove and Laura J. Dove;

H. R. 2058. An act for the relief of Jessie Denning Van Eimeren, A. C. Van Eimeren, and Clara Adolph;

H. R. 2071. An act for the relief of Howard E. Dickison;

H. R. 2097. An act for the relief of Homer C. Stroud;

H. R. 2345. An act for the relief of R. H. Gray;

H. R. 2346. An act for the relief of Virgil Kuehl, a minor;

H. R. 2478. An act for the relief of the Wisconsin Milling Co. and Wisconsin Telephone Co.;

H. R. 2583. An act for the relief of A. W. Evans;

H. R. 2687. An act for the relief of Elbert R. Miller;

H. R. 2695. An act for the relief of Kenneth B. Clark;

H. R. 2903. An act for the relief of Virginia Guthrie, Jake C. Aaron, and Thomas W. Carter, Jr.;

H. R. 2926. An act for the relief of Bernard Woodruff;

H. R. 3074. An act for the relief of Edgar Green;

H. R. 3300. An act for the relief of Grace Rouse;

H. R. 3345. An act for the relief of the Ninety Six Oil Mill, of Ninety Six, S. C.;

H. R. 3541. An act for the relief of John Chastain and Mollie Chastain, his wife;

H. R. 3907. An act for the relief of William A. Reithel;

H. R. 3965. An act for the relief of Charles H. Parr;

H. R. 4131. An act for the relief of Melvin Gerard Alvey;

H. R. 4617. An act for the relief of Capt. Robert E. Coughlin;

H. R. 5364. An act for the relief of Russell J. Vaughan;

H. R. 5395. An act for the relief of Jack Stuckey;

H. R. 5601. An act for the relief of John T. Clarkson;

H. R. 5720. An act for the relief of Capt. Roger H. Young; and

H. R. 5722. An act for the relief of Evelyn Gurley-Kane; to the Committee on Claims.

H. R. 1882. An act for the relief of Otis M. Culver, Samuel E. Abbey, and Joseph Reger; to the Committee on Military Affairs.

H. R. 4511. An act to extend to Sgt. Maj. Edwin O. Swift, United States Marine Corps (retired), the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men; to the Committee on Naval Affairs.

H. R. 5933. An act for the relief of Frances Virginia McCloud;

H. R. 5934. An act for the relief of W. Elisabeth Beitz; and

H. R. 5935. An act for the relief of Charlotte J. Gilbert; to the Committee on Foreign Relations.

CHANGE OF REFERENCE

On motion by Mr. LOGAN, the Committee on Claims was discharged from the further consideration of the bill (S. 2301) authorizing refund of certain excise taxes erroneously or illegally assessed under the Revenue Act of 1932, and it was referred to the Committee on Finance.

JAMES F. ALLEN AND OTHERS—AMENDMENT

Mr. NEELY submitted an amendment intended to be proposed by him to the bill (S. 1197) for the relief of James F.

Allen and others, which was referred to the Committee on Claims and ordered to be printed.

AMENDMENT OF FAIR LABOR STANDARDS ACT, 1938

Mr. BORAH submitted an amendment intended to be proposed by him to the bill (S. 2008) to amend the Fair Labor Standards Act of 1938, which was referred to the Committee on Education and Labor and ordered to be printed.

FUNDS FOR PURCHASE OF MATERIALS NOT OF DOMESTIC ORIGIN—AMENDMENT

Mr. BONE submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 1720) prohibiting the use of funds, granted or lent by the United States, for the purchase of materials which are not of domestic origin, and for other purposes, which was referred to the Committee on Interstate Commerce and ordered to be printed.

AMENDMENT TO PROPOSED REVENUE BILL

Mr. LUCAS submitted an amendment intended to be proposed by him to House bill to provide revenue, etc., which was referred to the Committee on Finance, and ordered to be printed and printed in the RECORD, as follows:

At the proper place to insert the following new section:

"SEC. —. (a) The rates of duty on articles described in paragraph 367 (relating to watches and parts thereof) of the Tariff Act of 1930 shall be the rates prescribed in such paragraph 367. Except as provided in subsection (b), the changes in rates of duty provided for by this subsection shall be effective with respect to articles imported after the date of enactment of this act.

"(b) No change provided for in subsection (a) in the rate of a duty shall become effective so long as it is in conflict with the provisions of any foreign-trade agreement heretofore entered into under authority of section 350 of the Tariff Act of 1930, as amended; but such change shall become effective as soon as it no longer is in conflict with the provisions of any such agreement. Any such agreement which contains provisions in conflict with any change provided for in subsection (a) in the rate of a duty shall be modified so as to eliminate such provisions, or shall be terminated, at the earliest date possible in accordance with the terms of such agreement. No foreign-trade agreement entered into under such section 350 after the date of enactment of this act shall contain any provision in conflict with any rate of duty provided for in subsection (a)."

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENTS

Mr. BANKHEAD submitted a notice in writing, which was read, as follows:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, the following amendments, namely:

At the proper place in the bill insert the following:

"To enable the Secretary of Agriculture to further carry out the provisions of section 32, as amended, of the act entitled 'An act to amend the Agricultural Adjustment Act, and for other purposes,' approved August 24, 1935, and subject to all provisions of law relating to the expenditure of funds appropriated by such section, $150,000,000. Such sum shall be immediately available and shall be in addition to, and not in substitution for, other appropriations made by such section or for the purpose of such section: *Provided*, That not in excess of 25 percent of the funds herein made available may be devoted to any one agricultural commodity. So much of such funds as may be devoted to encouraging the exportation of cotton or cotton articles, and any other funds which may be available or may hereafter be made available for the purpose of encouraging the exportation of cotton or cotton articles, shall be expended in accordance with the provisions of the following new section which is hereby added to the Agricultural Adjustment Act of 1933, as amended:

"'SEC. 23. (a) The Secretary of Agriculture is authorized to make payments in kind or in money to any person who exports any raw cotton or articles manufactured in whole or in part from cotton, at such rates and under such terms and conditions as the Secretary of Agriculture determines are necessary in order that the cotton, or the cotton content in cotton articles, so exported shall be fully competitive in the world markets: *Provided*, That such payments shall be discontinued during any marketing year when exports of cotton from the United States during such marketing year equal the average of the exports from the United States during the 10-year period ending July 31, 1932. Such payments on raw cotton are authorized to be made only upon cotton bought in the open market, except that payments may be made upon cotton released from loans made or made available by the Commodity Credit Corporation when cotton of suitable classes and quantities to fill cotton export requirements is not available in the markets of the United States. The Secretary is authorized to decide when such free cotton is not so available; but no such payments shall be made, and no obligation to make such payments shall be incurred, prior to January 1, 1940, with respect to any cotton on which a loan has been made or made available by the Commodity Credit Corporation, nor shall such payments be made or obligations incurred during the period from August 1 to December 31, both inclusive, in any marketing year with respect to any cotton on which any such loan has been made.

"'(b) Notwithstanding any other provision of law, the Commodity Credit Corporation is authorized and directed, under regulations prescribed by the Secretary of Agriculture, upon application by the owner, or his assignee, of cotton held under loans made or made available by the Commodity Credit Corporation to provide for the release to such owner, or his assignee, of any or all of the cotton of such owner, or assignee, during any marketing year, except during the period from August 1 to December 31, both inclusive, if the Secretary of Agriculture finds that the release of cotton held under such loans (1) is needed to supply suitable classes and quantities of cotton to meet the operating requirements of mills in the United States and is not available in the markets of the United States, or (2) is needed to supply suitable classes and quantities of cotton to meet export requirements and is not available in the markets of the United States. Such cotton shall be released at a cost to the owner, or his assignee, equal to the current loan rate, plus (1) interest, insurance, and storage, for the period beginning at the average time when cotton was put into the current loan and ending at the end of the month when the cotton is released from the loan, and (2) one-fourth cent per pound for miscellaneous charges.

"'(c) The Commodity Credit Corporation is authorized and directed, under regulations prescribed by the Secretary of Agriculture, to acquire and to make available to him such cotton as may be necessary to make payments in kind authorized by this section. The funds now and hereafter made available to the Commodity Credit Corporation are hereby made available to such Corporation to acquire and make available to the Secretary of Agriculture such cotton as may be necessary to make the payments in kind authorized under this section, and to provide for the release of cotton under this section. The funds now or hereafter made available to the Secretary of Agriculture for the purpose of encouraging the exportation of cotton or cotton articles, including, but not limited to, the funds now or hereafter made available by, or for carrying out the purposes of, this title, section 32, as amended, of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935, as amended, and sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, are hereby made available to the Secretary of Agriculture for payments authorized in this section, and for administrative expenses in accordance with the applicable provisions of this title. The determinations of the Secretary of Agriculture made pursuant to the provisions of this section and the facts constituting the basis for any payment when officially determined in conformity with the regulations prescribed by the Secretary of Agriculture shall be final and conclusive.'"

After the foregoing amendment, insert the following:

"In order further to safeguard the expenditure of the funds appropriated in this item and any other funds which may be available or may hereafter be made available for the purpose of encouraging the exportation of cotton or cotton articles and for all other purposes section 22 of the Agricultural Adjustment Act (of 1933), as amended, is hereby amended by inserting the words 'or are likely to be' after the word 'being' in subsection (a), by striking out the expression 'July 1, 1928, to June 30, 1933' and inserting in lieu thereof the expression 'January 1, 1929, to December 31, 1933' in subsection (b), and by striking out the words '15 days after the date of' and inserting in lieu thereof the words 'the date fixed in' in subsection (c)."

AMENDMENTS TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. BANKHEAD submitted amendments intended to be proposed by him to House bill 5269, the Agricultural Department appropriation bill, 1940, which were referred to the Committee on Appropriations, and ordered to be printed. (For amendments referred to, see the foregoing notice.)

ASSISTANT CLERK TO COMMITTEE ON MINES AND MINING

Mr. GUFFEY submitted the following resolution, Senate Resolution 129, which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Mines and Mining hereby is authorized to employ an assistant clerk to be paid from the contingent fund of the Senate at the rate of $1,800 per annum until otherwise provided by law.

Mr. BYRNES, subsequently, from the Committee to Audit and Control the Contingent Expenses of the Senate, reported the foregoing resolution without amendment, and it was considered, by unanimous consent, and agreed to.

ADMINISTRATIVE PROCEDURE (S. DOC. 71)

Mr. LOGAN. Mr. President, the question of administrative law is a very live one at this time. I have a report prepared by the Committee on Administrative Law of the Federal Bar

Association, together with a dissenting report by Col. O. R. McGuire, a member of the committee, discussing the question of administrative law. I ask unanimous consent that the report of the committee and the dissenting report be printed as a Senate document.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESS BY SENATOR BYRD BEFORE ILLINOIS MANUFACTURERS' ASSOCIATION

[Mr. BAILEY asked and obtained leave to have printed in the RECORD an address delivered by Senator BYRD before the Illinois Manufacturers' Association at Chicago, Ill., April 25, 1939, which appears in the Appendix.]

THE MERCHANT MARINE—ADDRESS BY REAR ADMIRAL EMORY S. LAND

[Mr. BYRD asked and obtained leave to have printed in the RECORD an address delivered by Rear Admiral Emory S. Land, retired, Chairman of the United States Maritime Commission, on the subject of the American Merchant Marine, at Chicago, Ill., April 25, 1939, which appears in the Appendix.]

ADDRESS BY HON. NORMAN H. DAVIS AT RED CROSS CONVENTION

[Mr. BYRD asked and obtained leave to have printed in the RECORD the address delivered by Hon. Norman H. Davis, Chairman of the American Red Cross, at the annual Red Cross convention in Washington, D. C., April 24, 1939, which appears in the Appendix.]

AMERICANISM—INTERVIEW WITH WILLIAM RANDOLPH HEARST

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an interview with William Randolph Hearst on the subject of Americanism, published in the New York Journal and American of Sunday, April 30, 1939, which appears in the Appendix.]

NEUTRALITY—STATEMENT BY RUSSELL A. BLACK

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD a statement on the subject of neutrality by Russell A. Black, of Los Angeles, Calif., which appears in the Appendix.]

DOCTORS OF THE SOUTH—EDITORIAL FROM ATLANTA JOURNAL

[Mr. LEE asked and obtained leave to have printed in the RECORD an editorial from the Atlanta Journal of March 11, 1939, entitled "Doctors of the South," which appears in the Appendix.]

THE WAR-PROFITS TAX—ARTICLE BY JOHN T. FLYNN

[Mr. BONE asked and obtained leave to have printed in the RECORD an article entitled "The War Profits Tax," by John T. Flynn, published in the New Republic of April 26, 1939, which appears in the Appendix.]

QUOTA WORKS A HARDSHIP—EDITORIAL FROM DETROIT NEWS

[Mr. ADAMS, on behalf of Mr. BROWN, asked and obtained leave to have printed in the RECORD an editorial from the Detroit News on May 2, 1939, entitled "Quota Works a Hardship," which appears in the Appendix.]

STUDIES OF PROPOSED LEGISLATION—WORK OF THE SESSION—FINAL ADJOURNMENT

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution coming over from a previous day, which will be stated.

The Chief Clerk read Senate Concurrent Resolution 15, submitted by Mr. BANKHEAD on the 2d instant, providing for a sine die adjournment of the session and authorizing certain committees of the two Houses thereafter to study revenue and neutrality matters and changes in the Interstate Commerce Act.

Mr. BARKLEY. I ask that the concurrent resolution go over.

The VICE PRESIDENT. Without objection, the concurrent resolution will lie over.

The routine morning business is closed. The consideration of bills on the calendar under rule VIII is in order.

Mr. LOGAN. Mr. President, if the Senate will indulge me, before we proceed with the call of the calendar I ask unanimous consent that I may address the Senate for about 10 minutes on the suggestion that Congress come to early adjournment.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky? The Chair hears none.

Mr. LOGAN. Mr. President, as usual at about this time of the year there are those who begin to express the belief that Congress should and will adjourn at a very early date. If Congress should adjourn at an early date with the affairs of this Nation and world affairs as they are, it would be like the officers in command of an army deserting in the midst of a battle.

This age may be faced with a general collapse of civilization, and not only will it require all of the wisdom statesmen possess collectively and individually to avoid such a collapse but it will require the hardest work which statesmen have ever done. For the past 6 years we have been attempting to stem the tide of adverse conditions, and while we have made great progress, still it has been through artificial means, and the patient would die if we should cease to apply remedies which should never have to be applied in the life of a nation. It would not take much to plunge our people back into the dark days of the early 1930's. We know that the achievements of this administration have been great. We likewise know that the opposition to the things which have been done is alined along every front, giving battle to the new freedom which is represented by the New Deal. Every mistake we have made, or may make in the future, will be exaggerated and broadcast among the people.

Life in this age depends on trade—a world-wide exchange of goods and services. There is no prospect of bringing about such interchange of goods in the immediate future, confidence and credit are both needed and both are lacking. It is our job to restore both, and if we should abandon the task which we sought, and which can only be completed by the Congress, it would be an admission that our minds are too puny to do that which is necessary to restore confidence and credit.

Some rave against the New Deal, which has much more good than bad to its credit. Some rave at businessmen without stopping to think that businessmen cannot carry on business unless the consuming public has the purchasing power to buy that which is produced in the factories, on the farms, and in the mines. If we could give to the people purchasing power—I do not say restore, because they never had it—which would enable them to have the actual necessities of life, there would be no unemployment, no idle factories, no abandoned farms, and no closed mines. The problem which confronts us, reduced to its simplest terms, is that of increasing the income of the consumer until he can buy what he needs. We have been trying, and we are still trying, to do this through spending, and we spend because apparently there is nothing else that we can do. To cease to spend at this time would mean destruction. So we continue spending, knowing that the time will come when we can spend no more, and also knowing that then a crash may come which will completely destroy our Nation. Before we reach that point we must find some means of increasing the income of the people of the Nation. It will be a slow process. Means must be found to enlarge business, and that cannot be done if we allow the businessmen in the small cities and in our rural communities to close their stores or shops or abandon their farms or mines because they have no means of procuring money with which to conduct their business at this time. There is no place to which a businessman can go now and procure money. Banks will not allow him to have it; the investment bankers will not fool with him because he is too small, and the Reconstruction Finance Corporation, like the investment banker, either cannot or will not make loans to those who are most needy.

Our Government must learn to take a chance in making loans to men who create wealth and increase purchasing power. Some may fail, but if the result is an increase in the general wealth of the people greater than their losses, it is good business for the Nation as a whole. It has been my

belief for a long time that our problems cannot be solved until Congress deals with our monetary system. I do not see how any investor could be expected to invest his money without some stabilization of prices, or without some assurance that the dollars he invests today will not be worth less tomorrow. It is only in the hope of making a profit that men invest money in enterprises, and when there is no security, no stability, men allow their money to stay in the banks, awaiting the time when they can see an opportunity to make money.

If it be true that Congress does not have the power to stabilize values—that is, to stabilize the value of the unit of measurement—then the makers of the Constitution thought the people would be wiser than they are today. Values can be stabilized if Members of Congress will forget the things they thought they knew about our monetary system and reexamine the question with open minds. There must be some way. If a farmer toils one year to produce wheat and sells it for $2 a bushel, he finds life an illusion if he does the same thing the next year and sells his wheat for 30 cents a bushel. If a laborer can earn enough to support his family one year, he ought to have a reasonable assurance that by doing the same thing the next year he can support his family. But, under present conditions, when next year comes, he may have no job at all.

Our whole system is a crazy quilt so far as values are concerned. Unemployment will be with us until we can give assurance of reasonable security to him who is willing to take a chance on investing his money. Congress should not adjourn until it has made an honest effort to stabilize prices, and if it succeeds in that, the question of unemployment—which means the question of relief and the farm problem and all related problems—will be settled.

We have made some start on social security, but it has been a halting, imperfect start. No one thought that we could accomplish in a few years that which it will take many years to accomplish, but there is dissatisfaction because, after having neglected all attempts to bring about social security for a century and a half, we cannot bring it about within a year or two. If we do not do something about our monetary system, so that men who desire to work can earn enough to support themselves and their families in comfort, we are going to have something which most of us do not look upon as sound.

When we discussed old-age pensions 2 or 3 years ago, the faces of nearly 7,000,000 citizens lighted up with hope, because they thought the nightmare of old age and helplessness had been brushed aside. But we see now that the shadows hover over them again. Many of those who are approaching 65 years of age know that they must cease to work, and they know that they cannot get other jobs. Yet we are doing practically nothing about it. What the aged need is a pension that is certain and sure, and not the haphazard system we have now, which in some of the States is equivalent to no help at all. We might as well know it now as later that if we cannot find some plan whereby the aged may receive a reasonable pension, probably as much as $50 a month, without being classed as beggars, we will see tried the Townsend plan or something worse. The payment of pensions to the aged would go a long way toward restoring the purchasing power of the people. Of course, it would not be enough, but it would help the people as a whole in actual dollars and cents more than the amount taken out of the Treasury with which to pay the pensions. Yet we talk about quitting and leaving this great question unsolved.

Mr. President, we have made some progress toward bringing about better conditions in the field of labor. Labor has been very loyal to this administration, because it has held out hope to it; but the Wage and Hour Act is so imperfect that I seriously doubt whether it can be enforced. It can be made to work by an intelligent Congress; but if we quit and go home, matters will grow worse. Many businessmen would close their establishments because they could not comply with the provisions of the law. And with shorter hours and better wages there will be fewer places to be filled. We ought not to leave such a condition existing in our country if we are wise enough to solve the problem.

We helped labor by providing for collective bargaining, but we went further and apparently placed autocratic powers in a board which has not administered the law very well. Nothing has brought this administration into greater trouble than the administration of what is known as the Wagner Act. The good things for labor in that act can and should be preserved, but I doubt whether there is any one of us who of his own free will and accord would not vote to make some change in it so that it might not be used as an instrument of persecution and destruction. Yet some say that we ought to go home and leave that problem unsettled.

Then there is the problem of finding a way to make money available to the small-business man immediately. It is a big problem, and undoubtedly will require the best thought of the Members of the Congress; but we hear it said, while more businessmen are failing because of the imperfection of our financial system, that we should adjourn and go home and leave a larger number of men out of employment.

There is much talk about economy and balancing the Budget. We ought to devise some plan before we leave here this year which will give assurance as to what may be expected along these lines. We know that economy pressed too far at this time would bring disaster, and we certainly know that an unbalanced Budget continued through the years will also bring disaster. Why not put our heads together on the matter and see if we cannot find some solution? Taxes are burdensome and are growing more so, and there are many inequalities to be found in our taxing system. There should be sufficient ability in Congress to revise our tax laws so as to remove such inequalities as may be found and give assurance that the Government will not take every hope of profit out of any business enterprise. But we are thinking about going to our homes, where we can meditate without work.

We have been trying to do something for the farmer for many years, but his condition does not improve very much. Certainly it is not his fault. He needs guidance and help, and he looks to the Congress to find ways of affording such help, but rather than to give it we prefer to go home and leave the farmer in his distress, hopeless and helpless.

I have referred briefly to some of the very important subjects relating to our domestic affairs with which we need to deal. Foreign affairs are more ominous. A general war will be going on in Europe within the next few weeks, perhaps, and, while many of the leading Members of Congress say that we ought to keep our noses out of the business of other people, I think Congress should be in session to help determine what is our business and what is the business of others.

As for me, it is my opinion that Congress should remain in session, intelligently working toward a solution of our problems, until the snow flies, and if we have not found a satisfactory solution of all of our questions by that time we, at least, should be able to report progress, and take a short breathing spell and start in again.

THE FOREIGN DEBTS

Mr. BONE. Mr. President, I ask unanimous consent that I may address the Senate for about 3 minutes during the morning hour.

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Is there objection? The Chair hears none, and the Senator from Washington is recognized.

Mr. BONE. Mr. President, day before yesterday on the floor of the House of Commons in London, England, there was asked a question of the British Secretary of State for War, the answer to which—if an answer had been made—would have interested every man, woman, and child in the United States. The question remained unanswered.

The unanswered question is one which long has been in the minds not only of those who, like myself, served on the special Senate committee investigating the munitions industry, but in the mind as well of every patriotic and responsible Member of the Senate.

Let me read to my colleagues of the Senate of the United States the brief dispatch from London telling how this question came to be raised:

LONDON, May 2.—The question of Britain paying the war debt to the United States was raised in the House of Commons today, without reaction from the Government.

Leslie Hore-Belisha, War Secretary, revealed that Britain is continuing to pay royalties on the Bren gun of Czechoslovakia, adopted by the British Army, despite the German annexation of Czechoslovakia.

A member asked whether Hore-Belisha is aware that "we are increasing the financial strength of Germany by continuing these payments."

"Maybe so," Hore-Belisha replied, "but it is not customary for this country to repudiate payments which have been legally contracted."

"What about America?" cried an unidentified member.

There was no reply.

Mr. President, yesterday morning the newspapers of this country carried reports of a survey of American public opinion demonstrating that the American people are, as nearly as is possible in a democracy, unanimously against the sending of American troops abroad to fight in another world war. Our tragic experience in our last venture to make the world safe for democracy might be sufficient reason for this attitude, but this attitude is sharpened and emphasized by the admission Tuesday on the floor of the House of Commons by the British Secretary of State for War that the unprincipled and murderous practices of the international munitions industry have not ceased, but, rather, has been intensified as the international situation grows more tense.

The British Government frankly admits that it is "increasing the financial strength of Germany continuing these payments" to the German industry for machine guns to equip the new conscript British army, and it defends its action on the ground that "it is not customary for this country to repudiate payments which have been legally contracted." But when asked, "What about America?"—what about the American war debts, which were also legally contracted—there was no reply.

Mr. President, in the name of the American people, I again address this question to the British Government, and I warn those who do not understand the temper of the American people that this question must be answered, and until it is answered the bulk of the American people will wonder why they should concern themselves with a situation which may lead them again to the shambles.

CONSIDERATION OF BILLS ON THE CALENDAR

The PRESIDING OFFICER. The clerk will proceed with the call of the calendar under rule VIII.

RESOLUTIONS AND BILLS PASSED OVER

The first business on the calendar was the resolution (S. Res. 58) providing that a calendar day's notice shall suffice in connection with suspension of a rule.

Mr. McNARY. Let the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

The resolution (S. Res. 74) providing for a Committee on Civil Aviation was announced as next in order.

Mr. BARBOUR and Mr. McNARY. Let the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

The joint resolution (S. J. Res. 45) to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes," was announced as next in order.

Mr. KING. I ask that the joint resolution be passed over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 783) to amend the act, as amended, entitled "An act to refer the claims of the Delaware Indians to the Court of Claims, with the right of appeal to the Supreme Court of the United States," approved February 7, 1925, was announced as next in order.

Mr. KING. Mr. President, I regret that the Senator from Oklahoma [Mr. THOMAS] is not present in the Senate Chamber at the moment. For a number of days when the calendar was called I have interposed objection to several measures, the purpose of which is to refer to the Court of Claims demands by various Indian tribes. I have submitted these bills to the Department of Justice and to the Treasury Department, as well as to the Department of the Interior, and I have just received full reports with respect to the bills. It is my purpose to confer with the Senator from Oklahoma tomorrow and show him the reports so that on Monday we shall be able to take action upon them. I ask that the bills, which I have heretofore asked to go over, may again be passed over.

The PRESIDING OFFICER. The bills beginning with Calendar No. 100, Senate bill 783, down to and including Calendar No. 116, Senate bill 498, will go over.

The bills passed over on request of Mr. KING are as follows:

S. 783. A bill to amend the act, as amended, entitled "An act to refer the claims of the Delaware Indians to the Court of Claims, with the right of appeal to the Supreme Court of the United States," approved February 7, 1925;

S. 784. A bill for the relief of certain Indians of the Winnebago Agency, Nebr.;

S. 790. A bill conferring jurisdiction upon the Court of Claims to hear and determine the claims of the Prairie Band or Tribe of Pottawatomie Indians of Kansas and Wisconsin against the United States;

S. 1222. A bill authorizing an appropriation for payment to the Osage Tribe of Indians on account of lands sold by the United States;

S. 767. A bill conferring jurisdiction on the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes;

S. 864. A bill authorizing the Arapahoe and Cheyenne Indians to submit claims to the Court of Claims, and for other purposes;

S. 962. A bill to define the status of certain lands purchased for the Choctaw Indians, Mississippi; and

S. 498. A bill authorizing an appropriation to carry out the provisions of section 26 of the agreement with the Muskogee or Creek Tribe of Indians, approved March 1, 1901.

The bill (S. 1706) to provide for reorganizing agencies of the Government, and for other purposes, was announced as next in order.

Mr. McNARY. Mr. President, the able Senator from Virginia [Mr. BYRD] is not in the Senate Chamber at the moment. I am a member of the special committee which reported the bill. The work in connection with the bill was in part performed by another committee. I ask that the bill go over for today. Really, I think it should be indefinitely postponed; but in the absence of the Senator from Virginia, I shall not make any other request than that it be passed for the day.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1162) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal was announced as next in order.

Mr. KING. I ask that that bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1303) to amend the Agricultural Adjustment Act of 1938, as amended, with respect to cotton was announced as next in order.

Mr. McNARY. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 2971) for the relief of certain Indians of the Winnebago Agency was announced as next in order.

Mr. KING. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 3367) to define the status of certain lands purchased for the Choctaw Indians, Mississippi, was announced as next in order.

Mr. KING. That, Mr. President, is also a bill which should be passed over.

The PRESIDING OFFICER. The bill will be passed over.

RETIREMENT PRIVILEGES, COMMANDING GENERAL, GENERAL HEADQUARTERS AIR FORCE

The bill (S. 1462) to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920, so as to confer on the commanding general, General Headquarters Air Force, the same retirement privileges now enjoyed by chiefs of branches, was announced as next in order.

Mr. SCHWARTZ. Mr. President, I ask that Calendar No. 339, House bill 4087, be substituted for Senate bill 1462, Calendar 215, and be considered at this time. House bill 4087 is identical with Senate bill 1462.

While I am on my feet I wish to say a word about the bill. The present law provides that any officer who shall have served 4 years as chief of a branch and who may subsequently be retired may be retired with the rank authorized by law for the grade held by him while such chief.

The only amendment of the law proposed in the bill is that there shall be included therein the commanding general of the General Headquarters Air Force. The Secretary of War recommends the passage of the bill and states that the air force has now attained to the same dignity and responsibility as any other branch of the Army, and that he feels that the commanding general of the air force should be entitled to the same retirement privileges as now enjoyed by chiefs of other branches. The bill does not call for any appropriation or additional allowance. It simply will give recognition to the increasing importance of that arm of the service.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming that House bill 4087 be substituted for Senate bill 1462 and be now considered?

There being no objection, the bill (H. R. 4087) to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920, so as to confer on the commanding general, General Headquarters Air Force, the same retirement privileges now enjoyed by chiefs of branches, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1462 will be indefinitely postponed.

BILLS AND RESOLUTION PASSED OVER

The bill (S. 795) to provide for the education of all types of physically handicapped children, to make an appropriation of money therefor, and to regulate its expenditure, was announced as next in order.

Mr. KING. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1681) to amend section 107 of the Judicial Code to create a mountain district in the State of Tennessee, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 570) to regulate interstate and foreign commerce in agricultural products, to prevent unfair competition, to provide for the orderly marketing of such products, to promote the general welfare by assuring an abundant and permanent supply of such products by securing to the producers a minimum price of not less than cost of production, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 107) opposing sales of American cotton during the present world crisis to foreign purchasers below the cost of production, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 1305) to promote the general welfare through appropriation of funds to assist the States and Territories in providing more effective programs of public education, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1265) to establish a Department of Public Works, to amend certain sections of the Social Security Act, and for other purposes, was announced as next in order.

Mr. McNARY. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

NATIONAL AVIATION DAY

The Senate proceeded to consider the joint resolution (S. J. Res. 111) designating August 19 of each year as National Aviation Day, which was read as follows:

Resolved, etc., That the President of the United States is authorized to designate August 19 of each year as National Aviation Day, and to issue a proclamation calling upon officials of the Government to display the flag of the United States on all Government buildings on that day, and inviting the people of the United States to observe the day with appropriate exercises to further and stimulate interest in aviation in the United States.

Mr. KING. I ask that the joint resolution be passed over.

Mr. PEPPER. Mr. President, I ask the Senator if he will be kind enough to allow me to make a brief explanation of Senate Joint Resolution 111? There was introduced in the first instance a measure which provided that it shall be the duty of the President, in commemoration of National Aviation Day, which is the birthday of Mr. Orville Wright, to call upon the armed services of the country to participate in celebrations in observance of the day. Some Senators, I think, properly objected to that, both on the ground of expense and, perhaps, of expediency.

Subsequent to that time an amended and new joint resolution was presented, which was considered by the Senate committee, and is now on the calendar, with the favorable recommendation of the Senate Committee on Commerce. The joint resolution merely proposes to designate the 19th day of August, the birthday of Orville Wright, as National Aviation Day. It does not make it a legal holiday. It does not require any expense on the part of government, either local or national. It is simply designed for the purpose of encouraging the formation of a sentiment that would be favorable to the development of the aviation facilities of the United States.

In view of the fact that there is no expense involved, that there is no public participation of any sort required, but that it is merely educational in its character, and has already been approved by many Senators on the floor, and by the Senate Committee on Commerce, which considered the matter, I hope the Senator from Utah will be gracious enough not to object to its passage.

Mr. KING. Mr. President, I shall withdraw my objection after making an observation. We are now having requests—indeed, demands—from various parts of the country for the observance of Labor Day, Naval Day, and so forth. I have received requests that we designate a day to commemorate the development of the sugar business, a great industry. I received a letter the other day insisting that if we are to have days designated to commemorate the development of industries we ought to have one for the dairy industry, because that industry furnishes more than $2,000,000,000 to the economy of our country—the greatest product of the country, far greater than cotton.

I have had requests that we set apart a day to be known as Mining Day, because the mining industry furnishes the sinews of war; it gives us our gold and our silver, our copper, and the minerals which are so indispensable to a growing and progressive civilization.

Mr. President, it seems to me that we will soon have to enlarge the number of days in the calendar so that, instead of 365, we shall have four or five hundred days in order to meet the demands for days to be devoted to some particular observance.

Mr. BARKLEY. Mr. President, I ask the Senator from Florida if the joint resolution makes August 19 a holiday, or simply designates it as a day when someone can celebrate with the flag flying on high?

Mr. PEPPER. That is one of the points I wanted to impress upon the Senate. The joint resolution does not make the day a national holiday. It does not require the participation of any of the services of the country. The purpose of the measure is to call attention to the fact that Congress, by the passage of the joint resolution, recognizes the importance of aviation, and thus stimulate public interest in aviation.

I shall appreciate it very much if the generous Senator from Utah will not insist on his objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (S. J. Res. 111) was considered, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 1081) for the relief of John B. Jones was announced as next in order.

Mr. McNARY. Mr. President, which bill was just announced?

The PRESIDING OFFICER. Calendar 317, Senate bill 1081.

Mr. McNARY. I shall ask to have the bill following that bill on the calendar explained.

The PRESIDING OFFICER. The Chair will state that Senate bill 1081, Calendar 317, and the three following bills, Senate bill 1082, Calendar No. 318, Senate bill 1083, Calendar No. 319, and Senate bill 2096, Calendar No. 320, will be passed over for the present.

The bill (S. 2202) to establish a Public Works Agency was announced as next in order.

Mr. BYRD. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passeed over.

The bill (S. 2203) to amend certain sections of the Social Security Act was announced as next in order.

Mr. BYRD. Over.

The PRESIDING OFFICER. The bill will be passed over.

BORG-WARNER CORPORATION

The Senate proceeded to consider the bill (S. 755) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Berg-Warner Corporation, which had been reported from the Committee on Claims with an amendment on page 2, line 2, after the name "United States", to strike out "for just compensation for the damages inflicted and the losses sustained by the taking and impounding by the War Department, by virtue of the provisions of the Espionage Act (U. S. C., title 50, ch. 4, sec. 31), of all matters pertaining to" and to insert in lieu thereof "in connection with", so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment in such amount as it deems may be equitably due, notwithstanding the lapse of time, or any statute of limitations, or any limitation upon the jurisdiction of such court with respect to claims upon any contract implied in law, upon the claim of the Borg-Warner Corporation, in its own right and as successor to the Marvel Carbureter Co. (formally a wholly owned subsidiary of the Borg-Warner Corporation), against the United States in connection with the development of fuel-injection systems for use on military aircraft: *Provided, however*, That such damages shall not exceed the actual moneys expended by the said Borg-Warner Corporation and the Marvel Carbureter Co. in connection with this said development during the calendar years 1927 to 1936, inclusive.

SEC. 2. Such claim shall be instituted by or on behalf of the Borg-Warner Corporation within 1 year after the date of the enactment of this act. Proceedings in any suit before the Court of Claims under this act, and review thereof and payment of any judgment therein, shall be had as in the case of claims over which such court has jurisdiction under section 145 of the Judicial Code, as amended.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ROBERT STOCKMAN

The Senate proceeded to consider the bill (S. 1449) for the relief of Robert Stockman, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$15,000" and to insert "$6,957.92", and in line 12, after the word "Administration", to strike out "for the Coast and Geodetic Survey, of the Department of Commerce, in the service of the Connecticut Geodetic Survey", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert Stockman, of Providence, R. I., the sum of $6,957.92 in full satisfaction of all claims against the United States for damages for personal injuries, medical expenses, and property damage sustained by him when he was struck by a truck owned by the United States Government and operated by A. A. McGrath, an employee of Works Progress Administration, in the village of Chepachet, in the town of Gloucester, R. I., on March 22, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The resolution (S. J. Res. 34) for the relief of W. K. Richardson was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation?

Mr. KING. I ask that the joint resolution be passed over.

The PRESIDING OFFICER. The joint resolution will be passed over.

SPECIAL JUDGE FOR DISTRICT COURT OF VIRGIN ISLANDS

The Senate proceeded to consider the bill (S. 190) to authorize the temporary appointment of a special judge for the District Court of the Virgin Islands, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 10, after the word "judge", to insert "only"; on page 2, line 3, after the word "receive", to strike out "the same rate of", and in the same line, after the word "compensation", to insert "at the same rate, for the period of time actually served", so as to make the bill read:

Be it enacted, etc., That section 26 of the Organic Act of the Virgin Islands of the United States (act of June 22, 1936, 49 Stat. 1813; U. S. C., title 48, sec. 1405y) be, and the same is hereby, amended by inserting therein immediately following the first sentence thereof the following sentence: "In case of the absence, disability, or disqualification of such judge, the President is authorized to appoint a special judge to discharge the duties of such judge only until the termination of such absence, disability, or disqualification; and the special judge so appointed shall be authorized and empowered to perform the duties of such office during such periods and shall receive compensation at the same rate, for the period of time actually served, and the same allowances for expenses and transportation, as are paid and allowed the judge of said court."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2017) to amend the Railroad Unemployment Insurance Act approved June 25, 1938, was announced as next in order.

Mr. KING. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. KING. I wish to make one observation with reference to that bill. We shall have railroad measures before us within a short time, and perhaps that measure may properly be integrated with them.

The bill (S. 1100) for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida, was announced as next in order.

Mr. McNARY. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

OKIE MAY FEGLEY

The Senate proceeded to consider the bill (H. R. 875) for the relief of Okie May Fegley, which had been reported from

the Committee on Claims with an amendment, on page 1, line 7, after the words "sum of", to strike out "$8,500" and insert in lieu thereof "$5,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement of all claims against the Government, to Okie May Fegley, of Williamsport, Pa., the sum of $5,000 in compensation for injuries caused by a post-office truck, resulting in serious and permanent injury: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

WILLIAM HILLOCK

The Senate proceeded to consider the bill (S. 2061) for the relief of William Hillock, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the name "South Dakota", to insert "in full settlement of his claim against the United States", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $90 to William Hillock, of Watertown, S. Dak., in full settlement of his claim against the United States for 90 hours of overtime work performed by him during the period of July 1, 1936, to August 16, 1936, inclusive, while employed as a carpenter on a sewer and water project constructed at the Pine Ridge Indian Agency: *Provided*, That no part of the money appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 1894) for the relief of Ivan Charles Grace was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1895) for the relief of Maria Enriquez, Crisanta, Anselmo, Agustin, and Irineo de los Reyes was announced as next in order.

Mr. KING. Mr. President, may we have an explanation of the bill? If not, let it go over.

The PRESIDING OFFICER. The bill will be passed over for the present.

The bill (H. R. 1301) for the relief of John J. Trimble was announced as next in order.

Mr. McKELLAR. May we have an explanation of the bill? If not, let it go over.

The PRESIDING OFFICER. The bill will be passed over.

W. F. TOWSON

The bill (H. R. 2529) for the relief of W. F. Towson was considered, ordered to a third reading, read the third time, and passed.

ELIZABETH E. BURKE

The bill (S. 1905) for the relief of Elizabeth E. Burke was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Elizabeth E. Burke, of Turners Falls, Mass., the sum of $304, in full satisfaction of her claim against the United States for compensation and reimbursement of medical and hospital expenses incurred by her as the result of personal injuries sustained by her when the car in which she was riding was struck by a Civilian Conservation Corps truck on January 26, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

GUY F. ALLEN

The bill (S. 2179) for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow credit in the June 1937 and July 1938 accounts of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department, without charge against the certifying officer of the Department of the Interior, for the following vouchers covering the purchase of tents and canvas: Voucher 13-85798, $65; voucher 13-86963, $73.75; voucher 13-87591, $784.25; voucher 13-87592, $366.02; voucher 13-8340, $40.75.

SAN FRANCISCO MOUNTAIN SCENIC BOULEVARD CO.

The bill (S. 68) for the relief of San Francisco Mountain Scenic Boulevard Co. was announced as next in order.

Mr. KING. Mr. President, may we have an explanation of the bill?

Mr. ASHURST. Mr. President, the purpose of the bill is to pay to the San Francisco Mountain Scenic Boulevard Co. the sum of $15,500 as full settlement of any claim of said company against the United States arising out of expenditures made for the benefit of the United States in the construction of the San Francisco Mountain Scenic Boulevard within the Coconino National Forest in Arizona.

Mr. KING. May I ask the Senator whether or not he regards the road as necessary to the Department of Agriculture?

Mr. ASHURST. Yes. The report of the Department so indicates.

A portion of the road which was constructed is of value to the Forest Service in the administration of the Coconino National Forest, since it makes accessible parts of that forest which otherwise would not be accessible to vehicular traffic.

Mr. KING. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Claims with an amendment at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the San Francisco Mountain Scenic Boulevard Co. the sum of $15,500 as full settlement of the claim of said company against the United States arising out of expenditures made for the benefit of the United States in the construction of the San Francisco Mountain Scenic Boulevard within the Coconino National Forest in Arizona: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ASHURST. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a copy of the report of the committee on the bill.

There being no objection, the report (No. 334) submitted by Mr. HUGHES on April 27, 1939, was ordered to be printed in the RECORD, as follows:

The Committee on Claims, to whom was referred the bill (S. 68) for the relief of the San Francisco Mountain Scenic Boulevard Co., having considered the same, report favorably thereon with the recommendation that the bill do pass with the following amendment:

At the end of the bill add the following:

": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to

or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The purpose of the bill is to pay to the San Francisco Mountain Scenic Boulevard Co. the sum of $15,500 as full settlement of the claim of said company against the United States arising out of expenditures made for the benefit of the United States in the construction of the San Francisco Mountain Scenic Boulevard within the Coconino National Forest in Arizona.

The Acting Secretary of Agriculture recommends favorable consideration of the bill.

The records of the Department show that, under the regulations relating to the administration of the national forests, a permit was issued on March 29, 1920, to the San Francisco Mountain Scenic Boulevard Co. authorizing it to construct a road across national-forest lands so as to reach the summit of the San Francisco Peaks, a high mountain in this locality. The road was to be constructed within a specified time and was to be maintained in a serviceable condition to meet tourist demands. It was expected that the permittee would reimburse itself for expenditures made in the construction and maintenance of the road by charging a toll for the privilege of passing over the road. The company seems to have had difficulty in financing the project, since the construction of the road was never completed, although the period for building it was several times extended. The company was not successful in obtaining sufficient revenue in the way of tolls from the road to maintain the portion constructed in a safe and serviceable condition and therefore the Department, after due notice, on January 19, 1938, canceled the permit so that thereafter the company had no control over the road, but for all practical purposes it became the property of the United States, since it was constructed on lands of the United States.

The records further show that a portion of the road which was constructed is of value to the Forest Service in the administration of the Coconino National Forest, since it makes parts of that forest accessible which otherwise would not be accessible to vehicular traffic. An examination by the Forest Service as to the cost of this part of the road, or rather what it would cost the Federal Government were it to construct a like road in this locality, indicates that the cost of such construction would be approximately $15,500, the amount stated in the bill. In view of the fact that this road is of value to the Government in the administration of Coconino National Forest and that were the Government forced to construct a like road it would be put to an expense of approximately $15,500, the Acting Secretary states: "It is believed that it would be no more than equitable to pay the San Francisco Mountain Scenic Boulevard Co. the cost of such road construction, and therefore the Department recommends S. 68 to the favorable consideration of your committee."

Your committee concur in the view of the Department, and it is accordingly recommended that the bill do pass.

The letter of the Acting Secretary of Agriculture is appended hereto and made a part of this report.

DEPARTMENT OF AGRICULTURE,
Washington, March 8, 1939.

Hon. M. M. LOGAN,
Chairman, Committee on Claims,
United States Senate.

DEAR SENATOR LOGAN: Receipt is acknowledged of your letter of February 13 enclosing copy of S. 68, a bill for the relief of the San Francisco Mountain Scenic Boulevard Co., and asking for a report thereon.

The proposed legislation would direct the Secretary of the Treasury to pay to the San Francisco Mountain Boulevard Co. $15,500 as full settlement of the claim of the company against the United States growing out of expenditures made in the construction of a road within the Coconino National Forest, Ariz.

Under the regulations of this Department relating to the administration of the national forests, a permit was issued on March 29, 1920, to the San Francisco Mountain Scenic Boulevard Co. authorizing it to construct a road across national forest lands so as to reach the summit of the San Francisco Peaks, a high mountain in this locality. The road was to be constructed within a specified time and was to be maintained in a serviceable condition to meet tourist demands. It was expected that the permittee would reimburse itself for expenditures made in the construction and maintenance of the road by charging a toll for the privilege of passing over the road. The company seems to have had difficulty in financing the project, since the construction of the road was never completed although the period for building it was several times extended. The company was not successful in obtaining sufficient revenue in the way of tolls from the road to maintain the portion constructed in a safe and serviceable condition and therefore the Department, after due notice, on January 19, 1938, canceled the permit so that thereafter the company had no control over the road but for all practical purposes it became the property of the United States since it was constructed on lands of the United States.

A portion of the road which was constructed is of value to the Forest Service in the administration of the Coconino National Forest since it makes parts of that forest accessible which otherwise would not be accessible to vehicular traffic. An examination by the Forest Service as to the cost of this part of the road, or rather what it would cost the Federal Government were it to construct a like road in this locality, indicates that the cost of such construction would be approximately $15,500, the amount stated in Senate bill 68.

In view of the fact that this road is of value to the Government in the administration of the Coconino National Forest and that were the Government forced to construct a like road it would be put to an expense of approximately $15,500, it is believed that it would be no more than equitable to pay the San Francisco Mountain Scenic Boulevard Co. the cost of such road construction and therefore this Department recommends Senate bill 68 to the favorable consideration of your committee.

Sincerely,

HARRY L. BROWN,
Acting Secretary.

N. F. CLOWER AND ELIJAH WILLIAMS

The Senate proceeded to consider the bill (S. 2056) for the relief of N. F. Clower and Elijah Williams, which had been reported from the Committee on Claims with an amendment at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury, for and on behalf of the United States of America, be, and he is hereby, authorized and directed to execute to N. F. Clower, of Shelby County, Tenn., a quitclaim deed conveying any right, title, and interest of the United States of America in the following-described real estate lying and being in Shelby County, Tenn., and particularly described as follows:

Being in the second civil district of said county and State, to wit: Twenty-seven and six one-hundredths acres of land bounded on the north by the lands of ——— White; on the east by the lands of Fields; on the south by the lands of ——— Weaver; and on the west by the lands of Ensley or Barrett; and lots 9, 11, 12, and 13 in Clower's subdivision in Shelby County, State of Tennessee, which subdivision was made in January A. D. 1925; said lots are bounded on the north by the lands of N. F. Clower; on the east by the lands of Williams and Birdie Rice; on the south by Mitchell Avenue, and on the west by the Macedonia Missionary Baptist Church lands; said lots 9, 11, 12, and 13 are in block 2 of said subdivision; together with the hereditaments and appurtenances thereunto belonging.

SEC. 2. That the Secretary of the Treasury, for and on behalf of the United States of America, be, and he is hereby, authorized and directed to execute to Elijah Williams, of Shelby County, Tenn., a quitclaim deed conveying any right, title, and interest of the United States of America in the following-described real estate lying and being in the county of Shelby, Tenn., and particularly described as follows:

Being in the second civil district of said county and State, to wit: Lot 42, block 1 of W. O. Crump's Warford Avenue subdivision, as shown in plat book 8 at page 205 of the register's office for the county of Shelby in the State of Tennessee, said land beginning on the north side of Calvert Avenue at the northwest corner of Branch Street thence west 40 feet; thence north parallel with Branch Street 125 feet; thence east parallel with Calvert Avenue 40 feet to the west side of Branch Street; thence south with said west line 125 feet to the beginning, together with the hereditaments and appurtenances thereunto belonging.

SEC. 3. That the clerk of the United States District Court for the Western District of Tennessee, at Memphis, is hereby authorized and directed to satisfy of record the judgment obtained by the United States of America against N. F. Clower and Elijah Williams, as sureties on the forfeited bail bond of Robert Rhone, who was charged with violation of the United States Internal Revenue Act and who failed to appear as required by law but who subsequent to the first setting of his trial and within the same term of court, made his appearance, stood trial July 21, 1937, was convicted, sentenced, and has served his time and been discharged: *Provided, however*, That as a condition precedent to the reconveyance of the property and the satisfaction of the judgment the claimants pay to the United States their proportionate share of the sum of $167.96, said sum representing costs and expenses incurred by the Government.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the report of the committee in connection with Senate bill 2056 be printed in the RECORD at this point.

There being no objection, the report (No. 335) submitted by Mr. HUGHES on April 27, 1939, was ordered to be printed in the RECORD, as follows:

The Committee on Claims, to whom was referred the bill (S. 2056) for the relief of N. F. Clower and Elijah Williams, having considered the same, report favorably thereon with the recommendation that the bill do pass with the following amendment:

At the end of the bill add the following:

"*Provided, however*, That as a condition precedent to the reconveyance of the property and the satisfaction of the judgment the

claimants pay to the United States their proportionate share of the sum of $167.96, said sum representing costs and expenses incurred by the Government."

As amended, the Attorney General has no objection to the enactment of the bill.

The files of the Department of Justice show that on June 16, 1937, Robert Rhone was indicted on a charge of operating a still in violation of the internal-revenue laws; that he was released on bond in the sum of $1,000 on which N. F. Clower and Elijah Williams were sureties; that defendant failed to appear on the date set for his arraignment and on June 24, 1937, the bond was forfeited. Judgment was entered against the sureties on November 8, 1937, in the sum of $1,000 with costs.

In July 1938 certain real property belonging to the sureties was sold in execution of the judgment. The United States bid it in for the sum of $960, of which the sum of $710 was paid for the Williams property and the sum of $250 for the Clower property. After applying this amount to the judgment there remained a balance due of $205.46 which is still unsatisfied. The bill proposes that the United States reconvey the property to claimants and cancel the balance due on the judgment.

On July 19, 1937, less than a month after the default, the defendant was produced by the sureties for trial. He was convicted and sentenced to imprisonment in a penitentiary for a term of 2 years. He was subsequently released on a writ of habeas corpus, the court holding that the count of the indictment on which he was convicted was void.

The Attorney General states that "I find no objection to the enactment of the bill, if it is amended to provide that as a condition precedent to the reconveyance of the property and the satisfaction of the judgment the claimants pay to the United States the sum of $167.96," the amount of costs and expenses incurred by the United States.

The following letter from the Attorney General is appended hereto and made a part of this report, as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., April 19, 1939.

Hon. M. M. LOGAN,
Chairman, Senate Committee on Claims,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have your letter of April 5, requesting my views concerning the merits of the bill (S. 2056) to provide that the United States shall convey to N. F. Clower and Elijah Williams title to certain real property located in Shelby County, Tenn.; and to provide for the satisfaction of the judgment secured against them as a result of the forfeiture of a bail bond filed in a criminal proceeding against Robert Rhone in the United States District Court for the Western District of Tennessee.

The files of this Department show that on June 16, 1937, Robert Rhone was indicted on a charge of operating a still in violation of the internal-revenue laws. He was released on bond in the sum of $1,000, on which N. F. Clower and Elijah Williams were sureties. The defendant failed to appear on the date set for his arraignment, and on June 24, 1937, the bond was forfeited. Judgment was entered against the sureties on November 8, 1937, in the sum of $1,000 with costs.

In July 1938 certain real property belonging to the sureties was sold in execution of the judgment. The United States bid it in for the sum of $960, of which the sum of $710 was paid for the Williams property and the sum of $250 for the Clower property. After applying this amount to the judgment, there remained a balance due of $205.46, which is still unsatisfied.

The pending bill proposes to provide that the United States shall reconvey the above-mentioned property to N. F. Clower and Elijah Williams and cancel the balance of $205.46 due on the judgment.

On July 19, 1937, less than a month after the default, the defendant was produced by the sureties for trial. He was convicted and sentenced to imprisonment in a penitentiary for a term of 2 years. He was subsequently released on a writ of habeas corpus, the court holding that the count of the indictment on which he was convicted was void.

I am informed that Clower is 84 years of age and that the property includes his home.

The Government incurred costs and expenses in this matter aggregating the sum of $167.96.

In view of the foregoing consideration, I find no objection to the enactment of the bill, if it is amended to provide that as a condition precedent to the reconveyance of the property and the satisfaction of the judgment, the claimants pay to the United States the above-mentioned sum of $167.96.

With kind regards,

Sincerely,

FRANK MURPHY,
Attorney General.

FRANCIS GERRITY

The bill (S. 648) for the relief of Francis Gerrity was announced as next in order.

Mr. KING. I ask that the bill go over. It is objected to by the Secretary of War.

Mr. JOHNSON of Colorado. Mr. President, am I to understand that there is objection to Senate bill 648?

Mr. KING. Yes, Mr. President. I notice from the report which accompanies the bill that the entire matter has been given mature consideration and that the War Department adheres to the views expressed in its previous report, which is quoted, and recommends that the bill be not enacted into law.

Mr. JOHNSON of Colorado. Will the Senator withhold his objection for just a moment?

Mr. KING. Certainly.

Mr. JOHNSON of Colorado. Mr. President, I have no interest whatever in this case. I did not know anything about it until the matter was referred to me to make a study of it.

The report to which the Senator refers is merely one of the routine reports which are turned out at the War Department on every case that comes to the Department for consideration. It does not mean a thing in the world.

The facts concerning this case are as follows:

Francis Gerrity enlisted when he was 17 years old. He went to the Philippines. He served 2 years and 9 months in the Philippines. He was brought back to Junction City, Kans. One pay day Gerrity and two other soldiers obtained leave and went to town. The day before, a soldier from Junction City had gotten into some trouble and had killed a policeman in cold blood. At that particular time feeling was very strong against men who wore the uniform. Gerrity, in company with the two other soldiers referred to, went to town. They met a civilian, and the four of them went to a sporting house. While they were there, all of them drinking and all of them more or less intoxicated, the civilian claimed that he had been robbed; that his pockets had been picked. So the soldiers were arrested and tried under very unfavorable circumstances. The two older soldiers were sentenced to the penitentiary for a year. On account of his youth, Gerrity was sentenced to a year in the reformatory.

There was no evidence to show which one of the soldiers, if any of them, had robbed the civilian. It is just an unfortunate case. Francis Gerrity at the present time is in a logging camp in the West. He is a hard-working man with a good reputation. The situation is an unfortunate one, which only the Congress can correct.

The War Department had no alternative except to discharge Gerrity. When he was convicted in a civil court, he had to be taken out of the Army. He was not dishonorably discharged. He was discharged "without honor." It seems to me that the Congress ought to correct a situation of that kind.

Mr. KING. He was discharged because he was convicted of picking pockets and sentenced to 1 year in the penitentiary.

Mr. JOHNSON of Colorado. He was sentenced to 1 year in the reform school.

Mr. KING. To 1 year in the reform school.

Mr. JOHNSON of Colorado. As I have said, there were three soldiers in the party.

Mr. KING. If the three engaged in picking pockets or robbing some person, I do not think one should be exculpated merely because perhaps the crime was not fastened directly upon him. The three were together. The report shows that Gerrity was convicted of picking pockets.

Mr. JOHNSON of Colorado. He was convicted of picking pockets. All three of the soldiers were convicted, and the older boys were sent to the penitentiary. Does not the Senator believe that sometimes a conviction is wrong? From my study of the case, I have very good reason to believe that the conviction was wrong.

As I say, I have no interest in the case other than a humanitarian interest.

Mr. KING. The War Department has made an investigation, and the Senator has made an investigation. The investigation of the War Department was made by Adjutant General Adams, a man of the highest character and integrity, for whom I vouch in every activity of life. Does the Senator believe, after his investigation, that Gerrity did not indulge in picking pockets, and did not join with his associates in that crime?

Mr. JOHNSON of Colorado. I think he did not have anything to do with the crime of picking pockets. I do not think anybody's pockets were picked; but the Army had no other

choice than to discharge the men when they were convicted in court. The Army could not go back of the conviction. The Army had no alternative. It was compelled to accept the conviction, and to discharge "without honor."

I wish the Senator would study the case, and, because of his humanitarian instincts—which I know are very great—and his gratefulness to the men who wear the uniform, be lenient in this case.

An identical bill has passed the Senate at two previous sessions. I hope the Senator will withdraw his objection.

Mr. KING. Mr. President, I shall adhere to my objection for the present. I shall confer with the War Department; and if any injustice has been done Francis Gerrity, I shall be the first to move for rectification. However, in view of Secretary Woodring's statement that the matter has been given full consideration, and in view of the recommendation of Major General Adams, it seems to me we ought to have further light before we pass the bill.

The PRESIDING OFFICER. The bill will be passed over.

BILLS PASSED OVER

The bill (H. R. 3221) to authorize the Secretary of War to provide for the sale of aviation supplies and services to aircraft operated by foreign military and air attachés accredited to the United States, and for other purposes, was announced as next in order.

Mr. McNARY. Mr. President, I do not know that I have any objection to the bill; but I should like to have an explanation of it, because the title is not sufficient to enlighten me as to its true purpose.

Mr. KING. Also, there is a minority report.

Mr. LA FOLLETTE. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 517) to amend the Communications Act of 1934 to prohibit the advertising of alcoholic beverages by radio, was announced as next in order.

SEVERAL SENATORS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 198) to provide that records certified by the Court of Claims to the Supreme Court in response to writs of certiorari may include material portions of the evidence, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

CHARLES C. RASCOE

The bill (S. 682) relating to the military record of Charles C. Rasco, deceased, was announced as next in order.

Mr. KING. Mr. President, I ask that the bill go over. The War Department reports adversely upon it.

The PRESIDING OFFICER. The Senator from Wyoming [Mr. SCHWARTZ] reported the bill, and the Chair will refer the Senator to him.

Mr. KING. The War Department has reported adversely, and I ask that the bill go over.

Mr. SCHWARTZ. Mr. President, will the Senator withhold his objection and permit me to make a brief statement?

Mr. KING. Certainly.

Mr. SCHWARTZ. Mr. President, I will explain the situation in reference to this bill. The young man in this case, Charles C. Rascoe, was a soldier on duty in France. As to his general character, it may be stated that he submitted himself to two operations in order finally to become physically qualified for admission into the service. He served in France in the Transportation Corps. His duty was to travel up and down a railway line as a trackwalker. One day while he was walking the tracks a squad of 10 or 15 soldiers were unloading some hospital supplies. The car from which the supplies were being unloaded had been wrecked or damaged, so that some of the cases in which bottles were packed had been broken. It was cold, and this young soldier, a mere boy of 19 or 20, coming down the right-of-way, as was his duty to do, found the other soldiers in a little shack in which there was a stove and a fire. I may say, by the way, that a sergeant was there. The young soldier stepped into the little shack. There was on the stove in the shack a concoction that was made, as the soldiers thought, out of grain alcohol; but, as a matter of fact, it was made out of wood alcohol. They had mixed sugar and water into it, and invited this young soldier to have a drink. Any Legionnaires who may be here who ever took a drink while they were on duty will understand the situation. So he took a drink, as the other boys did, and went on about his duties. The next day he became sick, and, after he was in the hospital for a day, he died.

The War Department issued a certificate as to the cause of his death, it being reported that the cause was cerebro-spinal meningitis. Another boy who drank some of the same concoction in the shack on that cold morning also died. Then the record was changed to show that he died from the effects of drinking wood alcohol, that his stepping into the shack was outside the line of his duty, and, therefore, he died from an act committed while he was not in the performance of his duty. That being their finding, it was held that his separation from the service was not honorable, and it was so noted on his record. Of course, his mother is greatly interested in this matter, and she is most particularly interested in it because she does not like to have that record against her boy. I have taken the trouble in looking into this case to go to the War Department and find other similar cases where honorable discharges were given, and I have incorporated them in the report.

In the interest of fair play to this boy and his mother, and because I realize, Mr. President, that it is a practical impossibility to get the War Department ever to vary, by a dot or a comma or anything else, what they have put on the record as to the cause of death, when soldiers are in the field, and when sudden courts martial or sudden courts of inquiry are held. Under the circumstances, I hope the Senator from Utah will permit this bill to be considered and passed by the Senate.

Mr. KING. Mr. President, so far as I am personally concerned, I have no interest in these matters other than to do my duty. Personally I should be very glad to be far more generous than is my friend from Wyoming. I find that the first time the War Department considered this case it strongly recommended "that the bill be not favorably considered." Secretary Woodring further adds:

> After reconsideration of the entire matter, the War Department adheres to the view expressed in its previous report, quoted in the foregoing, and recommends that S. 682 be not enacted into law.

The facts are, so far as the report which the Senator submits discloses, that this young man and others had certain duties to perform. They left the scene of the duty to which they were assigned and went into what the Senator calls "a shack"—into a house—which was not connected in any way with their duties, and there they partook of a beverage. The report seems to indicate that larceny—a petit larceny, probably—was committed in obtaining the beverage. The result was, as the Senator states, that death followed the next day.

I am willing that the Senate should pass upon the bill, and I withdraw objection to its consideration. I only want the Senate to understand that the Secretary of War, "after further consideration," strongly recommends against the favorable consideration of the bill.

I wish to say, not by way of exculpation, for the War Department does not need any apologist for its record, that I do not agree with my dear friend from Wyoming that the War Department, always without changing a dot, as he stated, recommends adversely on such measures as this. It is quite the reverse; I know of many cases where they have favorably recommended appropriations and correction of records; and I do not want the RECORD to show that we assent to the charge that the War Department always recommends against these cases. I think the War Department tries to get the facts, and I want to exonerate it in this case, as in others, when the charge is made that the Department has not acted fairly.

Mr. SCHWARTZ. Mr. President, let me refer to one of the conclusions of the War Department:

There are a considerable number of cases similar to this for which remedial legislation would undoubtedly be asked should this bill become a law.

It has been my experience, as a member of the Military Affairs Committee, that when an attempt is made to correct the record of a soldier there is included in practically every adverse report the statement that it would establish a precedent. I had hoped these cases might be determined upon their individual merits.

As to my statement about the facts and circumstances, there is in the files of the Military Affairs Committee in this case the complete record of the testimony taken of all the men who were there, including the sergeant. All the young soldier did was to stop on his travels up and down the railway line and accept a drink with the other boys who were taking drinks. It is on that ground that a black mark has been written against his record in the War Department, and that, I think, the Senate should correct.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KING. I have withdrawn my objection under the circumstances explained by me.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Charles C. Rascoe, deceased (Army serial No. 2687114), who was a private, Seventy-eighth Company, Transportation Corps, United States Army, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private on April 9, 1919: *Provided*, That no back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

PROHIBITION OF RADIO ADVERTISING OF ALCOHOLIC BEVERAGES

The PRESIDING OFFICER. The Chair asks the Senate to recur to Calendar No. 362, Senate bill 517, the title of which will be stated.

The CHIEF CLERK. A bill (S. 517) to amend the Communications Act of 1934 to prohibit the advertising of alcoholic beverages by radio.

The PRESIDING OFFICER. The Chair wishes to make it plain that he does not object to that bill. It was objected to by other Senators, and the bill went over.

RECORDS CERTIFIED TO SUPREME COURT BY THE COURT OF CLAIMS

The PRESIDING OFFICER. The Chair also asks to recur to Calendar No. 363, Senate bill 198, the title of which will be stated.

The CHIEF CLERK. A bill (S. 198) to provide that records certified by the Court of Claims to the Supreme Court in response to writs of certiorari may include material portions of the evidence, and for other purposes.

Mr. KING. I have no objection to the consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 3, subsection b, of the act of February 13, 1925 (43 Stat. 936, 939, c. 229; U. S. C., title 28, sec. 288 b), be amended so as to read as follows:

"(b) In any case in the Court of Claims, including those begun under section 180 of the Judicial Code, it shall be competent for the Supreme Court, upon the petition of either party, whether Government or claimant, to require, by certiorari, that the cause be certified to it for review and determination of all errors assigned, with the same power and authority, and with like effect, as if the cause had been brought there by appeal. In such event the Court of Claims shall include in the papers certified by it the findings of fact, the conclusions of law, and the judgment or decree, as well as such other parts of the record as are material to the errors assigned, to be settled by the Court:

"The Court of Claims shall promulgate rules to govern the preparation of such record in accordance with the provisions of this section.

"In such cases the Supreme Court shall have authority to review, in addition to other questions of law, errors assigned to the effect that there is a lack of substantial evidence to sustain a finding of fact; that an ultimate finding or findings are not sustained by the findings of evidentiary or primary facts; or that there is a failure to make any finding of fact on a material issue."

BILL PASSED OVER

The bill (S. 1904) relating to age requirements for persons in the classified civil service was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. MEAD. Mr. President, I inquire what happened to Order of Business 365, Senate bill 1904?

The PRESIDING OFFICER. The bill went over on objection of the Senator from Utah.

RAILROAD TRACKAGE, FORT LEAVENWORTH MILITARY RESERVATION

The Senate proceeded to consider the bill (S. 1307) authorizing the Secretary of War to grant a revocable license to the Union Pacific Railroad Co. to maintain certain railroad trackage on the Fort Leavenworth Military Reservation, which had been reported from the Committee on Interstate Commerce with an amendment, on page 1, line 10, after the word "purpose", to insert:

Provided, however, That nothing herein, or in such license, shall be construed as relieving said railroad company of compliance with any of the provisions of the Interstate Commerce Act, as amended, or as it may hereafter be amended.

So as to make the bill read:

Be it enacted, etc., That the Secretary of War (hereinafter referred to as the Secretary) is authorized to grant to the Union Pacific Railroad Co. and its successors in interest a license to maintain, operate, repair, renew, and reconstruct, at its own expense, upon the Fort Leavenworth Military Reservation such railroad trackage as, in the opinion of the Secretary, will not conflict with the use of such reservation for any governmental purpose: *Provided, however*, That nothing herein, or in such license, shall be construed as relieving said railroad company of compliance with any of the provisions of the Interstate Commerce Act, as amended, or as it may hereafter be amended. Any license so granted shall (1) be revocable at the will of the Secretary, (2) provide that the Secretary may, in lieu of revoking such license, require the grantee to relocate any such trackage for the purpose of preventing such trackage from interfering with the use of such reservation for governmental purposes, and (3) provide that the privileges granted thereby shall be exercised subject to such rules and regulations as the Secretary, or the commanding officer at such reservation with the approval of the Secretary, may prescribe in the interests of maintenance of good order, sanitation, discipline, public safety, and the interests of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REAL ESTATE DEVISED BY LIZZIE BECK, OF MENA, ARK.

The bill (S. 2244) to authorize the Secretary of the Treasury to accept real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to accept on behalf of the United States the real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and to deal with the same in the manner provided by the act of August 27, 1935 (49 Stat. 885; U. S. C., title 40, sec. 304a), or the act of August 26, 1935 (49 Stat. 800; U. S. C., title 40, sec. 345b).

BILL PASSED OVER

The bill (S. 1730) to amend the civil-service law to permit certain employees of the legislative branch of the Government to be transferred to positions under the competitive classified civil service was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

REINTERMENT OF CERTAIN BODIES

The joint resolution (S. J. Res. 62) to reinter the bodies of Mary McDonough Johnson Daughtery and Sarah Phillips

McCardle Whitesides near the body of former President Andrew Johnson, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Secretary of War be, and he is hereby, authorized and directed to disinter the bodies of Mary McDonough Johnson Daughtery, mother of former President Andrew Johnson, and of Sarah Phillips McCardle Whitesides, the mother of the wife of former President Andrew Johnson, and to reinter the same within the same plot of ground, and within the railing surrounding the said plot of ground, in which the body of the said former President of the United States, Andrew Johnson, is himself buried.

SEC. 2. That an appropriation to cover the expenses of the action herein directed, not exceeding $200, be, and is hereby, authorized.

Mr. McKELLAR subsequently said: Mr. President, the Senator from Vermont [Mr. AUSTIN] has submitted an excellent report on Senate Joint Resolution 62, and it is very short. I ask that the report be printed in the RECORD in connection with the passage of the joint resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report (No. 344) submitted by Mr. AUSTIN on May 1, 1939, is as follows:

The Committee on Military Affairs, to whom was referred the joint resolution (S. J. Res. 62) to reinter the bodies of the mother and the mother-in-law of former President Andrew Johnson, having considered the same, report favorably thereon with a recommendation that it do pass.

The purpose of the bill is to authorize and direct the Secretary of War to disinter the bodies of Mary McDonough Johnson Daughtery, mother of former President Andrew Johnson, and of Sarah Phillips McCardle Whitesides, the mother of the wife of former President Andrew Johnson, and to reinter them within the same plot of ground, and within the railing surrounding the said plot of ground, in which the body of Andrew Johnson, former President of the United States, is buried.

Section 2 of the bill authorizes an appropriation of $200 to cover the expenses that would be incurred in carrying out this purpose.

The committee favor this legislation, but it is not the intention of the committee to establish a policy other than that of considering every application of this kind on its merits.

Three letters from the only surviving next-of-kin of former President Andrew Johnson, giving their consent and endorsement of Senate Joint Resolution 62 and House Joint Resolution 4014, to reinter the bodies of the mother and the mother-in-law of former President Andrew Johnson, follow:

GREENEVILLE, TENN., *April 12, 1939.*

COMMITTEE ON MILITARY AFFAIRS,
United States Senate, Washington, D. C.

GENTLEMEN: Senate Joint Resolution No. 62, introduced by Senator MCKELLAR, of Tennessee, provides that the bodies of Mary McDonough Johnson-Daughtery and Sarah Phillips McCardle-Whitesides, mother and mother-in-law, respectively, of President Andrew Johnson, be disinterred (Old Greeneville Cemetery) and reinterred in the Andrew Johnson National Cemetery, of Greeneville, Tenn., in the family plot and near the remains of President Johnson and wife.

Under the provisions of the will of the late Martha Johnson Patterson, the land comprising the Andrew Johnson National Cemetery was deeded to the Federal Government. It set forth the names of the members of the family of the late President who were to be interred in this National Cemetery. The late President and Mrs. Johnson, and certain other members of his family, are interred in a plot in this cemetery, which is now surrounded by an iron fence. The other members of the family have been and will be interred in the family plot outside of the iron fence, leaving a space for two graves within the enclosure of the iron fence and near the bodies of the late President and his wife. As one of the three surviving heirs at law of Andrew Johnson, I am anxious and willing that Senate Joint Resolution No. 62 be approved by your committee and passed, and that the two bodies be reinterred in the space mentioned above within the plot surrounded by the iron fence.

Mrs. Martha J. Patterson was the mother of only two children, Andrew Johnson Patterson and Belle Patterson, both of whom are dead. I am the only child and heir at law of Andrew Johnson Patterson. Mary Belle Patterson married John Landstreet, of Richmond, Va., both of whom are deceased. They had only one child, Martha Belle Landstreet, who married Robert Willingham, of Richmond, Va., who now survives, she being the only other heir at law of Martha Johnson Patterson.

Mrs. Mary Johnson Stover (second daughter of Andrew Johnson) was the mother of three children, Lillie, Sarah, and Andrew Johnson Stover, all three of whom are dead. Sarah (wife of W. B. Bachman), had two children, Samuel (deceased), and Andrew Johnson Bachman, now living in Elizabethton, Tenn., being the only heir at law of Mary Johnson Stover.

As one of the three heirs at law, I want to hereby give my consent to have these bodies reinterred in the Andrew Johnson National Cemetery at Greeneville, Tenn., and urge the passage of Senate Joint Resolution No. 62, providing for same and trust it may be favorably acted upon without delay, I am,

Respectfully yours,

MARGARET JOHNSON PATTERSON.

ELIZABETHTON, TENN., *April 15, 1939.*

COMMITTEE ON MILITARY AFFAIRS,
United States Senate, Washington, D. C.

GENTLEMEN: Senate Joint Resolution No. 62, by Senator McKellar of Tennessee, and its companion measure, House Joint Resolution No. 4014, by Representative Albert Gore, of Tennessee, provide for the disinterment of the bodies of Mary McDonough Johnson-Daughtery and Sarah Phillips McCardle-Whitesides, mother and mother-in-law, respectively, of President Andrew Johnson, and for their reinterment in the Andrew Johnson National Cemetery at Greeneville, Tenn.

Andrew Johnson had five children; however, only two had issue. Martha Johnson, the eldest daughter, married David Trotter Patterson. They had two children, Andrew Johnson Patterson and Mary Belle Patterson, who married John Landstreet, both of whom are now dead. Andrew Johnson Patterson left only one heir-at-law, Miss Margaret Johnson Patterson, now of Greeneville, Tenn., and Mrs. Mary Belle Landstreet, had only one child, Mrs. Robert Willingham, of Richmond, Va., who now survives. Mary Johnson, second daughter of President Andrew Johnson, married Daniel Stover. They had three children, namely, Lillie, Sarah, and Andrew Johnson Stover, all of whom are dead. Sarah married W. B. Bachman, and had two children, Samuel, now deceased, and Andrew Johnson Bachman, the writer, who is the only heir at law of Mary Johnson Stover. In other words, there are only three next of kin of President Andrew Johnson now living, namely, Miss Margaret Johnson Patterson, of Greeneville, Tenn., Mrs. Robert Willingham, of Richmond, Va., and the writer.

I want to hereby give my consent to the passage of Senate Joint Resolution No. 62, and House Joint Resolution No. 4014, for the removal of these two bodies to the Andrew Johnson National Cemetery, under the conditions set out in these resolutions, and urge the passage of same.

Respectfully,

ANDREW JOHNSON BACHMAN.

RICHMOND, VA., *April 17, 1939.*

COMMITTEE ON MILITARY AFFAIRS,
United States Senate, Washington, D. C.

GENTLEMEN: Senate Joint Resolution 62, introduced by Senator MCKELLAR, of Tennessee, provides that the bodies of Mary McDonough Johnson-Daughtery and Sarah Phillips McCardle-Whitesides, mother and mother-in-law, respectively, of President Andrew Johnson, be disinterred from the old city cemetery in Greeneville, Tenn., and reinterred in the Andrew Johnson National Cemetery of that city, which meets with my approval.

Andrew Johnson had five children; however, only two, Martha Johnson Patterson and Mary Johnson Stover, had issue. Mrs. Martha Johnson Patterson had two children, Andrew Johnson Patterson and Belle Patterson, my mother, who married John Landstreet. Both Andrew Johnson Patterson and Belle Patterson Landstreet are deceased. Miss Margaret Johnson Patterson is the only heir at law of Andrew Johnson Patterson, and I am the only heir at law of Belle Patterson.

Mary Johnson Stover, second daughter of Andrew Johnson, and sister of Martha Johnson Patterson, has only one heir at law living, he being Andrew Johnson Bachman, of Elizabethtown, Tenn. In other words, there are only three next of kin of President Andrew Johnson now living, as shown above, they being Miss Margaret Johnson Patterson, of Greeneville, Tenn.; Andrew Johnson Bachman, of Elizabethtown, Tenn.; and myself.

As one of the two heirs at law of Martha Johnson Patterson, and as one of the three surviving next of kin of President Andrew Johnson, I want to hereby give my approval to the passage of Senate Joint Resolution 62, and urge its immediate passage.

Respectfully yours,

MARTHA LANDSTREET WILLINGHAM.
(Mrs. Robert Willingham.)

Report from the War Department, under date of March 23, 1939, follows:

WAR DEPARTMENT,
Washington, March 23, 1939.

Hon. MORRIS SHEPPARD,
Chairman, Committee on Military Affairs,
United States Senate.

DEAR SENATOR SHEPPARD: Careful consideration has been given to the Joint Resolution 62, to reinter the bodies of Mary McDonough Johnson-Daughtery and Sarah Phillips McCardle-Whitesides near the body of former President Andrew Johnson, transmitted with your communication of February 14, 1939, with request for report thereon and such views relative thereto as the War Department may desire to submit.

The applicable provision of existing law is the act of Congress approved June 12, 1906 (34 Stat. 240, 259), authorizing the establishment of the Andrew Johnson National Cemetery.

This joint resolution, if enacted into law, would necessitate the expenditure of $200 for the accomplishment of its purpose. No additional funds would be required annually as the care of these graves would be included in the general care and maintenance of the national cemetery.

The ground on which the Andrew Johnson National Cemetery is located was conveyed to the Government of the United States by deed under the provisions of the will of the late Martha J. Patterson, such deed designating by name the persons who should be interred in the plot reserved for the family of the late President Andrew Johnson. In view of the terms of the deed, specifically setting forth those who should be interred in this plot, the proposed

law would probably be without effect in the absence of the approval of the heirs of Mrs. Patterson to the burial of the individuals named in the joint resolution. This Department has no information as to why President Johnson's mother and mother-in-law were not included in the list mentioned in this deed.

While the War Department has no objection to the enactment of the proposed legislation, it is deemed pertinent to point out that the passage of this bill would establish a precedent which might lead to future efforts along similar lines. In addition to the Andrew Johnson National Cemetery, the Zachary Taylor National Cemetery contains the remains of former President Taylor and certain members of his family, and there may be descendants who would attempt to secure, by legislation, the privilege of being interred in his tract. The same conditions apply to Arlington in view of its historic background.

In the final analysis, the question of whether or not the proposed bill should be enacted into law is one of general policy upon which the Department should express no opinion.

This proposed report has been submitted to the Bureau of the Budget which advises that there would be no objection to its submission to Congress.

Sincerely yours,

HARRY H. WOODRING,
Secretary of War.

APPOINTMENTS FROM THE DISTRICT TO MILITARY ACADEMY

The bill (S. 1683) to amend the act of June 7, 1935 (49 Stat. 332), and for other purposes, was announced as next in order.

Mr. McNARY. Mr. President, I know nothing about this proposed legislation. I should like to have the able Senator from Utah explain it.

Mr. KING. Mr. President, I have no personal interest in the matter at all. It has been suggested by various persons, including the War Department, and by many residents of the District of Columbia, that, in view of the large and increasing population of the District of Columbia, the number of cadets who may be appointed from the District should be increased from five to nine. It has been favorably reported upon by the War Department and approved by the people generally.

Mr. McNARY. How does the proposed increase in number compare on the basis of population with the number of cadets who may be appointed from the respective States? For instance, the able Senator from Utah has a total of three appointments available only when vacancies occur in his quota.

Mr. KING. Then the other Senator and the Representatives from Utah have three appointments. So I think, generally speaking, the population of the District of Columbia would warrant an increase in the number of cadets measured by the appointments made from the respective States.

Mr. McNARY. I have no objection if the bill provides a fair representation for the District of Columbia compared with that of the States. I do not desire that any special privilege should be conferred on any State or on the District of Columbia. So I am asking the Senator what the relationship is. The population of the District of Columbia, say, is 650,000.

Mr. KING. It will soon be 700,000; it is increasing very rapidly.

Mr. McNARY. Very well. How does that compare with the appointments from the States that have the same or greater population?

Mr. KING. I think, probably, that it would give a little preponderance to the District of Columbia. There is one suggestion that might be made that is worthy of consideration. As the Senator knows, a large number of officers of the Federal Government, particularly of the War Department, the Navy Department, the Coast Guard, and other quasi-military establishments, are required to be in Washington a greater part of the year. It is, therefore, difficult for them to claim residence in other portions of the United States. I think that fact was taken into consideration in recommending the passage of the bill.

Mr. McNARY. That is not an accurate statement. Those cases are covered by an act which authorizes the President to make Presidential appointments. I think the number of appointments permitted to the District under the bill is wholly out of proportion to the number permitted to the States according to population.

Mr. HILL. Mr. President, will the Senator from Oregon yield to me?

Mr. McNARY. Yes; I yield.

Mr. HILL. I may say to the Senator that I have no personal interest in the bill, but I think I have the answer to the question the Senator asked. I notice that in the War Department's letter under date of March 25, addressed to the chairman of the Senate Committee on Military Affairs, the Secretary of War, Mr. Woodring, makes this statement:

The reason advanced for increase in the number of appointments allotted to the District of Columbia is based on the fact that, under existing law, eight States with an estimated smaller population than the District of Columbia each have a total of nine appointments to the Military Academy, while the District of Columbia has but five. In view of the fact that the allotment of appointments is based in general upon population, it is the opinion of the War Department that the enactment of S. 1948 would correct an existing inequality.

Mr. McNARY. That may be true as to eight States, but it is not true as to the other 40 States. For instance, if I may be pardoned for taking as an illustration the State of Utah—that delightful State, so ably represented here—it has a population much in excess of that of the District of Columbia without having proportionately as many appointees. Oregon, an even more delightful and more populous State, has but three more than Utah.

I object to the consideration of the bill.

The PRESIDING OFFICER. The bill will be passed over on objection.

DEPUTY CHIEF OF STAFF

The Senate proceeded to consider the bill (S. 2222) to provide for a Deputy Chief of Staff, and for other purposes, which was read, as follows:

Be it enacted, etc., That the first paragraph of section 5 of the National Defense Act of June 3, 1916 (39 Stat. 166), as amended by the act of June 3, 1938 (52 Stat. 610), be, and the same is hereby, amended by inserting in line 4 of said paragraph, after the words "Chief of Staff", a comma followed by the words "the Deputy Chief of Staff" and a comma; by striking out the word "four" appearing in line 4 of said paragraph and inserting in lieu thereof the word "five"; and by striking out the word "eighty-eight" in line 6 of said paragraph and inserting in lieu thereof the words "one hundred and two."

Mr. KING. Mr. President, is the enactment of this bill deemed to be important for military purposes? I address my question to the Senator from Texas [Mr. SHEPPARD], the chairman of the Committee on Military Affairs, who occupies the chair at the moment.

The PRESIDING OFFICER. There is no Deputy Chief of Staff at this time; and certainly a Deputy Chief of Staff is very much needed on account of the recent expansion of national-defense activities. For the same reason the bill adds a few more staff officers.

Mr. KING. I have no objection to the passage of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2223) to authorize the acquisition of additional lands for military purposes was announced as next in order.

Mr. McNARY. Mr. President, may we have some explanation of that bill?

The PRESIDING OFFICER. The present occupant of the chair will ask that that bill go over for the present.

FORTY-HOUR WEEK FOR PNEUMATIC-TUBE-SYSTEM POSTAL EMPLOYEES

The Senate proceeded to consider the bill (H. R. 4786) to extend the provisions of the 40-hour law to pneumatic-tube-system employees in the Postal Service.

Mr. McKELLAR. Mr. President, I think the Senator from Utah [Mr. KING] would like to have an explanation of the bill, and I will make the explanation.

These tube systems are now operated by the Government as a part of the postal machinery. The systems are leased from the private owners, and the employees are now Government employees. The bill merely applies to these employees the same provisions of law which are already applied to all other postal employees doing like work.

That is the explanation of this bill and the succeeding ones. They are recommended by the Department. They are really Department bills. They have already passed the House, and I hope they will pass the Senate.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

PUNISHMENT FOR TRANSMITTING THREATENING COMMUNICATIONS

The Senate proceeded to consider the bill (H. R. 3230) to amend the statutes providing punishment for transmitting threatening communications, which had been reported from the Committee on Post Offices and Post Roads with amendments.

The first amendment was, in section 1, page 3, line 22, after the word "thereon", to insert the following proviso: *"Provided,* That any defendant in an indictment hereunder, relating to communications originating in the United States, shall, upon motion duly made, be entitled as a matter of right to be tried in the district court of the United States in which the matter mailed or otherwise transmitted was set first in motion; that is, in the mails or in commerce between the States", so as to make the paragraph read:

(d) Any person violating this section may be prosecuted in the judicial district in which such letter or other communication is deposited in such post office, station, or authorized depository for mail matter, or in the judicial district into which such letter or other communication was carried by the United States mail for delivery according to the direction thereon: *Provided,* That any defendant in an indictment hereunder, relating to communications originating in the United States, shall, upon motion duly made, be entitled as a matter of right to be tried in the district court of the United States in which the matter mailed or otherwise transmitted was first set in motion; that is, in the mails or in commerce between the States.

The amendment was agreed to.

The next amendment was, in section 1, page 6, line 18, after the word "addressed", to insert the following proviso: *"Provided,* That any defendant in an indictment hereunder, relating to communications originating in the United States, shall, upon motion duly made, be entitled as a matter of right to be tried in the district court of the United States in which the matter mailed or otherwise transmitted was set first in motion; that is, in the mails or in commerce between the States", so as to make the paragraph read:

(d) Any person violating this section may be prosecuted either in the district into which such letter or other communication was carried by the United States mail for delivery according to the direction thereon, or in which it was caused to be delivered by the United States mail to the person to whom it was addressed: *Provided,* That any defendant in an indictment hereunder, relating to communications originating in the United States, shall, upon motion duly made, be entitled as a matter of right to be tried in the district court of the United States in which the matter mailed or otherwise transmitted was set first in motion; that is, in the mails or in commerce between the States.

The amendment was agreed to.

The next amendment was, in section 2, page 8, line 6, after the word "aforesaid", to insert the following proviso: *"Provided,* That any defendant in an indictment hereunder, relating to communications originating in the United States, shall, upon motion duly made, be entitled as a matter of right to be tried in the district court of the United States in which the matter mailed or otherwise transmitted was set first in motion; that is, in the mails or in commerce between the States", so as to make the paragraph read:

(d) Any person violating the provisions of this section may be prosecuted in the judicial district from or into which such threat is transmitted, as aforesaid: *Provided,* That any defendant in an indictment hereunder, relating to communications originating in the United States, shall, upon motion duly made, be entitled as a matter of right to be tried in the district court of the United States in which the matter mailed or otherwise transmitted was set first in motion; that is, in the mails or in commerce between the States. The term "interstate commerce," as used in this section, shall include communication from one State, Territory, or the District of Columbia, to another State, Territory, or the District of Columbia.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

APPRAISAL OF NEW YORK AND BOSTON PNEUMATIC MAIL TUBE SYSTEMS

The bill (H. R. 3811) to provide for the appraisal of the pneumatic mail tube systems in New York and Boston was considered, ordered to a third reading, read the third time, and passed.

ANNUAL AND SICK LEAVE OF POSTAL

The Senate proceeded to consider the bill (H. R. 3812) granting postal employees credit for Saturday in annual and sick leave law, thereby conforming to the 40-hour workweek or 5-day-week law, which had been reported from the Committee on Post Offices and Post Roads with amendments, on page 1, line 8, after "1925", to insert "(U. S. C., title 39, 1934 edition, sec. 823)"; and on page 2, line 7, after the words "Postmaster General", to insert *"Provided,* That the 15 days' leave shall be credited at the rate of 1¼ days for each month of actual service", so as to make the bill read:

Be it enacted, etc., That paragraph 1 of section 11 of the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925 (U. S. C., title 39, 1934 edition, sec. 823), as amended, is amended to read as follows:

"Employees in the Postal Service shall be granted 15 days' leave of absence with pay, exclusive of Saturdays, Sundays, and holidays, each fiscal year, and sick leave with pay at the rate of 10 days a year, exclusive of Saturdays, Sundays, and holidays, to be cumulative, but no sick leave with pay in excess of 6 months shall be granted during any one fiscal year. Sick leave shall be granted only upon satisfactory evidence of illness in accordance with the regulations to be prescribed by the Postmaster General: *Provided,* That the 15 days' leave shall be credited at the rate of 1¼ days for each month of actual service."

SEC. 2. This act shall become effective as of February 1, 1939.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

Mr. McNARY. Mr. President, I should like to have an explanation of the bill.

Mr. McKELLAR. This is the bill of the Senator from New York [Mr. MEAD], who, I am sure, will be very happy to explain it.

Mr. MEAD. Mr. President, under existing law, postal employees are allowed only 15 working days for their annual vacation. Other employees of the Government are allowed 26 working days for their annual vacation. Under a recent decision of the Comptroller General, Saturday—which has been made a holiday by the 5-day-week law—is to be considered a working day and charged against a postal employee on annual leave. So we hold that Saturday is a holiday for the postal employee at work, but it is a working day when the postal employee is on vacation.

Therefore, the application of the law by the Post Office Department will have to be changed as a result of the decision of the Comptroller General unless we enact this proposed legislation, which will consider Saturday, like Sunday, a holiday for the computation of annual leave. The enactment of the bill will cost no more money. It is recommended by the Department, and, in my judgment, it is the logical sequence of our enactment of the 5-day-week law.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MAILING OF FIREARMS TO OFFICERS OF COAST GUARD

The bill (H. R. 3231) to authorize the mailing of pistols, revolvers, and other firearms capable of being concealed on the person, to officers of the Coast Guard was considered, ordered to a third reading, read the third time, and passed.

LIMITATION OF WORKING HOURS OF PNEUMATIC-TUBE-SYSTEM EMPLOYEES

The bill (H. R. 4771) limiting working hours of pneumatic-tube-system employees to 8 in 10 hours a day was con-

sidered, ordered to a third reading, read the third time, and passed.

TIME CREDITS FOR SUBSTITUTES IN PNEUMATIC-TUBE SERVICE

The bill (H. R. 4772) to provide time credits for substitutes in the pneumatic-tube service was considered, ordered to a third reading, read the third time, and passed.

DIFFERENTIAL IN PAY FOR NIGHT WORK OF PNEUMATIC-TUBE-SYSTEM POSTAL EMPLOYEES

The bill (H. R. 4785) to provide a differential in pay for night work to pneumatic-tube-system employees in the Postal Service was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT

The Senate proceeded to consider the bill (H. R. 5762) to provide for temporary postponement of the operations of certain provisions of the Federal Food, Drug, and Cosmetic Act, which had been reported from the Committee on Commerce with amendments.

The first amendment of the Committee on Commerce was, in section 1, page 2, after line 7, to insert *"Provided*, That persons who not later than December 1, 1939, notify the Secretary by affidavit, setting forth the facts, that compliance on January 1, 1940, with the labeling provisions enumerated in this subsection would be unduly burdensome and that the public interest is being adequately served, shall, as a matter of right, be exempted from compliance therewith until July 1, 1940", so as to make the section read:

Be it enacted, etc., That (a) the effective date of the following provisions of the Federal Food, Drug, and Cosmetic Act is hereby postponed until January 1, 1940: Sections 402 (c); 403 (e) (1); 403 (g), (h), (i), (j), and (k); 501 (a) (4); 502 (b), (d), (e), (f), (g), and (h); 601 (e); and 602 (b).

(b) The Secretary of Agriculture is hereby authorized further to postpone the effective date of the following labeling provisions of the Federal Food, Drug, and Cosmetic Act: Sections 403 (e) (1); 403 (g), (h), (i), (j), and (k); 502 (b), (d), (e), (f), (g), and (h); and 602 (b) to the extent that the operation of such provisions would be unduly burdensome by reason of the cost of compliance therewith, but only insofar as such postponement will not prevent the public interest being adequately served: *Provided*, That persons who not later than December 1, 1939, notify the Secretary by affidavit, setting forth the facts, that compliance on January 1, 1940, with the labeling provisions enumerated in this subsection would be unduly burdensome and that the public interest is being adequately served, shall, as a matter of right, be exempted from compliance therewith until July 1, 1940. The authority granted to the Secretary under this subsection shall not, in any case, be exercised (1) to postpone the effective date of any such provision beyond July 1, 1940, or (2) with respect to labeling which was lithographed, etched, stamped, printed, or otherwise manufactured after February 1, 1939. No postponement shall be made under this subsection with respect to labeling which would not have complied with the requirements of the Food and Drugs Act of June 30, 1906, as amended.

The amendment was agreed to.

The next amendment was, in section 3, page 4, line 1, after the word "thereof", to strike out "name" and insert "name,", so as to make the section read:

SEC. 3. Section 502 (d) of the Federal Food, Drug, and Cosmetic Act is hereby amended by striking out the words "name, quantity, and percentage" where they appear therein and substituting in lieu thereof "name, and quantity or proportion."

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CHARITABLE CONTRIBUTIONS BY NATIONAL BANKING ASSOCIATIONS

The bill (S. 1964) to amend section 5136 of the Revised Statutes, as amended, to authorize charitable contributions by national banking associations was announced as next in order.

Mr. McNARY. Mr. President, I desire an explanation of the bill. In the absence of an explanation, I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. KING subsequently said: Mr. President, my distinguished friend the Senator from Oregon [Mr. McNARY] asked that if no explanation were made of Senate bill 1964, it be passed over. I have just asked him if I might recur to that bill; and I ask unanimous consent that I may do so, in order to make a very brief explanation of the bill.

The PRESIDING OFFICER. Without objection, the bill is recurred to.

Mr. KING. Under the present law, directors of banks may not, even though they and the stockholders so desire, make contributions for community or charitable purposes. They are absolutely prohibited from doing so. The bill merely authorizes them to make such contributions if the directors desire to make the contributions.

Mr. VANDENBERG. Mr. President, the Senator does not mean that the directors are prohibited from making contributions. He means that they are prohibited from making corporate contributions.

Mr. KING. I think the individuals themselves are prohibited from doing so.

Mr. VANDENBERG. I never heard that directors of a bank individually were not at liberty to make such contributions.

Mr. KING. At any rate, the bill proposes to amend the present law so as to provide that a national banking association may—

Contribute to community funds, or to charitable, philanthropic, or benevolent instrumentalities conducive to public welfare, such sums as its board of directors may deem expedient and in the interests of the association, if it is located in a State the laws of which permit State banking institutions to contribute to such funds or instrumentalities.

Mr. VANDENBERG. Evidently the present law covers only institutional contributions.

Mr. KING. I have no interest in the matter.

Mr. BARKLEY. The restriction applies to the bank itself. Under the present law the bank may not make such contributions. The directors or officers may do so.

Mr. KING. The Senator from New York [Mr. WAGNER] has made a favorable report on the bill.

Mr. GEORGE. Mr. President, I object to the consideration of the bill. I can see no reason for its enactment.

Mr. KING. Very well.

The PRESIDING OFFICER. The bill will be passed over on objection of the Senator from Georgia.

AMENDMENT OF FEDERAL RESERVE ACT

The Senate proceeded to consider the bill (S. 1701) to amend section 12B of the Federal Reserve Act, as amended, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and to insert:

That the first proviso of paragraph (7) of subsection (1) of section 12B of the Federal Reserve Act, as amended, is amended by inserting after the words "with respect to any bank which closes after the date this paragraph as amended takes effect" the words "or which was reorganized subsequent to March 9, 1933, and closed subsequent to January 1, 1938."

Mr. BARKLEY. Mr. President, I should like to have an explanation of the bill.

Mr. NYE. Mr. President, the report made on the bill from the Committee on Banking and Currency by the Senator from Virginia [Mr. GLASS] is very brief. A single paragraph makes very clear the purpose of the bill:

The effect of this amendment will be to require the Federal Deposit Insurance Corporation to waive any claim for stockholders' liability against the stockholders in a reorganized bank which had closed prior to the effective date of the first amendment requiring such waivers (May 25, 1938). The reason for extending the exception to a period prior to such effective date in the case of a reorganized bank is that upon the reorganization of a bank which closed shortly before our amendment the depositors had been persuaded to utilize a portion of their deposits for the purpose of furnishing capital to the bank. Thereby they became stockholders, and unless the now uniform waiver rule is extended to them they will be compelled to pay to the Insurance Corporation as stockholders the amount they had once sacrificed as depositors in order to reorganize the bank.

Mr. BARKLEY. I have no objection to the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN F. THOMAS

The bill (S. 444) for the relief of John F. Thomas was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the Civil Service Retirement Act, approved May 29, 1930, as amended, John F. Thomas, of Leavenworth, Kans., shall be deemed to have been involuntarily separated from his employment by the Department of Justice as a guard at the Leavenworth Penitentiary, not by removal for cause on charges of misconduct or delinquency.

EXCHANGE OF OBSOLETE MATÉRIEL

The bill (H. R. 3587) to authorize the Secretary of War to exchange obsolete, unsuitable, and unserviceable machines and tools pertaining to the manufacture or repair of ordnance matériel for new machines and tools was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to exchange obsolete, unsuitable, and unserviceable machines and tools, and parts thereof, pertaining to the manufacture or repair of ordnance matériel for use in the national defense, for new machines and tools of the same or equivalent general character.

ONE HUNDRED AND FIFTIETH ANNIVERSARY OF ESTABLISHMENT OF LIGHTHOUSE SERVICE

The joint resolution (H. J. Res. 241) providing for the participation of the United States in the celebration of the one hundred and fiftieth anniversary of the establishment of the United States Lighthouse Service, was considered, ordered to a third reading, read the third time, and passed.

MOREHEAD CITY TARGET RANGE, N. C.

The bill (S. 1156) to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to make transfers to the jurisdiction and control of the Secretary of the Treasury of such portions of the property at present included within the military reservation known as the Morehead City Target Range, N. C., and upon such conditions, as may be mutually agreed upon by the Secretary of War and the Secretary of the Treasury. The Secretary of the Treasury is hereby authorized to construct within the limits of the property so transferred, from such funds as may be now or may hereafter become available, such improvements or buildings, appurtenances, and approaches thereto as he may deem adequate and suitable for the use of said property as a target range by the United States Coast Guard, and for use in carrying out any other functions or duties of the Treasury Department: *Provided*, That upon cessation of such use the premises or any part thereof so transferred shall revert to the jurisdiction of the War Department.

COMPACT FOR DIVISION OF WATERS OF YELLOWSTONE RIVER

The bill (S. 1759) granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of Congress approved August 2, 1937 (50 Stat. 551), granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River be, and it is hereby, amended to provide that the consent of Congress is given to the State of North Dakota to negotiate and to enter into the compact or agreement therein authorized providing for an equitable division and an apportionment between the States of the water supply of the Yellowstone River and of the streams tributary thereto, upon condition that the representative appointed by the President of the United States under the act of August 2, 1937, to participate in said negotiations as the representative of the United States and to report to Congress of proceedings and of any compact or agreement entered into, shall continue to represent the United States and to report under this act: *Provided*, That such compact or agreement shall not be binding or obligatory upon any of the parties thereto unless and until the same shall have been approved by the legislatures of each of the said States and by the Congress of the United States: *Provided further*, That nothing in this act shall apply to any waters within or tributary to the Yellowstone National Park or shall establish any right or interest in or to any lands within the boundaries thereof.

JOSEPH ALDER AND OTHERS

The Senate proceeded to consider the bill (S. 2054) for the relief of Joseph Alder, E. G. Allen, and E. G. Allen and By Hanchett jointly, which had been reported from the Committee on Claims with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $422.96 to Joseph Alder, the sum of $100 to E. G. Allen, and the sum of $124.75 to E. G. Allen and By Hanchett jointly, in full satisfaction of their claims against the United States arising out of the breaking of Cluff Reservoir Dam No. 3, near Safford, Ariz., on May 1, 1937, such dam having been constructed by the Department of Agriculture through the Soil Conservation Service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

STANDARD OIL CO., INC., IN KENTUCKY

The Senate proceeded to consider the bill (S. 1467) for the relief of the Standard Oil Co., Inc., in Kentucky, which had been reported from the Committee on Claims with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Standard Oil Co., Inc., in Kentucky, the sum of $941.59 which is due by reason of an error in making settlement for gasoline furnished the War Department under contract No. W 535-AC-8868, dated June 13, 1936, which sum shall be in full settlement of any claim against the Government by the Standard Oil Co., Inc., in Kentucky, by reason of deliveries of gasoline under said contract for the months of July, August, September, and October 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. KING. Mr. President, do the bills now being considered appear on the calendar?

The PRESIDING OFFICER. These measures were reported yesterday, but were not printed on the calendar of this morning.

Mr. BARKLEY. Mr. President, committees had authority to report during the recess, and some committees made reports on bills which were not printed on the calendar.

Mr. KING. I have no objection, except that I think we ought to have explanations if the bills are very important.

DOROTHY CLAIR HESTER

The Senate proceeded to consider the bill (S. 1322) for the relief of Dorothy Clair Hester, daughter of E. R. Hester, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, to strike out "$1,316.35" and to insert in lieu thereof "$316.35", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. R. Hester, of Arcadia, La., for the benefit of his minor daughter, Dorothy Clair Hester, the sum of $316.35, in full satisfaction of her claim against the United States for permanent injury received when she was struck by a Civilian Conservation Corps truck as it passed along the Arcadia-Bryceland Highway in Arcadia, La., March 7, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 289) for the relief of officers and soldiers of the Volunteer service of the United States mustered into service for the War with Spain, and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899, was announced as next in order.

Mr. KING. Mr. President, I think this bill should go over so that we may look into it.

The PRESIDING OFFICER. The bill will go over on objection of the Senator from Utah.

The bill (H. R. 2067) for the relief of the Atlas Powder Co., was announced as next in order.

Mr. McKELLAR. May we have an explanation of the bill? It may be all right.

Mr. NYE. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

BOZZANI MOTORS, LTD.

The bill (H. R. 1694) for the relief of Bozzani Motors, Ltd., was considered, ordered to a third reading, read the third time, and passed.

AGE LIMIT IN GOVERNMENT EMPLOYMENT

Mr. MEAD. Mr. President, a short time ago a bill in which I am interested was passed over. My reason for desiring that the bill be acted on at this time is that this is Reemployment Week, inaugurated by Presidential proclamation, when private industry is exhorted to extend employment opportunity to older workers.

After conference with some of my colleagues, I have decided not to ask the Senate to take the matter up for consideration today. However, in view of the fact that this is Reemployment Week, and as a result of the fact that the persons included within the scope of the bill are the principal victims of the machine age in which we live, and for the added reason that not only the Federal Government but local governments are offenders in the same light as is the case with private enterprise, I trust that the bill may be considered at an early date and passed.

A similar bill passed the Senate on a former occasion; a law embodying similar provisions is in force in the State of New Jersey, and legislation of this character I understand was passed in Massachusetts. Under existing law there is hardly a Senator in the Chamber, or a Member of this body, who would not, as a result of the age barrier, be considered ineligible to fill any position in the Federal service. My bill merely aims to eliminate that discrimination and to permit of every other qualification now required under the law.

Mr. KING. Mr. President, I merely asked that the bill go over because I received a request that it be expanded and made a little more liberal, and I desired to look into the matter. I therefore request that the Senator let the bill go over until Monday, so that we may look into it.

Mr. MEAD. I am very glad to agree with the Senator that the bill go over.

REORGANIZATION OF EXECUTIVE DEPARTMENTS

Mr. BYRD. Mr. President, I ask unanimous consent that Senate bill 1706, Order of Business 147, to provide for reorganizing agencies of the Government, and for other purposes, be indefinitely postponed, since a similar bill has been passed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the bill will be indefinitely postponed.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Chair is informed that the Senator from Tennessee [Mr. McKELLAR] desires to have certain measures on the calendar go over.

Mr. McKELLAR. It has been my intention to ask that private bills on the calendar go over, because I desire to make a suggestion to the officials of the Senate. When there is unanimous consent for the reporting of bills and joint resolutions during a recess of the Senate, and that they be considered as on the calendar, I think private bills should not be called until they are printed and on the calendar, so that every Member of the Senate may see what they are.

Mr. BARKLEY. Mr. President, I agree with the suggestion as a matter of general principle. The bills referred to were reported on yesterday, and why they were not printed on the calendar I cannot state; but I think that as a general rule the suggestion made by the Senator should be followed.

COOS BAY WAGON ROAD GRANT LANDS

Mr. McNARY. Mr. President, I did not understand that the Senator from Tennessee asked that all the bills go over if they were not printed on the calendar. The omission from today's calendar of measures reported during the recess was due to a mistake of the printer. There is a bill among those referred to in which I am deeply interested. It is merely to correct existing law. It is a departmental bill, and I should like to have it acted upon.

Mr. McKELLAR. Mr. President, I have no objection in the world to that being done. I was merely trying to correct a practice which I think is wrong.

The PRESIDING OFFICER. The Senator from Oregon asks that the Senate proceed to the consideration of Senate bill 242. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 242) relating to the disposition of funds derived from the Coos Bay Wagon Road grant lands, which had been reported from the Committee on Public Lands and Surveys with an amendment to strike out all after the enacting clause and to insert the following:

That beginning with the fiscal year next following the date of the passage of this act, not to exceed 75 percent of the receipts derived in any one year from the Coos Bay Wagon Road grant lands in Oregon and deposited in the special fund in the Treasury created by the act of February 26, 1919 (40 Stat. 1179), and designated "The Coos Bay Wagon Road grant fund" shall be paid annually, in lieu of taxes, by the Secretary of the Treasury, upon certification by the Secretary of the Interior, to the treasurers of Coos and Douglas Counties according to the ratio that the total assessed valuation of the reconveyed Coos Bay Wagon Road grant lands, belonging to the United States, in each of said counties bears to the total assessed valuation of all said lands in those counties, to be used for the purposes mentioned in said act: *Provided*, That until such time as the general fund of the Treasury of the United States shall have been fully reimbursed by Douglas County for expenditures which were made charges against the Coos Bay Wagon Road grant fund by section 5 of the act of February 26, 1919, said Douglas County shall be entitled to receive only 50 percent of the amount to which it would otherwise be entitled under this act: *Provided further*, That prior to making any payment under this authorization an appraisal of the land and timber thereon shall be made, within 6 months after the passage of this act, by a committee to consist of a representative of the Secretary of the Interior, one representative for the two counties interested, and a third person satisfactory to the Secretary of the Interior and the county officials, but who shall not be an employee of the United States nor a resident of, nor a property owner in, either Coos or Douglas County. Upon appraisal thereof, the land and timber thereon shall be assessed as are other similar properties within the respective counties, and payments hereunder in lieu of taxes shall be computed by applying the same rates of taxation as are applied to privately owned property of similar character in such counties.

SEC. 2. Appraisals of the land and timber thereon shall be made, in the manner prescribed in section 1 hereof, not less frequently than once in each 10-year period, and the amounts due hereunder in any year shall be computed as specified in section 1 of this act upon the basis of the last appraisement. The expenses of making the appraisements provided for in this act shall be paid by the Secretary of the Treasury upon certification by the Secretary of the Interior, from that portion of the receipts derived from such lands and timber payable to the counties and shall be deducted from any amount due said counties.

SEC. 3. If, during any one year, 75 percent of the receipts are insufficient fully to meet the payments due the counties hereunder, the Secretary of the Treasury, upon certification by the Secretary of the Interior, may pay an additional sum from any surplus of 75 percent of prior year receipts: *Provided, however*, That in no event shall the aggregate of payments during any 10-year period commencing with the period beginning July 1, 1940, exceed 75 percent of the receipts deposited in the Treasury to the credit of the Coos Bay Wagon Road grant fund for such period: *Provided further*, That at the end of each 10-year period any balance of the 75 percent not required for payments to the counties shall be covered into the general fund of the Treasury of the United States.

SEC. 4. Not to exceed 25 percent of the annual receipts shall be available, in such amounts as the Congress shall from time to time appropriate for the administration of the act of August 28, 1937 (50 Stat. 874), insofar as it applies to the Coos Bay Wagon Road grant lands. Any balance not used for administrative purposes

shall be covered into the general fund of the Treasury of the United States.

SEC. 5. All acts or parts of acts inconsistent with this act are hereby repealed.

Mr. McNARY. Mr. President, yesterday this bill was reported unanimously by the Committee on Public Lands and Surveys. It is a departmental bill, sent to me by the Department of the Interior acting in conjunction with the Bureau of the Budget. It attempts to cure a defect in a measure passed last year which did not specify the amount of money which could be paid in the way of administration costs in connection with the timber affected. The bill is in the interest of the Government, I am offering it as a departmental bill, and I should like to have it acted on.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

UNDER SECRETARY IN THE DEPARTMENT OF COMMERCE

Mr. BAILEY. Mr. President, I ask unanimous consent for the consideration of Senate bill 2314, to establish the position of Under Secretary in the Department of Commerce. It does not add to the general expense beyond a thousand dollars a year, as it contemplates the abandonment of one of the positions of Assistant Secretary of Commerce whenever the position shall become vacant. There are peculiar reasons why this bill should be passed, and it is in accord with the general tenor of legislation with respect to other departments.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina?

There being no objection, the Senate proceeded to consider the bill (S. 2314) to establish the position of Under Secretary in the Department of Commerce, which was read, as follows:

Be it enacted, etc., That there is hereby established in the Department of Commerce the position of Under Secretary of Commerce, with compensation at the rate of $10,000 per annum and with appointment thereto by the President, by and with the advice and consent of the Senate.

SEC. 2. Such Under Secretary shall perform the duties of the Secretary of Commerce in the case of absence or sickness of the Secretary, or in the case of the death or resignation of the Secretary until a successor is appointed.

SEC. 3. Whenever a vacancy shall occur in any one of the two positions of Assistant Secretary heretofore established in the Department of Commerce, such vacancy shall not be filled and there shall thereafter be only one position of Assistant Secretary in such Department.

Mr. McNARY. Mr. President, I voted against favorably reporting the bill, because I do not believe in extending the policy of having Under Secretaries in all of the departments of the Government. I shall not object to the immediate consideration of this measure, but I am opposed to the bill in principle. I merely desired to make this statement.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PURCHASES FROM INDIANS

Mr. THOMAS of Oklahoma. Mr. President, yesterday three bills were reported from the Committee on Indian Affairs which do not appear upon the calendar. They are very short. I desire to make a brief statement about the bills, and following the statement I shall request unanimous consent for their consideration.

The first of the bills is Senate bill 2154. Under the present law no Indian agent or employee of the Indian Service can purchase any article from an Indian. If any such agent or employee should purchase a pair of sandals or a belt or a ring made by an Indian, it would be against the law. The bill repeals that provision and makes it possible for persons employed in the Indian Service to purchase goods from Indians.

I ask that Senate bill 2154 be laid before the Senate for its consideration.

The PRESIDING OFFICER. The bill will be read.

The bill (S. 2154) to modify the provisions of section 10 of the act of June 30, 1834, and section 10 of the act of June 22, 1874, relating to the Indians, was read, as follows:

Be it enacted, etc., That anything contained in section 10 of the act of June 30, 1834 (4 Stat. 738), or in section 10 of the act of June 22, 1874 (18 Stat. 177), now sections 68 and 87, respectively, title 25, United States Code, to the contrary notwithstanding, employees of the United States Government, including those in the Indian Service, may, under such rules and regulations as the Secretary of the Interior shall prescribe, be permitted to purchase from any Indian or Indian organization any arts and crafts or any other products, service, or commodity, produced, rendered, owned, controlled, or furnished by any Indian or Indian organization: *Provided*, That nothing contained in the acts of Congress above referred to shall be construed as preventing Indian employees of the United States Government, of whatever degree of Indian blood, during their term of employment or otherwise, from obtaining or receiving any benefit or benefits made available to the Indians generally or to the members of any particular tribe, under any act of Congress, nor to prevent such employees having Indian blood from being members of or receiving benefits by reason of their membership in Indian tribes, corporations, or cooperative associations organized by the Indians, when authorized by the Secretary of the Interior under appropriate regulations to be promulgated by him.

Mr. THOMAS of Oklahoma. This is a departmental bill submitted to the Committee on Indian Affairs by the Department of the Interior.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed.

DOROTHY CLAIR, G. F. ALLEN, AND EARL WOOLDRIDGE

Mr. THOMAS of Oklahoma. Senate bill 2239 has been favorably reported by the Committee on Indian Affairs. It corrects the record in a case of an employee of the Indian Service, in the amount of $127.28. It does not call for payment of any money out of the Treasury. It simply corrects the record. At a former time some money was paid to an Indian Service employee, and later the payment was found to be irregular. The record, for that reason, is incomplete.

The PRESIDING OFFICER. Is there objection of the present consideration of the bill?

There being no objection, the bill (S. 2239) for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow credit to Dorothy Clair, a former employee of the Rocky Boy Indian Agency at Rocky Boy, Mont., and to allow credit in the accounts of G. F. Allen, chief disbursing officer, and Earl Wooldridge, formerly superintendent and certifying officer of that agency, for the amount of $127.28, representing per diem and travel expenses paid to said Dorothy Clair for the period August 19, 1937, to September 10, 1937, inclusive.

RECOVERY BY INDIANS OF TAXES ERRONEOUSLY ASSESSED

Mr. THOMAS of Oklahoma. Senate bill 2192 was favorably reported by the Committee on Indian Affairs yesterday. The bill is similar to one which was passed by the Senate last year. It was sent to the House and was reported favorably by the committee of the House which considered it, but the bill was not passed by the House. The bill gives to Indians who have erroneously or illegally paid income taxes the opportunity to recover the amounts so paid. The provisions of the law have the same application to Indians as to white persons who pay taxes and later on the taxes are found to have been erroneously assessed or erroneously collected. Provision was made for a 2-year period during which they must file their claims, but some of the Indians in my State did not know of the law and did not file claims within the 2 years. The bill simply gives them the right to file claims now after the 2-year period has expired.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2192) to carry out certain obligations to certain enrolled Indians under tribal agreement, which had been re-

ported from the Committee on Indian Affairs with amendments, on page 2, line 3, after the word "income", to insert "tax", and on page 3, line 11, after the word "death", to insert a colon and the following proviso: *"And provided further,* That any contract made by or for any Indian for the employment of an attorney or attorneys for the securing of a refund of taxes erroneously or illegally paid under the provisions of this act shall provide that such attorney or attorneys shall be a resident or residents of the State of Oklahoma, shall be admitted to practice before the Treasury Department, and such contract shall provide for a fee not in excess of 10 percent of the amount recovered in behalf of any such Indian claimant", so as to make the bill read:

Be it enacted, etc., That any person duly enrolled as a member of an Indian tribe who received in pursuance of a tribal treaty or agreement with the United States an allotment of land which, by the terms of said treaty or agreement, was exempted from taxation, restricted against alienation, or which, by the terms of any act of Congress, was continued under the supervision of the United States during the minority of such allottee, and from which land the restrictions have or have not been removed, and any such enrolled member of an Indian tribe having restricted money in the custody and control of the United States, and who was required or permitted to pay prior to April 26, 1931, any Federal income tax on such lands or on the rents, royalties, or other gains arising from such lands during such restricted or tax-exempt period or on income from such restricted funds while in the custody or control of the United States, or on income from any allotment during the minority of the allottee, or any such person who has been erroneously or illegally taxed by reason of not having claimed or received the benefit of any deduction or exemptions permitted by law, and who would be entitled under this or previous acts or rulings of the Treasury Department in similar Indian cases to a refund of the taxes so illegally or erroneously collected, but for the fact that he failed to file a claim for such refund within the time prescribed by law, shall be allowed 2 years after the approval of this act within which to file such claim, and if otherwise entitled thereto he may recover such taxes in the same manner and to the same extent as if such claims for refund had been theretofore duly filed as required by law, it not being the policy of the Government to invoke or plead a a statute of limitations to escape the obligations of agreement solemnly entered into with its Indian wards, or prior to April 26, 1931, to exact for its own use and benefit an income tax from them while their property continued under the supervision of the United States: *Provided, however,* That in the case of the death of a member of an Indian tribe his heirs who succeeded to his allotment of lands be permitted to file claims and recover refunds in the same manner as duly enrolled member of an Indian tribe: *Provided, further,* That in the case of the death of any enrolled member of an Indian tribe any such illegal taxes paid by him or on his account may in like manner be claimed and recovered by the person or persons who would have received such money had it constituted a part of his estate at the time of his death: *And provided further,* That any contract made by or for any Indian for the employment of an attorney or attorneys for the securing of a refund of taxes erroneously or illegally paid, under the provisions of this act, shall provide that such attorney or attorneys shall be a resident or residents of the State of Oklahoma, shall be admitted to practice before the Treasury Department, and such contract shall provide for a fee not in excess of 10 percent of the amount recovered in behalf of any such Indian claimant.

That all acts and parts of acts in conflict herewith are modified for the purpose, and only for the purpose, of carrying into effect the provisions hereof.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 513) to provide for the promotion on the retired list of the Navy of Fred G. Leith, and it was signed by the President pro tempore.

AUTHORIZATION FOR REPORTING AND SIGNING BILLS, ETC.

On motion of Mr. BARKLEY, it was—

Ordered, by unanimous consent, That during the next adjournment of the Senate, authority be, and it is hereby, given to the Vice President to sign duly enrolled bills; to committees to submit reports; and to the Secretary to receive and refer messages from the House of Representatives.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SHEPPARD in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Sarah Brown to be postmaster at Lorman, Miss.

Mr. SMITH, from the Committee on Agriculture and Forestry, reported favorably the nomination of Harcourt Alexander Morgan, of Tennessee, to be a member of the Board of Directors of the Tennessee Valley Authority for the term expiring 9 years after May 18, 1939 (reappointment).

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

SECURITIES AND EXCHANGE COMMISSION

The legislative clerk read the nomination of Leon Henderson, of New Jersey, to be a member of the Securities and Exchange Commission for the remainder of term expiring June 5, 1939.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COAST GUARD

The legislative clerk read sundry nominations in the Coast Guard.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That concludes the calendar.

ADJOURNMENT TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn until Monday next.

The motion was agreed to; and (at 1 o'clock and 46 minutes p. m.) the Senate adjourned until Monday, May 8, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 4, 1939

AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY

Norman Armour, of New Jersey, now Ambassador Extraordinary and Plenipotentiary to Chile, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina.

REGISTER OF THE LAND OFFICE

Mrs. Jessie M. Gardner, of Colorado, to be register of the land office at Denver, Colo. (Reappointment.)

PROMOTIONS IN THE NAVY

MARINE CORPS

Maj. Leonard E. Rea to be a lieutenant colonel in the Marine Corps from the 29th day of June 1938.

Maj. William K. MacNulty to be a lieutenant colonel in the Marine Corps from the 1st day of July 1938.

The following-named midshipmen to be second lieutenants in the Marine Corps from the 1st day of June 1939:

Hugh D. Clark	William F. Harris
Hugh A. Tistadt, Jr.	Ralph C. Mann, Jr.
Jonathan F. Rice	Gordon D. Gayle

Samuel Agababian
James D. McBrayer, Jr.
William A. Stiles, Jr.
Jack Hawkins
Charles H. Bennett
James B. Glennon, Jr.
Russell Duncan
Edwin C. Aiken
John S. Fantone
Willard B. Holdredge
George M. Lhamon
William A. Cloman, Jr.
Alfred F. Robertshaw
Richard M. Huizenga
Alfred N. Gordon
James I. Glendinning, Jr.
William F. Hogaboom
William H. Pace
Carter B. Simpson

CONFIRMATIONS

Executive nominations confirmed by the Senate, May 4, 1939

SECURITIES AND EXCHANGE COMMISSION

Leon Henderson to be a member of the Securities and Exchange Commission.

COAST GUARD OF THE UNITED STATES

TO BE CHIEF PAY CLERKS

George M. Bailey
James Black

POSTMASTERS

ILLINOIS

Frances S. Sprague, Hull.

MARYLAND

Thomas M. Simpson, Hagerstown.

NEW MEXICO

Thomas W. Horne, San Jon.

VERMONT

Frank L. Barney, St. Johnsbury.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 4, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera, Montgomery, D. D., offered the following prayer:

O God of mercy, the Shepherd of our souls, in whose all-encircling love we dwell, we lift our hearts to Thee in prayer. We thank Thee for Thy wise, beneficent providence which redeems our lives and gives them inspiration when our strength is feeble. We pray Thee to keep us strong, for we have loads to lift and hard work to do; it matters not how deep entrenched the evil, do Thou inspire us with fortitude and courage. Oh let Thy kingdom come in all hearts, Thy will be done in all lives, and the name of our Father hallowed in all the earth, and unto Thee be blessing and glory, wisdom and thanksgiving, honor and power forever and ever. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

COMMITTEE ON RIVERS AND HARBORS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the Committee on Rivers and Harbors of the House may sit during the session this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

EXTENSION OF REMARKS

Mr. MOUTON. Mr. Speaker, in view of the fact that I represent the largest sugarcane-producing congressional district in continental United States—and because of the many statements of high-ranking officials that have recently been given widespread publicity, which have had a tendency to confuse the people of these United States as to the true conditions existing in our domestic sugarcane-producing areas, I ask unanimous consent of the House at this point to have inserted in the CONGRESSIONAL RECORD an editorial appearing in the New Orleans States of April 28, 1939, dealing with the Louisiana sugar industry.

I feel that this article is worthy of the serious notice of my colleagues in this august body and the people of this great country, as it truly depicts the chaotic and distressing predicament confronting our sugar industry because of the reduction in acreage for this year's crop imposed upon our cane growers by the Department of Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. MOUTON]?

There was no objection.

The editorial referred to follows:

THE SUGAR FIGHT

They're plowing up 38,500 acres of sugarcane in Louisiana. Government's orders. In a few weeks those waving banners of green, heralding the approach of probably $4,000,000 of sugar, will be destroyed. The Federal quota, therefore, works faster and more thoroughly than did the blight which almost destroyed the industry in Louisiana a decade or so ago, for the blight took years to accomplish its fell purpose, and even at its worst it allowed the riddled fields to produce seed. And it was this same blight which gave Cuba and Hawaii and Puerto Rico and the Philippines the talking point they now have, a favored position which the Federal Government seems determined to maintain.

The destruction of the crop on these 38,500 acres will rob many a field worker of a job this fall; it will shorten the pay of the men who serve the machinery in the mills; it will cut into the earnings of the transportation companies and their pay rolls; it will slash into all the business of the Sugarcane Belt and into the business of the wholesale houses of New Orleans which supply the country stores.

It will increase the strain on the relief machinery of this country. Either hundreds of persons will go hungry or the taxpayers will have to dig more deeply for their maintenance.

It will make more certain the return of 25-cent sugar, retail, when the next war breaks, for the transportation difficulties which fattened the returns of Cuban producers during the last war, will be just as great in the one that is around the corner, if not greater.

Louisiana's sugar interests made a gallant campaign to have the Government recall the quota reductions which were announced after the 1939 crop had been planted. The Federal Government, however, refused to allow even this concession to the only agricultural production in the United States which does not turn out a surplus. The United States has never produced more than a third of its consumption, and it will probably never be able to produce all it needs.

The industry must now organize for next year's fight and the next and the next, lest it be quota'd out of existence entirely. Blight; flood; war; hurricane; drought; freezes—all these the sugarcane industry of Louisiana has survived, but it cannot survive the destroying juggernaut of the Federal Government set in motion by the foreign interests and the eastern seaboard interests with investments abroad, the same eastern interests which confected and maintain the freight discriminations against the South. It cannot survive; that is, unless it brings to bear the pressures, political and otherwise, which will insure a free and unrestricted opportunity for domestic industry.

Our sugar industry, the people of Louisiana in general, have never despaired, no matter what were the disasters of Nature or the impositions of man. Needless to say, it and they will not despair now. The fight will go on. Next year we may win; as a matter of fact, we have got to win.

PERMISSION TO ADDRESS THE HOUSE

Mr. PIERCE of Oregon. Mr. Speaker, I ask unanimous consent that on Monday next, May 8, after the disposition of the business on the Speaker's table and at the conclusion of previous orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

EXTENSION OF REMARKS

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two resolutions by small farm organizations in my State.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. MURRAY]?

There was no objection.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address which I delivered last evening.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. REED]?

There was no objection.

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein extracts from addresses recently made by me in Columbus, Ohio, and Richmond, Va.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. HALLECK]?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address made by the Honorable Wilfred Jessup, a distinguished lawyer of Richmond, Ind., on the subject of unemployment compensation, delivered before the Indiana section of the United States Chamber of Commerce at the Mayflower Hotel, Washington, D. C., last night.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. SPRINGER]?

There was no objection.

MAKING UNLAWFUL ATTEMPTS TO OVERTHROW GOVERNMENT OF THE UNITED STATES

Mr. SCHULTE. Mr. Speaker, by direction of the Committee on Immigration and Naturalization, I submit a motion to the House that the bill (H. R. 5138) to make unlawful attempts to overthrow the Government of the United States; to require licensing of civilian military organizatons; to make unlawful attempts to interfere with the discipline of the Army and Navy; to require registration and fingerprinting of aliens; to enlarge the jurisdiction of the United States Circuit Court of Appeals in certain cases; and for other purposes, be re-referred from the Committee on the Judiciary to the Committee on Immigration and Naturalization.

The SPEAKER. The Clerk will report the motion of the gentleman from Indiana [Mr. SCHULTE].

The Clerk read as follows:

Mr. SCHULTE moves that the bill H. R. 5138 be re-referred from the Judiciary Committee to the Committee on Immigration and Naturalization.

The SPEAKER. The Clerk will read the title of the bill.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana [Mr. SCHULTE].

Mr. SMITH of Virginia. Mr. Speaker, I make a point of order against the motion.

Mr. Speaker, under the rules of the House a motion of this kind must have been authorized by formal action of the committee from which the motion comes. As I understand this motion, it is a motion of the Immigration Committee to take from the Judiciary Committee a bill which has previously been referred to the Judiciary Committee by the Speaker. It does not appear from the motion that there was any formal action taken by the Committee on Immigration.

Mr. Speaker, I make the further point of order that there is no showing on this resolution that the original reference by the Speaker was erroneous. As a matter of fact, it was not erroneous. If a motion of this kind could be brought up at any time on any bill and voted on without debate, as required under the rules of the House, then we would constantly be in danger of having the question raised at all times without any knowledge on the part of the House whether the original reference was erroneous or not.

Mr. Speaker, there is a precedent for this point of order. A similar point of order was raised some years ago, and I refer to Cannon's Precedents, section 2125. In that case certain bills relating to women's suffrage had been referred to a committee of the House. Subsequent to these references a committee on women's suffrage was created. There was a motion similar to this motion to transfer the bills from the committee to which they had previously been referred to the committee on women's suffrage. A point of order was raised that there was no showing that the original reference was erroneous.

The Chair sustained the point of order for the reasons stated, one of them being that unless there is a showing there was error in the original reference of the bill the House would not know what they were voting upon.

Mr. Speaker, we have that exact situation this morning. As I understand, this motion is not debatable and it is not in order through debate to show to the House the situation with respect to this bill.

I make the further point of order, Mr. Speaker, that nothing appears in this motion to show what is the present status of that bill as far as the Committee on the Judiciary is concerned. Under the precedents of the House—and the Chair had occasion to rule on this point just a couple of days ago—when a bill has been reported from a committee it is too late to make that point. For aught that appears to the Speaker or to the House this morning, the Committee on the Judiciary may have already acted upon the bill, in which event this motion would come too late. The fact is that this matter was referred to the Committee on the Judiciary by the Speaker of the House after due consideration a month or two ago. The further fact is that the Committee on the Judiciary referred the bill to a subcommittee, the further fact is that that subcommittee has not only held hearings but has concluded hearings on the bill, and the further fact is that those hearings have been printed and the bill is ready, if the Judiciary Committee so votes or has voted, to come to the House and go upon the calendar and be voted upon. At this late hour the gentleman without any reason being assigned for a reference of this bill makes this motion to refer the matter to another committee which has never had and which it does not appear from the motion could possibly have any jurisdiction of the subject matter.

Mr. SCHULTE. Mr. Speaker, what the gentleman from Virginia has said is true in part, but this is just another case of trying to usurp the powers of the Committee on Immigration and Naturalization. If this practice continues no one can tell just where it is going to stop with some of the other committees. The sum and substance of it is that we protested the so-called Hobbs bill, but unfortunately the chairman of the Committee on Immigration and Naturalization come in here too late to have his protest sustained. But we are within our rights and we are within our bounds when we protest the reference of the bill now in question in view of the fact that this bill has not been reported to the House. The so-called Smith bill is strictly an immigration bill and is so interpreted by every one who has read it. Titles I and II pertain to citizens and aliens alike. Titles III, IV, and V of the bill are immigration matters absolutely 100 percent. I can see no reason why the bill was ever referred to the Judiciary Committee unless they have no respect for the members of the Committee on Immigration and Naturalization or are afraid of their judgment or wisdom in handling legislation of this kind.

Mr. RAYBURN. Mr. Speaker, if the gentleman will yield, does not the gentleman believe he had better revise his remarks? The Speaker made the reference of this bill. It is not a question of the Judiciary Committee's usurping authority or jurisdiction over this bill. The reference was made by the Speaker of the House of Representatives, exercising his prerogative to refer bills according to the rules of the House.

Mr. SCHULTE. Mr. Speaker, in view of that statement, I may say I never would attempt to criticize the judgment of our very affable Speaker.

Mr. RAYBURN. I knew the gentleman did not mean his language to be interpreted that way.

Mr. SCHULTE. I did not mean it that way, but I do say the bill was wrongly referred to a committee that has no jurisdiction over the subject matter of the bill, in view of the fact that the fifth section of the bill is nothing more than the old Hobbs bill and is strictly an immigration and naturalization matter.

The SPEAKER. The Chair is ready to rule.

In reference to the first point of order, made by the gentleman from Virginia [Mr. SMITH], challenging the fact that the motion made by the gentleman from Indiana [Mr.

SCHULTE] was made by authority of the Committee on Immigration and Naturalization, the Chair asks the gentleman from Indiana if such was the case?

Mr. SCHULTE. It was, Mr. Speaker. I was instructed by the Committee on Immigration and Naturalization to move that this bill be re-referred.

The SPEAKER. By a vote of the committee?

Mr. SCHULTE. By a unanimous vote of the Committee on Immigration and Naturalization.

The SPEAKER. The Chair accepts that statement and overrules the first point of order made by the gentleman from Virginia.

On the second point of order the Chair thinks it might be proper to have read into the RECORD the rule governing propositions of this character. Clause 3 of rule XXII provides as follows:

> All other bills, memorials, and resolutions may, in like manner, be delivered, endorsed with the names of Members introducing them, to the Speaker, to be by him referred, and the titles and references thereof and of all bills, resolutions, and documents referred under the rules shall be entered on the Journal and printed in the RECORD of the next day, and correction in case of error of reference may be made by the House, without debate, in accordance with rule XI, on any day immediately after the reading of the Journal, by unanimous consent, or on motion of a committee claiming jurisdiction, or on the report of the committee to which the bill has been erroneously referred.

Under any fair construction of that rule, the Chair is compelled to hold that the gentleman from Indiana is clearly within his rights and the rights of the committee for which he is acting in making this motion to rerefer this bill from the Committee on the Judiciary to the Committee on Immigration and Naturalization.

In reference to the suggestion made by the gentleman from Virginia that for aught appearing the committee had made a report on this bill, of course, the Journal of the House itself shows that no such report has been made to the House by the Committee on the Judiciary.

The Chair, therefore, overrules the points of order made by the gentleman from Virginia.

Mr. SMITH of Virginia. Mr. Speaker, I desire to submit a unanimous-consent request.

The SPEAKER. The gentleman will state it.

Mr. SMITH of Virginia. In view of the fact that the House probably is not advised of the situation and therefore is not in position to vote as intelligently as if there were some debate on the matter, I ask unanimous consent that there may be 20 minutes' debate on the subject, the time to be equally divided between the gentleman from Indiana [Mr. SCHULTE] and the gentleman from Alabama [Mr. HOBBS] acting respectively for the Committee on Immigration and Naturalization and the Committee on the Judiciary, and to be yielded as they see fit.

Mr. SCHULTE. Mr. Speaker, in view of the fact there is other important business before the House, I object.

The SPEAKER. The question is on the motion of the gentleman from Indiana to re-refer the bill in question to the Committee on Immigration and Naturalization.

The question was taken; and on a division (demanded by Mr. SCHULTE) there were—ayes 17, noes 128.

Mr. SCHULTE. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. The gentleman from Indiana makes the point of order there is not a quorum present and objects to the vote on that ground. The Chair will count.

Mr. SCHULTE. Mr. Speaker, I withdraw the point of order.

So the motion was rejected.

NAVY APPROPRIATION BILL—1940

Mr. SCRUGHAM, from the Committee on Appropriations, reported the bill (H. R. 6149) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1940, and for other purposes (Rept. No. 539), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. PLUMLEY reserved all points of order against the bill.

EXTENSION OF REMARKS

Mr. KNUTSON asked and was given permission to extend his own remarks in the RECORD.

COMMITTEE ON FOREIGN AFFAIRS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have permission to sit during sessions of the House today and tomorrow.

I have asked the permission of all the minority members of the committee to submit this request.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

NAVY APPROPRIATION BILL—1940

Mr. SCRUGHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6149) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1940, and for other purposes; and pending that motion, I may say that I have conferred with the gentleman from Pennsylvania, and I ask unanimous consent that the debate shall run 4 hours, one-half to be controlled by the gentleman from Pennsylvania and the other one-half by myself, at the end of which time the Clerk shall read the first paragraph and the Committee shall rise.

The SPEAKER. The gentleman from Nevada moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6149); and pending that motion, asks unanimous consent that general debate on the bill be limited to 4 hours, to be equally divided between himself and the gentleman from Pennsylvania [Mr. DITTER], and at the conclusion of said general debate the first paragraph of the bill shall be read and the Committee rise. Is there objection to the request of the gentleman from Nevada?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6149, the Navy Department and naval service appropriation bill, fiscal year 1940, with Mr. Cox in the chair.

The Clerk read the title of the bill.

Mr. SCRUGHAM. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. SCRUGHAM. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, this measure represents several weeks of hearings and the study of a mass of pertinent data. At the outset I wish to express my appreciation of the splendid cooperation and the painstaking work of my colleagues on the committee, Mr. FERNANDEZ, Mr. CASEY, Mr. CALDWELL, Mr. DITTER, Mr. PLUMLEY, Mr. MCLEOD, and last but not least, to commend the splendid and efficient work of our indispensable clerk, Mr. Pugh.

The naval appropriation bill for the fiscal year of 1940 carries items totaling the sum of $770,473,241, an amount unprecedented in peacetime legislative history. The justification for such a proposed expenditure is certainly not to be found only in the European war crisis which now confronts us. In order to be logical, the justification for the vast outlay and the heavy tax burden thereby incurred must be based solely upon a sound and consistent defense policy.

Such a policy involves three essential principles: First, that no American shall be sent by his Government to fight and die on the continent of Europe; second, that our Nation will enforce the Monroe Doctrine; and, third, that our Pacific front line of defense is the one hundred and eightieth meridian, which protects Hawaii and Alaska, and which is the line accepted in the Washington naval treaty.

Powerful currents of emotional opinion are today running against this policy in America; nevertheless, we cannot allow emotional opinion to be a basic influence in the making of defense appropriations. We are told that democracy is in danger. It certainly is endangered by war. We must defend it by opposing war, unless forced upon us by the absolute necessity of defending the American continent.

Fundamentally, the present unsettled condition of world affairs, as well as the uncertainties facing our own Government, are essentially phases of the age-old and eternal struggle between the haves and have-nots. This never-ending contest happens to be in one of its acute cycles. Nationally, the inequalities are being levelled by democratic processes of taxation and appropriations and various forms of Government aid.

Internationally the only ultimate adjustment seems to be through force of arms.

The economic root underlying the vast expenditures and preparations for war, is the world-wide demands for supplies of natural resources which modern civilization requires for national industrial prosperity.

This country is the richest in the world in the majority of these natural resources, as well as the richest in variety and quantity of food products. With only 7 percent of the world's population and 6 percent of the world's area, we own or control nearly one-half of the world's raw materials. The United States cannot avoid the issue. It is part of our domain that is ultimately at stake. The United States is the world's largest producer, largest consumer, and largest distributor of these raw materials. Any approach to equalization with other nations means a shift of sovereignty on an unthinkable scale. Four-fifths of the world's industrial power lies on an axis, extending in a comparatively narrow belt from Chicago eastward through central England and west central Europe, and most of the mineral resources of the world are tributary to this axis. The rulership of the world lies in the control of this industrial axis.

The prosperity and happiness of this Nation is intimately related to the widespread utilization of our great stores of essential minerals, and it is a striking fact that in the period since 1900, we have consumed more of these minerals than in all the preceding history of the world.

There are many sincere idealists who believe that our surplus mineral resources should be made available to all countries by an economy of mutually planned coordination of interchange of products. When this is done, the proponents of the idea claim that the cost of huge armaments and the constant threats of wholesale slaughter of humans, such as occurred during the Great War, can largely be eliminated.

They expect to create a spirit of building a world of plenty through international cooperation. Such internationalistic doctrine, while attractive in theory, is absolutely not adapted to the real interests of the United States, for the reason that our living standards and scale of wages are so far ahead of those prevailing in other countries of the world. The disparities are so wide and competition is so strong, that the visionary concept of supplying other nations with great quantities of our raw materials would inevitably tend to drag our living standard to a lower level. This living standard is roughly proportional to the per capita stocks of metals and minerals which a nation has available and in current use. If our stocks of raw materials are reduced by generous division with our neighbors, we cannot successfully compete with them unless we adopt their lower standards.

This is the basic difficulty in pursuing a more generous policy of loans and reciprocal trade toward the European nations. Under the laws of democracies, supplies of needed materials are obtained by purchase and exchange or credit negotiations. Under autocracies, they are usually taken by force.

There has been a very marked resurgence of the old dominance of autocracy since the period of the World War. Today many millions of people, including those of Italy, Germany, Japan, and even the soviets, are governed by dictatorships. Aggression and conquest of weaker nations and seizure of their resources is as natural an expression of autocracy as the stalking of prey for food by predatory animals. Human history contains continuous record of such performances. The organization and employment of armies for effecting conquests appeals strongly to national pride and accustoms a people to severe regimentation, on the pretext of temporary necessity, while providing armed forces they cannot resist when later employed against them in suppression of domestic opposition.

The law of "survival of the fittest" continues to rule the affairs of man, notwithstanding his efforts to raise himself above conditions which nature imposes on all living things.

While the drive behind expansion of the Fascist states commenced as a pain killer for an empty stomach it has now reached practically the status of a religion. The Japanese program for the mastery of Asia might be untenable except for an aura of religious sanction and a faith in the divine powers of their Emperor ruler. Hitler may make tactical retreats and concessions but the strength of his leadership lies in his great faith in the manifest high destiny of the German people, rather than admitted motivation from economic needs.

We have a government directly responsive to the needs of our constituents. Here the state exists for the individual, but in the Fascist countries the individual no longer exists as such, he is an aspect of the state. The idea of an inspired leadership that "can do no wrong" is the dominant theory.

Proposals for disarmament conferences and economic appeasements to stop war appear to be absolutely useless under present world conditions.

The autocracies which have subordinated the individual to national needs cannot in any way subordinate themselves to foreign interests. Therein lies the element of greatest danger to the peace of the world.

Most of the present industrial activity in Europe depends on armament programs. When the last fighting ship is constructed, the last combat division equipped, and the last arsenal filled with munitions can the factories be shut down and the workers turned into the streets? They certainly cannot, either in an autocracy or a democracy.

Warfare in the no distant future seems the inevitable answer. As a matter of elementary prudence and caution, it seems plain that our country must now accelerate our defense preparations while there is time to meet the eventualities.

The Congress recognized that need last year when it enacted the Naval Expansion Act, and it has given repeated recognition to that need this year by implementing the President's national-defense message of January 12 of this year both by way of legislation and appropriations. It is because of that recognition and the earlier determination to build up our Navy to the quotas envisaged by the defunct Washington and London Treaties of 1922 and 1930, respectively, that this measure we present for your consideration so largely exceeds those which have gone before.

As I indicated at the beginning of my remarks, the bill before you calls for a total appropriation of $770,473,241. That amount exceeds appropriations thus far provided for the current fiscal year by $142,876,047. The estimates the committee considered called for an increase of $162,832,259. We have reduced that amount by $19,956,212.

Of the Budget increase, 63 percent is owing to the shipbuilding program and airplane procurements. Fourteen percent approximately is because of an expansion in shore activities. The remaining 23 percent goes into personnel, maintenance, and operation, fleet improvements and repairs, and a somewhat larger outlay upon experiments and tests, mostly on account of aircraft.

Every penny in a naval budget, apart from a few relatively minor items, as to most of which, by custom, the naval appropriation is used as the appropriation vehicle, is responsive to two things—ships and aircraft. All other factors are collateral to those two objects. As they expand it becomes necessary to expand all of the multitude of incidental objects.

The big expense we find on account of ship construction is not because of the new program embraced by the Budget.

It is owing to the advanced construction stages of ships heretofore commenced, and, to some extent, to an effort to accelerate their completion.

The funds requested for 1940 are designed to carry work forward on 121 vessels, combatant ships and auxiliary vessels. The amount included in the Budget for that purpose is $259,410,000.

For launching upon a new program of 23 vessels we are asked to provide an initial outlay of $10,590,000. This bill provides for going forward with both programs, except as to the 121 vessels. In that group are 29 vessels which will have been in commission more than 12 months prior to the commencement of the next fiscal year, upon which the Budget provides for a total expenditure of $7,904,288. We have eliminated that amount. This is in line with our action of a year ago, seeking to break up the practice of using construction money on ships for periods ranging practically up to 2 years after commissioning. Some of this deduction may include amounts required to satisfy material contracts or contracts with private shipbuilders. If so, there can be no hurt, because the appropriation is general and such obligations can be cared for out of the sum remaining, which may have to be augmented later. The present practice is wrong and the committee is determined, sooner or later, to have it voided.

With respect to the new program, you will find it itemized on page 15 of the committee's report. Included therein are two 45,000-ton battleships, which are larger than any craft the Navy heretofore has undertaken to build. The authority for building ships of such dimensions is contained in the Naval Expansion Act, approved May 17, 1938, which reads:

> That vessels of tonnage in excess of 35,000 tons each may be laid down if the President determines with respect to the tonnage of capital ships being built by other nations that the interests of national defense so require.

That determination has been reached, your committee has been advised, and the need and importance of having units of this character in the fleet have been forcibly urged upon the committee by the responsible officers of the Navy Department.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. COLE of New York. In the appropriation bill I observe that the provision appropriating funds for the two new battleships is placed under the heading of replacement of naval vessels.

Mr. SCRUGHAM. Yes.

Mr. COLE of New York. It is true, is it not, that these two battleships are not replacements, but are new battleships authorized under the Expansion Act.

Mr. SCRUGHAM. That is true, in a sense; under the customary practice 26 years is given as the age of a battleship, at which time it is considered they become obsolete and may be replaced.

Mr. COLE of New York. It is very important that it be determined whether these battleships are replacement ships or the ships authorized by the Expansion Act of 1938.

Mr. SCRUGHAM. They can be considered one as a replacement and one as authorized under the new bill.

Mr. COLE of New York. Am I to understand that one is a replacement and one a battleship authorized under the act of 1938?

Mr. SCRUGHAM. Or they both could be considered as constructed under the new authorization.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. WALTER. Last year, as a member of the Board of Visitors at the Naval Academy, I was very much impressed with the need of a new bridge leading from the main grounds of the academy over to the rifle range. Has there been anything included in this bill for that purpose?

Mr. SCRUGHAM. There is included an item not for a new bridge but for repairs and improvements on the existing bridge, which will render it serviceable for a number of years to come.

Mr. WALTER. Is the amount provided in this bill the amount recommended by the Budget, $18,000?

Mr. SCRUGHAM. Yes.

I might say that the 45,000-ton battleship is not a new proposition so far as the Congress is concerned. In the second deficiency appropriation bill of the last session provision was made for the commencement of two battleships, at which time it was not known whether they would be vessels of 35,000 tons or 45,000 tons. Congress appropriated the money, leaving the determination to the President, who, evidently, had not then satisfied himself that the larger units were required in the interests of national defense, because the Department had embarked upon building 35,000-ton vessels. The Congress, however, did less than a year ago grant permission to do exactly what is now proposed. The amount included in the Budget and in the measure before you for commencing these two vessels is $1,500,000. The total cost of each is estimated at $93,000,000.

Turning from ships, I draw your attention to the aviation estimates. Under this head we were asked to appropriate $83,293,000, and, with the exception of the substitution of $5,000,000 of contractual authority in lieu of a like amount of an immediate appropriation, we have approved the aviation estimates as submitted. They provide for the procurement of 500 project airplanes. The current appropriation act provided for the procurement of 319. The new airplane objective is 3,000 useful airplanes. Prior to the Naval Expansion Act, passed last year, the objective had been 2,050. The planes provided for in this bill are estimated to provide the Navy, upon delivery, with 3,132 project airplanes, or 82 of the authorized expansion of 950.

It is these additional procurements, a greater number of airplanes to be on hand and in operation during 1940, and planned larger outlays upon experiments and tests, that make necessary appreciably larger appropriations on account of the air arm.

Ships and aircraft necessitate shore facilities as bases, as building establishments, more particularly as regards ships, and as repair and overhaul establishments. For public works the committee was asked to appropriate $55,813,550. Of that sum, $20,471,550 may be said to be on account of the normal program, of which $14,836,550 is for carrying forward work on projects already initiated. In a supplemental estimate, $5,721,000 was requested, apart from contractual authority of $10,468,600, for certain navy-yard improvements incident to the shipbuilding program now under way and contemplated by the 1940 Budget, and we received but a few days ago an estimate of $65,000,000 for the establishment or enlargement of naval aviation bases in this country, in Alaska, and in the insular possessions, of which $29,621,000 is desired by way of appropriation at this time. The amount we are recommending under the Public Works head is $52,381,550. We have effected a net reduction of $3,432,000, which is analyzed for you on page 12 of our report.

The air base projects are advocated in consequence of the act approved April 25, 1939, upon which the House finally acted as recently as April 20. The estimate for these projects reached the committee the day it was engaged in arriving at the recommendations it would present to the House. We suspended long enough to hear representatives of the Department and to study the data they brought with them in support of the estimates. The projects have all been recommended by the so-called Hepburn Board and have authorization in the act which I have cited. However, there were certain considerations touching the Pacific islands projects, namely, Midway, Wake, Johnston, and Palmyra, which it seemed to the committee needed more study than the time at our disposal permitted. Consequently, we concluded to eliminate provision for going ahead with those projects at this time. We omitted them entirely without prejudice, and I have no doubt they will be given consideration by the deficiency subcommittee of the Committee on Appropriations, which the naval subcommittee will be prepared to counsel and advise. The total authorized cost of

the projects in question is $9,600,000. The estimate for going forward with them at this time is $3,959,000.

Mr. Chairman, we have made a number of reductions in the estimates beside those which I have specifically mentioned. Singly, they are relatively small. All are enumerated in the table commencing on page 5 of our report, and I shall not take the time of the Committee to repeat what is there stated.

I believe the bill we have laid before you is well balanced, and its enactment, I am sure, will carry us well forward to a degree of preparation which will enable America to preserve its territory, to uphold its institutions and to maintain its honor. Properly and modernly implemented, the manhood of America may be depended upon to prevent any other result. [Applause.]

Mr. PLUMLEY. Mr. Chairman, the gentleman from Pennsylvania [Mr. DITTER] will use such time as he desires.

Mr. DITTER. Mr. Chairman, on behalf of the minority I want to express to the chairman of the committee and the members of the majority the appreciation of the minority for the courtesies and considerations shown by the majority at all times during the consideration of the bill and during the course of the hearings. The new chairman of the subcommittee deserves the commendation of the House for the energy and application with which he approached the task and for the conscientious way in which he discharged the duties assigned to him. I believe the House owes the distinguished gentleman from Nevada [Mr. SCRUGHAM] a vote of thanks for the way in which he has completed a difficult task. [Applause.]

Mr. Chairman, the present bill reflects in part the administration's rearmament program. The Army appropriation bill has been passed. Supplemental requests for additional Army activities will also be presented at this session of the Congress. The proposed cost to the American taxpayer for building, equipping, and maintaining the Navy is now before us. It is the largest bill for the support of our naval arm in point of money carried the House has ever been called upon to consider since the enactment of the Budget and Accounting Act. This in itself emphasizes its importance. But more than money is involved here. That feature in itself is tremendously important when we take into consideration the topheavy national debt and contemplate the extraordinary financial demand which would necessarily be made upon us in the event of an emergency requiring the mobilization of our armed forces. But questions of even more far-reaching consequences than the expenditure of money—questions which may affect very materially the part we may play in an acutely critical world drama—overshadow other features of this bill. Evidence accumulates day by day of an intention on the part of some in authority to try to intensify the justification for our involvement in the war-maddened maneuvers in Europe. Is this expanding Navy program for the purpose of defending our long-established foreign policy or is it a step more positive and direct than has yet been taken to have us play a part in the power politics of the Old World? That is the thing the American people want to know.

This is neither the time nor the place for partisanship. It dare not be. Too much is at stake. I refuse to make this a party matter. I believe it is a national question. I intend to support the bill. I intend to support the bill, Mr. Chairman, because I am an American; because I have always believed that an adequate national defense is our best guarantee for the preservation of the peace of America; because I am convinced that our Navy is the first line of that defense, and because curtailment at this time might invite unfortunate consequences.

I intend to support the bill, Mr. Chairman, not because I approve the policies of the last few years which I believe have led us toward dangerous ground, but because any other course at this time might prove hazardous to us as a nation. In part, we are paying the price today for the unlimited confidences of yesterday. The absence of careful examination, of critical analysis, and of deliberative discussion of policies in the Congress during the past few years, are exacting their toll today. One delegation of authority after another has been made to the President extending his powers to a marked degree with the result that our domestic problems and our foreign affairs were largely a matter of his will. Blind devotion demands its tribute.

Even though I believe that the present bill should be supported, Mr. Chairman, the time has come when the Congress should inquire and the country should know what the purposes of the administration are with reference to our armed forces and what our objectives may be in our relations with other nations. There has been a lot of loose talk. Much has been said that could well have been left unsaid. Our people have been disturbed by utterances of a terrifying character, each one more disquieting than its predecessor, the climax of which was reached some days ago when the implication was made that we might be at war in the fall. Doubt and uncertainty—and the awful fear that such doubt and uncertainty bring with them grip in their vicelike claws the spirit of our people. Mark you, Mr. Chairman, we are not lacking in courage. There is courage, yes; and courage to spare in the heart of America for the defense of our traditional and time-honored policies. And let every nation in the world take note today of that courage. But there is a lack of trust and confidence. There is a fear lest we be led into a compromising or embarrassing situation by injudicious utterances or secret understandings which may involve the honor of the Nation and the integrity of the country, and from which there would be no alternative but war. We are not a war-minded people. We are a peace-loving people. And the country wants no war-minded leadership. From the lips of millions of Americans, from the altars of thousands of American homes, than which there can be no holier altar, from the hearts of a thankful people—a people alert to the defense of their rights, happy in the possession of their heritages, and mindful of the stewardship with which they are charged, there is uttered at the throne of the Eternal a universal plea, "God give us peace."

And that which we crave for ourselves we would have others enjoy. Every real American commends wholeheartedly every sincere and altruistic effort that has been made to advance the cause of peace both at home and abroad. The President must be praised for doing that which he honestly hoped would persuade the nations of the world to reconcile their differences and to disavow their intention to plunge Europe into another war.

Such efforts, however, should be limited to the use of moral force, which this Nation can exert, with no implications whatever and with no understanding whatever which would tend to involve this Nation in the jealousies, animosities, and hates which appear to be an integral part of European dealing and diplomacy. We should always stand ready to mediate the differences of others. This can only be done effectively by maintaining impartiality.

Avoiding involvement abroad places no stamp of approval on the cruel and inhuman persecution of people by any sovereign power. Such conduct deserves the censure and condemnation which it has received. We have not in the past, nor do we now condone it. But our disapproval creates no rights of inteference. This was the attitude of the President just a few years ago when he took the position that he opposed this Government's intrusion in the domestic concerns of other nations. You will recall that in 1935 Mr. Roosevelt was urged to intervene in Mexico, where persecution and violence were directed against certain religious bodies. The President rightfully expressed his indignation, but he also stated explicitly, leaving no room for doubt, what was then apparently a fundamental part of his foreign policy. That expression in 1935 is significant today. In the light of more recent occurrences it bears repetition:

> For my own part, however, I decline to permit this Government to undertake a policy of interference in the domestic concerns of foreign governments and thereby jeopardize the maintenance of peaceful relations.

With these words the President stressed two things—first, that he opposed interference in the domestic policies of foreign governments; and, second, that such interference could have but one result, namely, to "jeopardize the maintenance of peaceful relations." This was the calm and temperate declaration of American statesmanship. In taking that stand no one supposed that the President was either excusing or condoning the persecutions and violence committed at that time. Certainly we did not approve such practices. We were indignant, but we were not interfering.

Only a few weeks before, the President had made an equally positive declaration of his intention to avoid the involvement of this Nation abroad. Unequivocally he declared in October of 1935:

> I shall make it my great and earnest effort to keep this country free and unentangled from any great war that may occur in the countries across the sea.

Those words permit of but one construction. They can have but one meaning. That statement means just what it says—no involvement; no entanglement. That statement is perfectly consonant with the time-honored traditions and the long-established policies of this Nation. Again this was the calm and temperate declaration of American statesmanship.

Should anyone doubt the President's meaning at that time, it should be recalled that earlier in the same month of October of 1935 Mr. Roosevelt reaffirmed his faith in the fundamental doctrine of unentangling alliances advocated by the first President of the United States. Speaking at San Diego on October 2, 1935, the President said:

> Despite what happens in continents overseas, the United States of America shall and must remain, as long ago the Father of his Country prayed that it might remain—unentangled and free.

Again this was the calm and temperate declaration of American statesmanship. It was a tenable position then. It is an equally tenable position today.

Our stake is in the Western Hemisphere. Our responsibility is measured by the Monroe Doctrine. That doctrine declares rights and assumes responsibilities. We must be prepared to insist upon a recognition of those rights and at the same time be willing to discharge those responsibilities. Because of relations with our neighbors of the Western Hemisphere, and because it is vital to our national defense, we must demand a recognition of that time-honored doctrine, a recognition of both the letter and the spirit of that doctrine by all nations, and we must be prepared at all times to defend its intent and purpose against any and all powers. A national-defense program adequate under present-day conditions to require such recognition is our solemn duty. The overwhelming majority of the American people will approve our pledge to discharge that duty.

I believe we have a part in world affairs. In this field there are two widely divergent directions which we can take. Neither is isolation. But one leads to peace; the other to war. To pursue the first course we must maintain complete neutrality—neutrality in word and deed, in controversies between other nations. But we can exert the great and compelling moral force of this Nation to bring about peaceful settlements of controversies between others. We can bend every effort to maintain and develop just and friendly relations with other nations so that the processes of peace and the true standards of justice in international conduct may be established. If injustices have been done at peace tables, we can urge that the wrongs be righted at conference tables rather than on battlefields. We can bring the weight of our influence to bear in favor of arbitration and conciliation so that the causes for disputes and misunderstandings will be heard and determined with equity and justice for all. We can support loyally such agencies as the Kellogg Pact and the Hague Tribunal. We can plead for the adoption of agreements for the limitation of armaments. We can urge upon others and participate ourselves wholeheartedly in economical and social cooperation among the nations of the world. While such endeavors may not always be successful, we in no way endanger our own safety by pursuing them, and I firmly believe that in advocating such standards and adopting such practices we can render a world service which will be a blessing rather than a curse to mankind. War cannot hold out any such hope. War cannot bless. War can only curse. If we are to pursue this course, the pathway to peace, we must be frank, open, and direct in our relations with all nations. Good faith, the utmost good faith, is a necessary essential.

On the other hand, we may choose the second course. Should this be our decision, strict neutrality need not concern us. On the contrary, we can then feel free to exert the physical force of the United States on one side or the other in controversies between other nations. We can make declarations of sympathy and suggest support to one contestant as against the other. Threats, economic pressure, and economic sanctions can be resorted to. Encouragement of a hostile attitude on the part of one as against another can be given. Drumbeating and saber rattling can be heard and by word and deed fertile fields for friction and hate can be planted. This is not the pathway to peace. It is the road to war. And that road, like the road to hell, is paved with what some people try to impress upon us as good intentions.

There are those who suggest that "measures short of war" may be effective instruments to use at the present time. They may be effective but they are also dangerous. All of us know what is meant by measures short of war. The very phrase indicates their purpose. You and I know that measures short of war are the most easy and ready approaches to war. Neither good will nor friendliness are part of such measures. They are made up of suspicions, threats, and ill will. Once they get started, the end is almost certain. And that end is not peace.

What is our foreign policy? Where will it lead? What part are we to play at present? What does the future hold in store? The President apparently has abandoned his determined-not-to-become-involved position of 1935 in favor of his quarantine position of 1937. From time to time the quarantine notice has been amplified and its scope enlarged. Our frontier has been established somewhere in France. More recent declarations have carried even greater implications. Instead of trying to heal the festering sores of old animosities, I am afraid new sores have been opened. Irritating and provacative utterances have been made by men in high places. Such utterances do not make for peace, but they do put new venom into old hates. Economic weapons have been threatened as well as invoked against nations. An economic boycott is no more an instrument of peace than a gas bomb.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield.

Mr. KNUTSON. About 2 weeks ago I received a letter from Europe, wherein it was positively stated that the meddling of the Roosevelt administration in European affairs had aggravated the situation over there rather than helped to heal it.

Mr. DITTER. I thank the gentleman for his contribution.

A huge rearmament program has been projected, the purpose of which may easily be interpreted by others as an intention to intervene in the international frictions and discords of other people. Instead of allaying suspicion, have we been arousing suspicion? Instead of dispelling doubt, have we been creating doubt? Instead of subduing passions, have we been intensifying passions? "Agressor" hurled defiantly across two oceans is not the language of peace. Using a branding iron to burn the mark "aggressor" on a nation is hardly an invitation to a conference table. Peace can only come from an attitude of good will and friendliness. Step by step, it seems we have departed from the position which the President said in 1935 the United States must maintain "untangled and free" to a place of imminent and almost immediate involvement abroad.

A rearmament program has been under way since the beginning of this administration. For the fiscal year 1934 the Navy costs amounted to $274,388,386. Almost fifty million was added the following year. For 1936 the figures had reached $391,424,149. By 1937 more than one hundred million additional was added, while the estimate cost for 1938 is

placed at $541,000,000. In other words, there has been almost a 100-percent increase in naval costs in 5 years. Today's figures speak for themselves.

In part these increases have been inevitable and can be justified. Increasing world tension has been evident for some time. With other major powers directing their attention to military and naval developments we had no other alternative but to resort to a policy of preparedness. Any other course would have been suicidal. Our hopes for a limitation of armaments by agreements were frustrated as notice was given of the intention of certain signatories to abandon the limitations that had been agreed upon. This, of course, meant that a new building program would be undertaken by these nations. Even though there were indications prior to the actual termination of the agreements that there was little chance for their renewal, this Nation continued to entertain the hope that some solution could be reached which would prevent a revival of a competitive arms race. Prompted by this hope, we had delayed naval construction. In many of the categories our fleet was not in line with the provisions of the limitations provided for in the agreements. Therefore, insofar as the steps taken by the administration to bring our naval arm in line with the other navies of the world, for the defense of our traditional foreign policies justification can be found for increasing naval costs.

On the other hand, a part of the costs reflect a policy to which attention has frequently been directed and to which objection has been registered. I refer, Mr. Chairman, to the use of emergency funds for the inauguration of projects which have never been passed upon by the Congress but which, in many instances, we are called upon to complete and which, in all instances, we are called upon to maintain. The Congress is charged with the responsibility of providing for the national defense. It has the right to determine what it believes is necessary and essential for an adequate defense. As I said before, we are paying in part today for our commitments of confidence of yesterday.

While increases in costs have been apparent in the earlier days of this administration, justified, as I have said, to some extent by conditions and circumstances beyond our control, a new impetus has been given to rearmament during the last year which should command our attention insofar as its possible effect on our relations with other nations and insofar as it may reflect a willful purpose to abandon our long-established policy of unentangled freedom.

This is the time for sober thought. Manufactured hysteria is as catching as smallpox and just as fatal. Propaganda can be most persuasive. We have seen evidences of it. It should be said, however, to the credit of the common sense of the American people that in the instant case it has not aroused their interest in a new crusade to Europe. The revived and reset theme song of "Making the World Safe for Democracy" has not been a popular hit. In spite of the new words, the old music is familiar as well as forbidding. The overwhelming majority of the American people believe that our duty is to make our form of democracy work at home rather than defend some other form of democracy abroad. They believe that the most effective defense of the Republic lies in a real devotion and a steadfast loyalty to that spirit of liberty that hates absolutism in whatever form it may appear. They know that one-man government is absolutism, no matter what label it may carry. They are keenly aware of the warning that "it is with governments as with religion —the form often survives the substance of the faith." And they are interested primarily in the survival of their faith here at home.

The temptation is present to cast aside all caution at a time such as this and accept every proposal that bears the stamp of preparedness. There is a difference in preparedness just as there is a difference between a defensive position and an aggressive attitude. The American people demand the former. They reject the latter, for they refuse to abandon their established policy of unentangled freedom. Our duty, as I see it, is to refuse to be swept along by a current that may well lead to the rapids and a whirlpool. The American people still hope to fulfill their God-given mission of peace among the nations of the world. However desperate the situation in Europe may be, let us refrain from the further aggravation of any already tense condition by avoiding blustering approaches and harsh words that may plunge the world into the terrible cauldron of war. Let us withhold encouragement to any nation to resort to war as a solution of their problems. Let us continue to tender our good offices to all for the amicable adjustment of their differences. Let us defend our civilization by dedicating our moral influence to the task of reestablishing the standards of law and order and justice and equity in international relations. Let us reaffirm our faith in the God of peace by keeping America out of war and by helping to keep the world out of war. Only thus can we hope to achieve our cherished destiny for America. [Applause.]

Mr. SCRUGHAM. Mr. Chairman, I yield 30 minutes to the gentleman from Louisiana [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Chairman, after several weeks of painstaking inquiry, the naval subcommittee of the Committee on Appropriations has presented for consideration the naval budget for the fiscal year 1940. You gentlemen have before you the finished product. It is the result of an examination of a stack of statistical data something like 2 feet thick, followed by detailed inquiry, lasting many days, of officials of the Navy Department into all items of increase, not alone over appropriations for the preceding year but over such appropriations after the elimination therefrom of projects not of a recurring nature. The preparation of one of these measures really is a tremendous task and a great responsibility, and I can assure you that the membership of the subcommittee is alive to that responsibility and endeavors to discharge it in a way that will reflect credit not alone upon themselves but upon this great body, whose servants we are.

Our able chairman, the gentleman from Nevada, Governor SCRUGHAM, has acquainted you with the salient provisions of the bill. It is my purpose to go more into detail; but before doing so, I should like to bring to your attention certain factors which the Congress must keep in mind in considering naval estimates.

After the conclusion of the World War the United States signed two naval treaties, the Washington Treaty of 1922 and the London Treaty of 1930. These treaties stabilized the tonnage of ships by types, fixed the rate of replacements, and the type characteristics of combatant vessels of the leading naval powers. Replacement of battleships was suspended in the second treaty.

These treaties, which maintained the so-called 5–5–3 ratio as between the United States, Great Britain, and Japan, expired on December 31, 1936, and were superseded by the London treaty of 1936, which fixed the characteristics of combatant ships, but not their quantity in navies as had the previous treaties. Moreover, the latter treaty was signed only by the United States, Great Britain, and France.

At the recommendation of the President, the authorized strength of the new Navy in combatant under-age ships, and their rate of replacement, was fixed by the Seventy-fifth Congress in the act of May 17, 1938, at approximately 20 percent greater than the original treaty Navy figures. The same act authorized not less than 3,000 useful naval airplanes and the construction of 26 auxiliary vessels, supplementing 6 that Congress authorized in the act of July 30, 1937. The act of May 17, 1938, the so-called Naval Expansion Act, was designed by Congress to meet changed world conditions, economic, political, and military, such as building programs abroad, the failure of world powers to maintain the former quantitative naval ratios, the political disturbances in Europe and Asia that threatened to change the world stability that had obtained to a degree since 1919. In forwarding the recommendations the President stated it was "specifically and solely because of the piling up of additional land and sea armaments in other countries, in such manner as to involve a threat to world peace and security, I make the following recommendations to the Congress." He continued:

It is necessary for all of us to realize that the unfortunate world conditions of today have resulted too often in the discarding of

those principles and treaties which underlie international law and order, and in the entrance of many new factors into the actual conduct of war. Adequate defense means that for the protection not only of our coasts but also of our communities far removed from the coast we must keep any potential enemy many hundred miles away from our continental limits. We cannot assume that our defense would be limited to one ocean and one coast and that the other ocean and the other coast would with certainty be safe. We cannot be certain that the connecting link—the Panama Canal—would be safe. Adequate defense affects, therefore, the simultaneous defense of every part of the United States of America. It is our clear duty to further every effort toward peace but at the same time to protect our Nation. That is the purpose of these recommendations. Such protection is and will be based not on aggression but on defense.

Recent events, you no doubt will agree, have confirmed the wisdom of Congress in responding as it did to the President's recommendations.

In a monetary way the fiscal year 1940 sees the Navy approaching its strength under the former treaty Navy authorizations and starting upon the program of increases granted by Congress in the Expansion Act. When the ship-construction and aircraft programs, and the small personnel increases which are provided for in the measure before you are taken into consideration, an examination of the bill will disclose no unusual items of expense.

In no sense can it be inferred that the committee is providing funds with a view to establishing a "two-ocean fleet" or for embarking on any program looking beyond home defense and the maintenance of the Monroe Doctrine. The Appropriations Committee merely allocates the funds it considers prudent to expend to carry the annual charges against authorizations enacted by Congress. Policy making is without our province.

There is nothing in this financial program that looks toward aggressive action, or of projecting an attack against the territory of any naval power. Our objective is a navy adequate for the proper defense of our Nation.

Mr. DARDEN. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield.

Mr. DARDEN. The gentleman touched a moment ago on the possibility of a two-ocean Navy. Before the gentleman concludes his remarks will he have a little more to say on this subject as to his own views in reference to it and the desirability of entering into the expense of attempting to build such fleets?

Mr. FERNANDEZ. I believe in a two-ocean Navy. I think such a Navy is necessary to protect the interests of the United States.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield.

Mr. MICHENER. Would the gentleman mind pointing out what would constitute a two-ocean Navy? Would it mean doubling a one-ocean Navy such as we have now?

Mr. FERNANDEZ. Not necessarily. There are several factors involved, but with the Panama Canal I should say a fleet much less than double the size of the present force would meet our needs.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I prefer to continue until I complete my major statement.

A Navy cannot be created upon the outbreak of war. Capital ships require over 4 years to build, and smaller vessels from 2 to 3 years. Should war be forced upon us, the ships to begin that war will be those that are completed when war breaks out and those under construction and nearing completion. The first year or two of a war will be conducted with the ships we have when war starts.

The United States has the longest coast line of any naval power. It is exposed to attack in two oceans. The Navy must be prepared to defend both coasts, to forestall the advance of a strong enemy naval force against either shore. A navy of sufficient strength to protect the shores of the United States must be sufficiently strong to defeat the navy of a possible enemy. Prompt and effective injury to an enemy at a distance from our coast is the only sure defense from blockade, from air and surface bombardment, and from actual landing of an invading force. In defending our territory in war, we cannot assume an attitude of passive defense and simply beat off an attack at one place and later at another. In such a case we would see our coasts blockaded, our outlying possessions seized, our commerce, both coastwise and foreign, driven off the seas, and we would undergo the costly experience of finding the war lasting just as long as the enemy willed it; that is, until he had attained every objective and everything he wanted.

We have outlying possessions in Alaska, the Hawaiian Islands, Samoa, Panama Canal Zone, Puerto Rico, and the Virgin Islands. All of these outlying possessions are more or less vulnerable and their defense depends upon two factors: One is a local defense by mobile forces and fortifications. The other, and the dominant factor, is sea power. A sufficient Navy can keep open the lines of supply to the defenders of such possessions, and, if they are secure in their own local defenses against minor attacks, the Navy can use them as bases from which to operate against the enemy or enemies.

Aside from the actual defense of United States territory, both continental and insular, the Nation has for over 100 years held as a cardinal policy, the Monroe Doctrine, that an extension of Old World sovereignty in the American Hemisphere would be prejudicial to the United States. Nothing stands in the way of the possible exploitation or seizure of the republics of Central and South America, except this doctrine, backed by the naval forces of the United States. Thus the responsibility of naval defense of our own Territories is enhanced by the necessity of maintaining the Monroe Doctrine.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield.

Mr. MASSINGALE. I have not heard all of the address of the gentleman from Louisiana, but I am wondering if the committee made any recommendations regarding the Nicaraguan water-level canal.

Mr. FERNANDEZ. None at all. That would not come within the province of our subcommittee of the Committee on Appropriations. That is a matter within the jurisdiction of the legislative Committee on Naval Affairs.

Our Government wisely, in my judgment, has decreed that our naval defenses need to be expanded. The Congress a year ago determined that our sea and air forces should be enlarged and, but a few days ago, decided that there should be established additional air bases at home and in Alaska and in certain of our insular possessions, either by way of enlargement of existing bases or the establishment of new bases. Earlier, however, than the Naval Expansion Act of a year ago the Congress adopted the policy of building up our sea forces to the limits contemplated by the Washington and London Treaties of 1922 and 1930, respectively. There, in a nutshell, is the reason for the substantially increased naval budget you are asked to approve for the ensuing fiscal year. The numbers and types of ships you have been laying down, as their construction progresses, require heavier outlays.

Others, laid down earlier, are joining with the fleet, requiring more personnel and swelling maintenance and operating costs. Under the new expansion authorization, new units become in order and aviation axpansion becomes a factor. Ships and aircraft dictate the naval budget, except to the extent that funds are withheld to maintain a proper degree of readiness and efficiency. Ships and aircraft occasion every single item of genuine naval expense.

The estimates submitted by the Budget total $790,429,453, including $50,621,000 of special national-defense funds allocated by the President to the Navy, of which special funds $29,621,000 is for the new air-base development recommended in the Hepburn Board report, authorized by Public, No. 43, Seventy-sixth Congress; $18,646,000 for 156 additional aircraft and their ordnance; $354,000 for naval aviation cadets; and $2,000,000 for aircraft-testing buildings and equipment at the Naval Aircraft Factory, Philadelphia.

The total of the aviation estimates is $88,298,000, compared with $48,075,000 for 1939, and they provide for a total

of 500 naval aircraft, which will bring the Navy up to 82 planes in excess of the treaty total of 2,050.

The shipbuilding total is $270,000,000, as compared to $190,613,150 made available for 1939. It provides, in addition to carrying on construction on 121 ships already laid down, for 23 new vessels—2 battleships, 45,000 tons; 2 cruisers, 8,000 tons; 8 destroyers; 8 submarines; and 3 auxiliaries, 2 small seaplane tenders, and 1 repair ship. This is about the average annual increment of new construction. The battleships are designed to maintain the strategic security and tactical supremacy of the United States Fleet in relation to other navies. Great Britain is laying down vessels of 40,000 tons, and the refusal of Japan to communicate her building plans suggests that that empire either may be building or planning upon building vessels of larger tonnage, armament, and speed than formerly. It is impracticable to build a modern vessel of the desired characteristics and armament on 35,000 tons.

Treaty restrictions on gun caliber and tonnage to 16-inch guns and 45,000 tons have in the first instance been removed by failure of Japan to sign the 1936 naval treaty and in the second instance by special agreement of the signatories of the 1936 treaty. Congress authorized the President to lay down 45,000-ton ships if he determined with respect to the tonnage of capital ships being built by other nations that the interests of national defense so required. He has authorized the construction of these two vessels and the committee feels that under present conditions the construction of the ships is warranted politically, and is vital militarily. Due to treaty and congressional restrictions since the naval treaty of 1922, the fleet has lacked fast, heavy ships to match those of leading naval powers. My judgment is that it would be a serious and dangerous mistake at this time for Congress not to support the Navy Department in its endeavor to increase the effectiveness and the battle strength of the United States Fleet.

The committee has effected a number of reductions in the Budget estimates. They aggregate $19,956,212 and are set out in detail in the committee's report. They occur principally in three items, namely, "Reserve material, Navy, $2,794,626"; "Aviation, Navy, $5,000,000"; and "Replacement of naval vessels, $6,950,288." The aviation reduction merely represents a transfer to contractual authority.

The committee believes the funds provided in the bill are necessary to carry out the expressed policies of Congress and are adequate to carry on the aviation and shipbuilding programs, maintain the necessary personnel strengths, keep up the various shore stations and departments, and increase the readiness of the Navy for an emergency.

In presenting the various phases of this measure, I call attention first of all to the committee's report on the bill, in which we have endeavored to give you a clear-cut view of its details.

NAVAL RESERVE OFFICERS' TRAINING CORPS

The act of August 6, 1937, Public, No. 248, Seventy-fifth Congress, authorized an increase of 1,200, or a total of 2,400, Naval Reserve Officers' Training Corps students. Last year funds were provided to establish two new units, and two more are provided for in this bill, which should eventually raise the total of enrollees to 2,000. This accords with the policy adopted last year in making this increase gradually rather than all at one time.

NAVAL RESERVE

In Public, No. 732, Seventy-fifth Congress, a new Naval Reserve Act was passed, which necessitated redrafting the language of the appropriation "Naval Reserve."

No unusual items, other than statutory, are in the Budget except $290,520 is provided for 90 Reserve aviation officers—naval aviation cadets who have completed their cadet contract—who will be ordered to active duty with the fleet during the year, and $438,165 is allotted for 273 naval aviation cadets who, after completing their contracted 4 years' service, are, under the provisions of the law, being discharged to inactive duty with transportation and a $1,500 bonus.

Of the $9,994,000 in the Budget, but $2,771,385 is for the surface Naval Reserve, and $5,590,462 is for the Naval Reserve cadet program, $1,329,214 for ordinary naval aviation reserve purposes, and $302,939 for training expenses for Marine Corps Reserve aviation.

The committee has reduced the estimates in two respects. It has disallowed a small amount for week-end cruises and it has not approved a new item of administrative pay for officers of the Volunteer Reserve involving $49,920.

NAVAL ACADEMY

The appointments have been continued at four. Unless changes in personnel laws affecting forced retirements are made, this number of appointments is necessary to maintain the strength of the officer corps.

NAVAL TRAINING STATION, NORFOLK

Special provision had to be made over routine expenses to fit out the new enlisted men's trade school building and the six new recruit barracks completed by W. P. A. funds.

BUREAUS OF CONSTRUCTION AND REPAIR, ENGINEERING AND ORDNANCE

No unusual items are inserted, but provision of funds to equip and fit out shops, storehouses, and other structures authorized in the Second Deficiency Act of 1938 or undertaken by W. P. A. funds was necessary. Funds are provided to complete the retooling of the Naval Torpedo Station at Alexandria. Although the ship and aviation programs necessitated the opening of this activity, it is a wise provision to have it in operating condition if an emergency is pending.

PAY, SUBSISTENCE, AND TRANSPORTATION

The estimates provide for an increase of 5,500 enlisted men. The average numbers contemplated for pay purposes are: 1939, 107,550; 1940, 113,050, and the end of the year numbers 110,100 and 116,000, respectively. The restrictions on flight pay above the rank of captain are removed.

FUEL AND TRANSPORTATION

The appropriation is based on 8,000,000 barrels at an average cost of 71.57 cents, as compared to 8,000,000 barrels at 88.4 cents for 1939. Funds have been included to commence turning over the oil at Pearl Harbor by issuing out of stock there and replacing it by a more stable oil.

PUBLIC WORKS

The committee considered estimates aggregating $55,813,550. It recommends $52,381,550, which is a reduction of $3,432,000, arrived at as indicated on page 12 of the committee's report. All of the projects, except those pertaining to naval air bases, are set out in detail on pages 40–44 of the accompanying bill.

For the naval air-base projects, authorized but a few days ago at a total cost of $65,000,000, and for the expansion of facilities at the naval aircraft factory, Philadelphia, authorized in the same act, the Budget submitted an estimate of $31,621,000. The committee recommends $27,662,000 of that amount. The reduction of $3,959,000 applies to bases at Midway, Wake, Johnston, and Palmyra Islands, in the Pacific. The elimination of provision for bases at such points was done without prejudice. The proposition included angles which the committee felt required more time for study than it was in a position to make.

RESERVE MATERIAL, NAVY

The Budget proposes a new appropriation—"Reserve Material, Navy"—in the amount of $3,545,000, of which the committee has approved $750,374. The purpose of the appropriation is to increase the readiness of the Navy with respect to out-of-commission destroyers, submarines, and auxiliaries and merchant ship conversions, in stocks of manufactured articles not readily obtainable on short notice in the open market. Such an account existed during the World War period. The components of the project are confidential.

STRATEGIC AND CRITICAL MATERIALS

The committee has continued the appropriation for this item pending the establishment of a general governmental policy for their procurement. The total naval requirements for a 2-year war has been estimated as $100,000,000. In 1938, $3,500,000 was appropriated, and in 1939, $500,000. The funds have been expended to stock some of the more critical materials.

REPLACEMENT OF NAVAL VESSELS

The Budget included funds either to complete, continue the construction, or lay down a total of 144 vessels. The size of the appropriation requested, $270,000,000—of which $220,000,000 is for construction and machinery and $50,000,000 for armor, armament, and ammunition—is due partly to the large number of ships under construction and partly to the renewal of battleship construction after the lapse of the disarmament treaties on December 31, 1936. Two battleships were appropriated for by Congress in 1937 and four last year. Under present building plans and authorizations, these shipbuilding expenses should reach a peak in 1941 or 1942.

Your committee has approved the 1940 increment of 2 battleships, 2 cruisers, 8 destroyers, 8 submarines, and 3 auxiliaries, or a total of 23 vessels. Prior year increments have been:

1934	37
1935	24
1936	24
1937	20
1938	14
1939	37
1940	23

Under present world conditions, the best insurance for security is to maintain the fleet's relative naval strength. Spasmodic building leads to naval inferiority. Congress should keep up with building increments of ships and aircraft each year as required to carry out the provisions of the Naval Expansion Act.

Costs per ton of vessels have and will continue to rise due, on the one hand, to congressional enactments affecting conditions, hours, and wages of labor, retirement and social-security laws, and on the other hand to military improvements resulting from scientific advances affecting speed and armament. The country has indicated it wants a first-class Navy and appreciates that an inferior or second-class one leads to disaster.

With one exception, the committee has followed the Budget as to replacement, Navy funds, providing a portion, however, under other heads for projects which the Budget proposed be paid for with replacement, Navy money. The exception applies to planned expenditures upon ships which have been in commission more than 12 months. The committee is still persuaded to the view that the Department is not pursuing a correct course in expending ship construction money on vessels which have been in commission in some cases nearly 2 years. We took this same stand last year and the House supported us. If you will persevere with us, we shall get it worked out satisfactorily before very long.

MODERNIZATION OF AIRCRAFT CARRIERS

Congress, in Public, No. 618, Seventy-fifth Congress, authorized modernization of the two large aircraft carriers at a cost not to exceed $15,000,000 to increase their effectiveness. There is included in the bill $4,000,000 to initiate this modernization of the *Saratoga*.

That rather completely accounts for you the recommendations we bring to you for approval.

In conclusion, Mr. Chairman, let me say that I deprecate as much as any of you these mounting national defense costs. If they mean, however, the security of America, the cost is small. I am convinced that a challenge to our security exists today. We must be prepared to meet it. This bill is in the interest of that preparation. [Applause.]

[Here the gavel fell.]

Mr. CALDWELL. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Florida is recognized for 15 minutes.

Mr. CALDWELL. Mr. Chairman, in view of the very complete statements my distinguished colleagues on the committee have made on this bill, I shall confine my discussion to two phases of the general subject. I want to touch briefly on the questions of the 45,000-ton battleships and the four Pacific islands not provided for in the appropriation bill.

Our naval policy calls for a navy second to none. Six years ago we commenced taking effective measures to build and maintain a navy, second to none, properly proportioned as to numbers, size, and types of battleships, carriers, light craft, and airplanes.

The Congress by an overwhelming majority has just provided for extensive improvements to existing naval air bases and for the creation of necessary additional naval air bases. These air bases are essential to the efficiency of the fleet.

We are now asked to appropriate for two battleships previously authorized by the Naval Expansion Act which approved the laying down of battleships of 45,000 tons if the President determines that, because of the construction of ships in excess of 35,000 tons by other nations, the interests of our national defense so require.

The battleships we now have in operation are, as you know, comparatively small and have a useful speed of 21 to 22 knots per hour. The six ships now being constructed will make around 27 knots. The proposed 45,000-ton battleships will be considerably faster and able to withstand great punishment.

The President has recently recommended that the interest of our national defense demands the construction of two 45,000-ton ships.

England is now building two 40,000-ton battleships. She is about to start the construction of two more battleships of 40,000 tons or greater. She already has the *Hood*, a 42,000-ton battle cruiser. The *Repulse* and *Renown*, two other battle cruisers, are capable of 31½ knots. Germany has two battleships under construction and another projected, the probable speed of which will be 30 knots. Both France and Italy have faster battleships than the United States. Persistent reports indicate that Japan commenced the construction of three 46,000-ton battleships in 1937—at least 2 years ahead of the United States. At any rate, Japan refuses to inform us just what she is doing in this respect.

I do not need to remind you that the backbone of our second-to-none Navy, as it is with the navy of every great power, is the battleship—the line-of-battle ships. As a unit of the battle line it must be capable of delivering the heaviest blows against an enemy and at the same time it must be capable of withstanding to a maximum degree the heaviest blows that can be inflicted against it.

Since the inception of the modern line-of-battle ship the types of blows that can be delivered against it have multiplied. Not only must a battleship provide side and deck armor for protection against the destructive penetration of heavy projectiles, but it must provide additional deck armor to protect against airplane bomb penetration, and side blister and compartmentation against mines and torpedoes from destroyers, submarines, fast motorboats, and torpedo aircraft. In addition to this static protection, the dynamic protection of antiaircraft batteries and antidestroyer batteries have been added.

The battleship is the backbone of our fleet upon which naval operations in control of any sea area depends. If our battleship force is to be capable of carrying out its fundamental functions, its speed must be adjusted to the speed of possible enemy types as well as the speeds of other combatant type. If the enemy has a type that can outfight anything of equal speed and can outrun anything we have that is superior in fighting power, we will find it beyond our power to exercise complete control of a sea area that such an enemy desires to challenge.

Not only must we have a powerful battle line of sufficient speed but we must have powerful ships especially equipped with speed that will make such enemy raids into areas under our control too hazardous to be safely undertaken. Such a combination of speed and fighting power can be provided only by increasing size.

In this needed increase in size the battleship but parallels the general increase that pertains to all men-of-war, and for that matter, to merchant ships. Within the life span of our present 33,000-ton battleships, destroyers have increased in size from 1,200 tons to somewhere between 1,600 and 2,500 tons; the size of cruisers has increased; aircraft have increased in size many times with great increase in bomb size and bomb load.

With the increasing complexity and demands to be met within limiting battleship tonnages, our naval designers have found themselves increasingly hampered in their effort to include indispensable features. This has affected our own problems of design in greater degree than in the case of any foreign nation because of our strategic requirement for adequate cruising radius. England has numerous bases in prospective areas of operations from which her ships can be refueled. Japan has numerous bases in the western Pacific from which her ships can operate. The United States is not so liberally, or adequately, provided with outlying bases.

The conflicting demands on the allocation of weight in battleships are fighting power, guns and ammunition; protection, armor, blister, and compartmentation; speed, engines and boiler power; radius, fuel.

If we purpose to attain equality, ship for ship, with possible enemy ships we must not only equal them in fighting power, in protection, and in speed, but, considering our possible operating zones—the Pacific, North Atlantic, and South Atlantic Oceans—we must provide great cruising radius. This can only be gained by building on greater individual tonnage, in other words, on 45,000 tons.

The relative strategic needs of the United States are such that we should have been the first nation to increase the tonnage of our ships above 35,000 tons—instead, we are the last. Both the British and Japanese have gone to greater tonnage before us. Presumably Germany will follow suit, if she has not already done so.

Mr. CASEY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CALDWELL. I yield.

Mr. CASEY of Massachusetts. The use of the 45,000-ton battleships which are contemplated in this bill means greater cruising range, but primarily greater speed.

Mr. CALDWELL. The gentleman has stated the proposition quite accurately.

The correct sequence of determining characteristics is to decide what functions the ship is to accomplish, then decide what characteristics—gun power, protection, speed, and radius—are required to accomplish the function, and then decide the tonnage necessary that the ship may embody these characteristics. The 35,000-ton limitation is an artificial limitation agreed to by this country in 1936 in the effort to meet the wishes of England—not hampered by lack of bases and needing numbers of ships to provide for widespread distribution—and in the effort to economize. It will be fatally short-sighted economy, however, if the limitation in tonnage is so restrictive that the characteristics we have determined to be necessary cannot be built into our ships, with the result that the desired functions cannot be accomplished. We might as well, or better, not build such ships and note the old gag about a "second-best poker hand."

We are spending hundreds of millions of dollars for effective naval protection. An indispensable part of this in the immediate future is a division of fast, powerful ships which will make effective our control of sea areas wherever our naval operations may be called upon to support our national policies. The individual ship tonnage necessary for this is 45,000 tons. This 45,000 tons is necessary in order that this ship can reach and operate in the areas necessary, that it may compete on even terms with Japanese, British, and German ships already laid down of equal power and equal high speed, and that it may withstand repeated attacks by submarines and aircraft and continue to operate.

The Seventy-fifth Congress, in approving the Navy Expansion Act, recognized that additional naval operating bases would be necessary for some of the units of the expanded fleet and accordingly inserted a section in the act authorizing and directing the Secretary of the Navy to appoint a board of naval officers to investigate and report upon the need, for purposes of national defense, for the establishment of additional bases on the continental coasts of the United States, its Territories, and possessions.

Based on the excellent and thorough report of this board, known as the Hepburn Board, the Congress has enacted legislation authorizing the establishment of a number of naval air bases at various strategic locations.

I will not here undertake to discuss all the items recommended but I should like to touch for a moment on the authorization for air bases in the mid-Pacific.

Midway, Wake, Johnston, and Palmyra are small Pacific islands of coral atoll formation to the northwest, west, southwest and south of the Hawaiian Islands. All but Wake are east of the one hundred and eightieth meridian. Midway is 1,100 miles northwest of the Hawaiian Islands; Wake is 1,900 miles west of the Hawaiian Islands; Johnston is 700 miles southwest; and Palmyra is 900 miles south. Midway and Wake are already in use as essential stepping stones for the Pan American Airways trans-Pacific route.

As you have doubtless noted the bill under consideration does not appropriate the funds asked by the Department and approved by the Budget for the naval development of these islands. I personally am convinced that work should be promptly undertaken and completed.

The naval aviation developments at these islands will consist of accommodations for permanently basing one patrol plane squadron at Midway, and facilities for temporarily basing patrol planes at the other three islands when assisted by ships known as patrol plane tenders.

The island of Oahu in the Hawaiian Islands is absolutely essential for our national defense in the Pacific. It must be held at all costs. This can be done as long as the United States retains command of the sea in that area. Our imaginary defense line can then extend effectively northward to the Aleutians and southward toward the Panama area as far as necessary.

A defense line is simply a line beyond which we should attempt to prevent any enemy force from passing. This, however, is impossible unless we have some means of learning about the enemy's plans or movements before he can approach such a line. Any outlying point from which to scout for such information is thus a necessary and, quite possibly, crucial part of any defense line. This is the purpose of the developments at Midway, Wake, Palmyra, and Johnston. Without these outposts then the defense line itself must function as a series of outposts and the defense line will actually move back far behind where it ought to be.

Unless our naval aviation can give the commander in chief of our fleet the information he must have in order to do his job as we expect him to do it, he will have to attempt to obtain his information by sending vessels of the fleet out to do the airplane scouting job. Thus, instead of exposing a few seaplanes, he will have to expose to enemy action a number of our major vessels, such as cruisers and submarines. In doing so, he not only will weaken the main body of the fleet for major battle, but also will obtain less information than he would get if his patrol planes were able to operate properly in this critical area.

The work projected at Midway, Wake, Johnston, and Palmyra cannot possibly be accomplished offhand in emergency. Dredging takes time. Unless the job is done before an emergency takes place, these islands cannot be used in the manner demanded by strategic requirements. On the other hand, the greatest value of the naval aviation facilities at these places will be exercised immediately upon the outbreak and during the earliest stages of war. Beyond any question their development is fully justified and must not be postponed. [Applause.]

Mr. PLUMLEY. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, in discussing a Navy bill and the strength of our Navy we should likewise discuss what our foreign policy is under the provisions of the pending bill.

There are many people in this country who, because of propaganda, think we are defenseless, that we are a second China or Abyssinia. So this seems to be an appropriate occasion to present the facts not only to the Congress but, as far as possible, to the people. As Al Smith used to say, "Let's look at the record." What does the record disclose?

The record discloses that we have the greatest Navy, the most powerful Navy, the most efficient Navy we have ever had

in the history of America. Nevertheless, due to this propaganda and hysteria, the people back home are led to believe that we are about to be attacked by some foreign foe, that we are about to be overwhelmed, that our cities are about to be bombed by airplanes from foreign lands; and the time has come to try at least, even though mine may be a lone voice crying in the wilderness, to answer these absurd charges and this type of war hysteria that has spread throughout our land.

In the first place, I challenge anyone—from the President down and including any spokesman of the President in the House—to specify what nation has, or what nations have, the faintest idea or the faintest capacity of attacking the United States of America. The answer is that there is no such nation. None of the totalitarian nations desire to attack us or could attack us if they wanted to. They are all heavily engaged in their own back yards. No airplane has ever been invented that can fly over from any totalitarian nation and bomb New York, Chicago, San Francisco, or Birmingham; but this hysteria prevails to such an extent that the people in the Mississippi Valley think they ought to have battleships up the Mississippi and antiaircraft guns; and, as some Members of Congress said, "submarines in the Dust Bowl."

Let us start by understanding what we are doing here. We Members of Congress are voting for the greatest peacetime naval appropriation bill in the history of our country. The American people back home evidently want a large Navy; they want a Navy for national defense, a Navy that will protect our interests throughout the world, a Navy that will uphold the Monroe Doctrine. I believe, therefore, in voting for this bill we are carrying out the intent and purpose of the people back home who want adequate national defense; but they want to be assured, they want to be guaranteed, that this Navy is for defense and not for offense and aggression, that there is no change in our foreign policy, that we are to maintain our American foreign policy of neutrality, of peace, of no entangling alliances, and that we are not to intervene with this Navy in the affairs of foreign lands. If they are given this guaranty all of us can support this bill openly and gladly.

The President of the United States, according to the press a day or so ago, gave out a statement in which he spoke of fear of an attack by airplanes upon this country and our islands in the Caribbean Sea. From whom? From what country? There is no country seeking to attack us.

The difficulty with our present position is that, unfortunately, we have put a chip on our shoulder; we are going out looking for trouble, and we are liable to find it. [Applause.] I am glad to have some Democrats applaud that remark because it is away above partisanship. It is an American issue. Keeping our country out of foreign wars is not a Republican issue unless you want to give it to us. We will take the responsibility and gladly take it. But when Mr. Landon, former Republican candidate for President, who knows less about international affairs and less about international relations than any Member of this House, spoke over the radio to the world last night he stated that if there is a war in Europe it is inevitable we must go into that war.

Mr. MAY. Who said that?

Mr. FISH. That distinguished Republican candidate for President which we had in 1936. That is not the attitude of the Republican Party. That is not the attitude of the rank and file of the Democratic Party. It may be the attitude of the President of the United States, and I am afraid it is.

I take this occasion to quote the President's words so there will be no mistake. Although I represent his congressional district, I do not represent his views. Here is what the President had to say on April 11, which is almost identical with what Landon had to say last night. On April 11, 1939, President Roosevelt endorsed as his own views an editorial in the Washington Post that stated if war broke out in Europe our participation in it would be a virtual necessity. That is the kind of war propaganda and hysteria that is giving business, the stock market, and the American people the jitters. The President does not say whose war or why the war started; but if there is a war we have got to go into it.

Mr. PATRICK. Will the gentleman yield?

Mr. FISH. I yield to the gentleman.

Mr. PATRICK. If there is anything that looks like war, or anything that might tend toward war, in which the United States could be involved, whom would we fight and what about?

Mr. FISH. That is exactly what I want to know. We are put in this war before war is declared. We are told by Mr. Landon and the President of the United States that if there is war that it is inevitable that we join in it. They do not even wait to have a war break out. They do not even wait to find the cause of the war. They do not wait to find out who is in the war. But we have got to go into it. It is that kind of hysteria that is overwhelming this country. That is why the people look under their beds every night to see if there is a Jap or Italian or German soldier lurking there ready to pounce upon poor little defenseless America.

Mr. MAY. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Kentucky.

Mr. MAY. I listened to Mr. Landon's speech. He also said if we wanted to have peace we should quit talking about war. I heard over in another body a few days ago that there was a rather lengthy discussion about Congress staying here to keep us out of war. My judgment is if Congress would adjourn and go home, and we would quit talking about war in Congress, there would not be a chance for war.

Mr. FISH. The gentleman indicates that Congress has nothing to do with it; that we have no right, the Democrats or Republicans have no right to criticize the President. Let me say that we have just as much right and more justification to criticize the foreign policies of this administration than we have to criticize our domestic policies, because they are more dangerous. If we sit tight here and do not criticize our foreign policies, and let one man talk us into a war, we are equally to blame.

Mr. MAY. The gentleman misunderstood my indication.

Mr. FISH. I want to make this clear, because it is another type of propaganda that is covering the country; that is, that no one must criticize the President; that we have no right to do it. There is only one time to wage war on war and that is in time of peace. If the President would stop at the water's edge, we would stop at the water's edge, too. [Applause.] Practically every statement and act of the President has shown that he is an internationalist and an interventionist, and is going away beyond the water's edge interfering with, meddling with, and intervening in the affairs of foreign countries. May I say that it is none of our business what form of government exists in any foreign land; it is none of our business what form of government exists in Nazi Germany, Fascist Italy, or Soviet Russia; and, by the same token, it is none of their business what form of government exists in the United States of America. [Applause.]

Mr. MAY. Will the gentleman yield?

Mr. FISH. I yield for a brief question.

Mr. MAY. I want to couple with my statement also the fact that my remarks were not intended to and did not indicate I was trying to protect the President from any attack. I say the Congress alone has the power to declare war, and Congress ought to control the foreign affairs of the country.

Mr. FISH. That is exactly what I am trying to have the Congress understand. It is one of the few powers we have not surrendered to the President, and I refer to the power to declare war. I do not believe this Congress will ever surrender this power, and I am sure the gentleman agrees with me.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. FISH. I should like to continue for a moment, if I may.

I do not blame the Democrats for criticizing me at any time you want for being partisan. I am partisan, but not on this issue. Years ago, 7 years ago when Secretary Stimson tried to get this identical power to determine the aggressor nation,

which is nothing but the war power of Congress, I led the fight against him just as I am opposing the grant of that power today to President Roosevelt. Whenever this Congress surrenders to the President of the United States, Republican or Democrat, the power to determine the aggressor nation, it is surrendering at the same time its constitutional power to declare war, because the power to determine an aggressor nation must be followed by the power to punish and quarantine that nation.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Kentucky.

Mr. MAY. Of course, the gentleman knows that all the wars that have been going on in the world for the last few years have been undeclared wars, but the gentleman from New York evidently does not mean to say that there can be an illegitimate war with this country without the consent of Congress?

Mr. FISH. I certainly do not, and that is what I am pleading for, that we make the foreign policies in the Congress. If we make the foreign policies we have a right to speak about them. We have a right to formulate them and we have a right to debate them. We hear a great deal of hysteria throughout the country to the effect that none of us, in Congress or out, can criticize the President even if he asks for power to determine an aggressor nation, or if he wants to quarantine a country in Europe, or if he wants to enter into concerted military action with a foreign nation. These powers belong to the Congress. I for one, as much as I want to get away for the summer, am ready to remain here all summer if it is necessary to keep this country out of war. [Applause.]

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. FISH. Certainly, I yield.

Mr. HOOK. Unless we surrender the power to the President the power remains in the Congress; is not that true?

Mr. FISH. The gentleman is correct.

Mr. HOOK. All right; then if we adjourn without giving him that power, why should we have to stay here all summer?

Mr. FISH. For the reason that unfortunately we have for the first time a President who has discarded our fundamental foreign policies and has substituted for those policies attacks on foreign nations, on their forms of government, and on their rulers, who has substituted hate and abuse for the fundamental foreign policies of our country. If we have a President of that type, who evidently is an interventionist and an internationalist, trying to get us into European conflicts, you and I know, and every American knows, the tremendous power of the President to get us into war, even though the right to declare war has been granted by the Constitution to Congress.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Alabama.

Mr. PATRICK. I recognize that the gentleman from New York is a student and a man of ability. I should like to hear the gentleman discuss for just a minute the idea that has recently been expressed on the floor of the Senate by the distinguished Senator from California—and the statement was hailed abroad—that if Congress stayed in session war could be prevented. I should like to hear that idea developed a little further. Since the power is in the hands of Congress, upon what theory is it true that our banding together could keep us out of war regardless of what position the Chief Executive might take, if the Congress adjourned and went home?

Mr. FISH. I am very glad to answer the gentleman. He has asked a very fair question. Of course, the President of the United States has tremendous powers through his Ambassadors. He is the spokesman of the Nation in dealing with foreign issues. We in the Congress have no right to speak to foreign nations. We make the policies, and it is for the President, of course, to carry out those policies, but he deals directly with foreign governments. He has his Ambassadors in foreign lands. He has Kennedy in England and Bullitt in France. As far as I am concerned, I have more fear of that axis of Kennedy-Bullitt-Roosevelt than I have of Italy and Germany, because I know that Italy and Germany do not want to attack the United States of America.

Mr. SHORT. Mr. Chairman, will the gentleman yield at that point?

Mr. FISH. I yield.

Mr. SHORT. And even if they did, could they possibly do it?

Mr. FISH. I have already said that; but that is true, 100 percent true, and none of these totalitarian nations is able to attack us even if it wanted to.

Mr. PATRICK. The gentleman from New York will concede that even so, with all that fear he has, which I do not share, but even if he is entirely right in it, they are still there in their positions, and the Congress' being here would not keep that condition from existing.

Mr. FISH. The gentleman knows this: One word from the President, just one word from the President today, could stop this war hysteria, this fear and dread of war, this emotionalism which has spread all over America. There is no such word. Instead of that, there are daily attacks on foreign nations from the White House that inflame the passions of our people. Whenever you inflame the passions of the people and start to look for trouble with some foreign land, and the President gets into that trouble and the people are all stirred up, then the Congress will have to respond, if the passions of the people are sufficiently aroused by this war hysteria. That is what I am fearful of, not the feelings of the Members of Congress themselves but that we may be driven into war against our will, because it is not a difficult thing to spread this propaganda of hate to such an extent that the people back home will believe they are being attacked, not that we are looking for war but that someone wants to attack us.

[Here the gavel fell.]

Mr. PLUMLEY. Mr. Chairman, I yield 5 additional minutes to the gentleman from New York.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield for a question?

Mr. FISH. Yes; I yield for a brief question.

Mr. MARTIN of Colorado. May I ask the gentleman if he has not criticized the President for failing to put into effect an embargo against Japan?

Mr. FISH. I have certainly criticized the President for one thing. I have criticized the President for not enforcing the law of the land. This Congress, and probably with your vote, voted practically unanimously to put through a neutrality bill. That bill says that whenever a state of war exists or whenever the President finds a state of war to exist, he must put that bill into effect. That would have meant that no arms, ammunition, or implements of war could be sold to Japan. The President has defied the Congress and has refused to recognize that a state of war exists in China, which every thinking man and woman knows exists today, with an army invading China and over 1,000,000 people killed; yet he has refused to put the law into effect. It is not the fault of Congress that arms, ammunition, and implements of war are going to Japan. It is the fault of the President alone because he has refused to enforce the law of our country. It makes no difference whether that law is good, bad, or indifferent. If it is a bad law, it ought to be repealed. However, it is the law and he has refused to enforce it. It is not my fault or your fault that Japan has been getting these implements of war. The President may have good reason for doing this, but, nevertheless, he has refused to carry out the law enacted by the Congress. If he wants the law amended, let it be amended in an orderly way.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield for just one further question?

Mr. FISH. I cannot yield any more. I have only 2 or 3 minutes to talk on neutrality and I would like to ask the Members of the House to consider this issue. This is a purely nonpartisan question and is a new one that has been proposed in the Senate. I am very much in favor of it and want to take this occasion to discuss it. For years we have

had a 3-mile limit. That 3-mile limit, I suppose, went into effect a hundred years ago, probably because ships could only fire about 3 miles. I do not even know the reason, but I just assume that to be the case. However, it is almost obsolete now with guns that fire 20 miles, with airplanes that go out 100 or 200 miles and return. I think it would be to the advantage of the defense of our country, and a very wise and proper step to take, to amend the law, if it is necessary to do it by law, or to amend the practice and to change the 3-mile limit to a 12-mile limit or beyond, and even let the State Department fix it at 100 miles if it is in the interest of our country. Certainly the 3-mile limit is obsolete.

Now, when it comes to the neutrality law, even some Members of the Congress are not up to date on it. The cash-and-carry feature expired as of May 1. This leaves in the bill the prohibition against shipment and sale of arms, ammunition, and implements of war, the loans to foreign belligerent nations, and the prohibition against American nationals sailing on belligerent ships.

I am in favor of all those prohibitions. I am opposed to selling arms, ammunition, and implements of war to any belligerent nation. Either we are a Christian nation or we are not a Christian nation; and why should we, for blood money and war profits and for the almighty dollar, sell arms, ammunition, and implements of war to foreign nations to kill people with whom we are at peace. So I hope that will remain in the law.

Now, in place of the so-called cash-and-carry plan that expired on May 1—and I never was in favor of it because it was an improper and intolerant and oppressive limitation on American ships carrying trade on the high seas—I would say instead that our ships which were prohibited from carrying anything under the old law, should carry anything they want, except arms, ammunition, and implements of war—that is, cotton, copper, foodstuffs, and so forth—but if they carry them to belligerent nations or carry them into a war zone, which we could establish at one or two or three hundred miles from a belligerent nation, they should do so at their own risk.

[Here the gavel fell.]

Mr. PLUMLEY. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. FISH. The reason I say this—and I feel it is logical with what I started out to say—my argument in the beginning was to keep out of war. You would think if you listened to speeches made by Mr. Landon and the statements of the President of the United States that it is inevitable that we must go into war.

Let me remind you that in the last World War Norway, Sweden, Holland, Switzerland, and other nations kept out of that war. They were in the war zone. They intend to keep out of the next war. We were forced into that war because of attacks on our shipping by submarines without warning, and under international law we had the right to carry that trade, and President Wilson was right when, after repeated warnings to the German Imperial Government, they ignored them, to take us into the war; and the American people wanted to go into that war because we were attacked. I am very glad to defend President Wilson—not with the hindsight I have, because with the hindsight I have now I would not vote for that war, but I am glad to defend him on the basis of what happened then. We ought to say in the future that if American ships want to trade with belligerent nations, "Trade all you want, but you trade at your own risk." [Applause.]

Norway lost 1,000 ships in the last war. Holland and Sweden lost a couple of hundred ships. Great Britain, mistress of the seas, lost 100 ships in the Spanish war, and they traded at their own risk. Let us follow that example and say to our own shipping, "Carry all the trade you want, but do so at your own risk. We do not propose to be dragged into any more of these foreign wars." [Applause.]

[Here the gavel fell.]

Mr. PLUMLEY. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, the attention of a large proportion of the people of the United States at this time seems to be centered on events outside of our territorial limits. The happenings in Europe, Asia, Africa, are of great concern and real importance to our people.

In protest against autocratic injustices the sympathy of our people has sprung quickly for the stricken, the downtrodden, the oppressed. In our expression of sympathy we have congratulated ourselves that nothing so indefensible, nothing so terrible, nothing so horrible could happen here.

It might not be amiss, however, to take stock of our own affairs. It might be well to rationalize foreign events to events within these United States. Are the things we complain of and charge to the nations abroad such things as we ourselves do not engage in? Have we in the past, and do we now preserve the liberties of our own people to such an extent and with such fidelity that we from our pinnacle are entitled to castigate autocracies abroad? Would it not be well for us at least to examine, even though we do not cast out the beam from our own eye, before we attempt to remove the mote from our brother's eye?

We may not abate our repugnance to the usurpation of authority to remember that we have usurped authority—we, the people of these United States. We may still condemn the confiscation of private property, but we should at the same time remember our own record of confiscation We still may condemn the removal from their home land of populations by nations abroad, yet we should at the same time recall our own actions in regard to people within our own borders. We should remember some of the things we have done. I seek no sympathy, nor do I raise my voice concerning those things which happened in the long, long ago. I am not condemning the present generation for the faults of an earlier generation, but I do call to the attention of this House and to all American citizens who now are engaged in protesting violence, murder, rape, confiscation, suppression, that they consider some of the things now concerning our own people. Not yesterday, not last year, not a hundred years ago, but now confronting one element of our population which by any measure of justice puts us in the same class with those in other lands of which we now currently complain. Let me give this one definite contemporaneous illustration:

The Attorney General of the United States now proposes to this Congress that the constitutional rights of one element of our people be repealed by a statute limiting the jurisdiction of our courts.

This is the same Attorney General, the Honorable Frank Murphy, who on Monday night, March 27, 1939, announced his determination to defend the civil liberties of the people of the United States and announced his devoted adherence to the Bill of Rights and the fourteenth amendment.

If that statement is a surprise to this House let me say the fact was no less a surprise to me. I have a high regard for the present Attorney General. I have felt that he was sincere in his announced devotion to the rights of the people. Were it not for documents over his own signature, I could have commended every word he said on that Monday night. I could have believed his entire sincerity in his advocacy of the Bill of Rights.

Early in the current session, I introduced a bill which had for its purpose the correction of a plain error made in an earlier act of Congress. The error complained of denied to a group of citizens of the United States the constitutional right to receive just compensation for property which was taken from them without their consent by the United States. The Attorney General has made a report on this bill, insisting that the amendment be not made. He has gone further and has recommended that the rights of this group of citizens should be abridged, even though such abridgement is a direct violation of the fifth amendment and the fourteenth amendment to the Constitution. The Attorney General, and this seems strange to me—almost unbelievable—the same identical person who signed the recommendation which is now before this Congress, is the identical person who took the air on the night of Monday, March 27, in a radio broadcast and

proclaimed his undying devotion to the Bill of Rights and the civil liberties of the people of the United States.

I know full well that when I say my bill (H. R. 2729) to amend the present Winnebago Jurisdictional Act is the matter under discussion that a certain element in this House will regard my remarks and the entire affair as "just another Indian claim." I do not expect the distinguished gentlemen will abandon their contentions overnight, nor do I anticipate that they will see the error of their ways, not even to the extent of removing the beams from their several eyes. It may be, and I think it will be, necessary for me to recount something of the history of the Winnebago people in order that the Attorney General and the several watchdogs of the Treasury may have before them the background and the basis of the complaints made by the Winnebago people against the United States. I shall make the historical portion of my statement as short and concise as possible. What I call particularly to attention is the position taken by the Attorney General specifically on my bill H. R. 2729, in contrast to his position in his radio address of Monday, March 27, and his reputed devotion to the cause of liberalism. If a man can be a liberal in the public prints and at the same time seek by statute to repeal the constitutional and civil rights of a group of our own people, then this is not "just another Indian claim," but is a current and vital matter, worthy of the attention of the Congress, and which should have as its result a determination of just where the Department of Justice does stand in relation to the Constitution.

The Winnebago people have never in our history engaged in armed conflict with the United States. They have been throughout our history quiet, peaceable, decent, and, unfortunately for them, complacent. We found them shortly after the formation of our Government in the Northwest territory, along the western shores of Lake Michigan, around the shores of Winnebago Lake. Without going into the details of successive removals, let me say that gradually the settlements of our own citizens extended farther and farther into the desirable lands occupied by the Winnebagos.

The United States negotiated and entered into a treaty in 1825 with the Winnebagos, commonly called the Treaty of Prairie du Chien, which designated the Winnebago tract from Lake Winnebago westward to within 40 miles of the Mississippi, up to the mouth of the Wisconsin, up the Mississippi and Black Rivers, across to the Yellow River, and down that and the Wisconsin to the Portage, across to the Fox River and up that to Lake Winnebago, including all of the lake. Somewhere near 10,000,000 acres was included in this original Winnebago homeland then recognized by the United States. By the treaties of 1832 and 1837 the Winnebagos ceded part of their lands in return for an established and guaranteed trust fund, but still the encroachment of settlers demanded more and more of the Winnebago lands and still the pressure was exerted to remove them from their homeland. In 1839—and this appears in detail in the report of the Commissioner of Indian Affairs for that year—a portion of the Winnebagos were moved west of the Mississippi River, and in 1847 these Indians and all of the Winnebagos which could be assembled together were removed to Long Prairie Reservation in Minnesota.

Removal followed removal. In 1855, upon further guaranties by the United States covering payment under former treaties, the Winnebago lands in Wisconsin were ceded to the United States and the entire tribe, with few exceptions, were removed to the Territory of Minnesota and established on a reservation consisting of nine congressional townships at Blue Earth, Minn. It has been charged and not successfully denied that the treaty of 1855 was procured by bribery, corruption, and excessive use of intoxicants. But even with all that the Winnebagos might have maintained themselves on their desirable location at Blue Earth, Minn., had it not been for subsequent events which were not of their making and in which they had no part.

In the Territory of Minnesota were four bands of Sioux Indians—Mdewakanton, Wahpekute, known as the Santee or Lower Sioux, and the Sisseton and Wahpeton, known as the Upper Sioux, which bands were established on a reservation along the Yellow Medicine River by a treaty with them in the year 1837.

It is not my intention here to go into or recount the difficulties between the United States and the four Sioux Tribes on the Yellow Medicine River. It is, however, necessary to state that serious differences arose between them and the United States, largely arising out of the failure of the United States to make the annuity payments guaranteed by the treaty with the Indians. The four Sioux bands were confined to the reservation, cut off from their normal supplies of game, and facing present-day starvation throughout the early portion of the year 1862. There were troublemakers, who were members of one of these four bands, who took advantage of the distressed conditions of the Sioux and perpetrated the most horrible Indian uprising in our entire history. With all of these difficulties, and with the causes thereof, the Winnebago people had no part. There were at that time people going about their quiet endeavor to carry on their farming operations at Blue Earth, Minn., by that time well established with houses and barns, orchards and fields, and all the implements for the making of a civilization.

The horrors of the Minnesota uprising of 1862 reached the Winnebago people only by rumor, except in one instance. Two representatives of the Sioux bands on the warpath came to the Winnebago Reservation to solicit the aid and cooperation of the Winnebagos. The Winnebagos, however, were so strongly disposed to peace with the United States that they rejected, in no uncertain terms, the proposition made by the emissaries of the belligerent Sioux. In the disturbance occasioned by this council the emissaries were, in the language of the current day, liquidated. The Winnebagos remained, without exception, on their reservation. They were far removed from the scene of the conflict, and their only hope and expectation was to maintain peace and order.

Nevertheless, the white people of Minnesota were so outraged by the Sioux uprising, regardless of its cause, that they, the people of Minnesota, insisted upon the removal of all Indians from within their boundaries. As to the four bands of the Sioux this was accomplished by the military forces of the United States. The Mdewakanton and Whapekute were shifted into Dakota Territory and held as prisoners of war at Fort Thompson on the Missouri River. The Sisseton and Wahpeton were moved into the Territory of Dakota on the westward side of Big Stone Lake, and thus the prime troublemakers were eliminated from Minnesota.

The innocent bystanders to the horrible occurrences of 1862 were the Winnebagos; nevertheless, in the early summer of 1863, without a word of warning to the Winnebagos the United States of America ordered their deportation. A regiment of the United States Army from Fort Snelling, Minn., descended upon the unsuspecting Winnebagos, called them together at a central point, surrounded them, disarmed them, and took them instanter from their homes under military arrest. Meals were left in preparation in the kitchen, teams hitched to plows were left in the fields, men and women were given no opportunity to collect their simple personal belongings; the entire community was forced, under the effective persuasion of the guns of the cavalry of the United States, to leave their homes as prisoners.

These Winnebagos, like all Indians, were accustomed to hardship, yet it was a real hardship even to them to march one-hundred-and-some-odd miles to Fort Snelling, Minn., not as refugees, for whom we now weep, but as prisoners of war. Conditions which met them at Fort Snelling were no better. Two small river boats were available for transportation. The entire population of the Blue Earth Reservation was packed like cattle on these boats. The prisoners had not even room to lie down; no food was provided, scarcely any water.

The tortures of this "benevolent removal" might be compared to those of the Black Hole of Calcutta. Many died of heat, thirst, and exhaustion. Conditions were so horrible that even the Army officers in command of the two small river steamers decided they could not transport all of the Winnebagos as had been planned. The original plan was to take them down the Mississippi to the mouth of the Missouri and

then up the Missouri into Dakota Territory. A portion of the Winnebagos who could walk were put ashore and these were marched westerly overland to their prison at Fort Thompson, Dakota Territory. The balance continued as planned down the Mississippi, up the Missouri, to the same point, Fort Thompson, where such reunion as these conditions might indicate was held. There at Fort Thompson the Winnebagos were held as actual prisoners until 1866.

I have no desire to lacerate the feelings of the sympathetic Members of the House of Representatives. I have no doubt the torture inflicted upon the Winnebagos will be regarded by many as an incident to the inevitable development of the United States by the superior race, yet there were some events after what must have been a joyful reunion among the Winnebagos at Fort Thompson in 1863, which events are at least worthy of passing notice by those of us who now virtuously complain of oppression inflicted upon subordinate peoples by dictators. Food was scarce, there was no shelter; the Winnebagos are adept at building wigwams of bark. They were under arrest and they did the best they could. Only American Indians could survive the treatment accorded these prisoners. A common cooking vat was provided wherein the carcasses of beeves were stewed, entrails and all, save only the hides. On top of the day-to-day residue there was shoveled into the common cooking vat a little wormy flour to stiffen the concoction, and this—and I have it by affidavit from my own people—was the principal and the only source of sustenance.

These Winnebagos were then, and had been at all times, peaceable Indians. There was not an arm or weapon of any kind among them. They were quite powerless, but yet among them there were quite a number of young women not unattractive to the military detachment then in command of the prison at Fort Thompson. Not one of these young women escaped violation by the white soldiers of the United States, and in that I include officers. There is affidavit evidence of this. The horrors of this living death were more than some of the Winnebagos could endure. Secretly, at night and at odd moments, when not observed, some of them constructed rafts of cottonwood logs, and those who preferred definitely the unknown rather than the tortures of the known, embarked on these frail craft down the Missouri, and by almost unbelievable fortitude, drifting by night and hiding by day, they made their way down the Missouri to its junction with the Mississippi. There they abandoned their rafts, and in some way made their way up the Mississippi to the Wisconsin and up that river to their old home in the vicinity of the beautiful dells of Wisconsin, and to their old village center near Black River Falls, where their descendants still survive.

My measure is offered not only in behalf of the Winnebagos of Nebraska but also those of Wisconsin. I am pleased to have the hearty cooperation of my colleague, MERLIN HULL, of the Ninth Wisconsin District, in making this demand that the great wrongs inflicted upon the Winnebagos by our Government shall be remedied. In Mr. HULL's home county of Jackson there are many children and other descendants of that courageous band who fled from the Government's cruel and destructive treatment in South Dakota and escaped upon frail cottonwood rafts down the Missouri River. It was a perilous voyage of 1,200 miles or more, and weeks of hardships were passed before they reached the Mississippi. Other weeks were spent in their long journey on foot from St. Louis to Black River Falls, a distance of 600 miles or more. Beset by hunger and sickness, they were urged forward by a longing for their homeland in Wisconsin from which our beneficent Government had ruthlessly evicted them.

This demand for belated justice to a tribe of peaceful Indians who suffered horrors worse than those of war comes not alone from the Indians, but also from thousands of white people who have come to know the story of the Winnebagos. It is a story which needs only the pen of a Longfellow to immortalize the heroism of those who withstood the outrages of one of the worst instances of governmental injustice and oppression in history.

Those of the Winnebagos who were left behind at Fort Thompson were moved by the United States in 1866 into the State of Nebraska and placed on a reservation. By these circumstances there now are these two divisions of the Winnebago Indians. One element on its reservation in Nebraska and the other scattered in Wisconsin without a reservation but with, in these later days, some kindly attention from the Department of the Interior.

I regret it has been necessary to go so lengthily into the saga of the removal and incarceration of the Winnebago people. It is undeniably established by all the evidence that the Winnebagos were innocent parties to the Minnesota uprising. The principals in the uprising, that is the four bands of the Sioux Tribe, Sisseton, Wappeton, Mdewakanton, and Whapekute, long since have sought the forgiveness of the United States of America and they, severally, have been forgiven. The Congress may not know, but I am glad to tell it, that the annuities and trust funds of the Sisseton and Wappeton have been restored and they have been paid over a million dollars in settlement of their claims. The Mdewakanton and Whapekute were favored with an act of Congress restoring their annuities, which had been forfeited by reason of their alleged participation in the conflict of 1862. Their annuities were restored to them, and although they are still contending for improper charges against those annuities, they were, within our current memory, paid a substantial sum.

How different it is, then, with the Winnebagos. The trust funds which were guaranteed to them by the Treaty of 1855 have been deliberately dissipated by the United States. The United States has amortized its own debt to these Indians by appropriating the principal of the trust funds. The details of this are all a matter of record, and not even the Attorney General denies the fact that the trust funds are now exhausted.

In view of the fact that the active participants in the Minnesota uprising of 1862 have been, by a generous and forgiving government, restored to their annuities and trust funds, it seemed not unappropriate to my predecessor to ask that jurisdiction be granted to the Court of Claims to consider the claims of the Winnebagos. Such a bill was introduced and became the act of December 17, 1928. It must be remembered that the nine townships at Blue Earth, Minn., were confiscated in 1863 by the United States. The Winnebagos, in 1928, felt that they were entitled to just compensation for that land, as any other citizen might be compensated. Be it remembered that in 1924 these Winnebagos and all other Indians were established as full citizens of the United States by an act of Congress, and hence—at least so the Winnebagos supposed—were entitled to the protection of the Constitution. When this particular bill was on the floor of the House of Representatives, reported out by the House Committee on Indian Affairs, it contained a provision that these Winnebagos should have as just compensation "the value of their land at the time it was taken, together with interest thereon." A Member of the House—I withhold his name—moved to strike out the words "with interest thereon," and this motion unfortunately prevailed. The bill passed, was signed, and the Winnebago Tribe of Nebraska and Wisconsin brought suit thereunder. They, however, fully recognize the limitations imposed upon the Court of Claims in the language above quoted, and particularly by the limitation made by striking out the words "with interest thereon."

Let there be no misunderstanding in regard to what constitutes "just compensation" under the Constitution of the United States. It is recognized and established by all the decisions, without exception, that "just compensation" is the value of the thing taken at the time of taking, together with compensation for the use of that thing from the time of taking to the time of settlement. You may call this interest, which it is not; you may call it by any other name, but it is an essential part of "just compensation." Let me give you one example. In 1862 an acre of land turned into money would buy a day's labor by a skilled mechanic. If the Winnebago people today were paid for each acre of their Blue Earth land 1 day's wages of a skilled mechanic, they would

accept it. Times have changed, values have changed, and $15 today is less than $2.50 in 1862.

I introduced in this session a bill to correct the deficiency and the error in the act of December 17, 1928. That bill was referred to the Department of Justice for report and that report has been received. The report is dated March 6, 1939, and is signed by Frank Murphy, the Attorney General of the United States. Let it be thoroughly understood that my pending bill was designed to eliminate the restrictions on the Court of Claims and to leave the question to the Court of Claims of what is or should be "just compensation" to the Winnebago people for the taking of their Blue Earth Reservation in Minnesota. The Winnebago people consented and agreed to the bill I introduced. They were not entirely content with it, because it did not permit investigation of their relations with the United States prior to 1855, but nevertheless my bill limited the actions which might be brought to the date of the treaty of 1855. Not being content with this, and being fearful of the outcome in the Court of Claims, the Attorney General, on page 2 of his report, asks that the bill be further amended to make it clear and specific that the court shall not inquire into the derelictions, and I may well say the felonious actions of the United States prior to and in the making of the treaty of 1855. So, the Attorney General, on page 2 of his report, asks that the word "subsequent" be inserted at various places to the end that no inquiry possibly can be made by the Court of Claims into the conduct of the United States or the disposition or wastage or larceny of the tribal trust funds. That, however, is of passing importance, for at that point in Mr. Attorney General Murphy's report comes the most remarkable statement made by any governmental official who even suspected he was operating under the Constitution of the United States relative to the question of just compensation.

Here follows, in exact words, a quotation from the letter which the Attorney General himself signed:

> The provision in the original jurisdictional act which limited the damages recoverable for money or other property appropriated by the United States to the value thereof at the time of appropriation should not be omitted. Its deletion would have the effect of greatly increasing the amount of any judgment which may be awarded, since, under recent decisions of the Supreme Court, the amount recoverable for any lands taken from an Indian tribe is the value of those lands on the date of taking, plus interest thereon from that date to the date of payment (*United States* v. *Creek Nation*, 295 U. S. 103; *Shoshone Tribe* v. *United States*, 299 U. S. 476). In the Shoshone case the Indians recovered interest to the extent of approximately 300 percent. Furthermore, the value of Indian lands as of the date of taking is now held to include the value of timber and mineral resources (*United States* v. *Shoshone Tribe*, 304 U. S. 111; *United States* v. *Klamath Indians*, 304 U. S. 119). Under the most conservative estimates, the principle announced in these cases may extend the Government's liability in claims now pending to more than $3,000,000,000.
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> Even if section 4 of the 1928 act is not omitted, it is now doubtful whether the damages to be awarded to the Indians would be confined to the value of the property at the time of taking. (See *United States* v. *Klamath Indians*, 304 U. S. 119, 125.) It is, therefore, suggested that the bill be amended to include the following as a separate section:
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> "In any claim for the appropriation, expropriation, taking, acquisition, or deprivation of property, real or personal, or any interest therein other than money or securities otherwise bearing interest, the jurisdiction conferred upon the Court of Claims by this act or by the act of December 17, 1928 (45 Stat. 1207), as amended by this act, to hear and determine any such claim by said Winnebago Tribe of Indians is limited to the determination of the value of the said property, real or personal, or any interest herein other than money or securities otherwise bearing interest, at the time of the appropriation, expropriation, taking, acquisition, or deprivation, and no claim shall be asserted or judgment rendered by the Court of Claims which includes any increment, interest, or an equivalent thereof from the date of the taking to the date of judgment as an element of just compensation or otherwise; and this provision is not severable from any provisions in this act conferring jurisdiction upon the Court of Claims."

After the quotation has been read and its meaning made plain by rereading, I ask you to return with me to the events of March 27, 1939. On a Nation-wide broadcast sponsored by the Washington Evening Star over the network of the National Broadcasting Co., the distinguished Attorney General, the Honorable Frank Murphy, who lately had signed the foregoing declaration advocating the repeal of the fifth amendment to the Constitution and the fourteenth amendment of the Constitution, so far as it relates to the Winnebago people, had much to say in defense of civil liberty. Some portions of his speech I quote:

> Democracy today is in a fight for its life. * * * The phase of democracy that I have in mind particularly tonight is civil liberty. * * * Not only must we make civil liberty a living reality, but the democratic ideal must be applied in every part of our life—social, political, and economic.

Mr. Murphy went on to say that without civil liberty "democracy cannot possibly exist." He went on to relate that under his administration there had been created in his Department of Justice a separate unit dedicated to the preservation of civil liberty. He said:

> Students of law know, of course, that the Bill of Rights in the Federal Constitution is a prohibition on the Federal Government. In other words it forbids the Federal Government to deny to the people those liberties of speech and assembly, of religion and the press that are so vital to our freedom. Each State having its own constitutional bill of rights, it was assumed by the authors of the Federal Constitution that the State governments would protect their own citizens from infringement of these liberties not caused by the Federal Government.
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> Since the Federal Constitution was adopted, however, another amendment, the fourteenth, has been added, which provides that no State shall make any law abridging the privileges and immunities of United States citizens, or deprive any person of life, liberty, or property without due process, or deny to him the equal protection of the laws. Under this amendment it has been held that a citizen may invoke the aid of the Federal courts when he is denied full protection by the courts of his State.

There are the quotations, one signed by the Attorney General, the other delivered in a Nation-wide broadcast by the Attorney General. Which Dromio now do we choose? Are we to follow the Attorney General who would seek to repeal by statute the fifth amendment, the Bill of Rights, and the fourteenth amendment, or are we to follow the Dromio who professes his purpose to defend the civil rights of the people of the United States? To my mind, this matter now moves out of the category of "just another Indian claim" and moves up into a major question of what constitutes decent conduct on the part of the United States.

Frank Murphy is the newly appointed member of the President's Cabinet. One of his early acts was his signature on the letter from which I have quoted, dated March 6, 1939. It may be said and it probably will be said, that Mr. Murphy, being rather new on the job of being the Attorney General of the United States, signed this objectionable and indefensible document unwittingly. It may have been one of those numerous matters passed up to him for signature, decorated with the necessary number of initials, which is signed pro forma. There is foundation for this, for it is well known the Department of Justice for more than a year past has been deeply concerned over the possibility that the Indian tribes of the United States might receive "just compensation" for the larceny of their property by the United States. As long ago as April 1938, long before Mr. Murphy came into power, the Department of Justice definitely proposed legislation which would be exactly along the line of the paragraph quoted above, limiting just compensation to the value of the thing at the time taken and eliminating any increment for use as a part of "just compensation."

So the Department of Justice, speaking through the Attorney General, appears now to be asking an opportunity to win its cases in the Court of Claims by legislation. Having suffered a defeat in the Shoshone and the Klamath cases and now suffering from what is commonly known as the "jitters", the Department of Justice, contemplating the Winnebago and other Indian cases, fears to try these cases in the courts. The Department fears the outcome. It may result in a judgment or judgments requiring the United States to pay what it owes, not in exaggerated amounts, but pay what it owes and what it would be required to pay any white citizen of the United States. The Congress—the expression of the sovereignty of the people of the United States—sent these cases to the Court of Claims for trial on the merits, in law and in equity, and for an adjudication. That same Department of Justice now proposes to strike down the fifth

amendment and the fourteenth amendment to the Constitution so far as they relate to Indian tribes.

The questions I now ask are:

First. Is the Congress content to adopt Mr. Murphy's statutory amendment to the Constitution?

Second. Do the people of the United States believe there should be a division and a discrimination among them so that one element may have one kind of "just compensation" and the other element may have another and a better kind of "just compensation"?

Third. Is the announced liberal, Frank Murphy, who broadcast estimable sentiments on that former night the same Frank Murphy who recommends a statutory amendment to the Constitution?

I make this statement in order to clear the record and to put the entire matter, so far as is within my power, before this House and before the people of the United States. I firmly believe we have done not only this wrong now complained of, but many others. I believe that common decency requires us to right the wrongs we have done. I believe in the Constitution, not in part of it. I believe in all of it. I believe in the Bill of Rights; not only in the right of free speech and free assembly, but I believe in the right of the individual to his property. I believe in the fourteenth amendment and its prohibition on the States, and I submit to you that the wrongs we have perpetrated on the Indian tribes should be corrected.

Let us set our house in order. Let us settle and dispose of the Indian tribal claims. Let us by all means preserve, protect, and defend the Constitution, so it may mean the same thing to all of our people. [Applause.]

Mr. FERNANDEZ. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. MARTIN].

Mr. MARTIN of Colorado. Mr. Chairman, I am supporting this bill, just as I have supported every bill in every session of six Congresses, for preparedness and the national defense, and every dollar in every bill.

In the matter of appropriations for the national defense, I long ago adopted the rule of Mr. Flannery with regard to railroad rates on pigs in the famous little story by Ellis Parker Butler, Pigs is Pigs. These happened to be guinea pigs, and it seems that Mr. Flannery applied a lower rate to them than he did on other breeds of pigs, which resulted in a very long and vexatious and, to the reader but not Mr. Flannery, a very amusing experience. But when Mr. Flannery got through with it he decided that from then on "pigs is pigs," and whenever a given commodity carried two different rates, the higher of the rates applied. So whenever a bill carries two different amounts in the way of an appropriation for the national defense, I am always for the larger amount.

It is some support to a man to have had the same views on anything in this world for 30 years. I like to go back sometimes and dig through the old CONGRESSIONAL RECORDS of 26, 28, and 30 years ago, when I was here in the long, long ago, and find that when appropriation bills for the national defense are now being considered I could bring those RECORDS on the floor and read them for the expression of my views today. So I am not jittery. I am not scared. I have always been for America only and ready, America ready to defend herself against any eventuality.

I want to refer for a moment to the distinguished gentleman from New York [Mr. FISH]. I do not see him in the Chamber. I think there is one thing about the very likable gentleman from New York, an entertaining Member of this body that we can all agree upon, and that is that he has a chronic, incurable case of "Rooseveltfobia." Anyone who heard his speech a while ago heard the same speech last week, last month, and last year, and every year against the present occupant of the White House.

He has always boasted that the President lives in his district, but I have never heard the President boast that the gentleman from New York [Mr. FISH] lives in his district. Only a few weeks ago he came down in this Well and stated in substance, although I cannot quote his exact language, not having looked it up, that if he had to choose for a leader between President Roosevelt and Father Divine, who is also a resident of his congressional district, he would take Father Divine.

But when he criticizes the President, as he did here a while ago, that the President is dragging this country into war and scaring the people into the jitters, and then adds to the President's support Gov. Alfred Landon, the late Republican candidate for President, and then adds to the President's support the great Washington Post, and criticizes them, and he might go out and add a lot of other Republican leaders and nearly all the great newspapers in the country, then by that time he would remind me of the story of the old Irish woman whose boy Jimmie had been caught in the draft. She went out to the camp to see how he was coming along. They had the boys out on the parade ground putting them through I. D. R., infantry drill regulations. Jimmie was not stepping along with the rest of them. She looked at them a little while and said, "Oh, look at that. Everybody is out of step but Jimmie." Well, I think that is pretty near the case of the gentleman from New York. Everybody is out of step but the gentleman from New York.

I asked him a question a while ago and then I was not permitted to follow it with another one. He is always talking about the President trying to drag this country into war. I asked the gentleman if he had not criticized the President for failing to put an embargo against Japan. The gentleman admitted that he had. Then I wanted to follow that up, but the gentleman would not yield. This is what I wanted to follow it with: Last fall, I think along in October, I saw certain statements in the newspapers, and I went to the Library and checked up on them.

The gentleman from Massachusetts [Mr. TINKHAM], in the Washington Post of October 14, 1937—and it was published in other papers—proposed to impeach President Roosevelt for his failure to put into effect an embargo against Japan; and the gentleman from New York [Mr. FISH] backed him up and endorsed the proposition in the New York Times of October 17, 1937, that President Roosevelt ought to be impeached for not putting into effect an embargo against Japan.

How would Japan have regarded that embargo? China is out; China has no navy; China has no ships; China could not come to this country and get anything if we were giving it away; but Japan has a great navy, she has one of the great merchant-marine fleets of the world; and you have seen it in the papers every day for a year or two—and it is a fact—that she is very largely dependent on this country for the supplies and materials which she is using in this war against China. I cannot give you the exact figures, but it is a fact that Japan is getting such percentages of essential war materials—cotton, iron, and other things—from this country, that if she were cut off she might collapse economically in her war against China.

Japan is a nation that believes she has been mortally insulted and discriminated against and robbed of her place in the sun by the United States; a nation that considers the United States above all nations as standing in the way of her place in the sun; a nation that just as sure as the sun rises—perhaps 10 years from now, perhaps 25 years from now, perhaps 50 years from now, will try to rectify the situation according to her views.

Yet here is a man who always takes the floor and characterizes the President of the United States as a warmonger, as trying to drag this country into war, this gentleman has made the most provocative proposition against any of these warring nations that I have ever heard on the part of any public man. I say that would have been considered by Japan as an act of aggression against her, as an act of hostility against her, as an act intended to destroy her; because she would be virtually destroyed if she fell down in her present enterprise in China, if she bogs down, and she has my very best wishes that she may bog down. No other signatory to the Nine Power Pact proposed to embargo Japan and the United States was asked by these gentlemen to stick out its neck alone.

Now, Mr. Chairman, I want 5 minutes more time. I got up to say a few words about something else, and I will now proceed with that.

Mr. Chairman, if a man could judge from all he reads and hears, he would conclude that the President or Congress, or both, were lying awake nights to think up some scheme to involve the United States in war.

A remark carrying this implication dropped recently by a Member on the floor of the House started a very different train of thought in my mind, and it was this: The President and Congress will never favor or support a declaration of war, or an act of war, by this Government, unless and until they are driven into such action by the country, and the country will never drive the President and Congress into such action unless and until it is exasperated and goaded beyond endurance by a foreign aggressor power, destroying American lives and property and wantonly and lawlessly violating and trampling upon American rights.

One might judge from all the loose talk one hears in Congress or on the air or reads in the press that this country has a record of unprovoked and unjust wars against other nations. The history of our wars has been that the country was marching before the Government gave the order. It has never been otherwise.

I have heard it stated here on the floor and elsewhere, that when we entered the World War we participated in an unjust war in which we had no business. I have never heard that statement made without resenting it to the bottom of my heart, as a libel upon the honor and unparalleled record of this great Nation and the 4,000,000 men who offered their lives in that war. It was a war to make the world safe for the United States, and thrust upon it by the destruction of our neutral shipping and the murder of American citizens on the high seas on neutral American vessels. Had America supinely submitted to this international outlawry she would have forfeited the respect of her own people and the people of the world.

And what are we spending all this money for now, the greatest peacetime expenditures for preparedness in our history, expenditures almost equalling those of war? What are we spending all this money for, and with the approval of the Nation? We are spending it because any man who is not blind can see a new threat arising to the peace of the world, our world, and the security of this continent, and we are preparing for any eventuality. There is no sure way to keep out of war, but the surest way to keep out is to be able to go in. That is what we are doing.

Mr. Chairman, where is this so prevalent war sentiment which is supposed to be driving the United States into war? I have never heard any Member in either House of Congress say, or read of him as saying, that he was in favor of the United States going to war. I have never heard or read any such statement upon the part of anyone connected with the administration. I have never heard or read any such statement on the part of any citizen of the United States. I have never seen any such line in a newspaper of the United States or heard it on the radio.

If a poll could be taken of the people of the United States, I am confident the answer would be unanimously "No." If there were any aye votes, they would not come from Americans. No such poll would be taken, because it would be just pure foolishness to take it. No; there is no sentiment in the United States, in or out of Congress, for this country to become involved in war.

It is just a lot of partisan politics to make it appear that there is a war sentiment on the part of the administration. For the first time in my long life I have seen a political party in this country play politics with our national defense and with our international relations. The highest-minded men and women in this country, regardless of party, agree that politics should cease at the water line. But in the lower brackets in politics, both in and out of Congress, there is obviously a feeling that some political advantage may be gained by poisoning the minds of the people of the country with the idea that the administration at Washington is seeking to involve this country in war.

Their difficulty is that they have 18 months to go before they can cash these mischievous inventions in votes. One of two things will happen. Either the United States will not be at war in 18 months or it will be at war at the overwhelming demand of the American people because of insufferable outrages against their rights, their security, and their national honor, such as inflamed them to action in 1917.

I feel confident that we will be at peace in 18 months. I feel confident that the dictator powers do not so underrate the spirit and ability of America as to provoke it into war. I feel that their memories are not so short as to have forgotten 1918, when the greatest of republics dealt the mightiest of military autocracies its death blow on the far fields of Europe. They will not so soon again make the fatal mistake of thinking that this country will not fight and cannot fight. [Applause.]

[Here the gavel fell.]

Mr. CALDWELL. Mr. Chairman, I yield 2 additional minutes to the gentleman from Colorado.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Colorado. I yield.

Mr. PATRICK. I have been greatly interested in the speech made by the gentleman from Colorado. I have heard every speech the President has made from his "I hate war" address down to the present date; and I have not been able to find any statement in anything our Chief Executive has said that could be considered as provocative of war. I would like to get the gentleman's idea, and I am sure the other Members would also, as to what it is that has provoked this war phobia, this war fear in the Nation when nobody wants to fight. I would like to know who wants to fight, and what he wants to fight about, and I would like to know what issues are involved. With this strange setting of apparently peaceful relations between this country and other countries, what is it that has inspired this war fear, this war phobia at this time?

Mr. MARTIN of Colorado. I think I have indicated that it is nothing more nor less than political propaganda, a great deal of it originating right here on Capitol Hill, the irreconcilable isolationists, bitter-enders, and box-office pacifists, in the hope it will help them on their "forward to '40" campaign.

They think they can scare the country into voting the Republican ticket to keep the country out of war. They have rent the air day and night, in Congress and out, to scare the people into the belief that the President is trying to drag the country into war, and distorting his strongest peace pleas. At bottom it is a hate-Roosevelt campaign. If they have succeeded in making the people at home jittery, they have also succeeded in building up false hopes abroad. It is said that Hitler was misled by all this stuff to such an extent that Under Secretary Sumner Welles' blunt notification to the German Ambassador here in Washington that the United States reprobated the rape and absorption of Czechoslovakia, and the outburst of national approval which the Under Secretary's statement evoked in the United States, was very disillusioning to the Nazi dictator, a great shock to him.

They have been betting that "little" America, isolationist and fearful, is the road to the White House. I am betting that it is not. The President's peace efforts are bearing fruit in the world, and if the dictators do not take heed they are heading into another November 11.

[Here the gavel fell.]

Mr. FERNANDEZ. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Chairman, my remarks will be directed exclusively to that provision of this appropriation bill which makes an appropriation sufficient to keep in Annapolis 4 men for each Senator and Member of this House, 500 of whom will be graduated at the end of every 4 years with the rank of ensign. My contention is it is not only asinine but worse for us thus to throw away the people's money. Infinitely worse than this waste of taxpayers' money is the destruction of the morale of the manhood of the Navy which inevitably flows from this foolish practice.

We feed into the officer personnel of the Navy 500 men a year, and by our asinine legislation we inevitably force the Navy to kick out 337 of those men at the peak of their efficiency after 21 years' service, when they are 40 or 41 years of age, and after we have ordered and forced an investment of the taxpayers' dollars to the extent of $24,000 to $35,000 apiece in those men. No matter how good they are, no matter how splendid may be their attainments in their specialties or in the regular line, they must "walk the plank." When we take these boys, with patriotic fervor and enthusiasm, and invite them to invest their lives in Uncle Sam's Navy, when we appoint them to Annapolis, they do not go into Annapolis to "climb the ladder" but "walk the plank." It is wrong economically; it is wrong morally; and it is most outrageous for us to blast these choice young lives by such a system. Not only that but it is killing the manhood of the Navy. It does not do much good to put iron in ships unless you put iron in the men who man them. No accumulation of matériel, no battleships, no armaments are better than the men who man them. It is the proud tradition of the American Navy that even when our old wooden ships were sinking and when the opposing commander put up the flag demanding surrender, we said, "We have only begun to fight." We tie our sinking wooden hulls to the opposing ships, then go over and snatch victory out of the jaws of defeat. Why? Because we had the manhood.

Now, then, we are killing the manhood of our personnel now. How? By making them bootlick to rise. The Army of the United States has no such handicap in any of the ranks under colonel. During those years they can look any man in the eye and tell him where to head in; but in the Navy the junior officers must attract the attention of the hierarchy and ingratiate themselves if they are to gain promotion.

Mr. TERRY. Will the gentleman yield?

Mr. HOBBS. I yield with pleasure to the distinguished gentleman from Arkansas.

Mr. TERRY. Is it the contention of the gentleman that we have too many midshipmen entering the academy?

Mr. HOBBS. There is no question about that, certainly.

Mr. TERRY. Or is it a criticism of the method of selection of personnel later on, or promotion?

Mr. HOBBS. Both.

Mr. TERRY. The gentleman feels that increasing the number of midshipmen is entirely unnecessary, even in the face of expansion of the Navy now going on?

Mr. HOBBS. There is no proposal to increase. Five are already authorized, but appropriation is limited to four. Four is too many. If you could conceive the officer personnel of the Navy as a pyramid, the only sane thing for us to do is to narrow the base and temporarily broaden the top; then, having narrowed the base, as the amendment which I will propose to this bill Monday will do, inevitably that pyramid will assume its natural shape throughout the years without further adjustment; but until you do narrow the base and quit feeding into this machine, which chews them up and spits them out with the stigma of failure upon each of them, there is little need to talk about improving the system of selection. Feeding in too many is the basic evil.

Mr. SMITH of Connecticut. Will the gentleman yield?

Mr. HOBBS. I gladly yield to the eminent gentleman from Connecticut, a member of the Committee on Military Affairs.

Mr. SMITH of Connecticut. Has the gentleman given any consideration to the possibility that we might graduate a number somewhat similar to the number graduated today, give them a short period of training so that they would be valuable in case of emergency, and drastically narrowing the base at that point, say, after 2 years of active service? This would give them some experience in naval work and still let them out with the advantage of the education which they receive and with naval value to us, at the same time soon enough so that they can go on to other civilian occupations without handicap because of being brought along until 1941 or 1942, as the gentleman points out, under the present system.

Mr. HOBBS. Not only have I given consideration to that suggestion, but in my opinion it is a capital one. Then you do not mislead the boys that you put into Annapolis into believing they are investing their lives in a naval career. You will deal fairly with them. That is what I am pleading for. Instead of kicking them out, keep them out, and whether you do it by the plan suggested by the gentleman from Connecticut or by my more radical plan makes no difference to me. Both present advantages. I can see the advantage of the plan that the distinguished gentleman points out, in that you would then build up an experienced and efficient Reserve Corps for the Navy.

Mr. DARDEN. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I am happy to yield to the distinguished gentleman from the seaport of Virginia.

Mr. DARDEN. The gentleman has touched upon a question that I believe has given the Committee on Naval Affairs more trouble and more genuine concern than any other part of naval legislation. How, as a practical matter, with, roughly, 600 midshipmen leaving the Academy, and there now being 64 admirals, is it possible to create an orderly flow of promotion through the respective grades without in some way providing for elimination of a certain number of them?

Mr. HOBBS. It cannot be done; but I am saying that no matter how perfect your selection system in the Navy may be, until you narrow the base of this officer-personnel pyramid, or, in other words, until you reduce the intake, no matter how perfectly the selection system may be administered and no matter how perfectly it may be designed by the great Committee on Naval Affairs, this situation cannot be avoided. Inevitably the stigma and disgrace of failure come to excellent officers. The manhood of the Navy is at stake.

Mr. DARDEN. I believe that unquestionably the gentleman has a strong position and is dealing with something that has caused a great deal of trouble, but there must be a large number of junior officers to man the fleet in the naval shore stations. You cannot possibly bring them to command without disposing of a certain number.

Mr. HOBBS. That is true.

Mr. DARDEN. For instance, there are 260 captains and 64 admirals, and you must have a large number of ensigns, junior lieutenants, and lieutenants to fill the lower grades. How are you going to supply those to the Naval Establishment and at the same time get rid of those in the later grades without eliminating them by selection?

Mr. HOBBS. My conviction is that we should put into the service a sufficient number of officers to give the Navy plenty of choice, and that only those who measure up to the highest standard of manhood and efficiency should be retained; but I insist that any system which requires the expulsion of 337 out of every 500, no matter how good they may prove, is extravagant and immoral. My amendment will not stop the intake, but merely reduce the number from 514 a year to 414. We are still going to give an abundance of junior officer material to select from, but we are going to try our best to eliminate the necessity of bootlicking superior officers in order to attract attention and insure promotion. We simply insist that any system is indefensible which forces officers to climb by stepping on the necks of other officers who are just as good.

[Here the gavel fell.]

Mr. FERNANDEZ. Mr. Chairman, I yield 2 additional minutes to the gentleman from Alabama.

Mr. HOBBS. I care not how distinguished and admirable the members of the selection board may be, they are human beings, and human beings will be human. When they know a man and know he is good, there their inquiry stops. They do not go on, and they do not have time in the limited period the selection board sits to compare the man they know with numerous others who are just as good or better. Those who compose the selection boards will tell you so. The result is that they pick the men they know. Therefore, it behooves every mother's son of the lower officers of the Navy to become known to the members of the selection boards and they do it by ingratiating themselves in every conceiv-

able bootlicking way with their superior officers. I do not blame them for it, because there is no other way in God's world for them to advance in this man's Navy. What we are trying to do is to save that situation by curtailing the intake.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. It gives me pleasure to yield to the distinguished gentleman from Michigan.

Mr. CRAWFORD. Am I correct now in assuming that the Navy Department, the Naval Affairs Committee, or any other one in authority cannot come in here and show that they use a proper means of selection when they take men of that type for promotion instead of taking men who have enough manhood to stand up and not do the bootlicking? In other words, what type of man would we prefer to have as an officer, a fellow who has some backbone or one who does nothing but bootlick?

Mr. HOBBS. We would not only prefer to have a real man, but our Navy cannot do its best unless it be manned by men. And the men selected are good men, but they would be better if they could be independent. We ought not to waste the people's money in building up a naval armament unless we are going to do something to guarantee these fine boys, whom we select with so much care, and educate and train so scrupulously and at so much expense, that they will have a fair chance to build a lifetime career in an honorable service. I say, instill some iron in manhood and not put it all in ships. [Applause.]

[Here the gavel fell.]

Mr. PLUMLEY. Mr. Chairman, I yield so much time as he may desire to the gentleman from Rhode Island [Mr. SANDAGER].

Mr. SANDAGER. Mr. Chairman, to almost everybody in the House today is just Thursday, a little warmer and clearer perhaps than yesterday. But to my colleague [Mr. RISK] and myself this day has much more significance, for it is the occasion of the one hundred and sixty-third anniversary of the Declaration of Independence from Great Britain by our State, the State of Rhode Island. On May 4, 1776, 2 months before the rest of the Colonies took this historic step, the sturdy settlers of Rhode Island and Providence Plantations, the smallest, if you please, of all the Colonies, with a full knowledge of the possible consequences of their act, defied the law, the majesty, and the armed power of the Crown.

Although you may not be aware of it the flag that flies over the Capitol today is a flag provided by the Rhode Island Society of Washington. This flag, after being christened to the air on this Rhode Island anniversary, will be donated to Rhode Island State College to be flown over this fine institution of learning at Kingston, R. I.

I do not desire to unduly transgress upon the time and the deliberations of the House, but on the occasion of this anniversary permit me to say that the spirit of independence has always flourished in Rhode Island and still flourishes there today. We were the last of the original 13 States to adopt the Constitution, so fearful were the founders of Little Rhody that the Union might circumscribe their liberties or supersede our State authority. We never did ratify the eighteenth amendment and even sent our attorney general down before the United States Supreme Court to protest the validity of that well-intended but hopelessly idealistic piece of legislation. And history has proved that in this instance the sound judgment of Rhode Island was correct. Rhode Island, famous in tradition, in history, in industry, and progress may be the smallest State in the Union from standpoint of geography, but down through the years she has always bulked large in worth-while achievements. Our State flower is the violet, emblematic of modesty, but our most famous State bird is the Rhode Island Red; and who can blame him if he crowed lustily and proudly this morning? [Applause.]

Mr. PLUMLEY. Mr. Chairman, I yield 17 minutes to the gentleman from Michigan [Mr. CRAWFORD].

THE MARKET—THIN OR OTHERWISE

Mr. CRAWFORD. Mr. Chairman, markets determine the division and multiplication of labor. Without markets and a medium of exchange living standards must necessarily be low. Free markets and ample money and credit facilities are the means which cause men to take an interest in doing the things other men want done. These elements enable men to utilize the selfish purposes and lead to men's helping one another voluntarily. When government, through action or inaction, destroys the freedom of the market, ample money and credit facilities cease to function because of the sudden narrowing of the market resulting from Government orders. Free and competitive market prices guide the economic activities of mankind. Economically speaking, the greatest responsibility of government is to maintain free markets and ample money and credit facilities. Our form of government was not organized for the purpose of controlling markets, fixing prices, and conducting business enterprise. Therefore it is unfit for economic planning. As a matter of fact, the Congress as organized and operated under the committee system is utterly incapable of comprehending the problem involved in economic planning by the Government. Considering the Federal control of price and production of farm products, the N. R. A., reciprocal-trade agreements, loans and subsidies, purchase of gold and silver and the exchange stabilization fund activities along with the absence of purchasing power on the part of agricultural workers and the vast number of unemployed industrial workers, all give us sufficient proof of these statements.

CREDIT AND CURRENCY MANAGEMENT AND PRICE LEVEL

Mr. Chairman, for the purpose of contributing to the discussion dealing with monetary control and price levels, which has been prompted by recent statements made by the Board of Governors of the Federal Reserve System, I wish to submit the following:

Under the above caption, Federal Reserve Board Governor Chester Davis delivered an address before the Farm Bureau Federation at New Orleans, December 14, 1938, which I feel is open to serious question if not criticism. His presentation, I believe, carries misstatements of fact and theory. The result is a total lack of any constructively democratic solution for the paradox of farm "surpluses" when "disparity" develops and farm prices are low relative to other prices. These observations are now made in an effort to correct some of the misstatements which I believe appear in his address and other recent releases by the Board dealing with the relation of prices and prosperity to money supply; for as Dr. Lauchlin Currie, of the Board's own staff, has shown in his Harvard Monograph on The Supply and Control of Money in the United States, our reserve system in money and banking has a "perverse elasticity" and so cannot be made to work, as it was supposed to, to supply the monetary needs of business.

What Governor Davis' and these other statements have shown is simply that the existing money system for which the Board stands sponsor, namely, the fractional reserve system in banking, renders impossible adequate price control by any superimposed measures, whether monetary or autocratic in character. To deliberately omit consideration or even mention of the possibility of price control by purely monetary measures, through such an innovation in flotation of credit, with 100 percent reserves for checking accounts or demand deposits, as was proposed by Dr. Currie in his monograph, can serve only to becloud public thinking and calls, it seems to me, for explanations to avoid the suspicion of bad faith. Such a system—call it "greenbacking" if you will—is undeniably constitutional, even though never actually tried. The reverse is true of existing practice; its constitutionality is questionable; it has been tried repeatedely and always has ended in disastrous failures which are euphemistically termed "business cycles."

Governor Davis' figures as to money supply are incorrect. They include savings deposits, which are neither circulating or hoarded money. He also erroneously refers to gold and

other banking reserves as "money." Reduced to demand deposits and currency, the per capita supply is shown in the accompanying chart of indexes, based on the average for the last quarter century of experience with grain production and prices as related to money supply and income. This chart, be it noted, was prepared by the Bureau of Agricultural Economics. As the House rules will not permit the chart to be printed in the RECORD, I shall be glad to supply a copy to those inquiring.

It is seen from these comparisons that the policy of domestic production control which Mr. Davis, as Triple A Administrator, sponsored, cannot possibly produce parity by its program of scarcity. The chart shows the rate of production has not been materially related to the price trends involved in boom and depression which create the disparity of which agricultural interests justly complain. Parity has not been attained by scarcity even to the point of importation; for be it noted, despite reduced per capita consumption, indicated by disappearance figures, during the present Democratic regime, the United States, breadbasket of the nations, has greatly increased importations of grain.

In sharp contrast with this, there has been, throughout the whole period since 1910, positive correlation between money supply and income per capita on the one hand and the price movements which have affected the parity position of grain prices on the other. Without exception, rising grain prices have been associated with rising money supply, and vice versa. The facts, as shown by the chart, are thus diametrically opposed to Governor Davis' assertions and also to the implications of the Board's March statement that money supply and the price relations which determine business fluctuations, have not usually changed together. For example, the chart shows that as respects the purchasing power of the farmer's bushel of grain, such relations have always changed together, except at the peak of speculation during the war.

More striking still is the movement of the national income—the President's great objective—with money supply. During previous periods of prosperity and sustained or rising money supply, income has moved to a relatively high position. But it has never recovered that position since it lost it in 1931.

To a considerable degree this seems attributable to an excess of foreign refugee and speculative accounts carried in this country as a result of our gold-purchase policy. Chiefly, however, the "great economic reform" of low interest rates under the Democratic administration's bank subsidy policy effected by bond "sales" and political and bureaucratic squandering, has resulted in a dangerous discrepancy between money supply and income, accompanied by lower grain prices than at any time in the whole 28-year period, except 1932, despite a rise in money supply to an unprecedented peak. The close relation previously existing between money supply and income has been disturbed by the policy of deficit financing through the Reserve System of banks, and the danger of inflation has thus been seriously enhanced. Under these conditions, the Reserve Board now rudely dispels the illusions of the sponsors of the system, both past and present, by candidly stating that it has no powers which can control inflation. Consider this statement of the Board:

> The ability of the banks greatly to expand the volume of their credit without resort to the Federal Reserve banks would make it possible for a speculative situation to get under way that would be beyond the power of the System to check or control. The Reserve System would, therefore, be unable to discharge the responsibility placed upon it by Congress, or to perform the service that the country rightly expects from it. (Annual Report for 1938, p. 22.)

In its recent—March 6—statement, the Board adds, significantly, that its "control of the amount of money is not complete and cannot be made complete." Since basic commodity prices, especially those of cereals, as shown in the chart, are in fact sensitive to money supply, we hardly need more authoritative testimony that a different system which can control money supply to the end of stability in staple crop prices is imperatively needed.

In view of this situation, it is difficult to see how the Board can justify the wholly negative character of its recent presentations which I fear carry misstatements and misinterpretations of facts. It may be true that, to quote the Board's statement dated April 8, "There are many phases of economic life that are not susceptible of control through monetary means alone," but that does not warrant the Board's position "that stability in production and employment is a more satisfactory objective of public policy than price stability alone." The notion that economic stability and monetary stability are different problems remains unsupported, for the Board's statement that "concerted action by many agencies within and outside the Government, which have an influence on economic activity, is essential for the achievement of recovery and an adequate national income," does not warrant the inference that these activities cannot be brought about by price controls through correct monetary action. Nor is it in evidence that they can be brought about without such action. Certainly, they are not being brought about by the political squandering of bank credit which the Board has in a way sponsored. Merely because such needed activities have not been and cannot be brought to bear by the illusory monetary and credit controls of the past is no basis for the sweeping negations implied by the Board's statements.

The Board is not, in my opinion, logically entitled to conclude that "since the money supply, however measured, is larger now than at any previous time, the difficulty must lie, not in the scarcity but in the inadequate use of the existing supply," if it seeks to imply that such a state of affairs cannot be remedied by a new approach to the problem of supplying money and "credit." I am of the firm opinion that the way in which the supply of money is created and floated can and does have a vital effect on the way it comes to be used in trade, and therefore (as the Board itself admits), on the level of prices.

Indeed, the very economists listed in Professor Spahr's National Committee on Monetary Policy do not deny the effect of money supply on prices. Let us quote from a recent exhaustive treatise on the Theory of Prices, by Dr. Arthur W. Marget, an outstanding student of price theory who is listed by Dr. Spahr as one of his subscribing economists: Page 352:

> Emphasis on the importance of changes in the stock of money for an understanding of the process of price determination is not the mere result of blind piety, but is an ineluctable necessity which is not in any fundamental sense escaped by the device of starting the analysis in the middle by assuming the magnitude of the stream of money payments (or of any segment of the stream of money payments) as given independently of changes in the quantity of money.

Now, how can any rational person take any other position in view of the facts as presented in this chart of crop prices recently prepared by the Bureau of Agricultural Economics? The chart clearly shows that an adequate national income, insofar as it has ever been attained, has, up to the time of instituting the policies of the present Democratic administration, moved precisely with the supply of money available for use. The present policy of depressed interest rates and squandering publicly "borrowed" bank credit, much of it at excessive prices on gold for interment in Kentucky, has broken that relation.

It is obvious, therefore, that an adequate—I quote again from the Board's April statement—"determination of the mechanism and policies that would contribute most to the effectiveness" of an exclusively nonlending, public monetary control as suggested by Dr. Currie, cannot be judged by our past experience which was without such control. Congressional study of the problem, as urged by the Board, will not, then, serve to "clear the way for consideration" by Congress of the "broader aspects of a constructive program for further economic recovery and stability," but will, on the contrary, make such consideration quite uncalled for if such a constructive program comprises the regulation by public authority, directly or delegated, of the field of enterprise which belongs to free, private initiative under a competitive system of trading through a neutral medium of exchange. May I submit that Congress can properly, constitutionally and effectively, deal with the "underlying objective, which, broadly

speaking, is the fullest practicable utilization of the country's human and material resources," but only indirectly by monetary action. For in serving this objective, Mr. Chairman, we cannot successfully ignore the quantitative control of the money system as related to prices and to fiscal and taxation policies. [Applause.]

Mr. PLUMLEY. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I ask unanimous consent that I may read in the course of my remarks a few paragraphs from a newspaper.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. Mr. Chairman, I understand that 169 Members out of the 531 Members of the House and Senate have served under the flag of the United States in some war. I am one of those, and perhaps because of that I am particularly concerned over the trend of affairs today. I do not intend here to either criticize or to attempt to say that I understand the present situation fully, but I want to read to you a paragraph or two from the Washington Daily News of this date.

One of them states:

LINDBERGH SAYS EUROPE ISN'T IN DANGER OF WAR

Col. Charles Lindbergh has told friends he is confident there is no immediate danger of war in Europe, it was learned today.

Persons who have conferred with Colonel Lindbergh said he is discounting war talk in this country with the contention that people abroad are not concerned about war.

I have a great deal of confidence in the views of Col. Charles Lindbergh. He has had an opportunity to travel widely and discuss matters with some very well informed people. Several of my personal acquaintances recently returned from abroad corroborate Mr. Lindbergh's views as quoted. Others differ.

Then, on page 25 of this paper, Gen. Hugh S. Johnson, under One Man's Opinion, writes as follows:

The executive assistant to the Assistant Secretary of War is quoted in the news as having said to the United States Chamber of Commerce: "An Army industrial college is now training about 60 Army and Navy officers each year to direct the mobilization of industry." This refers to the vast regimentation of business that would come if we got into a new world war. It would be necessary to get out the increased production to supply the Army and sustain the civilian population without too much deprivation.

The significant fact revealed by this testimony is that when that gigantic task of industrial management suddenly becomes necessary it is to be directed by Army and Navy officers now being trained by the War Department in an "industrial college." This "training" consists in a few months' get-rich-quick course in the mechanics of industry given to soldiers in the War Department. The instructors are professional soldiers, too, except that there are a few lectures by industrialists.

About the most pathetic spectacle in business life is an Army officer resigning to go into industry. I know just how sad it is because I did it and I have observed others who did it. It took me 7 buffeted years to begin to suspect what it was all about, and some of my Army service was along lines far better adapted to that field than that of most officers.

Take a kid and wall him up in West Point for 4 years like a cloistered monk. Turn him loose to an Army life where he is a little less insulated and his business transactions consist largely in drawing and spending his pay check every month. Teach him that his future security is in his retirement pay and that the service expects him to live up to his position. Grind into him that the way to get things done is to give and obey arbitrary orders. Surround him with comrades with whom he has little competition, since promotion comes by seniority, everybody of equal rank lives on the same scale and there are no sharp trading and clever little schemes. Repeat for 20 years and then spill him into the totally different and far more wolfish world and life of industry.

He is a babe in the woods. It is impossible to describe the extent and infinite variety of his ignorance and bewilderment. He just doesn't know what makes the machine tick. His impulses and his very method of thinking do not adapt themselves to this strange surrounding. It takes years of disappointments, false and hard knocks to adjust him.

But you can't convince an Army officer of this. His argument is that he is by profession an expert executive and therefore can administer anything.

So long as this error is confined to an officer resigning to go into business it is just a pathetic personal tragedy. But if it comes to the infinite extension of that error by putting officers in charge of all industry in war it will be a national disaster. No cramming course in "industry" and nothing he can read out of any books can make the average officer fit for business administration, much less to "direct the mobilization of industry."

The War Department itself has no business whatever "directing" industry in war. That is a mammoth and a vital task—as great and vital as fighting a war. The Army already has the latter risk. It should not jimmy up the works by taking on another just as big the moment the guns begin to roar. It will need all its regular officers to train troops. It would be just as absurd and disastrous to use them on this job as it would be to elbow all the generals aside and put industrial leaders in command of armies. Put armies under soldiers and industrial mobilization under industrialists and let all shoemakers stick to their lasts.

If one correlates these two articles and others that one may find from time to time in the newspapers and magazines, and also in the reports in the Congress, one must get the idea that the United States is doing more talk of war than they are doing in Europe; that we are expanding our armaments not solely for national defense but for possible aid in war to other nations abroad. There is no question but that we should make some plans to prepare for the mobilization of our industry in the event our shores are attacked, but I call your attention to the fact that if we should get into a war, that very mobilization would mean dictatorship in this country. The steps that are proposed to be taken in the event of war are the mobilization or conscription of industry and agriculture and commerce and labor. That is nothing more nor less than military dictatorship. Once taken, these steps would be most difficult to retrace at this stage in the world's history.

I believe there are very few, if any, Members of this House who would countenance with any degree of equanimity of soul and spirit a dictatorship in the United States, but I call your attention to the fact that if we stake steps toward militant alliances or other steps that lead to war, we must also anticipate dictatorship.

It is, therefore, incumbent upon every Member of this House, regardless of his political affiliation or the shade of his opinions—every Member who hates the thought of dictatorship in this country, to do all within his power to avoid inviting war. He must do everything possible and judge all his actions in that light.

It seems to me it is a lot more important that we successfully maintain democracy in the United States as an example to an autocracy-ridden world than that we should become embroiled in war and lose it on the evidently fallacious plea that we are thereby helping to defend world democracy. In defending it we would lose it.

Now, I offer this seriously for your consideration, because I am most deeply interested in the United States, as you are, and I dearly love my country, as you do. [Applause.]

[Here the gavel fell.]

Mr. PLUMLEY. Mr. Chairman, I yield myself so much time as I may require.

Mr. Chairman, on March 27 last, Admiral Leahy, Chief of Naval Operations, responding to the questions propounded by members of the subcommittee as to whether or not the estimates as submitted were or were not padded or exorbitant, said, as appears on page 41 of the hearings:

The estimate figures submitted by the various agencies of the Navy Department have already been pruned to a minimum consistent with what are considered the needs for reasonable national security. It would therefore, in my opinion, be jeopardizing national security to reduce the present number of vessels and aircraft in active service, to fail to man the fleet effectively with officers and men, to delay the authorized shipbuilding and aircraft-building programs, or to fail to build up the shore establishments and reserve stocks in support of the fleet.

It is my opinion that the prospect of international disturbance in the near future fully warrants expediting the authorized naval-building program as much as is practicable with the facilities that are available or that can be made available.

Your subcommittee, after weeks of intensive study of all the matters and things incident to the consideration of adequate appropriation for the needs of the Navy and the defense of the country, in the exercise of its well-considered judgment, fully realizing the responsibility it assumes, has brought in a bill which does not, however, meet either the requests of the Department, or the suggestions as approved by the Budget, but which, on the contrary, cuts $19,956,212 therefrom; which once was a considerable sum of money.

One other thing, Mr. Chairman, and I am through. I cannot omit to direct your attention and that of all thoughtful Americans to an inconspicuous colloquy which speaks volumes with respect to the war hysteria situation and propaganda which covers the country today. Interrogating Admiral Leahy, Chief of Naval Operations, and de facto Acting Secretary of the Navy, Mr. McLeod, of Michigan, asked, and I quote from the hearings on page 886:

Mr. McLEOD. Admiral Leahy, at any rate, any of the present building program is not in anticipation of the present conditions in Europe, so-called emergency, or whatever we might term them?

Admiral LEAHY. The present building program of the United States is based upon the building programs of other naval powers, and not upon the imminence of war in the near future.

Mr. McLEOD. It has nothing to do with the present-day war talk; is that right?

Admiral LEAHY. No; nothing whatever.

Nothing whatever! So says Admiral Leahy. Think that over. Admiral Leahy should know. He does. The American people should.

There has been too much rabble-rousing, war-provoking, careless, ill-considered, emotional propaganda and hysteria-generating talk. We must mind our own business and provide for adequate defense—not for aggression.

Too much talk by those who either will not or do not know. It should certainly be welcome and reassuring news to the American people to know that we are not in imminent danger of being drawn into a world conflict. It is comforting to know this, and Admiral Leahy is right, despite all the scareheads and ill-considered statements to the contrary emanating from the White House and from a would-be occupant thereof. We do not have to go to war. We will not go to war except in defense of America and Americans. [Applause.]

Mr. SCRUGHAM. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. MASSINGALE]

Mr. MASSINGALE. Mr. Chairman and Members of the House—that is, those who are present—I suppose, I know, in fact, that nobody will get any benefit particularly from anything I may say on this subject. I fill up sometimes when I listen to general debate in this House, because I go upon the assumption that every Member of this House has quite a bit of devotion to this country and its interests and welfare. I get awfully sick and tired and full of this eternal carping and criticism of men in high official positions, especially of attacks on the President; and I am talking about the attitude of some Members toward him.

It seems to me so far beneath the dignity of Congress for a man to get up here and insinuate that the President of the United States is not a loyal, devoted citizen of this Republic that I kind of boil over. I have no use for it. In the last 10 days the President probably has answered all of the demands that the gentleman from New York [Mr. FISH], who is what you might term "Secretary of State in expectancy" [laughter], has made against him this year. Last year Mr. FISH criticized him along different lines. Now this year he is criticizing him again. It does not make any difference what attitude the President assumes about foreign relations or the policy of the country, he could never satisfy that distinguished constituent of his. Mr. FISH boasts nearly every day that the President is one of his constituents with whom he cannot agree. Mr. FISH could not have a seat in this House if he were not one of the President's constituents, but you never hear of the President boasting about that. I do not have any feeling of ill will toward Mr. FISH; rather I like and at times admire him, because I know that his record in general has been fine. He has served more time in the service of the Government of the United States than I have. I do not mean in Congress, but I mean in military service. I honor him for it. I understand he made a wonderful record in the World War.

My contribution was made in another war. Some fellow asked me, "Which one, the Revolution?" I told him no, it was in 1812 [laughter], and that was just a little far back. [Laughter.] But the gentleman from New York [Mr. FISH] is laboring under the delusion that the country has suffered materially because he happens not to be Secretary of State, and this has been the bone of his contention and the basis upon which his criticism of the President generally is made. I said a while ago that he was "Secretary of State in waiting," or in expectancy; and I did not mean to imply that Mr. FISH, the distinguished gentleman and critic from New York, is pregnant with any hope of ever being able to deliver. [Laughter.] I just wish that kind of stuff would cease in this House, for we have more important matters to determine. A few days ago I took the floor of the House and made the statement that I thought it ill became a body of such intelligence as this House is possessed of to waste a day trying to devise means by which a certain patent medicine for asthma cure could be shipped from one State to another in violation of the Pure Food and Drug Act, to the utter neglect of urgent need for farm-relief legislation pending.

[Here the gavel fell.]

Mr. SCRUGHAM. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. MASSINGALE. Just one kind of speech has been made today—all critical of the President and contending we are not in danger of attack—and I agree that there is no danger of immediate attack; but I have a peculiar feeling toward a man, an American citizen, who does not think we ought to go ahead and get ready right away, for the day of treaties is past. Respect for treaties does not amount to anything any more. You will remember that the second fiddler for the dictators in Europe, Mr. Mussolini, made this statement—and I make no attempt to quote his exact words—in substance: "Italy no longer respects treaties." Hitler, of course, does not respect treaties because he set two aside the other day. It has become common practice. Mussolini made the statement the other day that he respected no treaties. He said, "The thing that measures my respect and regard for another nation is the size and number of the guns it can bring to bear."

What are you going to do about it? I say it is the duty of this Congress to see to it that we have an adequate supply of guns, and, when such people get ready to go, that we just draw the curtain aside and say, "Mr. Mussolini, look at them. If you want to go up against them, here they are. You know the kind of soldiery America produces."

Why not go ahead and vote this bill, and even more? Instead of having a 45,000-ton battleship for the defense of America, if it were possible to design one of 450,000 tons, I would be for it, with world conditions as they are. I think we ought to quit this petty politics of criticizing the President of the United States when he has told us plainly what his policy is; and you know that the Congress of the United States in any emergency is going to support the President in his program for the defense of this country. This Congress knows that only political snipers take any stock in the statement that the President wants war or is a war monger. Why, of course, this Congress is not going to vote to send any of our boys over to the shambles of Shanghai, or into Germany, or into Italy; it is not necessary to do that. The President said he was opposed to it. What we want to do is to make sure of the adequacy of our Navy to defend the United States.

Mr. KITCHENS. Mr. Chairman, will the gentleman yield?

Mr. MASSINGALE. I yield.

Mr. KITCHENS. As I understand the gentleman, he prefers to make this country safe so that a man like Bergdoll would rather come back to the United States and go to the penitentiary than live where he now lives.

Mr. MASSINGALE. So far as I am concerned Bergdoll is welcome to stay where he is now living.

Mr. KITCHENS. And all these American ladies like Anna Gould and Barbara Hutton marrying foreign titles are now coming back to America.

Mr. MASSINGALE. I think they show their good sense, and it heightens my respect for the sex that they want to come back to this country.

Mr. KITCHENS. I am glad to note that the gentleman agrees with me.

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from Oklahoma has expired, all time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Navy Department and the naval service for the fiscal year ending June 30, 1940, namely:

The CHAIRMAN. Under the order of the House previously made the Committee will now rise.

Accordingly the Commitee rose; and the Speaker having resumed the chair, Mr. Cox, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 6149, the Navy Department appropriation bill, 1940, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. TALLE, for May 5, 8, and 9, on account of official business.

EXTENSION OF REMARKS

Mr. MAPES. Mr. Speaker, by request I ask unanimous consent that the gentleman from North Dakota [Mr. BURDICK] may extend his own remarks in the RECORD and include therein an article appearing in the Philippine-American Advocate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered in Washington, D. C., by Mr. Ralph E. Flanders, of Springfield, Vt., director of the New England Council.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole today and to include therein the entire article from which I quoted.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a short resolution introduced by me, together with a memorandum submitted in support of that resolution by Mr. Gonzales Quinones, secretary of the Puerto Rican Farmers' Association.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

There was no objection.

WITHDRAWAL OF PERMISSION TO ADDRESS THE HOUSE

Mr. MAPES. Mr. Speaker, the gentleman from Michigan [Mr. WOODRUFF], who has been granted special permission to address the House this afternoon, has asked to have this order vacated.

The SPEAKER. Without objection, it will be so ordered.

There was no objection.

The SPEAKER. Under a previous special order of the House, the gentleman from Ohio [Mr. SWEENEY] is recognized for 30 minutes.

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to include in my remarks a table of the possessions and dominions controlled by the British Government, the method by which they were secured, and the date of acquisition.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SWEENEY]?

There was no objection.

Mr. SWEENEY. Mr. Speaker, as the time approaches for the much-heralded visit of the British King and Queen to the United States, I feel I would be derelict in my duty as a public official if I did not make a humble contribution by way of suggestion for the entertainment and comfort of their royal majesties. Remembering the kindness their forbears exhibited for centuries to my ancestors in Ireland, indeed I should be an ingrate if I did not in some way show my gratitude to the reigning rulers of the synthetic British democracy. Therefore I suggest that the State Department officials charged with providing entertainment for the King and Queen of Great Britain seriously consider the following program.

Call upon all the residents in the District of Columbia to create as nearly as possible a true London atmosphere. For the duration of the visit Pennsylvania and Constitution Avenues should be renamed Piccadilly Circus and the Strand, respectively.

All persons using the telephone during the visit of the royal couple in Washington should refrain from using the vulgar American expression "Hello" and substitute the more civilized and practical British salutation "Are you there?" Instead of greeting each other daily with that horrible "What do you know?" "What's doing?" "How's things?" let us be British and say "Cheerio" and "Quite right."

At the state dinners let the conventional evening dress for men be abandoned and red jackets donned. And let there be printed on all menus a copy of the Declaration of Independence, as a reminder of the reign of George III over the American Colonies—a reminder that we have not forgotten old wrongs that would reappear should American men and industry be drafted to save Britain from its doom.

Perhaps it would be asking too much to even suggest that the royal couple while staying at the White House take a stroll across the street to the Treasury Building and make at least a down payment on the British war debt of $5,419,388,374.72, which represents principal and interest due poor old Uncle Sam as of March 1, 1939.

Information has leaked out that the committee in charge of the reception will recommend that certain public buildings be closed during the stay of the royal rulers. I sincerely hope that the United States Treasury will be included in the list, if you know what I mean.

If the King and Queen are anxious to see our bloodthirsty Indians, show them the modern-version Indian before his air-conditioned tepee gloating over his Agricultural benefit checks.

Should they wish to see our slaves, let them go into any business office in the United States and watch our businessmen work night and day under the whip of the tax collectors.

Or they may desire to see the jolly old opposition in America: let them see our Republicans in a state of suspended animation waiting for the time to turn their own rascals into office.

At least they should be taken for a short visit to Walter Reed, Mount Alto, and St. Elizabeths Hospitals. Let them see the woeful wrecks a war to save Britain made of American manhood. It would be a good thing to dramatize, so that Americans will let the world know we will never do it again. Also, it might cause the British rulers to realize that a substantial payment on the war debt might help these broken veterans who are still paying for helping Britain.

Should they come to the House for a joint session of Congress, may I respectfully suggest we open with The Star-Spangled Banner, so that the tune of America may not confuse them as to its sentiment, and let us close with the reading of Washington's Farewell Address.

It will be a serious occasion when the British rulers lay a wreath on the tomb of the Unknown Soldier. Methinks I can hear the shade of that unknown but immortal American boy cry out, not to the individuals but to the Government they represent, "Because of you I am here."

As the shadows of evening draw nigh bonfires should be lighted on Capitol Hill and on the White House grounds, lest they forget August 24, 1814, when the British burned the Capitol and the White House.

It is regrettable the time of the royal couple is not sufficient to permit their paying a visit to Fort Knox, Ky., to view our gold pile. Such a sight would brighten their eyes and make their mouths water. As a compensation, may I respectfully suggest that the United States Marine Band, after it tires playing Rule Britannia, Rule the Waves, oblige by playing Our Gold Kentucky Home.

Let them visit our navy yards and arsenals, our military posts and forts, so that they may know we do not need Britain.

I trust our colleagues from the historic State of Massachusetts will extend to our guests an invitation to visit Faneuil Hall and Bunker Hill. Perhaps, they may be able to induce the Daughters of the American Revolution to give a tea party on the Boston Commons—I am sure it will not be black tea, if this ever takes place.

Our distinguished patriotic colleague, Mr. SOL BLOOM, of New York, recently in assisting the publicity department of the world's fair did a fine job in dramatizing Washington's trip from Mount Vernon to New York City for his first inaugural. Why not have the gentleman from New York [Mr. BLOOM] who is so well versed in history, arrange another Paul Revere ride? It would take but little effort and expense to have a modern Paul Revere mount his steed at the International Bridge at Buffalo, N. Y., a week in advance of the arrival of the distinguished guests, and journey to Washington announcing that warning which has thrilled American schoolboys for years, "Here come the British."

The climax of their visit, in my opinion, will be the trip to Mount Vernon. Respectful and courteous as he was in life the shadow of our immortal George Washington will look down with sympathy and smile understandingly at these rulers by divine right. He will accept their homage, but more emphatic than he was in life he will cry out to his confused but loyal countrymen:

I fear the Greeks bearing gifts. No entangling alliances with foreign powers is still my advice to my countrymen.

Surely, in my opinion, this is more than a social visit. A recent press dispatch proclaims it to be an official visit. I quote from the Times-Herald of April 20, 1939:

ROOSEVELT VISIT TO BRITAIN HINTED

LONDON, April 20.—Disclosure the forthcoming visit of King George VI and Queen Elizabeth to America will be official and not private, as hitherto anticipated, indicates President Roosevelt is expected to visit Great Britain officially, quarters well informed on court etiquette said today. Citing the state visit here of President Albert Lebrun and other precedents, these quarters said a return visit by Roosevelt was considered virtually automatic.

There is no doubt but that this visit was arranged in advance with purpose and intent by the Cliveden set of Great Britain, led by the expatriate American-born Lady Astor. This set has assayed the role of the late Lord Northcliffe and are now the No. 1 propagandistic agency for the British Empire. Few of us are so naive as to deny the right of the King and Queen, or the leader, call him what you may, of any nation, to visit the United States or any part of the world. The world ought to be a habitat to roam as man willed, consistent with respect for the rights of his fellow men. Great Britain only has made this impossible by her ruthless seizure of territory in the past and her cruel conquest of millions of people throughout the world, now under domination and influence.

It is significant to note that the new British Ambassador to the United States, Lord Lothian, will assume his office shortly after the visit of the King and Queen of Great Britain. Lord Lothian is no stranger to this country. As secretary of the Rhodes Scholarship Fund he makes frequent visits to the United States to strengthen British-American friendship. He has recently been quoted in the newspapers as stating that—

The Ten Commandments and the Sermon on the Mount has caused more wars than anything else because of controversies over how they should be applied.

The distinguished British statesman evidently is well versed in the history of his country. There is one commandment broken by his country more often than by any other nation in the history of mankind, and that is the commandment "Thou shalt not steal."

A glance at any map of the world will prove beyond contradiction that the possessions Great Britain seized by conquest and now holds with material profit is the direct result of violating the seventh commandment.

During the visit of Lord Lothian to the United States last winter he was quoted in the American newspapers as saying: "England will fight. There can no longer be any doubt of that." He also made it emphatically clear that he considered the future peace of the world dependent upon the closest possible cooperation between Great Britain and the United States. These two countries, he believes, can and should police the world.

Apparently, he was selected as Britain's Ambassador to the United States because of the views he holds on Anglo-American relations. I predict that just as soon as he is safely ensconced in the British Embassy at Washington, the floodgates of propaganda will be opened, and "in perfect good faith advance the highest moral reasons for the most concrete diplomatic actions," until the helpful British Ambassador will be settling the international problems of the United States.

Recently I forwarded to my colleagues in the House of Representatives a copy of Name the Aggressors, by Louis B. Ward. This publication proves beyond doubt that the greatest aggressor since the dawn of civilization has been the government that our distinguished guests now represent. We hold no brief for the dictators of Germany, Italy, or Soviet Russia. We are not concerned with their internal affairs. While we protest and always will give expression of protest against the persecution of any group of people because of their religious or political belief, we have never yet invoked intervention in a case that is not of concern to us as a nation.

Our participation in the last World War, brought about by the international bankers and the traitorous conduct of our erstwhile British Ambassador, Walter Hines Page, is a lesson we should never forget. Many of the agencies that helped to propagandize this country before the last World War are still functioning with their subversive propaganda. This would be a great day if Andrew Carnegie had lived to extend a welcoming hand to a British King and Queen on American soil.

It was Andrew Carnegie who said in his book entitled "Triumphant Democracy," published in 1893:

Time may dispel many pleasing illusions and destroy many noble dreams, but it shall never shake my belief that the wound caused by the wholly unlooked for and undesired separation of the mother from her child is not to bleed forever.

Let men say what they will; therefore I say that as surely as the sun in the heavens once shone upon Britain and America united, so surely is it one morning to rise, shine upon, and greet again the reunited state—the British-American union.

God forbid that such a day should ever come, a day when this country will be bound by an alliance with Great Britain, to crush the eternal hopes of millions of her children in all parts of the world who are praying for the God-given right of autonomy and independence.

It was Andrew Carnegie who gave tremendous sums of money by way of endowments to popularize British-American friendship and the "hands across the sea" propaganda through the Carnegie Foundation for International Peace. This agency is aided and abetted by the English Speaking Union, the Sulgrave Institute, and the Rhodes Scholarship fund, which takes from our shores scores of young Americans each year to be educated at Oxford in the doctrine of British imperialism and then turned loose in the United States to undermine and attempt to destroy our democracy.

In these days of excitement and passionate condemnation of aggressor nations, let us keep the record straight and not succumb to the plea of Great Britain, whose far-flung empire is the fruits of bitter aggressions in the past. Because these aggressions occurred in other years is no justification for the premise that the sins of yesterday are to be forgotten. I append herewith a list of the dominions and possessions of Great Britain throughout the world. They are the harvest of British seeds of aggressions sown in years long past.

The fruits of aggression

British Empire	Date acquired	How acquired
1. Dominions:		
England	55 B. C.-410 A. D.	Conquest.
Ireland	1172-1920	Do.
Wales	1283	Do.
Scotland	1603-1707	Union.
Canada	1627-1763	Conquest.
Australia	1788-1828	Do.
Newfoundland	1583	Do.
New Zealand	1840	Do.
Union of South Africa	1814-1900	Do.
2. Possessions in Europe:		
Gibraltar	1713	Do.
Malta and Gozo	1814	Do.
Ascension Island	1815	Do.
3. Possessions in Africa:		
Kenya	1820	Do.
Tanganyika	1918	Do.
Uganda	1894	Do.
Zanzibar and Pemba	1890	Do.
Mauritius	1810-14	Do.
Nyasaland	1891	Do.
St Helena	1673	Do.
Seychelles	1814	Do.
Somaliland	1884	Do
Basutoland	1884	Do.
Bechuanaland	1885 95	Do.
Northern Rhodesia	1889	Do.
Southern Rhodesia	1889	Do
Swaziland	1894	Do
Southwest Africa	1920	Do.
Gambria	1807	Do.
Ashanti	1672	Do.
Nigeria	1861-1900	Do.
Cameroon	1916	Do.
Sierra Leone	1787	Do.
Togoland	1914	Do.
Anglo Egyptian Sudan	1899	Do.
4. Possessions in Asia:		
India and dependencies	1612-1857	Do
Aden, Perim, Socotra, and Kuria Muria Islands	1839 76	Do
Bahrein Islands	1867	Do
Ceylon	1796-1815	Do
Cyprus	1914	Do.
Hong Kong	1842	Do.
Malay States (Federated)	1874 98	Do
Malay States (others)	1885-1914	Do.
Mesopotamia	1914-18	Do
North Borneo	1881-88	Do
Brunei and Sarawak	1888	Do.
Palestine	1914-18	Do.
Straits Settlements	1785-1909	Do.
Weihaiwei	1898	Do.
5. Possessions in Australasia and Oceania:		
Papua	1884	Do.
New Guinea	1920	Do.
Western Samoa	1919	Do.
Fiji	1874	Do.
Nauru	1914	Do.
Pacific Islands	1893 1915	Do.
Tonga	1900	Do.
Gilbert and Ellice Island	1892-1915	Do.
Solomon Islands	1893	Do.
6. Possessions in the Americas:		
Bermuda	1612	Do.
British Guiana	1803 14	Do.
British Honduras	1798	Do.
Falkland Islands	1771	Do.
West Indies:		
Bahama Islands	1629	Do.
Barbados	1605	Do.
Jamaica	1655-70	Do.
Turk, Caicos	1765	Do.
Leeward Islands	1623-50	Do.
Trinidad	1797	Do
Windward Islands	1763-83	Do.

The last few months has witnessed a deluge of propaganda uncanny in its parallel with that of 1914, 1915, 1916, and 1917, before we entered the great World War. This generation of Americans, wise in their judgment because of the disastrous experience of the last World War, are definitely determined that no American boy will again die in battle on foreign soil. The American Legion, the Veterans of Foreign Wars, the Disabled Veterans of America, and practically every patriotic organization, who have the interest of the Republic at heart, have registered their conviction on this important question.

It is not the Rome to Berlin axis we need fear in this so-called crisis. It is only imperial Britain that can plunge us into another disastrous war. Britain is attempting now to create a London to Paris to Moscow axis in an effort to bolster her fast-deteriorating empire. Until such time as the rulers of the so-called synthetic democracy get out of the six counties in Ireland she now holds by military strength alone, restore to the struggling millions in India their right to freedom and independence, release her hold on the colonies in South Africa and elsewhere in the world, they cannot approach this or any other nation, nor appear before the court of public opinion with clean hands, urging us to give at least our moral support in condemning the aggression of a Hitler, a Mussolini, or a Stalin. Perhaps the British rulers will explain to the American Jews interested in the Zionist movement to establish a homeland in Palestine why the Balfour declaration was scrapped after she solemnly promised the United States she would notify us in the event of such action; and why, if she be the friend of the persecuted Jew, she erects barriers against the settlement of refugee Jews in Palestine.

The Dies committee, instructed by this Congress to investigate subversive activities against the Government of the United States, will do well to investigate the pro-British agencies in this country who are now actively engaged in propagandizing as they were before our entrance into the last World War.

There are those who will say this speech is not good form, and that it violates the courtesies extended to our distinguished guests from Great Britain. But good form and the truth are generally inconsistent. More crime is disguised with formality than black masks. More outrages are committed a la Chesterfield than a la Dillinger. The chancelleries of the world are stocked with formal precedents, designed to make histories of pillage appear in good taste. Human rights have been torn to shreds with all the aplomb of an Emily Post. Be debonair, but destroy, have said the international vandals for centuries. I am more intrigued by character and integrity than by polish and good taste. I do not subscribe to boorishness, but frankness while it may be brutal, is not necessarily boorish. Therefore, I speak frankly, and will risk criticism, so that I may save my country.

While we welcome the British King and Queen, no doubt very personable people as royalty goes, let us not forget to show them we are in the midst of a war, a war against unemployment, a war against economic royalists, so termed by our President, who are fighting progressive legislation designed to make the lives of working classes in this country a little better. While we are showing honor to the King and Queen, why not show them our factories idle and good Americans on relief. High taxes caused this. Money wasted on the World War to save England to make more wars make these high taxes necessary. Were the King and Queen to come here with a substantial payment on the war debt, there would be a decent purpose in the visit. But no, they come here as advance agents for Britain's next war. Britain is desperate—therefore the monarchy stoops to democracy. Arrangements have already been made to assure a stooping without indignity. The formalities will be as rigid as autograph hounds and celebrity chasers will permit.

But let us direct all our efforts to winning our domestic war within the confines of our beloved country and give no heed to the crafty and selfish diplomats of other nations, who in 1917 took our men and our money under the pretense of making the world safe for democracy, a war which every fair-minded historian now knows was a war to save England from destruction. I cannot believe that the Members of this Congress, or perhaps the Congresses to follow in the future, will ever again permit this country to engage in a war on foreign soil. On the contrary, with our unlimited resources, we are able to sympathize but stand aloof from the constant quarrels of Europe and Asia, extending in the language of George Washington—

> Justice toward all nations and guarding against the insidious wiles of foreign influences, taking care always to keep ourselves by suitable establishments on a respectable defensive posture.
>
> Against the insidious wiles of foreign influence (I conjure you to believe me, fellow citizens), the jealousy of a free people ought to be constantly awake, since history and experience prove that foreign influence is one of the most baneful foes of republican government. Europe has a set of primary interests which to us have none, or a very remote, relation.

In the light of the coming visit of British rulers these admonitions are as timely today as they were then. We can

expect the visting personalities will be attractively press-agented, and the American public will be psychologized into saving the homey little couple from Hitler and Mussolini. Let us treat them neither too casually nor too warmly. It is well for our future that they do not leave our shores with an impression that we will follow them with an army or funds to fight their battles. It is better that they understand quite definitely we will not. Let us make it emphatic to the British King and Queen leaving America that we are steeped in the traditions of Washington; that all the gold in the British Treasury, and all the power of her mighty fleet and army will not and cannot bring about a permanent alliance with this country to pull her chestnuts out of the fire and freeze more solid the fruits of her past aggressions.

The SPEAKER pro tempore (Mr. BRADLEY of Pennsylvania). Under a previous order of the House, the gentleman from Wisconsin [Mr. GRISWOLD] is recognized for 20 minutes.

THE DAIRY FARMER

Mr. GRISWOLD. Mr. Speaker, on March 21 I spoke in this House in regard to the Canadian treaty and its probable effect on the dairy farmers of my State. In the time I have this afternoon, I want to discuss that treaty further as to what is actually taking place under this trade agreement. The Canadian trade agreement, as all other treaties or agreements, represents an exchange or trade of benefits and concessions. It is very plain from the reading of the treaty and a tabulation of the concessions granted that Canada asked for and received excessive lowering of rates on dairy and agriculture products and the United States asked for and received reductions on the duty on manufactured products and machinery of all kinds. Canada asked for and received concessions that benefited her farmers, and the United States surrendered the farm market for the benefit of the manufacture of iron, steel, and metal goods. Canada asked for concessions which she expected to use for the benefit of the farmers of Canada. I now want to call to the attention of the Members of this House exactly what is taking place, so that later on when the full effect of the treaty becomes apparent it cannot be said we did not know what was taking place.

CATTLE IMPORTS

I want first to call attention to the cattle imports into this country, as every farmer in the northern half of the United States, at least, is vitally affected by the price of the surplus cattle he can put on the market. Under the low duty granted Canada in the 1936 treaty we imported into this country last year 434,022 head of cattle and exported from the United States only 3,059 head. On January 1 of this year a new trade treaty was entered into with Canada still further reducing the duty and placing no limit on the dairy cows that might be imported. During January and February of this year, for which figures are now available, 183,880 head of cattle were imported. At this rate over 1,000,000 head of cattle will be imported this year.

Last year 78,597,007 pounds of canned beef were imported into this country and 1,500,932 pounds were exported. Under the new treaty we have received in the first 2 months of this year 7,489,057 pounds of canned beef.

Last year 181,951,288 pounds of hides were imported and 44,815,074 pounds were exported. During the first 2 months of this year 8,549,660 were imported.

The three items I have just quoted figures for, I believe, show very plainly what is taking place and what we may expect in prices for dairy cows or beef cows either sold for dairy purposes or for slaughter. The placing of the low tariff on dairy cows with no limit on the number that may be imported under this low rate is going to take away from dairy farmers a large part of their market for dairy cows. There is no hope but for low prices for dairy cows and, in fact, all cattle, unless the present trade treaty is changed.

CHEESE

The general tariff by Congress, previous to the trade treaties, placed a tariff of 7 cents a pound on cheese, and this tariff was high enough to stop the importation of cheese to any price-lowering extent. The 1936 trade treaty with Canada lowered the tariff on cheese to 5 cents per pound. Under this tariff in 1937 over 60,000,000 pounds were imported, and last year 54,431,870 pounds were imported. There were exported 1,480,943 pounds of cheese, a very small amount. On January 1 of this year, under the new trade treaty, the duty on cheese was reduced to 4 cents per pound and no limit placed on the amount that might be imported. Cheese imports have been of a very dry cheese, which in effect further reduces the duty to about 3½ cents per pound. In spite of the very low price prevailing for cheese, in the first 2 months of this year 8,339,238 pounds of cheese have been imported. Any effort that increases the consumption or price of cheese in this country may be partly nullified by a flood of foreign cheese. The price of cheese and butter always maintain the same relationship to each other. There cannot be cheap cheese without cheap butter, and the price of cheese and butter controls the price of all dairy products.

HOGS IMPORTED

The north-central part of the United States is the greatest hog-producing section in the world. The byproducts of their creameries and cheese factories, in combination with the corn they raise, produce an ideal feed for the raising and marketing of pigs and pork products. Under the trade treaty the duty on hogs has been reduced one-half, and last year 56,396 head of hogs were imported, and only 303 head were exported. There were also imported hams, shoulders, and bacon to the extent of 44,347,264 pounds, and 8,737,041 pounds exported. There is no limit placed on the amount of pork products that may be imported under these low duties. This flood of imports cannot help but force and keep hog prices down.

BARLEY

Another example of the damaging effects of the present trade treaties is found in barley. One of the Northwest's few cash crops is the production of barley suitable for use in the brewing industry. Wisconsin's production alone is over 22,000,000 bushels annually, and the State ranks third or fourth among the States in barley production. The amount of barley suitable for malting purposes and the demand of the malting industry determine the price the farmer receives for his barley. Under the trade agreement with Canada during the last year 100,575,670 pounds of barley malt were imported into this country and only 135,571 pounds were exported. During the first 2 months of this year 12,482,686 pounds of barley malt have been imported. Under these conditions it is very probable our market for good barley will be low.

POULTRY

Poultry is one of the leading products of the North Central States, and the duty on both poultry and eggs has been drastically reduced. Last year 428,304 pounds of live and dressed turkeys were imported, and it seems very probable that this year, with further reduced tariff, large quantities of both poultry and eggs will be imported.

FISH

My State is bordered by Lake Michigan, Lake Superior, and the Mississippi River. With the boundary of water and the thousands of lakes, fishing has been an important source of revenue for all Northern States. The trade treaties have drastically reduced all duties on fish, and last year there were imported 302,623,795 pounds of fish and a very small amount exported. During the first 2 months of this year 63,977,497 pounds of fish have already been imported. Judging this year's importation by the amount of fish already imported, it bids fair to exceed the 300,000,000 pounds imported last year. The fishermen are facing a difficult situation.

FURS

The production of furs, while a comparatively new industry, has reached very large proportions as a source of revenue to many farmers and businessmen. The Northwest is the leading fur-producing section of the United States. The drastic reduction of duties on raw furs has led to the importation last year of over 95,000,000 furs, while we exported 11,384,517 furs. Already in the first 2 months of this year 16,909,644

furs have been imported, and unless the import of furs can be stopped by an increase in tariff the fur farmers of the United States are facing ruin.

I have now discussed just 10 of the many farm products allowed to enter from foreign countries and their probable effect on the farmers' market. Many others might be included, but I believe the 10 products I have quoted serve to emphasize the seriousness of the situation.

The imports of farm products and the constant threat of even larger imports has forced the dairy and farm market to the bottom and is going to keep it there. The farmer in his desperation to make ends meet is going to come to the Congress and ask for large appropriations. He is going to demand parity payments, subsidies, and other payments in a desperate effort to keep out of bankruptcy. Whatever this Congress may do to aid the farmers' price structure will only be met by a further flood of imports. The Canadian treaty is a stumbling block to any agricultural program. To restore agricultural conditions, not only in my State but in the Nation, I believe it absolutely necessary that we first repeal the trade agreements and restore former duties on farm products. The American farmer must be given back that which up to now he has always had—the American market.

I realize my voice may be a voice crying in the wilderness, as far as this Congress or this administration, is concerned. I cannot, however, stand idly by and see the ruination of the great dairy industry without, to the best of my ability, pointing out and protesting against what is taking place.

While I believe the restoration to the farmer of the American market is fundamental, I do not believe that alone can restore to normal agricultural conditions.

Every attempt by preceding Congresses to benefit by special legislation or grants some particularly hard-pressed group or class has not been successful. The progress back to normal conditions must be by all groups and classes. Men must have work before farm prices can reach parity.

The laws, regulations, and taxes that cripple industry and prevent the employment in industry of our idle men must be repealed. The man who would employ labor must be fostered and encouraged. A large part of the products of the farm are raw materials and must pass through the process of manufacture before they are readily saleable commodities. The crippling of industry and manufacture acts as a dam to the outlet of farm products and causes them to seek an escape through low prices. Our canning factories and other factories that consume farm products must be allowed to operate at capacity.

Mr. Speaker, I am asking that the farmer be given back his American market. I am asking that we repeal oppressive laws and allow industry to operate to the end that all men have jobs in private employment at reasonable wages.

THE PARITY PRICE BILL

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD and to include therein an address delivered by a citizen of my district.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa [Mr. HARRINGTON]?

There was no objection.

Mr. HARRINGTON. Mr. Speaker, for almost 20 years the Congress of the United States has recognized the fact that there is a farm problem in the United States. Somewhat vaguely too has Congress recognized that somehow and in some way the farm problem is linked inexorably with all of our economic ills. The wonder is not that we have not solved the problem but that we have begun to understand it at all. Under several parties and several administrations sincere efforts have been made by several Congresses and by several Presidents to find the solution. Much has been tried and much has proven worthless. But some good has been done and the clumsy, halting, mistaken steps that we have made have not all been futile. We have come a long way on the road to successful and clear understanding of our elusive objective and probably no greater progress has been made in the past 20 years than during the past 6 years under the analytical, sincere, and courageous Henry Wallace, the present Secretary of Agriculture. Unrelenting in his desire to bring back to the American farmer a fair price and a fair profit for his products, he has not lost sight of the general welfare. He has been bitterly attacked, opposed, and confronted by great obstacles. Many have ridiculed him, yet there is no one who does not know deep in his heart that no better friend of the American farmer ever occupied the chair of Secretary of Agriculture in any Cabinet under any President.

Disagree if you will—no one can fail to recognize the fact that for the first time in history a farm bill, designed to aid the American farmer, is actually on the statute books in operation, and upheld by the Supreme Court of the United States. For the first time in history a farmer can obtain loans on the lifeblood of this country, the food and fiber crops which he, the farmer, raises. For the first time in history those loans are based upon the storage of the farmer's crops on his own farm; and for the first time the principle of parity for agriculture is definitely established as part of the law of the land. Certainly these accomplishments are worthy of praise and commendation. I want to go back to just one—the principle of parity.

It is an excellent word—"parity"—derived from the Latin "paritas," meaning equal. Webster's Dictionary defines it as "The quality of being equal or equivalent, a like state or degree; equality"—and again—"equality in purchasing power * * *."

It is the basic principle of a bill which I have introduced today. Parity for agriculture and parity for labor and business. These are its objectives, and if my research is correct these things it will accomplish. It is true that we have the principle of parity in the present Farm Act; that is, loans are made on the basis of 52 percent of parity, but my bill goes further—it establishes the principle of parity throughout our entire economy. Again if my research is correct, I say that when this measure is enacted into law it will probably accomplish what President Roosevelt has so often stated to be his objective—a national income of eighty-five to one hundred billion dollars annually.

Lest it be thought that I desire to take credit for work of others, may I say that much of the painstaking research and actual drafting of the bill itself is the work of an Iowa farmer from my district, Mr. Carl Wilken. I have assisted and collaborated with him in the studies he has made along with several other citizens—farmers, students, and editors of my district. I was much impressed with the conclusions of Mr. Wilken and invited him to come to Washington to discuss with interested Members the philosophy of the bill. He appeared before the House Committee on Agriculture at my request and through the courtesy of the gentleman from Texas, MARVIN JONES, chairman of the committee. His testimony and statement appear in the recently published hearings on the general farm program—serial A, pages 461 to 481, inclusive. On several occasions I have arranged for small groups of Members and various governmental department officials to meet with Mr. Wilken and me.

I am sure that each of you who has had the opportunity of a complete and full explanation of the parity price bill at these group meetings have become increasingly conscious of the logic and reason in our approach to the solution of the problem which has been troubling us for so long a time.

Briefly, the bill assures producers of basic crops parity prices for their product without acreage restriction. Crops included are wheat, corn, oats, cotton, sugar, and tobacco, with a provision for inclusion of rye, barley, and rice at the discretion of the Secretary of Agriculture.

The Secretary of Agriculture through the Production Credit Corporation would be authorized to make loans of not less than 75 percent of the current parity price of such crops as indicated by the general commodity index averaged over the period 1922 to 1929. Crops would be stored on the farm during the period of loans.

September 1 of each year would be designated as "Agricultural Surplus Liquidation Day." On that day the Commodity

Credit Corporation would buy up crops in excess of the current year's estimated needs and 35 percent of a normal average year's yield would be stored to constitute an "ever-normal granary," and pay full parity therefor.

In turn the Government agency would dispose of such purchases (1) by adding them to the national reserves, (2) by export at the world price; (3) by subsidizing their use in new commercial channels such as industrial and fuel alcohol, plastics, and other products, and (4) by use for domestic human relief.

To protect the domestic market against import competition and thereby maintain the parity price schedule, importers of agricultural raw materials would be licensed. The difference between landed cost and domestic price of such imports would be collected by the Government to help defray the cost of operating the program.

Provision is also made for the Secretary of Agriculture through the bank for cooperatives to grant credits and make loans to cooperative organizations storing nonperishable goods and products manufactured or processed from milk, fruit, vegetables and root crops, dressed poultry, and other products.

I firmly believe that our major economic problems arise mainly from the disparity of income between agriculture and industry and our failure to make our credit structure work. We have failed to realize that true wealth comes only from the ground—hence that must be the place of beginning of any solution for our difficulties. Wipe out all the industries in the country tomorrow and America would not starve. She would have the real wealth, the true wealth, the raw materials to live and rebuild; but render sterile every acre of farm land in America tomorrow and our present troubles would, by comparison, be only the aggravating hum of a mosquito on a June evening. America would die. Our people would perish.

Yes, truly this bill is a prosperity measure, a Budget balancer, a further projection of a vital principle recognized and adopted by our courageous Secretary of Agriculture. It will materially increase the farmer's income without penalty to the consumer. The increased buying power on the farms of the Nation will be directly reflected in higher factory pay rolls and greater national income. Our research, if correct—and we have used nothing but Government statistics to prove our contention—shows that factory pay rolls and national income follow farm income in the ratio of 1–1–7—that is, $1 of farm income accounts for $1 of factory pay roll and multiplies into $7 of national income.

I have not presented the bill before now out of deference to my friends who are as sincere as I and who have sponsored the cost-of-production bill in the interests of the American farmer. But I leave it to your own good judgment. The parity-price bill is a simple, effective, workable plan based on known and proven factors. It will work. It must work.

And now, Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an address delivered by Carl Wilken in Sioux City, Iowa, on Pareconomy—The Way to Prosperity—as follows:

PARECONOMY—THE WAY TO PROSPERITY

(Address by Carl Wilken, Sioux City, Iowa, president, Progressive Farmers of Iowa; secretary-treasurer, Raw Materials National Council)

Mr. Chairman, during the past 18 years we have gone through a hectic period. Ten million people are out of work, one-third of our population is underfed, underhoused, and underclothed, and the other two-thirds are doing without the things that they would like to have to increase their general welfare and happiness.

All because of the fact that we have too much of everything. Our people are hungry because we have too much food; our people are living in hovels because we have too much building material; and so on down the list. It does not make sense. The quotation "What poor fools these mortals be" still holds true.

In my talk this afternoon I am going to try to point out to you why such conditions exist and how easily we can remedy these conditions if we will but use a little old-fashioned common sense and a little old-fashioned arithmetic.

For 2 years I have carried on research work for the Raw Materials National Council, and the results have been amazing.

The problem of an organized society is how to bring enough money into circulation each year to enable the people to buy the wealth they can produce in order that all may live on an American standard, provide for the needs of government, and have something for a savings account as a foundation for security and growth.

There are just three ways to bring money into circulation, viz:

1. By the production and sale of the raw materials—products of the ground. That is the dollar we earn.

2. By direct issue by the Government as provided in the Constitution. The issue of money leads to inflation.

3. By taxation or some form of credit device. That is the method we have been following, and it leads to bankruptcy, because it dissipates the savings and future earnings of our people.

PRODUCTION AND PRICE

The process of creating wealth starts with the production of raw materials—the products of the ground. Manufacturing, transportation, and other functions of business and capital represent only services which could not be performed at all if the raw materials were not first produced.

The amount of real wealth brought into existence is measured by the number of units of raw materials produced. Society has invented measures of weight, length, and volume which never fluctuate and remain constant year after year, but our measure of value resembles a modern jitterbug.

The amount of goods and services such units of new wealth will buy is measured by the price per unit received by the producer of such new wealth. Therefore, the number of units of raw materials produced times the price received equals the new dollar income created during each production cycle or year; the turn-over of these dollars in the channels of trade determines the wages of labor and the collective income of the Nation.

For example, the sale of 1,000 bushels of wheat at $1 per bushel draws upon our capital structure for $1,000 and starts $1,000 on the way into our trade channels. One thousand bushels of wheat at 39 cents per bushel draw out only $500 and reduce the primary flow of money accordingly.

It is the bushels of wheat, tons of coal, pounds of meat, etc., that the people trade. The dollar measures the relationship of the commodities exchanged. When the producer spends the dollar received for his product he passes the purchasing power to the next man and the next.

The units of raw materials—new wealth—are transformed by industry into other forms of wealth and become permanent assets of society. That is not true of either the dollar of issue or the credit dollar.

Thus the dollar brought into circulation by the production and sale of raw materials—new wealth—is the only dollar which represents real wealth. It naturally follows that our national income is based on the amount and value of the new wealth produced. This leads us to the following formula: The sale of the annual production of new wealth must bring into circulation enough money so that, when turned over in the channels of business, it will provide a national income sufficient to operate the Nation as a solvent business institution.

RELATIONSHIP OF GROSS FARM INCOME TO NATIONAL INCOME

Since the gross agricultural income represents roughly 80 percent of all new wealth income and largely gages the industrial demand for other products of new wealth, the relationship of agricultural income to national income becomes the governing factor in our economy.

The relationship of agricultural income to factory pay rolls (the best index to the state of industry) and national income averages for all practical purposes 1–1–7. Meaning that each $1 of gross farm income creates $1 of factory pay rolls and $7 of national income or business in the United States.

That formula or relationship is the most important discovery since the signing of the Declaration of Independence and the writing of the Constitution of the United States, because it is the key to an economic democracy. Let us examine it briefly in order that we may realize its importance.

With that definite relationship holding true it makes it possible for a few men who control the speculative markets of the world to bring depression upon a Nation of 130,000,000 people and force them to exist by borrowing from their savings and by placing a mortgage on their future income, and in addition to that, take away their equity in their homes and other real estate.

Ladies and gentlemen, I am sorry to say that that is what happens. In July 1937, for example, the wheat market was in a strong position and our domestic grain buyers bought wheat for $1.14 and $1.15 per bushel as fast as it came to the market. But, a few weeks later the men in control of the grain markets of the world forced the price of wheat downward about 39 cents per bushel. For every 39 cents taken off the price of a bushel of wheat they deprived the man on the factory pay roll of 39 cents and they deprived the American people of $2,340,000 in collective income.

On the other hand, the formula means that whenever this Nation will use its good common sense and stabilize farm prices in direct proportion to the national income needed for prosperity our depression will be over. And it also means that the farm problem and the question of a price for raw materials is the No. 1 problem of every farmer, laborer, and businessman in the United States.

One of the most interesting examples of the loss we have suffered as a nation because we didn't mark the price of our new wealth properly is a comparison of the years 1926 and 1932, the former a year of prosperity and the latter a year of depression.

The Agricultural Yearbook for 1935 shows that in 1926 our total production of corn, oats, wheat, barley, rye, and flax was 5,833,000,000

bushels. In 1932 our production of the same crops was a little over 1 percent less and totaled 5,253,000,000 bushels. In 1928 the production of our principal meats, pork, beef, mutton, and veal, totaled 17,007,000,000 pounds. In 1932 our production of the same meats was 16,800,000,000 pounds.

The record shows further that in spite of the fact that over 10,000,000 people were unemployed in 1932 we consumed within the United States all but 148,000,000 pounds of this meat, or a little over 1 pound per capita. And we allowed that surplus to reduce the income of the United States $45,000,000,000, an amount equal to the total value of all the farm products produced in the 4-year period 1923–26, inclusive. Yet we claim to be an intelligent people.

If the price for corn and other products had been the same in 1932 as in 1928 it would have been impossible to have a depression, unemployment, and hunger. We had the wealth, but allowed someone else to fix the price of that wealth.

CONSEQUENCE OF FAILING TO STABILIZE FARM PRICES

Failure to stabilize farm prices at the 1926 level, when parity or an equal exchange value prevailed for agriculture, industry, and labor, has deprived this Nation of $233,000,000,000 of national income in the 8½ years beginning January 1, 1930, and ending July 31, 1938, and will cost us an additional loss of $16,000,000,000 in the last 6 months of 1938.

I will file, as part of the record, a table showing the approximate loss each year and a graph showing the relationship of the gross farm income to factory pay rolls and the national income.

Failure to stabilize farm new wealth prices at the level which existed in 1926, when parity or equal exchange value prevailed for agriculture, industry, and labor, has cost this Nation in 8½ years (January 1, 1930, to July 1, 1938, inclusive) approximately $233,000,000,000 of national income which the people might have had, as shown by the following table:

[In millions of dollars]

Year	Gross income from farm production	Deficiency from 1926 level (1930–37)	Labor income	Deficiency from 1926 level (1930–37)	National income (gross)	Deficiency from 1926 level (1930–37)
1921 [1]	8,927		[2] 8,300			
1922	9,944		[2] 9,000			
1923	11,041		[2] 11,000			
1924	11,337		[2] 10,100			
1925	11,968		[2] 11,000			
1926	11,480		[2] 11,400			
1926	11,480		[2] 11,400		80,360	
1927	11,616		[2] 11,200		81,312	
1928	11,741		[2] 11,300		82,187	
1929	11,941		[2] 11,700		83,587	
1930	9,454	2,026	[2] 9,600	2,026	66,178	14,182
1931	6,986	4,512	[2] 7,000	4,512	48,776	31,544
1932	5,331	6,149	[2] 5,200	6,149	37,317	43,043
1933	6,256	5,224	[2] 5,500	5,224	43,792	36,568
1934 [3]	7,000	4,480	[2] 6,800	4,480	49,000	31,360
1935 [3]	8,100	3,380	[2] 7,600	3,380	56,700	23,660
1936 [3]	8,600	2,880	[2] 8,800	2,880	60,200	20,160
1937 [3]	9,000	2,480	[2] 9,000	2,480	63,000	17,360
1938 [4]	3,500	2,240	[2] 3,400	2,300	24,500	15,680
Total		33,371		33,431		233,597

[1] 1921–33 Agricultural Yearbook, 1935.
[2] Approximate.
[3] Estimated.
[4] To July 1, 1938, estimated.

President Roosevelt has said that national income should be brought up to $100,000,000,000 per year. It should be in order to support the present public debt and tax structure, yield an American standard of life for our people and leave something for a savings account.

Ratio figure showing average relationship of farm income to national income is 1 to 7.

Relationship of farm income to labor income equal for all practical purposes. (Farm and labor income varied less than a billion dollars over 17-year period.)

In order that we may have some idea of just what this loss of $233,000,000,000 in national income amounts to, I will break it down into concrete form:

It would have paid all the farm mortgages	$9,000,000,000
It would have paid all the public debt	54,000,000,000
It would have built a million miles of paved roads at $30,000 per mile	30,000,000,000
It would have replaced 5,000,000 condemned homes at $4,000 each	20,000,000,000
It would have purchased all the farm land, livestock, and farm buildings in the United States	57,000,000,000
It would have purchased a new $1,000 auto for every laborer in the United States	40,000,000,000
Then there would be enough left over to give every farmer $1,000 cash for operating expenses	6,000,000,000
And enough more to pay off the railroad debt	17,000,000,000

GRAPHIC PRESENTATION OF RELATIONSHIP BETWEEN AGRICULTURAL INCOME, FACTORY PAY ROLLS, NATIONAL INCOME

The accompanying graph, based on Federal Government records (expressed in approximate terms) of agricultural, factory pay roll, and national income, affords an eloquent explanation of the effect of failure to stabilize basic new wealth income upon which industrial pay rolls and national or collective income are dependent:

On that basis, agricultural income must be brought up to $15,000,000,000 per year, which is entirely possible without resort to subsidies or conflict with any principle of constitutional law.

When we first discovered this formula, 1–1–7, about a year and one-half ago, and applied it to our economy the apparent loss was so enormous that we doubted our findings. I imagine that some of the people who have heard us explain this loss have felt that there was a question as to our sanity.

There is an old saying, however, that after you have made sure you are right, fight toward the goal. For the past 1½ years we have been contacting different groups of people in the United States and have challenged them to break down or disprove the 1–1–7 relationship. They have been unable to do so.

On the other hand we have been able to convince many of them that our formula is correct and that we as a nation have actually lost $233,000,000,000 in that period.

It seems that we have even been able to get the facts to our brain trusters. On November 3, 1938, Dr. Louis H. Bean, economic adviser to the Department of Agriculture, in a speech at Lexington, Ky., pointed out to an audience that the gross farm income is approximately 14 percent of the national income rather than one to seven. But 7 times 14 almost equals 100 percent, so we must admit that Dr. Bean is catching on.

Dr. Bean, however, outbillions our figures and I will quote from his address. "The accumulated losses in our money income, national and farm, contrasted with what our incomes might have been, are enormous. In 1930 our national income fell fourteen billions below the standard I have suggested. In 1932 it was forty-six billions below; in 1937, twenty-three billions; and in 1938, thirty-six billions—a total accumulated loss for the years 1930–38 of around two hundred and ninety-five billions."

The difference into total figures is due to the fact that Dr. Bean uses the year 1929, which was approximately 104 percent of parity, as a base, and we have used the year 1926, which was actually a period of parity exchange relationship, or a period when our dollar in its relationship to commodities was 100 cents.

I notice also that Dr. Bean, in his address, stresses the fact that the farm income depends on the national income when the reverse is true. Dr. Bean should try pumping water out of a well that has no spring flowing into it. Then he would realize that we must have the spring or flow of new wealth before we can have any national income.

As additional proof of our contention, I would like to quote from report No. 1295, prepared by the Senate Agricultural Committee to accompany the Pope-McGill bill, our Nation's last abortive attempt at farm legislation.

On page 14 of this report the committee shows that 1926 was the only year since 1800 that we had a 100-cent dollar in its exchange for the products of different groups. On page 17 of the same report the committee states as follows: "Agriculture demands that the farmer should have a 100-cent dollar; that the purchasing power of the dollar should be fixed and established at that point to serve the best interests of the people, trade, commerce, and industry, and that when that value is once fixed it should be stabilized at such value."

Their intentions seem to have been good, but the result was the passage of a bill which, if carried out as written, will stabilize the farm income at 52 percent instead of 100 percent of parity and will mean a perpetual depression and forced bankruptcy for the United States.

We suggest to the committee that in their next attempt they carry out their intention of giving the farmer a full parity price or a 100-cent dollar.

The cure for depression is to establish a parity relationship for all new wealth produced. Such legislation has been the apparent aim of Congress, but their thinking has been so confused with the many complexes of surplus, foreign trade, the Supreme Court, etc., that I feel it might be well to discuss some of them.

SURPLUS

The surplus problem is the biggest bogeyman of them all and the least understood. Surpluses are created by unequal production due to the vagaries of Nature, and are created by underconsumption due to lower or higher than parity prices. The parity price level is the point of continual maximum consumption.

Under our present system of operation at less than parity prices, we are fighting two surpluses—that of underconsumption and the natural surplus of seasonal production.

Our attempts at production control have been rather futile because the program which we adopted was one of increased production. It is a well-known fact that when a farmer buys a run-down or overcropped farm he seeds it to clover, but not to produce less—to produce more.

Our soil-building program, even though the farmers were led to believe that they were reducing production to obtain a price, will result in greater production. The same result would occur if we had a parity-price relationship. The laws of Nature would force the farmer to rotate his crops with legumes in order that he might produce more. In years of high prices we find that the acres in cultivation are reduced and that in years of low prices the acres of land in tillable crops are increased.

But, strange as it may seem, the records indicate that we never have had a permanent surplus of farm products. Even with the tremendous underconsumption that prevailed in 1932, the record shows a net import of farm products in that year of $7,000,000.

During the 5-year period 1926–30, when the average exchange value of the dollar approximated parity, the record shows that we imported an average of $2,200,000,000 worth of farm products and that our average annual net import was $350,000,000. In other words, we consumed all that we produced in the United States, plus $350,000,000 of foreign farm products each year.

It might be interesting to mention a few of the items that we imported on the average each year during that period. We imported 378,135 head of cattle, 447,000,000 pounds of hides, 144,000,000 pounds of meat products, 76,000,000 pounds of cheese, 253,000,000 pounds of wool, etc., each year.

FOREIGN TRADE

The second complex which we must discuss is that of foreign trade. The very fact that we had a net import of farm products would indicate that the world market for farm products depends on the domestic market in the United States.

Our foreign trade depends on what we buy from other nations and not on what they buy from us. For example, if we would increase our farm prices to the parity level so that our national income would be increased to $85,000,000,000, we would require about $5,000,000,000 of imports. These imports would create the credits for any exports that we might wish to make.

Tariffs do not materially hinder imports and exports. If we were to protect our American market up to the parity level, the demand for foreign products would actually be increased because of the added purchasing power and consumptive demand in the United States.

We consume within the United States about one-half of the world's production of new wealth, and if 50 percent of the world's market were restored to our parity level, it would do much to restore world prosperity.

If we established the value of our dollar at parity, with tariff protection up to that point, the rest of the world could revalue its monetary medium up to that level in much the same way that they increased their price of gold when we increased ours.

THE COST OF A FARM PROGRAM

I will now discuss the question of what a farm program of parity prices will cost the Government. If we will realize that the Government is none other than ourselves, and use the 1–7 relationship of farm income to national income as a guide, a little arithmetic will show a huge profit.

For example, the parity value of all farm products annually produced is approximately $12,000,000,000. With that as a base for our primary gross farm income, the dollar turn-over will create approximately $85,000,000,000 of collective income for the Nation.

If we were to tax this collective income for enough to give away 10 percent of our total production, it would require $1,200,000,000, leaving a net of $83,800,000,000.

Compare this to our national income of about $55,000,000,000 for 1938 and a national deficit of about $4,000,000,000 annually.

In other words, if we had our price level stabilized at parity we could give 10 percent of our farm products to China and increase our national income $32,000,000,000 at the same time.

Our experience during the World War proves this contention. We gave the Allies about $10,000,000,000 worth of goods each year—at least, we haven't been paid for them—and our laboring men were wearing silk shirts while at work and they had the money to pay for them.

WHAT CAN BE DONE?

We now come to the question of how can we establish parity prices for farm products? Can a program be devised to do the job? Yes; we feel that a very simple program to maintain parity prices can be put into operation.

All we need to do is to pattern our farm program after that of our life-insurance companies. Using the law of averages and a little arithmetic they establish the cost of insurance per thousand on a 10-, 20-, or 30-year policy. Reserves are created to take care of unexpected losses, and our State laws require the insurance companies to carry a 40-percent reserve to protect the policyholders. Life insurance, up to this time, has been the soundest business in our financial set-up.

We have the same condition of natural hazards in the production of farm products that life-insurance companies have in death losses. Let us, then, follow the same procedure.

A normal crop at parity prices is the foundation for our prosperity or a sufficient income to operate the Nation as a solvent business institution. Let us use 100 units of new wealth as a basis for a simple analysis of what should be done.

Our first step should be to provide against droughts and other production hazards. Reserves of at least 35 percent should be created on every farm so that in years like 1934 and 1936 we will have our 100 units of wealth, and enough feed for our livestock.

If we produce in excess of normal needs after the reserve has been established, we can add to the reserve as insurance companies do and as we have done with gold, or we can dispose of it and pay ourselves an additional dividend.

For example, supposing we had 10 percent in excess of our reserves and annual requirements. If we could dispose of the excess at parity we would increase our normal prosperity 10 percent, if we dispose of it at 50 percent of parity we would increase our normal prosperity 5 percent. Finally, if we gave it to the Chinese we would still have prosperity because we have the base of 100 units which at parity prices means prosperity.

Legislation providing for handling the farm problem in that way can be, in fact already has been, written and, as mentioned before, was introduced in Congress as the Harrington bill.

The bill provides for a loan of 75 percent of parity on all basic farm crops with the loans callable at parity. Such a loan would have the practical effect of stabilizing grain prices at parity.

At the present time we are using the commodity loan, but the loans have a call date on them such as October 1, and their practical effect is to set the top price and the bottom price under normal conditions. The call date also allows corn processors and millers to use the future market to buy at the low as established by the loan.

The corn trade, on the other hand, is fearful of dumping on the call date and is unwilling to buy because of possible market losses when the loan is called. Under the Harrington bill loans would not be callable until a 35-percent reserve had been established or the price had reached parity.

Such a loan would do two things. It would place the farmer in the same position as the merchant and provide for the orderly marketing of the grain at the parity-price level. Second, the mandatory loan of 75 percent would automatically create the credit dollars needed to operate the Nation.

With the loan callable at parity it would fix the value of the dollar at the parity-price level and, as suggested by the Senate Agricultural Committee, fix the value at 100 cents.

The next step in the bill is to take care of the excess if and when it occurs. In the bill we provide that the Commodity Credit Corporation act collectively for all of us in the disposal of the surplus. The surplus cannot be dumped on the domestic market, thus assuring every dealer that the price is not going to be forced below parity, and it must be sold in the foreign market, to new industries, added to the reserve or by gift to be used as food for the poor, thus avoiding the necessity of community-chest funds, etc.

The direct loss on the excess, if any, must be absorbed by society as a whole, which can easily be done because of the gain of about $32,000,000,000 in national income resulting from parity prices.

Any products subsidized by sale into new industries, although showing a direct loss, will increase the collective income because of the turn-over of the dollar.

For example, a bushel of corn sold at 40 cents to a new industry such as power alcohol would turn over seven times and create $2.80 in national income.

It might be well to say a few words about alcohol. The alcohol industry for power and other industrial purposes is destined to be one of the largest industries in the United States. Oil companies, of course, will at first react against the use of alcohol as a fuel. But if they can be brought to realize that surplus grains can be used for fuel purposes and in that way help to stabilize prices at parity, the additional volume of business resulting from increased national income will more than offset any loss in gallonage through replacement by alcohol.

A simple bill exempting motor fuel containing 10 percent of alcohol from payment of the 1 cent Federal tax on motor fuel would start that industry off at a fast pace and make it possible for it to pay parity prices for raw materials.

This, of course, is an indirect subsidy, but that is the method we have used for many years to help industry.

Many other new industries can be built to consume our raw materials and to employ our idle labor.

The protective tariff and the turn-over of the dollar have been the two contributing factors in making it possible for the 130,000,000 people in the United States to do 50 percent of the world's business. With the aid of the tariff system we maintained the price of what we produced. We protected the home market for our own people, and the turn-over of our money in that market made this a rich nation.

In the words of Abraham Lincoln, "When we trade with ourselves we have both the goods and the money."

TARIFFS

The tariff problem has been the greatest political football this country has ever known. At the present time we have the so-called free-trade party in control, but their record does not make them free traders. They also believe in tariffs.

Through the use of reciprocal-trade agreements they reduced the rates on farm products, while at the same time the steel industry enjoyed the benefits of a tariff system which in effect increased the tariff on steel from $8.14 per ton in 1932 to $14.47 in 1937.

If tariff protection is a good thing for the steel industry, why isn't it also a good thing for agriculture?

Our tariff problem must be based on arithmetic rather than on the power of pressure groups. In the Harrington bill we have devised such tariff protection.

Under the Harrington bill all importers of farm products or competitive products would be required to pay a license fee equivalent to the difference between the landed cost and the domestic parity price at the point of entry plus freight from the nearest rate-basing point. The amount of the fee, being based on price, would move up and down with the world market and would protect us against manipulation of foreign exchange and foreign markets.

Such a tariff for industry and agriculture would make it possible to trade our surplus with other nations without any loss.

For example, if we traded a bushel of corn in the world market at 45 cents per bushel for a pocket knife at the world price of 45 cents when it entered the United States, we would collect a license fee representing the difference between the world and the domestic

parity price and in that way absorb the loss on the corn, and vice versa.

I have given you in brief the essential features of a suggested bill. A bill that would give us an economy of parity price relationship, or, as we say it, "pareconomy." The same objective can be obtained by other methods, but after examining all the farm bills that have been written, I feel that the Harrington bill is the most simple and democratic approach to the whole problem.

It has one weakness, if it can be called a weakness, and that is its democratic approach. It depends on the basic foundation of every democratic form of government—the intelligent cooperation of society.

Under the bill dealers are not forced to pay parity prices. We feel that if the measure of the 1-1-7 relationship of the farm dollar to national income is understood, that business will police itself. The man who would pay less than parity for farm products would be public enemy No. 1, and every businessman would be on his trail.

But if it must be done by legislation which will force the dealer to pay parity prices, we will offer no objection.

IN CONCLUSION

In conclusion I would like to impress upon you the importance of the message I have given you. We are losing in daily dollar income about 60 cents per capita, or about $230 per capita for 1938.

This loss of income is resulting mass poverty, the most fertile soil for the various isms that have attacked the world. Even in our own Nation we hear charges and countercharges of communism, fascism, etc. Let us act before it is too late.

We must make this problem of parity prices for new wealth our No. 1 problem. Let's take off our coats and roll up our sleeves and get the job done. Our welfare and our happiness and prosperity are at stake.

Let's forget our political differences, because, after all, parity prices will be the same regardless of what political party introduces and passes the required legislation. We should organize public opinion and ask our Congressmen and Senators to make it their No. 1 problem. Finally, let's stop mortgaging our future, and let's insist that our next Congress stop the racketeering in our economy.

The parity-price structure for farm products will automatically make it possible to balance our Budget within 12 months and make it possible for our Nation to operate as a solvent business institution.

I have given you the key that will unlock the door to a prosperity such as this Nation has never enjoyed.

EXTENSION OF REMARKS

Mr. TENEROWICZ. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. TENEROWICZ]?

There was no objection.

PROTECT AMERICAN DEMOCRACY—KEEP OUT OF FOREIGN WARS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD and to include therein an article by John T. Flynn.

The SPEAKER. Is there objection to the request of the gentleman from Oregon [Mr. ANGELL]?

There was no objection.

Mr. ANGELL. Mr. Speaker, on April 27 I made some observations in the House on the question of whether or not the United States should take sides in a European war. Attention was called to the foreign policy we have followed since the time of George Washington—with one exception, namely, no entangling alliances with foreign nations. I set forth in detail the price we paid for our participation in the World War, giving official figures from several Government departments as to casualties, service-connected disabilities, money costs, and the debts owing to us by foreign governments arising out of the war. From these considerations our course seems clear, namely, that we should not take sides in any European conflict.

Our participation in another foreign war would mean that we would be called upon to play a major part in financing it, as we did in the World War. There are still owing to us foreign obligations of some $13,000,000,000. Our money cost of the World War, including Veterans' Administration, interest on the war debt, and settlement of war claims, amounted to $41,765,000,000 on June 30, 1934. With the present debt in excess of forty billions, we could not finance another such conflict without wrecking our economic and financial structure. To engage in such a conflict would require lodging of dictatorial powers in the Executive and would likely result in the overthrow of our democracy as we have known it through the years.

I believe the American people are almost of one mind, that we should mind our own business, take care of our domestic problems, and enter into no alliances or combinations with foreign powers for the purpose of attempting to shape the course of Old World controversies. Such a course does not mean that America is not sympathetic to the desire to maintain democratic processes throughout the world. It does mean, however, that we want to remain at peace ourselves. We have our own problems here in the Western Hemisphere. We insist upon the maintenance of the Monroe Doctrine, which is a command to foreign nations to keep out of this hemisphere, and as a corollary we must likewise keep out of European territory. The problem of Congress and the administration unquestionably is to steer the course of America in such a fashion that we will not be embroiled in a foreign war. In order to accomplish that end, it is necessary that we refrain from making any alliances—economic, military, or diplomatic—which will place us in a position that will make it difficult for us to avoid participation in such a war if one takes place.

The most potent force to keep America out of war is the Congress and the administration. The President and the Congress represent the American people and are charged with safeguarding the peace of America, and they can, if they so will, keep America out of war.

Mr. John T. Flynn, the economist, discussed some phases of this problem in Tuesday's, May 2, 1939, issue of the Washington Daily News.

Mr. Flynn's article referred to is as follows:

PLAIN ECONOMICS

(By John T. Flynn)

NEW YORK.—A lot of confusion is getting into the criticisms of the President's foreign policy. The most oft-repeated is that, in order to draw attention away from the bad economic situation at home, he is seeking to involve America in Europe's quarrels.

The defense to that criticism takes this form—that it is unthinkable that the President would plunge the country into war to save his political career.

It seems quite clear that no case can be made against the President on the charge that he is trying to put us into war for any reason. The President is probably as eager to keep the country out of war as anyone. Looking carefully over the various statements of this controversy I do not find that any responsible person has charged that the President wants to plunge the country into war.

The only serious criticism I have been able to find is that the President, in his method of seeking to avert war in Europe, is apt to create a situation which will lead us into war.

The President's position is that if war comes in Europe it will be impossible for us to keep out of it. For that reason he believes he should do everything possible to keep Europe out of war.

It is on this point that his critics assail him. They say, first of all, that his method of trying to avert a European war will ultimately involve us. His method very plainly is to first identify the aggressors and then give the impression that this country recognize them as aggressors and then do everything short of war to aid the nations on the other side of the threatened battle line. Therefore, our immense armaments are raised, our battle fleets are mobilized, our tariff laws are invoked to reveal to the aggressors that in their thinking they must keep the force of the United States in mind.

If all this fails and war comes, the President insists that we cannot stay out. His critics say that we most certainly cannot if his present policy is pursued. What will get us into the war if it comes? First, giving full play to the propaganda of one side and suppressing that of the other. Next, an administration constantly selling war scares to the people and keeping them jittery. Next, giving economic and financial aid to one side and using all our power to injure the other, "short of war."

If that is attempted the injured side will certainly seek means to neutralize or, if possible, cripple our aid to the other side. When they do public indignation will flame up here. This flame will be fed by the President and those who support his policy of being economic allies of one warring group.

When things reach this stage, of course, nothing can keep us out. Nothing can keep us out now but a President and a Congress who realize that they represent the American people and are charged with safeguarding the peace of America, who are determined to follow every path that will lead away from war, who will prevent this country from becoming the ally of either side either in a military or economic or financial sense.

An administration like that can keep us out of war. An administration that is determined to take sides from the outset will surely get us into war even though it may be devoted to peace.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. MARTIN J. KENNEDY]?

There was no objection.

Mr. MARTIN J. KENNEDY. Mr. Speaker, I would like to direct attention at this time to the annual meeting of the United States Chamber of Commerce that is being held in the city of Washington, D. C. In my opinion, this annual meeting of the United States Chamber of Commerce should be helpful to the Congress when economic rather than political questions occupy our attention. These men are all earnest men whose only crime, in the minds of the irresponsible radicals, is that they have been successful. Together they form a great treasure house of sound economic advice which we badly need here in the Capitol. They offer us their help courteously and with respect for our own responsibility.

I hope the Congress will be able to draw from their suggestions something of value and aid in the solution of the many problems confronting our country, particularly the economic and tax structure, under which business is struggling at this time.

[Here the gavel fell.]

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 513. An act to provide for the promotion on the retired list of the Navy of Fred G. Leith.

ADJOURNMENT

Mr. FERNANDEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 28 minutes p. m.) the House adjourned until tomorrow, Friday, May 5, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10:30 a. m. Friday, May 5, 1939, for the consideration of H. R. 5766, to provide for the acquisition of drydock facilities for the Navy on San Francisco Bay.

COMMITTEE ON ROADS

There will be a meeting of the Roads Committee on Friday, May 5, 1939, at 10 a. m., for the continuation of hearings on H. R. 4541.

COMMITTEE ON LABOR

The Committee on Labor will continue hearings in the caucus room of the House Office Building at 10 a. m. Friday, May 5, 1939, on proposed amendments to the National Labor Relations Act.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, May 10, 1939, at 10 a. m., on H. R. 4051, relating to hiring of seamen on Government vessels.

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4985, relating to fishery educational service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Monday, May 8, 1939, at 10:30 a. m., to hold hearings on the project for the waterway connecting the Tombigbee and Tennessee Rivers.

COMMITTEE ON THE JUDICIARY

There will be a hearing before Subcommittee No. 2 of the Committee on the Judiciary on Tuesday, May 9, 1939, at 10 a. m., on the bill (H. R. 4587) to give the Supreme Court of the United States authority to prescribe rules of pleading, practice, and procedure with respect to proceedings in criminal cases prior to and including verdict or finding or plea of guilty. Room 346, House Office Building.

There will be a public hearing before Subcommittee No. 1 of the Committee on the Judiciary on Wednesday, May 10, 1939, at 10:30 a. m., on House Joint Resolution 190, to make available to the Federal Government the facilities of the Council of State Governments, and for other purposes. Room 346, House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

699. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 20, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Fajardo Harbor, Fajardo, P. R., authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 280); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

700. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 20, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Mobile Harbor, Ala., at Garrows Bend, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted March 16, 1939 (H. Doc. No. 282); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

701. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 20, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Bayou La Batre, Ala., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 10, 1938 (H. Doc. No. 281); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

702. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 20, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Savannah Harbor, Ga., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted January 18, 1938 (H. Doc. No. 283); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

703. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 20, 1939, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Wrangell Harbor, Alaska, authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 284); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

704. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 20, 1939, submitting a report, together with accompanying papers and an illustration, on reexamination of Urbanna Creek, Va., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 8, 1938 (H. Doc. No. 285); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SCRUGHAM: Committee on Appropriations. H. R. 6149. A bill making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1940, and for other purposes; without amendment (Rept. No. 539). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUTHER A. JOHNSON: Committee on Foreign Affairs. H. R. 5447. A bill authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 18 to May 25, 1940; without amendment (Rept. No. 540). Referred to the Committee of the Whole House on the state of the Union.

Mr. TINKHAM: Committee on Foreign Affairs. House Joint Resolution 180. Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Eleventh International Congress for the Rheumatic Diseases to be held in the United States during the calendar year 1940, and to authorize an appropriation to assist in meeting the expenses of the session; with amendment (Rept. No. 541). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 3759. A bill to authorize a national Mississippi River Parkway and matters relating thereto; with amendment (Rept. No. 542). Referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT: Committee on the Public Lands. H. R. 3560. A bill validating a certain conveyance, heretofore made by the Southern Pacific Railroad Co., a corporation, and its lessee, Southern Pacific Co., a corporation, involving certain portions of right-of-way in the town of Indio, in the county of Riverside, State of California, acquired under the act of Congress approved July 1, 1862 (12 Stat. L. 489), as amended by the act of Congress approved July 2, 1864 (13 Stat. L. 356); with amendment (Rept. No. 543). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 4742. A bill to provide for the establishment of the Chalmette National Historical Park in the State of Louisiana, and for other purposes; with amendment (Rept. No. 544). Referred to the Committee of the Whole House on the state of the Union.

Mr. DARDEN: Committee on Naval Affairs. H. R. 6065. A bill to authorize major overhauls for certain naval vessels, and for other purposes; without amendment (Rept. No. 546). Referred to the Committee of the Whole House on the state of the Union.

Mr. McLAUGHLIN: Committee on the Judiciary. H. R. 6071. A bill to permit appeals by the United States to the circuit courts of appeals in certain cases; without amendment (Rept. No. 547). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNOR: Committee on the Public Lands. S. 1778. An act authorizing the Secretary of the Interior to issue to Martha Austin a patent to certain land; without amendment (Rept. No. 545). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 4136) granting an increase of pension to Frank V. Griffith; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 6093) for the relief of Irene E. Smith; Committee on Invalid Pensions discharged, and referred to the Committee on Claims.

A bill (H. R. 6144) granting a pension to Chester Cornett; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SCRUGHAM:

H. R. 6149. A bill making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1940, and for other purposes; to the Committee on Appropriations.

By Mr. BLAND:

H. R. 6150 (by request). A bill to amend the Shipping Act, 1916, and the Merchant Marine Act, 1936, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. BURDICK:

H. R. 6151. A bill to establish a labor-hour monetary system, to stabilize and standardize labor wages, to give labor assurance, to stabilize farm-crop and raw-material prices, to make interest on money illegal, to loan money at cost of service, to provide for a postal-check system, and for other purposes; to the Committee on Banking and Currency.

H. R. 6152. A bill to amend Public Law No. 383, Seventy-third Congress (48 Stat. L. 984), relating to Indians, by exempting from the provisions of such act any Indian tribe, band, or group within the confines of the State of California; to the Committee on Indian Affairs.

By Mr. DARDEN:

H. R. 6153. A bill to provide certain benefits for World War veterans; to the Committee on World War Veterans' Legislation.

By Mr. HALL:

H. R. 6154. A bill providing for the examination and survey of Shinnecock Inlet, Long Island, N. Y.; to the Committee on Rivers and Harbors.

By Mr. HOLMES:

H. R. 6155. A bill for the relief of the town of Auburn, Mass.; to the Committee on Claims.

By Mr. KEAN:

H. R. 6156. A bill to require that investments for the old-age reserve account and the unemployment trust fund be made by purchase of outstanding Federal securities; to the Committee on Ways and Means.

By Mr. LARRABEE:

H. R. 6157. A bill to amend the act of February 23, 1917 (39 Stat. 933; U. S. C., title 20, sec. 18); to the Committee on Education.

By Mr. ROBERTSON:

H. R. 6158. A bill authorizing the selection of a site in the District of Columbia and the erection thereon of a statue of George Washington; to the Committee on the Library.

By Mr. HARRINGTON:

H. R. 6159. A bill to amend the Farm Credit Act of 1933, as amended, to improve and safeguard the financial integrity of the Farm Credit Administration by effecting a better coordination of Federal lending and marketing activities, and for other purposes; to the Committee on Agriculture.

By Mr. McGRANERY:

H. R. 6160. A bill to amend the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, as amended, and for other purposes; to the Committee on Patents.

By Mr. SCHULTE:

H. R. 6161. A bill to create a Department of Labor for the District of Columbia; to create an Industrial Board to administer the Department, with prescribed duties and powers, including the power to appoint a secretary and other officers and employees, make rules and regulations, enforce such labor laws as are not otherwise specifically provided for, make such inspections and investigations as are necessary, collect and compile statistical information, enforce and collect the payment of wage claims, cooperate with the Wage and Hour Division of the United States Department of Labor, make, modify, and repeal rules for the prevention of accidents or industrial or occupational diseases, or for construction, repair, and maintenance of places of employment, hold hearings, subpena witnesses, bring necessary suits, and institute such prosecutions as may be necessary to properly enforce this act, make annual reports, together with recommendations for legislation; to abolish the Minimum Wage Board; to provide for the transfer of functions, personnel, records, papers, pending business, and appropriations; to require employers to keep their places of employment safe; to require employers to keep records and to furnish Industrial Board with special reports and such other information as may be

required; to provide for court review of Industrial Board's actions; to provide for prosecutions; to provide penalties; and for other purposes; to the Committee on the District of Columbia.

By Mr. SMITH of Washington:

H. R. 6162. A bill to prohibit the use of funds, expended, granted, or loaned by the United States, for the purchase of materials which are not of domestic origin, and for other purposes; to the Committee on Ways and Means.

By Mr. DIRKSEN:

H. R. 6163. A bill to authorize a preliminary examination of the Illinois River and its tributary (Farm Creek and tributaries) in the State of Illinois for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. O'CONNOR:

H. R. 6164. A bill for the restitution of Peak's Park Fairgrounds at Roundup, Musselshell County, Mont.; to the Committee on Appropriations.

By Mr. WALLGREN:

H. R. 6165. A bill to fix the definition and application of certain terms used in navigation and steamboat-inspection laws with reference to the fishing industries and the vessels employed therein, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. JEFFRIES:

H. R. 6166. A bill to amend section 13 of the Fair Labor Standards Act of 1938 so as to exempt employees of cooperative egg auction and poultry associations from the provisions of sections 6 and 7; to the Committee on Labor.

By Mr. HILL:

H. R. 6167. A bill to provide that the district judge for the western district of Washington, authorized to be appointed under the act of May 31, 1938, shall be a district judge for the eastern and western districts of Washington; to the Committee on the Judiciary.

By Mr. CALDWELL:

H. R. 6168. A bill to provide suitable accommodations for the district court of the United States at Panama City, Fla.; to the Committee on Public Buildings and Grounds.

By Mr. MARTIN J. KENNEDY:

H. R. 6169. A bill adding section 41–A to the Judicial Code concerning property here, acquired by confiscatory decrees of foreign governments; to the Committee on the Judiciary.

By Mr. ROBERTSON:

H. J. Res. 286. Joint resolution to provide for the lending to the Virginia Military Institute of the equestrian portrait of Gen. Winfield Scott now stored in the Capitol; to the Committee on the Library.

By Mr. BLAND:

H. Res. 180. Resolution for the consideration of S. 1369; to the Committee on Rules.

H. Res. 181. Resolution for the consideration of S. 1876; to the Committee on Rules.

By Mr. RISK:

H. Res. 182. Resolution directing the Reconstruction Finance Corporation to report to the House on loans, the funds from which are used, or to be used, to relocate any part of the business of the borrower; to the Committee on Banking and Currency.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their Act 65 (House bill No. 94) with reference to a franchise for electric light, current, and power in Hanalei, Kauai, by including Maloaa within said franchise; to the Committee on the Territories.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOYKIN:

H. R. 6170. A bill for the relief of N. C. Green; to the Committee on Claims.

By Mr. DARDEN:

H. R. 6171. A bill for the relief of Josephine Russell; to the Committee on Claims.

By Mr. DOUGLAS:

H. R. 6172. A bill granting an increase of pension to Mary L. Gage; to the Committee on Invalid Pensions.

By Mr. JENKS of New Hampshire:

H. R. 6173. A bill granting a pension to Sarah H. Chase; to the Committee on Invalid Pensions.

By Mr. McLEOD:

H. R. 6174. A bill granting a pension to Bessie McMahon; to the Committee on Pensions.

By Mr. MAPES:

H. R. 6175. A bill for the relief of Walter Zerba; to the Committee on Military Affairs.

By Mr. O'CONNOR:

H. R. 6176. A bill for the relief of Otis Pewitt; to the Committee on Claims.

By Mr. REECE of Tennessee:

H. R. 6177. A bill granting a pension to James Oscar Donnelly; to the Committee on Invalid Pensions.

H. R. 6178. A bill for the relief of Herbert M. Garland; to the Committee on Claims.

By Mr. TENEROWICZ:

H. R. 6179. A bill for the relief of John Sutu; to the Committee on Immigration and Naturalization.

H. R. 6180. A bill for the relief of Herman Norman Miller; to the Committee on Immigration and Naturalization.

By Mr. TINKHAM:

H. R. 6181. A bill for the relief of Bessie Myers; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2876. By Mr. ASHBROOK: Petition of nine persons engaged in the restaurant business at Delaware, Ohio, protesting against social-security taxes going any higher next year; to the Committee on Ways and Means.

2877. By Mr. CURLEY: Resolution of the New York City Federation of Women's Clubs, endorsing the Martin wool labeling bill (H. R. 944); to the Committee on Interstate and Foreign Commerce.

2878. By Mr. ENGLEBRIGHT: Assembly Joint Resolution No. 14, relative to memorializing the President and Congress to establish a moratorium upon payments of principal of loans made by the Federal land banks and other loans made by the Federal Government to agriculturists; to the Committee on Banking and Currency.

2879. Also, Assembly Joint Resolution No. 17, relative to memorializing the President and the Congress to take favorable action on House bill 4102, being a measure introduced at the Seventy-sixth Congress, first session, to provide for the coinage of fractional minor coins; to the Committee on Coinage, Weights, and Measures.

2880. Also, Assembly Joint Resolution No. 18, relative to memorializing the President and Congress to provide for Kern River flood control; to the Committee on Appropriations.

2881. Also, Assembly Joint Resolution No. 19, relative to memorializing the President and the Congress of the United States to continue the Works Progress Administration Federal art project; to the Committee on Appropriations.

2882. Also, Assembly Joint Resolution No. 20, relative to Federal aid to State or Territorial veterans' homes; to the Committee on Appropriations.

2883. Also, Assembly Joint Resolution 28, relative to memorializing Congress to enact proposed legislation directing the allowance and payment of travel and other expenses to certain soldiers of the Spanish-American War in the Philippine Islands; to the Committee on Appropriations.

2884. Also, Assembly Joint Resolution No. 36, relative to construction of railway connecting link along northern California coast; to the Committee on Appropriations.

2885. By Mr. FAY: Petition of members of Local No. 90 of United Federal Workers of America, and employees of Veterans' Administration in Bronx, N. Y., respectfully petitioning support of bills which have been introduced in the House of Representatives by Congressman RANDOLPH (H. R. 3529), VOORHIS of California (H. R. 3829), and SCHAEFER of Illinois, to abolish this injustice; to the Committee on Expenditures in the Executive Departments.

2886. By Mr. HALL: Petition of sundry citizens of Long Island, N. Y., opposing the enlarging of immigration quotas and pleading recognition as bearing on this subject great numbers of unemployed in United States; to the Committee on Immigration and Naturalization.

2887. By Mr. MARTIN J. KENNEDY: Petition of Francisco Local No. 6, International Brotherhood of Boiler Makers, Iron Ship Builders, Welders, and Helpers, San Francisco, Calif., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2888. Also, petition of Lodge No. 216, International Brotherhood of Boiler Makers, Iron Ship Builders, and Helpers of America, El Paso, Tex., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2889. Also, petition of Lodge No. 527, International Brotherhood of Boiler Makers, Iron Ship Builders, and Helpers, Carnegie, Pa., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2890. By Mr. KEOGH: Petition of the Magnetic Analysis Corporation, Long Island City, N. Y., concerning the Allen bill (H. R. 5119); to the Committee on Ways and Means.

2891. Also, petition of the Dressmakers Union, New York City, concerning the Wagner-Rogers bills; to the Committee on Labor.

2892. By Mr. LEAVY: Petition of the Ferry County Livestock Association, pointing out, in answer to persons advocating the removal of domestic livestock from the public domain, that stock herds are small and the very existence of their owners depends upon the availability of summer range, that the increase in the number of deer attest the fact that ranges are not overgrazed, no losses having been incurred by feed shortages, and protesting against the closing of any portion of the public domain in Ferry County as wasteful, unnecessary, and unreasonable; to the Committee on Agriculture.

2893. By Mr. MERRITT: Resolution of the Forty Plus Club of New England, Syracuse (N. Y.) Chapter, favoring House bill 118 and Senate bill 890; to the Committee on the Civil Service.

2894. By Mr. PFEIFER: Petition of the Forty Plus Club of New England, Syracuse Chapter, Syracuse, N. Y., favoring the Voorhis bill (H. R. 118) and the Barbour bill (S. 890); to the Committee on the Civil Service.

2895. Also, petition of the New York State Society of Professional Engineers, Inc., Albany, N. Y., favoring the Starnes bill (H. R. 4576); to the Committee on Appropriations.

2896. Also, petition of Herbert J. Foelber, resident manager of the Connecticut General Life Insurance Co., Fort Wayne, Ind., favoring the Ludlow bill (H. R. 163) or the Nye-Bone-Clark bill; to the Committee on Foreign Affairs.

2897. Also, petition of the Magnetic Analysis Corporation, Long Island City, N. Y., favoring amendment to the Coal Act of 1937 (H. R. 5119); to the Committee on Ways and Means.

2898. By Mr. SCHIFFLER: Petition of John A. Hornjak, secretary-treasurer, in behalf of the members of the Workingmen's Sick Benefit Federation, Farmington, W. Va., urging the passage of House bill 4369, proposing to admit to citizenship aliens who came into this country prior to February 5, 1917; to the Committee on Immigration and Naturalization.

2899. By Mr. TENEROWICZ: House concurrent resolution of the Michigan Legislature, memorializing the Congress, the President, and the Secretary of Agriculture to grant immediate remedy and adjustment, by correlating the estimate of consumption to actual needs, based upon the actual consumption of 1938 and the extraordinarily large carry-over inventory of sugar as of January 1, 1939, and that the Sugar Act be amended to provide a larger share of the American sugar market for the American farmer; to the Committee on Agriculture.

2900. By Mr. VAN ZANDT: Petition of T. R. Johnson and others, of Curwensville, Pa., urging the Ways and Means Committee to report the Townsend bill (H. R. 2) to the floor for approval or rejection; to the Committee on Ways and Means.

2901. Also, petition of J. D. Ross, president, and John Boyce, secretary, of Clearfield (Pa.) Townsend Club, No. 1, urging the support of House bill 2 as the only plan so far advocated that will save the youth of America and give comfort to the aged without cost to the Government of the United States; to the Committee on Ways and Means.

2902. By Mr. KENNEDY of Maryland: Petition of sundry citizens of Maryland protesting against the passage of House bill 3650; to the Committee on the District of Columbia.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 5, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

God be merciful to us and bless us and cause His face to shine upon us, that Thy way may be known upon earth, Thy saving health among all nations. Let the people praise Thee, O God; let all the people praise Thee. Oh, let the nations be glad and sing for joy: for Thou shalt judge the people righteously and govern the nations upon earth. Let the people praise Thee, O God; let all the people praise Thee. Then shall the earth yield her increase; and God, even our own God, shall bless us. God shall bless us; and all the ends of the earth shall fear Him.

Through Jesus Christ, our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 1694. An act for the relief of Bozzani Motors, Ltd.;

H. R. 2529. An act for the relief of W. F. Towson;

H. R. 3231. An act to authorize the mailing of pistols, revolvers, and other firearms capable of being concealed on the person to officers of the Coast Guard;

H. R. 3587. An act to authorize the Secretary of War to exchange obsolete, unsuitable, and unserviceable machines and tools pertaining to the manufacture or repair of ordnance matériel for new machines and tools;

H. R. 3811. An act to provide for the appraisal of the pneumatic-mail-tube systems in New York and Boston;

H. R. 4087. An act to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920, so as to confer on the commanding general, General Headquarters Air Force, the same retirement privileges now enjoyed by chiefs of branches;

H. R. 4771. An act limiting working hours of pneumatic-tube-system employees to 8 in 10 hours a day;

H. R. 4772. An act to provide time credits for substitutes in the pneumatic-tube service;

H. R. 4785. An act to provide a differential in pay for night work to pneumatic-tube-system employees in the Postal Service;

H. R. 4786. An act to extend the provisions of the 40-hour law to pneumatic-tube-system employees in the Postal Service; and

H. J. Res. 241. Joint resolution providing for the participation of the United States in the celebration of the one hundred and fiftieth anniversary of the establishment of the United States Lighthouse Service.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 875. An act for the relief of Okie May Fegley;

H. R. 3230. An act to amend the statutes providing punishment for transmitting threatening communications;

H. R. 3812. An act granting postal employees credit for Saturday in annual and sick leave law, thereby conforming to the 40-hour workweek or 5-day-week law; and

H. R. 5762. An act to provide for temporary postponement of the operations of certain provisions of the Federal Food, Drug, and Cosmetic Act.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 68. An act for the relief of the San Francisco Mountain Scenic Boulevard Co.;

S. 190. An act to authorize the temporary appointment of a special judge for the District Court of the Virgin Islands;

S. 198. An act to provide that records certified by the Court of Claims to the Supreme Court, in response to writs of certiorari, may include material portions of the evidence, and for other purposes;

S. 242. An act relating to the disposition of funds derived from the Coos Bay Wagon Road grant lands;

S. 444. An act for the relief of John F. Thomas;

S. 682. An act relative to the military record of Charles C. Rascoe, deceased;

S. 755. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Borg-Warner Corporation;

S. 1156. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes;

S. 1307. An act authorizing the Secretary of War to grant a revocable license to the Union Pacific Railroad Co. to maintain certain railroad trackage on the Fort Leavenworth Military Reservation;

S. 1322. An act for the relief of Dorothy Clair Hester, daughter of E. R. Hester;

S. 1449. An act for the relief of Robert Stockman;

S. 1467. An act for the relief of the Standard Oil Co., Inc., in Kentucky;

S. 1701. An act to amend section 12B of the Federal Reserve Act, as amended;

S. 1759. An act granting the consent of Congress to the States of Montana; North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River;

S. 1905. An act for the relief of Elizabeth E. Burke;

S. 2054. An act for the relief of Joseph Alder, E. G. Allen, and E. G. Allen and By Hanchett jointly;

S. 2056. An act for the relief of N. F. Clower and Elijah Williams;

S. 2061. An act for the relief of William Hillock;

S. 2154. An act to modify the provisions of section 10 of the act of June 30, 1834, and section 10 of the act of June 22, 1874, relating to the Indians;

S. 2179. An act for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

S. 2192. An act to carry out certain obligations to certain enrolled Indians under tribal agreement;

S. 2222. An act to provide for a Deputy Chief of Staff, and for other purposes;

S. 2239. An act for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge;

S. 2244. An act to authorize the Secretary of the Treasury to accept real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and for other purposes;

S. 2314. An act to establish the position of Under Secretary in the Department of Commerce;

S. J. Res. 62. Joint resolution to reinter the bodies of Mary McDonough Johnson Daughtery and Sarah Phillips McCardle Whitesides near the body of former President Andrew Johnson; and

S. J. Res. 111. Joint resolution designating August 19 of each year as National Aviation Day.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 70. An act to amend section 90 of the Judicial Code, as amended, with respect to the terms of the Federal District Court for the Northern District of Mississippi;

S. 270. An act for the relief of Lofts & Son;

S. 752. An act to amend section 78 of chapter 231, Thirty-sixth United States Statutes at Large (36 Stat. L., sec. 1109), relating to one judicial district to be known as the district of Idaho, and dividing it into four divisions, to be known as the northern, central, southern, and eastern divisions, defining the territory embraced in said divisions, fixing the terms of district court for said divisions, requiring the clerk of the court to maintain an office in charge of himself or deputy at Coeur d'Alene City, Idaho; Moscow, Idaho; Boise City, Idaho; and Pocatello, Idaho; and to authorize the United States District Court for the District of Idaho, by rule or order, to make such changes in the description or names to conform to such changes of description or names of counties in said divisions as the Legislature of Idaho may hereafter make; and

S. 1038. An act for the relief of L. M. Bell and M. M. Bell.

EXTENSION OF REMARKS

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a brief editorial from the Wichita (Kans.) Beacon of May 3, 1939.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. LUDLOW and Mr. LEMKE asked and were given permission to extend their own remarks in the RECORD.

Mr. WILLIAMS of Delaware. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein three brief editorials from the American Metal Market relative to silver.

The SPEAKER. Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. McDOWELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a petition of various citizens of my town of Wilkinsburg, Pa.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement on the fur-farming business in this country.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I take the floor for this moment to direct your attention to the manner in which the Government is spending, yes, wasting, a lot of its money. The able gentleman from Pennsylvania [Mr. RICH] has asked the question a number of times as to where Congress is going to "get the money." This is to direct your attention as to how we spend some of this money and seem to care nothing about it.

This Congress appropriated several million dollars for the New York World's Fair. I am not discussing the merits of the fair. We have recently been advised that Federal aid to the fair will far exceed the estimates and that further appropriations will be requested.

Here is an example of why these estimates will be exceeded, and also an example of how the Government's money is being wasted. I want to direct your attention to an article that appeared in the newspapers this morning, stating that the management of the world's fair erected a plaster of paris statue, supposed to be a likeness of Abraham Lincoln, and paid $4,000 of Federal funds for it. Two thousand dollars was paid to a New Yorker named Louis Slobodkin, the sculptor who designed the statue. The other $2,000 was spent by the Government for enlarging, casting, and constructing a pedestal for it.

Last Saturday, the day before the world's fair opened, Mr. Hays, executive assistant to the World Fair Commission, said the statue was too big, unsatisfactory, and out of place and ought to be removed. So, representing a total cost to the Government of $4,000, the 15-foot figure, called the rail joiner, was unceremoniously carted away from the Federal building, smashed to pieces, and thrown in the rubbish. I realize that these days we seem to give little attention to such comparatively small items as $4,000—$4,000—enough to buy an average Kansas farm absolutely wasted.

Mr. STEARNS of New Hampshire. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. STEARNS of New Hampshire. Mr. Speaker, on Monday last I was absent on important business in my district. As a veteran, there is no matter that is of deeper interest to me than the welfare of my fellow veterans; and had I been present when roll call No. 60 was taken, I should, of course, have voted "aye."

NATIONAL AVIATION DAY

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 111) designating August 19 of each year as National Aviation Day.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, this resolution has already passed the Senate, and, as I understand, it has a unanimous report from the committee.

Mr. RANDOLPH. I may state to the minority leader that it passed the Senate yesterday afternoon. Further, I believe it might be interesting to know that resolutions identical in character have been introduced in the House individually by 15 Members on both sides of the aisle. The Members who have sponsored these resolutions are Representatives ANDERSON of Missouri, ASHBROOK, MERRITT, MASON, MARTIN of Colorado, MAAS, CARLSON, PETERSON of Florida, SHANLEY, SPARKMAN, SHEPPARD, SIMPSON, VOORHIS of California, WALLGREN, and myself.

Mr. MARTIN of Massachusetts. Is any cost connected with this?

Mr. RANDOLPH. There will be no cost whatever. This is simply the designation of the day and does not make it a legal holiday, nor does it necessitate any expense on the part of the Government.

Mr. RANKIN. Reserving the right to object, Mr. Speaker, can the gentleman tell us why this particular date was selected?

Mr. RANDOLPH. August 19 is the birthday of one of the great pioneers in aviation, and this date was selected on which to celebrate an annual aviation day in his honor and in honor of all our air heroes. It comes at a time of the year when it is felt the exercises can be most appropriately handled and will not interfere with school schedules.

Mr. RANKIN. Is that the anniversary of Lindbergh's flight to Europe?

Mr. RANDOLPH. It is not.

Mr. RANKIN. It ought to be.

Mr. RANDOLPH. I agree with the gentleman that Colonel Lindbergh is truly one of the great airmen of the world. It is to honor the achievements of such as he that we are asking for the designation of a national aviation day. August 19 is the birthday of Dr. Orville Wright, who was the first man to successfully fly a heavier-than-air machine. It is thought fitting and proper to designate his birthday as the day upon which to celebrate the rapid progress which has been made in the field of aviation and to make our people increasingly air conscious.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the President of the United States is authorized to designate August 19 of each year as National Aviation Day, and to issue a proclamation calling upon officials of the Government to display the flag of the United States on all Government buildings on that day, and inviting the people of the United States to observe the day with appropriate exercises to further and stimulate interest in aviation in the United States.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RIO GRANDE COMPACT

Mr. THOMASON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4997) giving the consent and approval of Congress to the Rio Grande compact signed at Santa Fe, N. Mex., on March 18, 1938.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent and approval of Congress is hereby given to the compact signed by the commissioners for the States of Colorado, New Mexico, and Texas at Santa Fe, N. Mex., on March 18, 1938, and thereafter approved by the legislatures of the States of Colorado, New Mexico, and Texas, which compact reads as follows:

RIO GRANDE COMPACT

The State of Colorado, the State of New Mexico, and the State of Texas, desiring to remove all causes of present and future controversy among these States and between citizens of one of these States and citizens of another State with respect to the use of the waters of the Rio Grande above Fort Quitman, Tex., and being moved by considerations of interstate comity, and for the purpose of effecting an equitable apportionment of such waters, have resolved to conclude a compact for the attainment of these purposes, and to that end, through their respective Governors, have named as their respective Commissioners:

For the State of Colorado, M. C. Hinderlider;

For the State of New Mexico, Thomas M. McClure;

For the State of Texas, Frank B. Clayton;

who, after negotiations participated in by S. O. Harper, appointed by the President as the representative of the United States of America, have agreed upon the following articles, to wit:

ARTICLE I

(a) The State of Colorado, the State of New Mexico, the State of Texas, and the United States of America are hereinafter designated "Colorado," "New Mexico," "Texas," and the "United States," respectively.

(b) "The Commission" means the agency created by this compact for the administration thereof.

(c) The term "Rio Grande Basin" means all of the territory drained by the Rio Grande and its tributaries in Colorado, in New Mexico, and in Texas above Fort Quitman, including the Closed Basin in Colorado.

(d) The "Closed Basin" means that part of the Rio Grande Basin in Colorado where the streams drain into the San Luis Lakes and adjacent territory, and do not normally contribute to the flow of the Rio Grande.

(e) The term "tributary" means any stream which naturally contributes to the flow of the Rio Grande.

(f) "Transmountain diversion" is water imported into the drainage basin of the Rio Grande from any stream system outside of the Rio Grande Basin, exclusive of the Closed Basin.

(g) "Annual debits" are the amounts by which actual deliveries in any calendar year fall below scheduled deliveries.

(h) "Annual credits" are the amounts by which actual deliveries in any calendar year exceed scheduled deliveries.

(i) "Accrued debits" are the amounts by which the sum of all annual debits exceeds the sum of all annual credits over any common period of time.

(j) "Accrued credits" are the amounts by which the sum of all annual credits exceeds the sum of all annual debits over any common period of time.

(k) "Project storage" is the combined capacity of Elephant Butte Reservoir and all other reservoirs actually available for the storage of usable water below Elephant Butte and above the first diversion to lands of the Rio Grande project, but not more than a total of 2,638,860 acre-feet.

(l) "Usable water" is all water, exclusive of credit water, which is in project storage and which is available for release in accordance with irrigation demands, including deliveries to Mexico.

(m) "Credit water" is that amount of water in project storage which is equal to the accrued credit of Colorado, or New Mexico, or both.

(n) "Unfilled capacity" is the difference between the total physical capacity of project storage and the amount of usable water then in storage.

(o) "Actual release" is the amount of usable water released in any calendar year from the lowest reservoir comprising project storage.

(p) "Actual spill" is all water which is actually spilled from Elephant Butte Reservoir, or is released therefrom for flood control, in excess of the current demand on project storage, and which does not become usable water by storage in another reservoir: *Provided*, That actual spill of usable water cannot occur until all credit water shall have been spilled.

(q) "Hypothetical spill" is the time in any year at which usable water would have spilled from project storage if 790,000 acre-feet had been released therefrom at rates proportional to the actual release in every year from the starting date to the end of the year in which hypothetical spill occurs; in computing hypothetical spill the initial condition shall be the amount of usable water in project storage at the beginning of the calendar year following the effective date of this compact, and thereafter the initial condition shall be the amount of usable water in project storage at the beginning of the calendar year following each actual spill.

ARTICLE II

The Commission shall cause to be maintained and operated a stream gaging station equipped with an automatic water stage recorder at each of the following points, to wit:

(a) On the Rio Grande near Del Norte above the principal points of diversion to the San Luis Valley;

(b) On the Conejos River near Mogote;

(c) On the Los Pinos River near Ortiz;

(d) On the San Antonio River at Ortiz;

(e) On the Conejos River at its mouths near Los Sauces;

(f) On the Rio Grande near Lobatos;

(g) On the Rio Chama below El Vado Reservoir;

(h) On the Rio Grande at Otowi Bridge near San Ildefonso;

(i) On the Rio Grande near San Acacia;

(j) On the Rio Grande at San Marcial;

(k) On the Rio Grande below Elephant Butte Reservoir;

(l) On the Rio Grande below Caballo Reservoir.

Similar gaging stations shall be maintained and operated below any other reservoir constructed after 1929, and at such other points as may be necessary for the securing of records required for the carrying out of the compact; and automatic water stage recorders shall be maintained and operated on each of the reservoirs mentioned, and on all others constructed after 1929.

Such gaging stations shall be equipped, maintained, and operated by the Commission directly or in cooperation with an appropriate Federal or State agency, and the equipment, method, and frequency of measurement at such stations shall be such as to produce reliable records at all times.

ARTICLE III

The obligation of Colorado to deliver water in the Rio Grande at the Colorado-New Mexico State line, measured at or near Lobatos, in each calendar year, shall be 10,000 acre-feet less than the sum of those quantities set forth in the two following tabulations of relationship, which correspond to the quantities at the upper index stations:

DISCHARGE OF CONEJOS RIVER

Quantities in thousands of acre-feet	
Conejos index Supply (1)	Conejos River at mouths (2)
100	0
150	20
200	45
250	75
300	109
350	147
400	188
450	232
500	278
550	326
600	376
650	426
700	476

Intermediate quantities shall be computed by proportional parts.

(1) Conejos index supply is the natural flow of Conejos River at the U. S. G. S. gaging station near Mogote during the calendar year, plus the natural flow of Los Pinos River at the U. S. G. S. gaging station near Ortiz and the natural flow of San Antonio River at the U. S. G. S. gaging station at Ortiz, both during the months of April to October, inclusive.

(2) Conejos River at mouths is the combined discharge of branches of this river at the U. S. G. S. gaging stations near Los Sauces during the calendar year.

DISCHARGE OF RIO GRANDE EXCLUSIVE OF CONEJOS RIVER

Quantities in thousands of acre-feet	
Rio Grande at Del Norte (3)	Rio Grande at Lobatos less Conejos at mouths (4)
200	60
250	65
300	75
350	86
400	98
450	112
500	127
550	144
600	162
650	182
700	204
750	229
800	257
850	292
900	335
950	380
1000	430
1100	540
1200	640
1300	740
1400	840

Intermediate quantities shall be computed by proportional parts.

(3) Rio Grande at Del Norte is the recorded flow of the Rio Grande at the U. S. G. S. gaging station near Del Norte during the calendar year (measured above all principal points of diversion to San Luis Valley) corrected for the operation of reservoirs constructed after 1937.

(4) Rio Grande at Lobatos less Conejos at mouths is the total flow of the Rio Grande at the U. S. G. S. gaging stations near Lobatos, less the discharge of Conejos River at its mouths, during the calendar year.

The application of those schedules shall be subject to the provisions hereinafter set forth and appropriate adjustments shall be made for (a) any change in location of gaging stations; (b) any new or increased depletion of the run-off above inflow index gaging stations; and (c) any transmountain diversions into the drainage basin of the Rio Grande above Lobatos.

In event any works are constructed after 1937 for the purpose of delivering water into the Rio Grande from the Closed Basin, Colorado shall not be credited with the amount of such water delivered, unless the proportion of sodium ions shall be less than 45 percent of the total positive ions in that water when the total dissolved solids in such water exceeds 350 parts per million.

ARTICLE IV

The obligation of New Mexico to deliver water in the Rio Grande at San Marcial, during each calendar year, exclusive of the months of July, August, and September, shall be that quantity set forth

in the following tabulation of relationship, which corresponds to the quantity at the upper index station:

DISCHARGE OF RIO GRANDE AT OTOWI BRIDGE AND AT SAN MARCIAL, EXCLUSIVE OF JULY, AUGUST, AND SEPTEMBER

Quantities in thousands of acre-feet	
Otowi index Supply (5)	San Marcial index Sulppy (6)
100	0
200	65
300	141
400	219
500	300
600	383
700	469
800	557
900	648
1000	742
1100	839
1200	939
1300	1042
1400	1148
1500	1257
1600	1370
1700	1489
1800	1608
1900	1730
2000	1856
2100	1985
2200	2117
2300	2253

Intermediate quantities shall be computed by proportional parts.

(5) The Otowi Index Supply is the recorded flow of the Rio Grande at the U. S. G. S. gaging station at Otowi Bridge near San Ildefonso (formerly station near Buckman) during the calendar year, exclusive of the flow during the months of July, August, and September, corrected for the operation of reservoirs constructed after 1929 in the drainage basin of the Rio Grande between Lobatos and Otowi Bridge.

(6) San Marcial Index Supply is the recorded flow of the Rio Grande at the gaging station at San Marcial during the calendar year, exclusive of the flow during the months of July, August, and September.

The application of this schedule shall be subject to the provisions hereinafter set forth, and appropriate adjustments shall be made for (a) any change in location of gaging stations; (b) depletion after 1929 in New Mexico at any time of the year of the natural run-off at Otowi Bridge; (c) depletion of the run-off during July, August, and September of tributaries between Otowi Bridge and San Marcial by works constructed after 1937; and (d) any transmountain diversions into the Rio Grande between Lobatos and San Marcial.

Concurrent records shall be kept of the flow of the Rio Grande at San Marcial, near San Acacia, and of the release from Elephant Butte Reservoir, to the end that the records at these three stations may be correlated.

ARTICLE V

If at any time it should be the unanimous finding and determination of the Commission that because of changed physical conditions, or for any other reason, reliable records are not obtainable or cannot be obtained at any of the stream-gaging stations herein referred to, such stations may, with the unanimous approval of the Commission, be abandoned, and with such approval another station, or other stations, shall be established and new measurements shall be substituted which, in the unanimous opinion of the Commission, will result in substantially the same results, so far as the rights and obligations to deliver water are concerned, as would have existed if such substitution of stations and measurements had not been so made.

ARTICLE VI

Commencing with the year following the effective date of this compact, all credits and debits of Colorado and New Mexico shall be computed for each calendar year: *Provided*, That in a year of actual spill no annual credits nor annual debits shall be computed for that year.

In the case of Colorado, no annual debit nor accrued debit shall exceed 100,000 acre-feet, except as either or both may be caused by hold-over storage of water in reservoirs constructed after 1937 in the drainage basin of the Rio Grande above Lobatos. Within the physical limitations of storage capacity in such reservoirs, Colorado shall retain water in storage at all times to the extent of its accrued debit.

In the case of New Mexico, the accrued debit shall not exceed 200,000 acre-feet at any time, except as such debit may be caused by hold-over storage of water in reservoirs constructed after 1929 in the drainage basin of the Rio Grande between Lobatos and San Marcial. Within the physical limitations of storage capacity in such reservoirs New Mexico shall retain water in storage at all times to the extent of its accrued debit. In computing the magnitude of accrued credits or debits, New Mexico shall not be charged with any greater debit in any one year than the sum of 150,000 acre-feet and all gains in the quantity of water in storage in such year.

The Commission by unanimous action may authorize the release from storage of any amount of water which is then being held in storage by reason of accrued debits of Colorado or New Mexico: *Provided*, That such water shall be replaced at the first opportunity thereafter.

In computing the amount of accrued credits and accrued debits of Colorado or New Mexico, any annual credits in excess of 150,000 acre-feet shall be taken as equal to that amount.

In any year in which actual spill occurs, the accrued credits of Colorado, or New Mexico, or both, at the beginning of the year shall be reduced in proportion to their respective credits by the amount of such actual spill: *Provided*, That the amount of actual spill shall be deemed to be increased by the aggregate gain in the amount of water in storage, prior to the time of spill, in reservoirs above San Marcial constructed after 1929: *Provided further*, That if the Commissioners for the States having accrued credits authorize the release of part, or all, of such credits in advance of spill, the amount so released shall be deemed to constitute actual spill.

In any year in which there is actual spill of usable water, or at the time of hypothetical spill thereof, all accrued debits of Colorado, or New Mexico, or both, at the beginning of the year shall be canceled.

In any year in which the aggregate of accrued debits of Colorado and New Mexico exceeds the minimum unfilled capacity of project storage, such debits shall be reduced proportionally to an aggregate amount equal to such minimum unfilled capacity.

To the extent that accrued credits are impounded in reservoirs between San Marcial and Courchesne, and to the extent that accrued debits are impounded in reservoirs above San Marcial, such credits and debits shall be reduced annually to compensate for evaporation losses in the proportion that such credits or debits bore to the total amount of water in such reservoirs during the year.

ARTICLE VII

Neither Colorado nor New Mexico shall increase the amount of water in storage in reservoirs constructed after 1929 whenever there is less than 400,000 acre-feet of usable water in project storage: *Provided*, That if the actual releases of usable water from the beginning of the calendar year following the effective date of this compact, or from the beginning of the calendar year following actual spill, have aggregated more than an average of 790,000 acre-feet per annum, the time at which such minimum stage is reached shall be adjusted to compensate for the difference between the total actual release and releases at such average rate; *provided further*, that Colorado or New Mexico, or both, may relinquish accrued credits at any time, and Texas may accept such relinquished water, and in such event the State, or States, so relinquishing shall be entitled to store water in the amount of the water so relinquished.

ARTICLE VIII

During the month of January of any year the Commissioner for Texas may demand of Colorado and New Mexico, and the Commissioner for New Mexico may demand of Colorado, the release of water from storage reservoirs constructed after 1929 to the amount of the accrued debits of Colorado and New Mexico, respectively, and such releases shall be made by each at the greatest rate practicable under the conditions then prevailing, and in proportion to the total debit of each, and in amounts, limited by their accrued debits, sufficient to bring the quantity of usable water in project storage to 600,000 acre-feet by March 1 and to maintain this quantity in storage until April 30, to the end that a normal release of 790,000 acre-feet may be made from project storage in that year.

ARTICLE IX

Colorado agrees with New Mexico that in event the United States or the State of New Mexico decides to construct the necessary works for diverting the waters of the San Juan River, or any of its tributaries, into the Rio Grande, Colorado hereby consents to the construction of said works and the diversion of waters from the San Juan River, or the tributaries thereof, into the Rio Grande in New Mexico, provided the present and prospective uses of water in Colorado by other diversions from the San Juan River, or its tributaries, are protected.

ARTICLE X

In the event water from another drainage basin shall be imported into the Rio Grande Basin by the United States or Colorado or New Mexico, or any of them jointly, the State having the right to the use of such water shall be given proper credit therefor in the application of the schedules.

ARTICLE XI

New Mexico and Texas agree that upon the effective date of this compact all controversies between said States relative to the quantity or quality of the water of the Rio Grande are composed and settled; however, nothing herein shall be interpreted to prevent recourse by a signatory state to the Supreme Court of the United States for redress should the character or quality of the water, at the point of delivery, be changed hereafter by one signatory State to the injury of another. Nothing herein shall be construed as an admission by any signatory State that the use of water for irrigation causes increase of salinity for which the user is responsible in law.

ARTICLE XII

To administer the provisions of this compact there shall be constituted a Commission composed of one representative from each State, to be known as the Rio Grande Compact Commission. The

State engineer of Colorado shall be ex-officio the Rio Grande Compact Commissioner for Colorado. The State engineer of New Mexico shall be ex officio the Rio Grande Compact Commissioner for New Mexico. The Rio Grande Compact Commission for Texas shall be appointed by the Governor of Texas. The President of the United States shall be requested to designate a representative of the United States to sit with such Commission, and such representative of the United States, if so designated by the President, shall act as Chairman of the Commission without vote.

The salaries and personal expenses of the Rio Grande Compact Commissioners for the three States shall be paid by their respective States, and all other expenses incident to the administration of this compact, not borne by the United States, shall be borne equally by the three States.

In addition to the powers and duties hereinbefore specifically conferred upon such Commission, and the members thereof, the jurisdiction of such Commission shall extend only to the collection, correlation, and presentation of factual data and the maintenance of records having a bearing upon the administration of this compact, and, by unanimous action, to the making of recommendations to the respective States upon matters connected with the administration of this compact. In connection therewith, the Commission may employ such engineering and clerical aid as may be reasonably necessary within the limit of funds provided for that purpose by the respective States. Annual reports compiled for each calendar year shall be made by the Commission and transmitted to the Governors of the signatory States on or before March 1 following the year covered by the report. The Commission may, by unanimous action, adopt rules and regulations consistent with the provisions of this compact to govern their proceedings.

The findings of the Commission shall not be conclusive in any court or tribunal which may be called upon to interpret or enforce this compact.

ARTICLE XIII

At the expiration of every 5-year period after the effective date of this compact, the Commission may, by unanimous consent, review any provisions hereof which are not substantive in character and which do not affect the basic principles upon which the compact is founded, and shall meet for the consideration of such questions on the request of any member of the Commission: *Provided, however,* That the provisions hereof shall remain in full force and effect until changed and amended within the intent of the compact by unanimous action of the Commissioners and until any changes in this compact are ratified by the legislatures of the respective States and consented to by the Congress, in the same manner as this compact is required to be ratified to become effective.

ARTICLE XIV

The schedules herein contained and the quantities of water herein allocated shall never be increased nor diminished by reason of any increases or diminution in the delivery or loss of water to Mexico.

ARTICLE XV

The physical and other conditions characteristic of the Rio Grande and peculiar to the territory drained and served thereby, and to the development thereof, have actuated this compact and none of the signatory States admits that any provisions herein contained establishes any general principle or precedent applicable to other interstate streams.

ARTICLE XVI

Nothing in this compact shall be construed as affecting the obligations of the United States of America to Mexico under existing treaties or to the Indian tribes, or as impairing the rights of the Indian tribes.

ARTICLE XVII

This compact shall become effective when ratified by the legislatures of each of the signatory States and consented to by the Congress of the United States. Notice of ratification shall be given by the Governor of each State to the Governors of the other States and to the President of the United States, and the President of the United States is requested to give notice to the Governors of each of the signatory States of the consent of the Congress of the United States.

In witness whereof, the commissioners have signed this compact in quadruplicate original, one of which shall be deposited in the archives of the Department of State of the United States of America and shall be deemed the authoritative original, and of which a duly certified copy shall be forwarded to the Governor of each of the signatory States.

Done at the city of Santa Fe, in the State of New Mexico, on the 18th day of March, in the year of our Lord 1938.

M. C. HINDERLIDER.
THOMAS M. MCCLURE.
FRANK B. CLAYTON.

Approved:
S. O. HARPER.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

POSTAL EMPLOYEES

Mr. WHELCHEL. Mr. Speaker, by authority of the Committee on the Post Office and Post Roads, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3812) granting postal employees credit for Saturday in annual and sick leave law, thereby conforming to the 40-hour work-week or 5-day-week law, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 8, after "1925", insert "(U. S. C., title 39, 1934 edition, sec. 823)."

Page 2, line 9, after "General", insert ": *Provided*, That the 15 days' leave shall be credited at the rate of 1¼ days for each month of actual service."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. WHELCHEL. Mr. Speaker, by the same authority I ask unanimous consent to take from the Speaker's table the bill (H. R. 3230) to amend the statutes providing punishment for transmitting threatening communications, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 3, line 22, after "thereon", insert ": *Provided*, That any defendant in an indictment hereunder, relating to communications originating in the United States, shall, upon motion duly made, be entitled as a matter of right to be tried in the district court of the United States in which the matter mailed or otherwise transmitted was first set in motion; that is, in the mails or in commerce between the States."

Page 6, line 10, after "addressed", insert ": *Provided*, That any defendant in an indictment hereunder, relating to communications originating in the United States, shall, upon motion duly made, be entitled as a matter of right to be tried in the district court of the United States in which the matter mailed or otherwise transmitted was set first in motion; that is, in the mails or in commerce between the States."

Page 7, line 15, after "aforesaid", insert ": *Provided*, That any defendant in an indictment hereunder, relating to communications originating in the United States, shall, upon motion duly made, be entitled as a matter of right to be tried in the district court of the United States in which the matter mailed or otherwise transmitted was set first in motion; that is, in the mails or in commerce between the States."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from Georgia explain how the Senate amendments affect the House bill?

Mr. WHELCHEL. The Senate simply adds a proviso, Mr. Speaker, as reported by the press, and that proviso carries throughout the bill wherever its necessity is called for. The gentleman understands that this bill passed the House some days ago and is to amend the statute providing punishment for transmitting threatening communications in the mail.

Mr. MARTIN of Massachusetts. Do the amendments change the purpose of the bill in any degree?

Mr. WHELCHEL. Not at all.

Mr. MARTIN of Massachusetts. I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

MILK INVESTIGATION BY DISTRICT OF COLUMBIA COMMITTEE

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent that the special subcommittee investigating the milk situation in the District of Columbia may be allowed to sit during sessions of the House today.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my remarks, and to include therein a resolution from the Legislature of Puerto Rico in behalf of the coffee growers.

The SPEAKER. Is there objection to the request of the gentleman from Puerto Rico?

There was no objection.

DETENTION OF CERTAIN ALIENS

Mr. HOBBS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5643) to invest the circuit courts of appeals of the United States with original and exclusive jurisdiction to review the order of detention of any alien ordered deported from the United States whose deportation or departure from the United States otherwise is not effectuated within 90 days after the date the warrant of deportation shall have become final; to authorize such detention orders in certain cases; to provide places for such detention; and for other purposes.

Mr. CELLER. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. Evidently there is not a quorum present.

Mr. HOBBS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 65]

Allen, Pa.	Elston	Jeffries	Reed, Ill.
Bates, Ky.	Evans	Johns	Robertson
Boykin	Fay	Jones, Ohio	Romjue
Buckler, Minn.	Fitzpatrick	Kee	Routzohn
Buckley, N. Y.	Flaherty	Kelly	Sabath
Bulwinkle	Flannagan	Kennedy, Mich	Schwert
Burch	Leland M. Ford	Kirwan	Sirovich
Byrne, N. Y.	Fulmer	Landis	Smith, Ill.
Byron	Gerlach	Lord	Smith, Maine
Chapman	Gifford	McReynolds	Smith, Wash.
Claypool	Gillie	Mansfield	Smith, W. Va.
Curley	Gross	Marshall	Sumners, Tex.
Darden	Hancock	Monkiewicz	Talle
Dies	Healey	Myers	Wadsworth
Ditter	Heinke	Oliver	White, Idaho
Douglas	Hill	Osmers	White, Ohio
Doxey	Hoffman	Peterson, Fla.	
Elliott	Horton	Reece, Tenn.	

The SPEAKER. Three hundred and fifty-nine Members have answered to their names. A quorum is present.

Mr. HOBBS. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

FEDERAL FOOD, DRUG, AND COSMETIC ACT

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5762) to provide for temporary postponement of the operations of certain provisions of the Federal Food, Drug, and Cosmetic Act, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. LEE, CHAPMAN, and MAPES.

DETENTION OF CERTAIN ALIENS PENDING GRANT OF PASSPORTS OR OTHER DEPARTURE ARRANGEMENTS

The SPEAKER. The question is on the motion of the gentleman from Alabama [Mr. HOBBS] that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 5643.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5643, with Mr. THOMASON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. CELLER. Mr. Chairman, I yield to the gentleman from Oklahoma [Mr. MASSINGALE] 10 minutes.

Mr. MASSINGALE. Mr. Chairman, I want to speak for a few minutes on what is known as the Hobbs bill, which we are now considering, H. R. 5643, and to give my views as clearly as I can on this piece of legislation.

I believe that the bill, though drawn by a gentleman of splendid legal attainments, is unconstitutional. I think it is an unfortunate bill to be presented to this House under existing conditions. I believe nobody would gainsay the fact that under ordinary procedure followed in the courts of America, there are just two methods prescribed for bringing a man to court on a criminal charge. One is by presentment on information and the other is by indictment by a grand jury. There are no other summary remedies or procedures by which a man can be tried, convicted, and incarcerated, that I know anything about. This bill endeavors to authorize the imprisonment of certain classes of aliens for indeterminate and indefinite terms without any law authorizing such to be done. My contention is that this act would be unconstitutional because it denies to the persons who may be involved the equal operation of the public laws of this country.

It is unconstitutional further, in my judgment, because it does not operate with any degree of uniformity whatever.

It is further unconstitutional by reason of its uncertainty, in that the punishment that might be inflicted under this law, if it should become a law, would not operate alike to any two men charged with the violation of the same law, unless they might happen to come from the same foreign jurisdiction. The right to deport an alien does not include any right of indefinite imprisonment under the guise of waiting an opportunity for deportation. That has been expressly held by the courts of this country.

This bill does not define any crime or does not define it to be a crime against the laws of the United States for a man to reside here after he is subject to deportation or after an order of deportation has been entered against him by the Secretary of Labor. This bill, if it should be enacted into law, places a higher responsibility, authority, and jurisdiction on the Secretary of Labor than it does in the courts of the country. Briefly speaking, this bill means nothing more nor less than this: If the Secretary of Labor should conclude that a person ought to be deported for violation of some rule or law of the Government of the United States, she shall have the right to put that man in prison, in a stockade, in a detention camp somewhere to be established in the United States, for how long a time? Until such time as he can get his travel papers or his passport from the country whence he came, and you do not know how long he is going to remain in jail.

I will give you a little illustration of the operation of the bill, as I understand it. I do not like to come here and oppose a bill from my own committee, especially when proposed by so eminent a gentleman as the author of this bill, but I cannot vote for a bill of this kind. What little legal learning I possess absolutely forbids that I surrender what I regard as an American right and adopt some Hitlerism philosophy, and transplant it over here to govern us in this country. That is what this means.

I want to give you an illustration of how, according to my judgment, the bill might not operate with any degree of uniformity on two fellows deported for the same offense. Suppose one of those men was a citizen of Great Britain at that time. Under this bill, whenever the passport arrived from Great Britain, we can deport that fellow, found guilty of a violation of some of the immigration laws of this country, and he may not be here 60 or 90 days, just a reasonable time, in order that he might be deported.

But suppose that the fellow was a citizen of Czechoslovakia. He had as much right to come into the United States as a citizen of Great Britain, but there is no Czechoslovakia any more. There is nobody there to issue him a passport to go back home, unless he can get it out of Hitler. Now, what happens? Suppose he can never get his travel papers from Czechoslovakia or from any ruler or dictator who has seized that country; what does it mean? Under the terms of this bill it simply means that the Secretary of Labor has the right, simply as a Department head of the Government of the United States, to keep that poor devil in the penitentiary or in a stockade or in a detention camp, whatever you call it, so long as he lives. [Applause].

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GWYNNE].

Mr. GWYNNE. Mr. Chairman, I believe this to be a very good bill. I will not take up the time of the Committee in explaining the bill, because I dare say that will be done by the gentleman from Alabama [Mr. HOBBS].

Let me suggest, however, an amendment to this bill which I trust will be adopted. If you will turn to page 6 you will notice that an alien may file a petition with the circuit court of appeals in the circuit in which he is detained. The present bill provides, however, that the decision of that court shall be final. That is, there would be no appeal to the Supreme Court of the United States. It is my judgment that the usual appeal should be allowed in this case as is allowed in every other case. I have several reasons for that.

In the first place, we now have instituted a very efficient system of appeals to the Supreme Court. I would not like to see it disrupted. Furthermore, I doubt the constitutionality of any law which prohibits any person from going to the Supreme Court on a constitutional question. I think an amendment will be offered along this line and I hope it will be adopted by the Committee.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. CELLER. Is it the gentleman's opinion that the present wording of the bill precludes any appeal to the Supreme Court?

Mr. GWYNNE. I presume it does.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield.

Mr. GWYNNE. I yield.

Mr. MARTIN of Colorado. Are the United States district courts to be deprived of jurisdiction in these cases?

Mr. GWYNNE. As I say, an amendment is to be offered relative to appeals.

Mr. MARTIN of Colorado. Frequently the circuit court of appeals is in another State from that in which the person concerned may live. I would ask the gentleman if his committee distrusts the district courts of the United States to such an extent that they are proposing to deprive them of the jurisdiction they have always had in immigration cases?

Mr. GWYNNE. No; I am sure that is not the case.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. WALTER. I call the gentleman's attention to the fact that the present methods of presenting these matters before the courts are in no wise affected and that the usual method, namely, habeas corpus, will still exist and is in no wise affected by this act.

Mr. GWYNNE. The gentleman is entirely correct.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I must decline to yield for the present. Now let me say a word as to the constitutionality of the bill. I believe this bill is constitutional. In 5 minutes one cannot make much of an argument, but I will outline what my argument would be if I had the time. When you test the constitutionality of any statute you must determine it by asking three questions: First, is the subject of the legislation within the powers of Congress? We all agree that it is. Deportation, of course, is within the legislative powers of Congress. Second, is this particular legislation reasonably incident to that power and a reasonable method and means of carrying out the right to deport? Some say that it is not because we provide for detention. We think of detention ordinarily as punishment for crime, but let me remind you that there are many times when detention may overtake a person even though he is guilty of no crime whatever. To give you a few illustrations of what I mean, a person may be accused of crime and may be detained even without bail. A person may be insane and may be detained. A person may be detained by the Government in aid of enforcing various quarantine laws. It is true that the detention must not go beyond the necessities of the case and must have some regard, of course, for the rights of the individual, and must not detain him more than necessary to carry out the policy of the Government—in this case to effectuate deportation.

If you will examine this bill, you will find that the rights of the alien who is detained are carefully safeguarded. He can be admitted to bail, for example.

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman I yield 2 additional minutes to the gentleman from Iowa.

Mr. GWYNNE. The third question on the test of constitutionality is, Does the law itself run counter to any specific provision of the Constitution? It has been pointed out, or will be, that certain decisions of the United States Supreme Court have already held this type of legislation unconstitutional. I have read these cases but, far from arriving at any such conclusion, I am satisfied the cases hold that this type of legislation would be clearly constitutional. For example, there is the case of Wong Wing against the United States. In that case the Government tried to make the presence of an alien, after he had been ordered deported, a crime, and punishable as such. The Supreme Court did not even say you could not make that a crime. As I understand their holding in that case it was that if you do make it a crime and punish it by hard labor, for example, you must, under the fifth and sixth amendments to the Constitution, give the man the right of trial that any criminal has.

This is in no sense a criminal statute. In no sense does it impose any criminal punishment whatever; and I think the author of the bill has drawn it very carefully to eliminate any notion whatever that this is a criminal statute. This is a detention statute only and it is in the aid of deportation, which is clearly within the right of Congress. [Applause.]

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALTER].

Mr. WALTER. Mr. Chairman, it is essential in the consideration of this bill to bear in mind the fact that it deals with a class of people that certainly ought not to be given any great consideration. This act does not apply to an alien unless he has been at least twice convicted of a felony involving moral turpitude, unless he has been convicted of the violation of the so-called White Slave Act, unless he has been convicted of a violation of the narcotic laws, and has been ordered deported because of the commission of one or more of these offenses.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield at that point?

Mr. WALTER. I shall be pleased to.

Mr. GWYNNE. Has the gentleman received a communication from the C. I. O. relative to this bill and relative to their position in regard to it?

Mr. WALTER. I received a communication signed by Mr. Leo Pressman, who, I understand, is general counsel for the C. I. O. I cannot make myself feel that the C. I. O., or any other organization, would be willing to take the position that they are opposing a measure that removes from our society a vicious, un-American class of aliens.

Whether or not that communication was official or Mr. Pressman's own undertaking I do not know. I should like to believe, however, it was Mr. Pressman's own undertaking, and not the official act of that organization.

During the course of examination of charges recently made against the Secretary of Labor it became apparent to the members of the Committee on the Judiciary that our solemn mandates and our laws could be very easily thwarted through refusal of certain foreign countries to recognize the sovereignty that is ours. There were many cases, in some of which the Secretary of Labor was criticized for not deporting aliens, in which deportation warrants had issued after hearing and after all of the safeguards that are thrown about these people had been taken, where the countries of which these aliens were nationals refused to grant a visa to the alien against whom the deportation warrant had issued. I

am of the opinion that in many cases it was deliberately done in order not to have these people returned to their shores.

Let me say if they are not good enough for Russia, Austria, Germany, or any of these other countries, then they are not good enough for America. [Applause.]

Mr. SACKS. Will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Pennsylvania.

Mr. SACKS. Does this act include those who were convicted under the eighteenth amendment, for instance, where the courts held a violation of that act was a felony?

Mr. WALTER. No; it does not apply, in my opinion, because there has never been the deportation of an alien for violation of a liquor law in the history of our country.

Mr. SACKS. Could it be applied?

Mr. ROBSION of Kenucky. They have to be convicted within 5 years.

Mr. WALTER. No; the gentleman is mistaken. They have to be convicted of more than one felony involving moral turpitude no matter how long they have been in the United States, or they must have been convicted and sentenced to a year in prison for the commission of a felony involving moral turpitude within 5 years of their admission into the United States.

Mr. GAVAGAN. Will the gentleman yield?

Mr. WALTER. I yield to the gentleman from New York.

Mr. GAVAGAN. I would like the gentleman to inform me if he has given any consideration to the ex post facto effect of this bill?

Mr. WALTER. Yes. Our committee gave very serious consideration to that matter, and we find it would apply to approximately 460 alien criminals who have been ordered deported and who are now walking the streets of America today.

Mr. GAVAGAN. If it has ex post facto effect, is it not clearly unconstitutional?

Mr. WALTER. I do not think it is unconstitutional, because, after all, this is not an attempt to punish anyone for the commission of a crime. It is merely an attempt to carry out our own method of ridding our shores of undesirable criminal aliens.

Mr. BENDER. Will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Ohio.

Mr. BENDER. Will the gentleman explain whether this measure is retroactive? I have been told that if such a crime as outlined by the gentleman had been committed 25 years ago, or two crimes had been committed some years ago, and the alien has since married and has a family, he is subject to the provisions of this act. Is that correct?

Mr. WALTER. That is correct, if a deportation warrant has issued.

Mr. BENDER. Would a deportation warrant be issued considering the crimes that were already committed?

Mr. WALTER. Yes.

Mr. BENDER. Could a deportation now be issued as a result of those crimes that were committed many years ago?

Mr. WALTER. That is right; except it is not likely that would occur.

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. MICHENER. Will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Michigan.

Mr. MICHENER. I want to make a suggestion in answer to the question propounded by the gentleman from Pennsylvania [Mr. SACKS]. These must be live or pending cases. Where a warrant of deportation has been issued and the person has been released because the country of origin will not receive him, and is at large today on his own recognizance, or on a bond.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. WALTER. I yield to the gentleman from New York.

Mr. MARCANTONIO. Does the gentleman seek to justify the constitutionality of this bill on the basis that the detention is incident to the deportation proceedings, and that therefore it is a civil proceeding?

Mr. WALTER. Precisely.

Mr. MARCANTONIO. But when that detention becomes unreasonable it is no longer incidental to deportation. Then does the gentleman still deem that detention incident to the deportation proceeding, or does he deem that to be punishment in addition to that of deportation?

Mr. WALTER. It is not punishment in any sense of the word, and I may say to the gentleman from New York that no matter how long this alien criminal must be detained I think it is advisable that we take those people out of circulation. [Applause.]

Mr. MARCANTONIO. That is not the issue.

Mr. WALTER. During the course of the discussion on the rule the gentleman from Illinois [Mr. ALLEN] said:

> I say the regrettable part of this bill is that it puts too much power in the hands of the Secretary of Labor, a Department that has continuously demonstrated its inefficiency and its neglect in dealing with these aliens.

May I say that this bill does not place any more power in the hands of the Secretary of Labor than the Secretary of Labor already has, and has had for a good many years.

As far as the refusal of the Secretary of Labor to exercise properly the powers given her is concerned, there is not a scintilla of truth in that accusation. In the one case about which the splendid and capable Secretary of Labor was criticized—that is, the Strecker case—it was found on investigation that Mr. Strecker's deportation was ordered a year and a half before a passport could be secured. The Secretary of Labor was criticized for not doing that which she was unable to do because of either connivance on the part of the country of which Mr. Strecker was a national or its refusal to recognize our laws.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Montana.

Mr. O'CONNOR. I should like to hear what the gentleman has to say in answer to the point made by the gentleman from Oklahoma [Mr. MASSINGALE].

Mr. WALTER. I believe I can best reply to the gentleman's question by saying that in my judgment my very dear friend from Oklahoma is mistaken about what this bill does. The gentleman regards this detention as a punishment for the commission of a crime and then on that false premise discusses the methods of prosecuting for the commission of a crime. This bill does not attempt to punish anyone for committing any crime.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from New York.

Mr. CELLER. Would the gentleman say that detention by the Secretary of Labor for 5 years, or 10 years, because there is no limitation in the bill, is merely incident to the deportation process?

Mr. WALTER. Yes; I say it is merely incident to the deportation process and justified because of its being the only method of carrying out our sovereign powers which have already been asserted.

Mr. CELLER. Would the gentleman say that is a deprivation of liberty?

Mr. WALTER. It is not a deprivation of liberty within the meaning of the Constitution.

Mr. CELLER. I disagree with the gentleman.

Mr. WALTER. That is too bad. [Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, these are unusual times, and we must be prepared for any eventuality. I believe every alien in this country who has been here for any length of time and has not taken the trouble to take out citizenship papers is a potential enemy in time of stress. [Applause.]

The world is sitting on a powder keg. We see heads of governments taunt and flaunt each other. Only last Friday the chief of a great government broadcast to the world a message. I for one resented it. [Applause.]

I have reference to Herr Hitler's amazing address of last Friday in reply to Mr. Roosevelt's proposal for a 10-year moratorium. If he did not insult, he at least made sport of our President, as witness the following extract from his speech:

> You and I, Mr. President, came to power at the same time and you had resources at your disposal, Mr. President, which excelled ours a hundred times. * * * I am sure that you have found it so easy to solve all your problems that now you turn to the world at large.

A sly dig, was it not?

What business is it of Hitler's that there are 11,000,000 Americans out of work? He does not have to feed them.

What business is it of Hitler's if the President has failed to keep the promises he made to the American people in 1932? It is not he who has sweated and suffered as a result.

True, we have great and grave problems here at home, but we have done much. Our President has created a national debt that would buy several Germanys. I defy Hitler to match that debt. [Laughter.]

Those who believe in the philosophy of the New Deal are proud of W. P. A. It is bigger, better, and more expensive than any in all the world. [Laughter.] Indeed, we are so proud of our set-up that we have had W. P. A. exhibits at the world fairs in London and Paris for all the world to see, and the activities of that organization are now being displayed in a beautiful $500,000 building at the world's fair in New York. I defy Herr Hitler to produce anything that compares to our W. P. A. in kind, quantity, or quality. It simply cannot be done.

If we want to put up "hands off" signs in South America, that is our business. If we want to interfere in Asia or Europe, that is also our right. We now have in power a broad-minded administration. While it is ostensibly wedded to democracy, it is not above showing royal honors to visiting dictators from abroad if they are our kind, as witness the splendid pageant we put on for the dictator from Nicaragua this noon, when we held a huge parade in his honor. Thousands of soldiers, sailors, and marines, with scores of tanks that tore up the pavements on our streets, antiaircraft, artillery, and cavalry paraded down Constitution Avenue in his honor. Heading the parade was a White House limousine bearing that great Democrat, Franklin Delano Roosevelt, and the stern dictator from Nicaragua, sitting side by side, carrying on an amiable conversation, thus proving that the lamb and the lion can be made to lie down side by side in peace. Overhead droned hundreds of aircraft burning the taxpayers' money.

Let me say to Herr Hitler that if we want to see examples of militarism and military splendor it is not necessary for us to journey to Berlin and Rome to do so. We can put on as good a military show as they. We have money to burn for that and other purposes.

Let Herr Hitler mind his own business and we will do likewise—maybe. [Applause.]

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentlewoman from New York [Mrs. O'DAY].

Mrs. O'DAY. Mr. Chairman, 3 or 4 years ago Sinclair Lewis wrote a novel relating how the United States, the greatest democracy in the world, became a totalitarian state, not overnight or all of a sudden by the edict of one man but because its citizens neglected to guard their civil liberties. Through carelessness or indifference they relinquished those liberties one by one until such time as a ruthless minority seized the reins of government and established a totalitarian state.

This novel is a very exciting book. It is fantastic, but in reading it you say to yourself, "It can't happen here," which, by the way, is the name of the book. "It can't happen here," but it can happen here, and if this bill becomes law we will have taken the first step along the road Sinclair Lewis points out to us.

Mr. WALTER. Mr. Chairman, will the gentlewoman yield?

Mrs. O'DAY. I yield to the gentleman from Pennsylvania.

Mr. WALTER. I believe that in the gentlewoman's State there is provided a penalty of incarceration for life for criminals who have committed three felonies.

Mrs. O'DAY. Has not that law been repealed?

Mr. CELLER. If the gentlewoman will yield, I may say that in the law of our State there is a due-process provision, and there is provision for jury trial and hearing of evidence before an impartial tribunal. That law does not give to an executive officer the right to apprehend any man and put him into any kind of a camp or place of detention.

Mr. WALTER. In this case the man has already had two jury trials.

Mrs. O'DAY. I am not a lawyer. I am told this bill is unconstitutional, but that I do not know. I do know, however, that it is a negation of every idea and policy and principle that our country holds most dear. I can imagine with what satisfaction Hitler will learn that his emissaries in this country have so influenced Congress that it is following his example and setting up detention or concentration camps during peacetime. Of course, they are not called concentration camps, they are called detention camps, but Hitler knows as well as anyone else how swiftly a detention camp can be transformed into a concentration camp.

This bill is a vicious and un-American bill and should be defeated. [Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman, I read the novel to which the lady from New York refers and I did not get just the same reaction she did. That novel demonstrates that governments are usually destroyed in one of two ways: Firstly, by war; secondly, by the people, through their legislative authority, yielding up to the executive the powers that the people in their constitution reserved to themselves.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. Not just now.

It seems to me that if we pursue that course and yield day after day and session after session to the Executive the powers which the Congress has, the time will come when we have surrendered sufficient powers so that all that stands between the American people and a dictatorship is the desire or the inclination of the Executive to be a dictator. He will have the Army to enforce those powers. If the Congress continues to surrender its functions, we will bring about by evolution a dictatorship just as potential as a dictatorship brought about by force. Yes, my friend from New York, it may happen in America. But all that has nothing to do with this bill.

I think when we come to consider legislation there are always two propositions to which the Congress should give consideration: Firstly, Is the proposal necessary or desirable? We do not want to enact any legislation that is not necessary or is not desirable.

Secondly, is it constitutional? We do not want to enact any legislation—and should not under our oaths—that we honestly believe to be unconstitutional.

Now, so far as the constitutionality of this bill is concerned, I have no concern. The gentleman from Iowa [Mr. GWYNNE] has stated the constitutional question correctly. I shall not repeat, but do concur in his opinion.

The Supreme Court of the United States has repeatedly held that the right to exclude or to expel aliens is an inherent and inalienable right of every sovereign and independent nation. The right of the United States in this regard stands unchallenged. The right to detain an alien subject to deportation is but a necessary incident of the right to exclude or deport that alien.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. Not just now. I am sorry, but I do want to make a statement. I want to be courteous.

Let there be no mistake as to whom this bill affects. The Bureau of Immigration advises that during the last year in 460 cases aliens, who had been ordered deported by the proper authorities, could not be deported because of the failure or refusal of the foreign governments to grant passports for their return to the lands of their origin. In other words, the duly constituted authorities of our Government, under constitutional laws enacted by the Congress, determined that these 460 persons were subject to deportation, were undesirable citizens, were aliens who did not think enough of our country to become citizens. Notwithstanding all of this, simply because some foreign nation refused to permit these undesirable aliens to return to their homes, there was nothing that the United States could do about it. It hardly seems possible that a condition exists where this type of alien is permitted to thumb his nose at our laws and our authority, and that we can do nothing about it. This bill is a step in the direction to vitalize our immigration law.

This is not a criminal law. It is a civil procedure. No alien can be accused of any crime under this law. The gentleman from Oklahoma [Mr. MASSINGALE] proceeds upon the theory that the aliens affected by this bill are charged with some crime or violation of the statute laws of our land and are, therefore, entitled to trial by jury before they can be deported. Our law provides the specifications for deportation of undesirable aliens. For instance, if an alien is a Communist and advocates the overthrow of our Government by force and violence, then he is deportable. If an alien under certain conditions commits crime and is found guilty in the courts of a felony involving moral turpitude, then he is subject to deportation. There is nothing complicated or subtle in this reasoning, and the Government may proceed to send the alien back to the land from whence he came. However, under the law of nations the United States cannot ship to any other nation any undesirable alien found within our borders unless that nation grants to the alien a passport or reentry permit. Let us take Communist Russia for example. Communists enter this country from Russia, either legally or illegally. Then if one of them so conducts himself as to make him subject to deportation and our officials proceed to deport him, giving him the protection of our constitutional right of habeas corpus and all the safeguards of the courts, and the procedure is legal and regular, and the only thing that prevents the return of this undesirable alien to his native Russia is the refusal of that country to cooperate with the United States in these circumstances, Russia should not be permitted to prevent this country carrying out its law.

The Bureau of Immigration advises that about 50 persons will be affected each year if this bill becomes a law. Now, the American people do not want these Communists, organizers, agitators, and promoters of communistic philosophy creating disturbances and trouble in this country. Our people want to send them back from whence they came. On the other hand, the Third Internationale in Russia wants to spread the gospel of the Bolsheviki throughout the world. They are awaiting the day of the great revolution, and nothing serves their purpose better than to have their advocates and representatives in the United States. Of course, there is a very good reason, therefore, why they will not grant permits whereby these agents in the United States may be expelled from the United States. Believe me, however, if this bill becomes a law, and there is a possibility that these radical representatives and proponents of this foreign doctrine may be detained in places like Ellis Island, they will have no trouble in getting the consent of their mother countries for their return.

This bill implements the deportation law but does not affect all deportable aliens. In order that I may be most liberal I quote from the minority report filed by the gentleman from New York [Mr. CELLER], wherein he says that this bill "relates only to aliens who fall into the following categories: (1) Criminals, (2) violators of the narcotic laws, (3) anarchists and kindred classes, and (4) immoral cases."

Now is there any good reason why any alien criminal, who has committed a crime involving moral turpitude and is deportable under the laws of our country, should be permitted the same privileges as our law-abiding citizens and run at large in our midst? Is there any reason why the alien narcotic peddler, who goes about the country peddling poison and death to all those weak souls who will buy, should have protection? Is there any reason why an alien anarchist, who is deportable, should enjoy the freedom of our land? And last, but not least, is there any reason why the alien procurer, the violator of the white-slave law, those who profit and live by the vice, degradation, and immorality of our womanhood, should be permitted to remain with us in violation of the immigration laws?

It seems to me that some of our friends are showing more concern for these four groups affected by this bill than they are about our citizens, our young womanhood and manhood, and the preservation of those things which mean so much to America.

It is insisted here that the enactment of this law means the confinement in concentration camps of large numbers of aliens who reside in this country, and who have been residents of this country for many years, establishing homes and rearing families. The destruction of these homes by a ruthless government, cruel separation of families, and the herding of these aliens in stockades is pictured. Now, this is impossible under any fair interpretation of this bill. In the first place, the bill explicitly provides that those coming within the law may be—

> Confined, though not at hard labor, until such time as deportation shall have become feasible, or departure from the United States otherwise shall have been arranged, or until the Secretary of Labor, upon such evidence of good cause, shall order the release of such alien, temporarily or permanently, on such bond as may be required, with or without rescinding the warrant of deportation.

Parenthetically, I might observe that if the present Secretary of Labor proceeds as leniently in the enforcement of the deportation laws of the future as she has in the past, there might be reason to doubt the efficacy of this law. It is true that very unusual discretion is given to the Secretary in order that no injustice or arbitrary and unreasonable hardships may be imposed upon any of these deportable aliens.

In this connection, I call your attention to the language, on page 3, line 8, of the bill, where specific instruction is given to the Secretary of Labor, making clear that she has sufficient power and authority to see to it that none of the hardships which are feared by the opponents of this bill are wrought. Why, under this provision the Secretary can even release from detention any deportable alien, simply because the Secretary feels that by reason of age the health of the alien might be injured by detention, or that she feels that there is little likelihood of the alien resuming the course of conduct which made him deportable.

Another objection that has been urged to this bill in this debate is that power is given to the Secretary of Labor to set up concentration camps at her will anywhere in the United States, in which she will be permitted to imprison and confine these deportable aliens. In this connection let me call your attention to section 3 of the bill, which provides that—

> The Secretary of Labor is authorized and directed to arrange for proper places of detention in established institutions for those aliens required by this act to be taken into custody and confined.

It is true that the bill as originally introduced did give the Secretary of Labor authority to establish detention farms. This has been eliminated and when this bill becomes a law, and these aliens are detained, it will be in an established institution, and the Judiciary Committee was advised that the place would probably be Ellis Island in New York. You will recall that this is the immigration station through which all immigrants entering the United States through New York must pass. It is not a prison. It is not a stockade or

anything of that kind and, for my part, it is really too good a place to keep these undesirable aliens at Government expense.

It is interesting to note who is opposing this bill. No objections were raised by any group or organization, so far as I have been able to learn, until after the bill was reported. Then Mr. Lee Pressman, writing as general counsel for the C. I. O., severely condemned the bill, and demanded that Members vote against it. Then today I think every Member received a letter from the president of one branch of the Farmers' Union, protesting against the enactment of the bill. Let it be remembered that the Farmers' Union, as we have known it for the last few years, is split into two groups, the question of the activity of Communists within the union being the principal point of difference. I have been unable to learn of any other group action opposing the bill.

It is commonly known that the Communist Party has been trying to worm its way into American labor organizations and to accomplish its purpose through these channels. This being the case, it does seem that any group of organized labor is doing itself a great injustice by taking action, the purpose of which is to prevent the deportation and elimination from this country of these alien agitators, many of whom do their most destructive work in organized labor units.

I stand squarely with the American Federation of Labor, with the American Legion, and with all veteran and patriotic organizations in the belief that every lawful means should be used to return these alien agitators to their own countries. Of course, it is true that this bill, as indicated above, affects only the four groups mentioned.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield at that point just for an observation?

Mr. MICHENER. I have not much time, but I yield to the gentleman.

Mr. O'CONNOR. That brings up the instant case that the gentleman from Oklahoma [Mr. MASSINGALE] pointed out. The map of Europe is being rewritten——

Mr. MICHENER. I yielded for a question. The gentleman can get time to make his own speech.

Mr. O'CONNOR. Suppose this alien who has been ordered deported and is going to be detained has no home to which to return, what are we going to do with him? Is he not being deprived of his liberty without due process of law under those circumstances?

Mr. MICHENER. I am very pleased to answer the question with reference to the Strecker case. We have all heard about that and that is the case referred to here. This man Strecker——

Mr. O'CONNOR. No; it is the case instanced by MASSINGALE.

It is the case he pointed out where the alien's country had been taken over by Germany and the man had no place to go and was ordered deported and was kept and detained with no home to return to.

Mr. MICHENER. Yes; that is the Strecker case. It was Poland, not Germany. If the gentleman were as familiar with it as my friend from New York [Mr. MARCANTONIO], whose organization employed the counsel in that case for Mr. Strecker, he would be as anxious to make it impossible for deportable aliens to remain in this country as I am.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield, since he mentioned my name?

Mr. MICHENER. Yes; I yield to the gentleman.

Mr. MARCANTONIO. I want to state on that point that my organization was not interested in Mr. Strecker as an individual, but that it was interested in preserving democratic procedure in the United States, and the Supreme Court of the United States agreed with my organization, so we must have been right.

Mr. MICHENER. Yes; the Supreme Court did agree, in some particulars, and I hope the gentleman is able to get some consolation out of that rather unusual opinion. The Department of Labor attempted to deport Strecker. They proceeded to a point where a warrant of deportation was issued. This Government found that he was an undesirable alien, that he was a Communist, and that he should be deported; but the country from which he came refused to accept him. Then Strecker sought relief in the courts, and there was much delay. However, he was finally discharged by the court. Had the court upheld the deportation, and had the country of origin refused to take him back, he would be with us regardless of the findings of the Labor Department and the courts.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. Yes; I yield.

Mr. WALTER. May I call the gentleman's attention to the fact that the Strecker case is exactly on all-fours with the hypothetical case mentioned by the gentleman from Oklahoma [Mr. MASSINGALE], in that Mr. Strecker was a national of Poland, and subsequently there was a change in the geography, and the country that Poland finally became a part of did issue, after a year and a half, a passport.

Mr. MICHENER. Yes. If those countries—Russia, for instance—send their propagandists to this country, of course, they do not want them back home. They want them in America where they can be spreading the poison of communism. In the Strecker case his native country would not receive Strecker until after the proceedings were started in Washington and after this country became so aroused and there was such a hullabaloo about it all over the country.

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. No. I have some things I wanted to say, and my time is very limited.

The question of whether or not this bill is retroactive has been raised. It is not retroactive in the sense that a new crime has been created. It is retroactive to the extent that it provides additional method and conduct in connection with the deportable alien between the time of his arrest and his final expulsion from the country. Under existing law he is detained under bond. Under this law he might be detained in custody. An amendment to the bill would readily remove any doubt on this point.

Mr. SACKS. Will the gentleman yield on that point?

Mr. MICHENER. Yes; I yield.

Mr. SACKS. I will support the bill if it is not retroactive.

Mr. MAGNUSON. Will the gentleman yield?

Mr. MICHENER. Yes; I yield briefly.

Mr. MAGNUSON. The gentleman started out by justifying the legislation on the ground that it was desirable or necessary. If this only affects 50 people, why is it necessary?

Mr. MICHENER. It may not be necessary, but it is certainly desirable to rid this country of even 50 people who are propagandists for a philosophy that does not coincide with the philosophy of our Government. Get these alien "reds," radicals, law violators, and criminals out of the country; get back to fundamental Americanism—and this bill will go a long way toward that objective. [Applause.]

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, it seems to me it is grossly unfair to confuse the issues. The issue here is not one of protecting criminal aliens. I, for one, am very proud of the part I played as assistant United States attorney, in bringing about the punishment and deportation of many, many criminal aliens. Therefore, I repeat, that is not the question. The question is not one of protecting criminal aliens. The question is a question of protecting and defending democratic procedure and due process, in keeping with true American traditions.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. Yes, I yield.

Mr. BROOKS. As assistant United States attorney the gentleman was aware of the fact, I am sure, that the process

of convicting a man of a crime was a different process from that of deporting him; is that correct?

Mr. MARCANTONIO. Certainly.

Mr. BROOKS. One was a criminal action, and the other was a civil action. There was no double jeopardy. Is that not right?

Mr. MARCANTONIO. There was no double jeopardy in the deportation of a criminal alien. There is no question about that. Nor is there any question of lack of due process in proceedings for the deportation of a criminal alien who falls within the various classes enumerated by the act of 1917.

Deportation, however, is carried out in accordance with the law. Certainly no Member of the House is going to stand here and advocate either deportation or other kind of punishment of a criminal alien, or any other kind of alien, except as it be in accordance with the Constitution and the statutes.

What does this bill attempt to do? In considering this question let me read to you section 20 of the present Immigration Act, passed February 5, 1917. I read as follows:

Pending the final disposal of the case of any alien so taken in custody (in deportation proceedings) he may be released under a bond in the penalty of not less than $500, with security approved by the Secretary of Labor, conditioned that such alien shall be produced when required for a hearing or hearings in regard to the charge upon which he has been taken into custody, and for deportation if he shall be found to be unlawfully within the United States.

This particular section has been defined by the courts time and time again, particularly the portion "taken into custody." Confinement has been defined by the courts to be confinement within a reasonable period of time, a period that is reasonable in the light of the requirements and the time that is necessary to effectuate deportation. In one of the leading cases on this subject, the case of *United States* v. *Wallace* (279 F. 405), the Court said:

This and every other deportation order requires the proper official to return the alien to "the country whence he came," and for that purpose "to purchase transportation for the alien." Under familiar law this necessarily means that the transportation is to be obtained and the deportation effected within a reasonable time. What is a reasonable time varies with circumstances; during the World War it was a matter of even judicial cognizance that opportunities for deportation were rare and long delayed. We now take cognizance of the fact that peace has been declared, and regular communication with the British Isles reestablished, and we therefore express our opinion that unless this relator, or any other person similarly situated, be actually deported within 4 months after such alien has exhausted his legal remedies, any further or other detention under pretense of awaiting opportunity for deportation would amount, and will amount, to an unlawful imprisonment, from which relief may be afforded by a new habeas corpus.

This bill contravenes that express finding of the Court, for the bill establishes confinement for an indefinite time, a time which may run to any length, even for life. In deportation cases the only justification of confinement without due process is when the confinement is reasonable as an incident to deportation. The moment, however, confinement is not reasonable—the moment confinement is either permanent or beyond reasonableness—it ceases to be an incident to deportation; it becomes imprisonment. Under this bill you would be imprisoning these aliens without due process of law; and I submit that for the purpose of dealing with a few aliens you are substituting by this bill an undemocratic, unconstitutional procedure, substituting for our own democratic procedure one which is entirely alien to our democratic institutions of law.

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 additional minutes to the gentleman from New York.

Mr. MARCANTONIO. Congress has no power to imprison anyone without providing for due process. Once an alien is detained for an unreasonable period of time such detention becomes imprisonment, and in this bill it is imprisonment without due process of law.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. GWYNNE. Due process is provided in the bill. It provides for appeals in the regular way.

Mr. MARCANTONIO. I am coming to that.

Mr. Chairman, it is contended by the proponents of the bill that it meets the due-process requirement. The fact is the bill contains merely the color of due process. It provides that the alien or his attorney may file a petition with the circuit court of appeals. This is not due process. The gentleman from Iowa is a good enough lawyer to know that the circuit court of appeals never disturbs the findings of fact of any administrative officer in this type of case. The court never passes on the weight of evidence in these cases. The circuit court of appeals will not disturb the findings of fact made by the Secretary. The matter of providing appeal to the circuit court of appeals is simply providing for the stamp of approval on an illegal detention, because it affords the person involved no review as to the facts. The court merely passes on the question of proper procedure.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. CELLER. All that section provides is to say that the procedure of the Secretary of Labor is in pursuance of that section; but no finding of fact can be upset by the court.

Mr. MARCANTONIO. No finding of fact can be reviewed by the court.

Mr. ALLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. ALLEN of Illinois. In regard to the question of constitutionality, many Members of Congress, including myself, feel that these aliens who are teaching anarchy, who are selling opium, are trying to undermine our system of government. Does not the gentleman feel that Congress has the right to pass legislation detaining certain criminal aliens who we feel are trying to overthrow our system of government?

Mr. MARCANTONIO. First of all, there are laws now on the statute books to take care of such people and situations adequately. Second, whatever power Congress has to deal with any person in the United States, this power must be exercised in conformity with the fourteenth amendment and must provide for due process. This bill does not provide for due process. The only manner in which you seek to justify this bill on the question of due process is that the detention is incident to deportation proceedings, which are civil proceedings. The courts have said, however, that when the detention is unreasonable it becomes a criminal detention; hence, it must be accomplished only by due process of law.

Several Members rose.

Mr. MARCANTONIO. After making a short statement I shall be pleased to yield.

Let me refer to a question raised by the gentleman from Michigan as to concentration camps. No concentration camp is mentioned in this bill. The word "camp" does not occur in the bill; the word "concentration" does not occur in the bill. What makes a concentration camp? Is it the barbed-wire fence that makes a concentration camp? That does not make a concentration camp. If a person is sent by due process to a place that is surrounded with a barbed-wire fence, that is not a concentration camp.

What constitutes a bastille and what constitutes a concentration camp is the method by which persons are sent to those places. Imprisonment without due process of law is concentration camp imprisonment. Therefore inasmuch as this bill confines people without due process of law and it sends people to places of detention without due process of law I submit we are entirely correct in characterizing this bill as a concentration camp or bastille bill or a lettre de cachet bill and we are importing into our country a totalitarian system of criminal procedure which is repugnant to the Constitution, repugnant to the Declaration of Independence, and repugnant to our democratic form of government.

Mr. BRADLEY of Pennsylvania. Will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. As I understand the gentleman's previous remarks, he was concerned mainly about the constitutionality of this proposed bill.

Mr. MARCANTONIO. And the democratic traditions that we have maintained throughout the years in our criminal procedure.

Mr. BRADLEY of Pennsylvania. With regard to the constitutionality feature there is a difference of opinion in the House on that question. If it is unconstitutional the Supreme Court will eventually decide that matter, will it not?

Mr. MARCANTONIO. But there cannot be any difference of opinion as to the undemocratic procedure established by this bill.

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, ladies, and gentlemen, this is an important bill. Its purpose is to make effective our laws providing for the deportation of enemy and criminal aliens. It does not affect anyone except enemy or criminal aliens. All aliens who get into the United States legally come in under the promise that they will obey the laws of this country and will not become public charges upon the American people. Under this bill no alien can be placed in a detention institution unless he has been ordered deported as a Communist, anarchist, or a member of some other like group advocating the overthrow of this Government by violence or unless such alien has been twice convicted of a felony involving moral turpitude or is engaged in the business of selling or handling narcotics in violation of law or is engaged in the business of white slavery and promoting prostitution. If the Department of Labor finds an alien that may be deported on any of these charges, then the Department of Labor issues a warrant of deportation and the alien is given a full hearing before the immigration authorities, and if the decision is adverse to the alien he may go into the United States district court under a writ of habeas corpus, and if adverse there he may appeal to the circuit court of appeals, and then to the Supreme Court; and if the rulings are adverse to him he must then leave the country or be detained as provided in this bill.

Many alien enemies and criminals have been ordered deported. In order to return to their own country they must receive a passport issued by their own country. We now have in this country about 460 enemy and criminal aliens that have been ordered deported, but they insist that they cannot go back to their own country because they have no passports, and insist that they may remain in the United States. The purpose of this bill is to detain these criminal and enemy aliens until they do secure passports and leave this country as ordered by the immigration authorities and the courts of our country.

Our Judiciary Committee had what the members considered reliable information that a very large percentage of these aliens are Russian Communists. Russia will not issue any passports for the return to Russia of these Russian aliens that have been ordered deported. They are here as propagandists, teaching and preaching communism and the overthrow of this Government by force. The conclusion is inescapable that Russia does not desire these Communists to leave the United States. Russia wants them to remain here to spread communism.

This bill provides that any criminal alien or any enemy alien that has been ordered deported and fails to leave this country shall be detained in some institution until he does leave or until the Secretary of Labor orders his discharge. Such alien will not be placed at hard labor while detained, as such provision would likely render this measure unconstitutional. Some Members of the House have declared the provisions of this bill an outrage and denies to these aliens due process of law. The provisions of this bill do not attach until the alien has had his full hearing before the immigration authorities and until his case has been passed on by the highest court in this land if he desires. It is after all steps have been taken to determine that the alien has violated the laws of our country and should be deported and is ordered deported. This law does not apply to the deportation of any aliens except criminal aliens, those that have been convicted at least two times on felonies involving moral turpitude or guilty of selling or peddling dope and narcotics in violation of law or guilty of promoting and carrying on white slavery or prostitution, or membership in and aiding and promoting communism, anarchy, or other like organization teaching, and advocating the overthrow of the United States Government by violence.

If this "kettle of fish," the worst group of criminals and enemy aliens, would themselves obey the laws of our country, respect the flag and country that gives them shelter, and adhere to decency and morality, there would be no necessity for this bill. These groups of criminal and enemy aliens talk loud and long about the protection of our Constitution and our laws, yet they spend their time in open defiance of our laws, disrespect for our flag, and would if they could overthrow our Government. [Applause.]

In every State we have laws that provide that incorrigible children may be placed in detention institutions. We detain insane persons, American citizens, because the welfare of the community and the safety of the citizens require it. Why should we not detain these enemy and criminal aliens who violated their promise on entering this country and many of whom would overthrow it if they had the chance?

I am satisfied that this act will be a deterrent. Aliens will begin to realize that they cannot violate our laws, public decency, and threaten the very life of our Nation with impunity, and when they are detained there will be a way found by them or by their governments to permit them to get back to their home countries.

There is a provision in this bill to prevent any undue hardship. The Secretary of Labor is vested with authority to release any person detained where good cause is shown. In determining good cause, the Secretary of Labor's action will be guided by either one or all of the provisions on page 3 of the bill: First, the age and health of the alien may be taken into consideration; second, if it shall appear that the alien will not resume the course of conduct which made him deportable. The Secretary of Labor may find that the alien detained will cease to be a criminal or cease to preach communism and the overthrow of this Government; or, third, may discharge him if it shall appear that the alien is unable to secure a passport through no fault of his own and that he will not violate the laws or endanger this Nation.

It is believed that not more than 50 persons a year will come under this act. When we pass this law and these Communists and other criminal aliens find that they cannot run loose in America and carry on their criminal and other un-American activities they will then begin to get their passports and leave our country. [Applause.]

Why this tender regard for these criminal and enemy aliens? Why all these appeals to keep in our country criminals that have been at least twice convicted of felonies or are guilty of peddling dope or carrying on the business of white slavery and prostitution? It seems to me that every law-abiding, God-fearing man and woman in this country would be anxious to get rid of them.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from Montana.

Mr. O'CONNOR. I am very much impressed with the gentleman's argument and there is only one point which I would like to have made clear. Does the gentleman believe the bill protects the man or woman who is ordered to be deported and who has no country to go back to; that is, the country from which he came has been wiped out, say, by Germany, or Great Britain, or some other country?

Mr. ROBSION of Kentucky. The bill on page 3, as I have stated, gives the Secretary of Labor the right to protect the interests of such person. The Secretary of Labor can release such person at any time upon proper showing; but, of course,

we do not expect the Secretary of Labor to grant a release if the person is going out and continue to commit felonies, peddle dope, promote prostitution, or preach the overthrow of this Government.

Congress has passed laws providing for the deportation of these types of aliens. The Department of Labor is from time to time ordering their deportation, but we now have 460 criminal and enemy aliens in this country that the deportation orders cannot be carried out because these aliens claim they have been unable to get passports. The net result is our deportation laws are nullified and these criminal and enemy aliens are permitted to run loose in this country. In other words, they have defied Congress and the United States Government. It is a direct challenge to the authority and sovereignty of this country. We must make our deportation laws effective and thereby uphold our laws, protect our people, and preserve the sovereignty of the United States. This bill accomplishes that very purpose. If we fail to do this, more and more criminal aliens, and the most dangerous, will resort to this scheme in order to remain in our country. [Applause.]

This bill means that a criminal or enemy alien cannot himself, or in conspiracy with his Government of Russia or other nation, defy the United States Government, its mandates, or the judgments of its courts. [Applause.]

Mr. EATON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from New Jersey.

Mr. EATON of New Jersey. I am not a lawyer, but I am an American citizen and a layman and I am puzzled by this question. If criminal aliens subject to deportation are not permitted by their own countries to return to the land of their origin and circulate there, why should they be permitted to remain and circulate in this country, whose laws they have violated?

Mr. ROBSION of Kentucky. I thank the gentleman for his thoughtful observation. I am at a loss to understand the deep concern of a number of our colleagues for these particular groups of criminal and enemy aliens. We cannot proceed under this proposed law unless they have violated their solemn promise to obey our laws made to enter our country. They are merely our guests. They have violated every principle between guest and host. They have committed felonies or have tried to destroy this Nation, or both. Is it not your duty and mine to pass this bill and protect our country?

I am more concerned in the welfare of our country than I am in the welfare of a lot of criminal aliens who are Communists or persons engaged in selling dope or carrying on the nefarious business of white slavery and prostitution for profit. [Applause.]

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. FORD].

Mr. THOMAS F. FORD. Mr. Chairman, I rise in opposition to H. R. 4768, because I am convinced that this democracy of ours should not stultify itself by employing the methods of the dictator nations. Among these methods is the "detention" of suspected or feared or "undesirable" persons, not as punishment of crime but because the Government fears or hates them. Such detention is without due process of law and is therefore inimical to all. The usual places of "detention" are concentration camps.

While this bill does not specifically provide for such camps, the implication is there. Read between the lines.

Democracy today is engaged in a bitter struggle for existence. With nation after nation falling under the rule of dictators, the tendency is for the democracies, under nervous strain, to adopt the very methods that have undermined and destroyed freedom and representative government in other nations. I do not want my country to yield to hysteria and employ the methods of the dictators; one of those methods is and always has been the concentration camp.

If I read my history correctly, the existence of concentration camps on the island of Cuba, instituted by General Weyler, called at the time "Butcher Weyler," was one of the factors that helped enrage the American people and fanned the flames of the Spanish-American War in 1898. The very idea of human beings kept in prison because the Government fears them is nauseating to Americans. It is true that the class at whom this bill is aimed is the criminal or undesirable alien who cannot be deported because his native government refuses to accept him.

In the troubled and changing conditions that exist it is natural for us to resent this. We do not want these criminals, and we cannot get rid of them. That is the situation.

Therefore, it is argued, let us deprive them of their liberty, just as the dictator countries deprive racial and religious minorities of their liberties without due process of law.

This is as logical as it is un-American.

As I see it, the proposed course is subversive of all our principles of justice, of human rights, of decent forebearance in dealing with those in our power and at our mercy.

What, then, shall we do?

Authorize the Secretary of Labor to parole them, just as we parole many persons who have been convicted of crime.

These undesirable aliens should not be turned loose. Neither should they be held in "detention" unless serving sentences for crime. To protect the public they should be paroled under strict rules. If they fail to obey the laws, then they should be tried and convicted and sent to prison in the legal way, the American way, the democratic way.

To follow any other course is to start something we may not be able to stop. If one undesirable class—and these deportable aliens are undesirable—is to be detained because Congress so orders, what guaranty have we that some other class may later, as hysteria increases, be "detained" by act of Congress?

To preserve liberty under law we must undeviatingly refuse to make a single exception, even in the case of the most undesirable alien.

That is the American way. [Applause.]

Mr. CELLER. Mr. Chairman, I yield the gentleman from Utah [Mr. MURDOCK] such time as he may desire.

Mr. MURDOCK of Utah. Mr. Chairman, imprisonment without due process of law is one of the oldest, and certainly the most cruel, instruments of tyranny. Slavery itself was but one form of illegal constraint, and any deprivation of liberty is slavery, regardless of the terms by which legalistic bickerings may disguise it. The most dangerous weapon of absolutist monarchies was the stolen power to imprison their enemies without cause. Every student of history recalls the vicious practice by which French kings drove their subjects to violent revolution, the issuance of lettres de cachet, with which the monarch and his friends could, by merely affixing their signatures to an order, bring about the incarceration of their private or public enemies. While the unseen power of the lettres de cachet existed no man was free, no man was safe. If a private citizen, even in defense of his acknowledged rights, dared to incur the ill will of a nobleman, he might find himself thrown into a dungeon without trial, without right of appeal, and without hope of liberty. The assault on the Bastille, which is still celebrated in France, and which certainly was one of the important milestones along the path to human freedom, was the inevitable result of centuries of suffering under the royal prerogative of imprisonment without due process of law.

The Anglo-Saxon race, during its whole history, has fought relentless war against imprisonment without trial. In the Magna Carta the English barons extorted from King John a promise that no man would be imprisoned without trial by his peers. In the remotest days of English history we find the institution of trial by jury, and in every age we see the English people insisting upon that right as a natural one, as an inalienable one, as the very foundation of freedom. The first colonists who came to this country brought with them the right of trial by jury.

In every colony that right was acknowledged, respected, and protected at all costs. And when the Federal Government was created by the ratification of the Constitution, the fathers, in order to preclude any attempt to deny that right by the new government, brought about the adoption of the

Bill of Rights, designed primarily to insure equal justice to all.

I do not think the time has arrived when we should begin to assault the foundations of our freedom. I do not believe that any excuse whatever would justify an act of Congress which, directly or indirectly, denied equal justice to any man under the protection of the American flag. Let it be remembered that there have always been subversive activities, that there have always been enemies of order and good government, that there have always been ungrateful aliens. Let it be remembered that in the days when the Constitution was adopted there were those who disapproved of the American form of government, and those who would have resorted to force to undermine it. But in spite of these facts, in spite of the existence within our borders of foes of our system, the fathers believed, as I believe, that the guaranty of equal justice to all men was of transcendent importance. Under our system of government, even the murderer is entitled to a fair trial before he is punished, even one clearly guilty of treason must be brought to justice in accordance with law, even the criminal, the archenemy of society, has the right, the inalienable right to a trial before he is imprisoned.

The jealousy with which our progenitors have guarded these personal and civil rights is attributable to their recognition of the fact that liberty is indivisible. If the criminal may be condemned without a trial today, perhaps tomorrow the innocent man may be condemned. If today the ungrateful alien may be imprisoned without due process of law, who may say that tomorrow may not see the rebuilding of the Bastille? Once we begin to tear down the temple of equal justice we have destroyed its symmetry. It can only exist as a whole. If one part is torn away, the rest will surely fall. It is not so long ago that our greatest citizen said, "This Nation cannot endure half free and half slave." Let the echo of those words remind us that when equal justice is denied to one, citizen or alien, innocent or guilty, it is no longer equal, it is no longer justice.

Regardless of the good intentions of its sponsors, in which I sincerely believe, it seems to me that the bill now before us is a direct assault upon the American system. The bill, upon its face, tells its own tale. It provides for the "detention" of certain classes of aliens. It provides that such aliens shall be confined, but—mark this—"not at hard labor." Why were those words "not at hard labor" inserted in the bill? Surely not because its sponsors desire to insure the enforced idleness of such aliens. No; it was recognized by those who wrote the bill that if such aliens were confined at hard labor the law would clearly contravene the express provisions of the thirteenth amendment to the Constitution. Let us look at that amendment. I quote:

SECTION 1. Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States or any place subject to their jurisdiction.

Let it be noted that the amendment, by its terms, applies not only to white men but to black; not only to innocent men but to guilty; not only to citizens but to aliens. That amendment, as everyone knows, was intended to destroy a vile and cruel institution—human slavery. But it is thought that to constitute slavery or involuntary servitude the victim must be forced to work. And so in this bill, in the hope that what is unconstitutional may be made to seem constitutional, the words are inserted "not at hard labor." But if you rob a man of liberty, if you confine him in a prison or in a concentration camp or in a road gang, can he be said to be free because he is not compelled to work? The question answers itself. Slavery does not consist alone of compulsion to labor. Slavery is the imposition of the will of one man upon others without their consent.

Slavery is the deprivation of liberty. Slavery is none the less slavery because the master is kind, or the place of enslavement comfortable. Slavery frowns through this thin legal mask, "not at hard labor," frowns at Americanism, menaces liberty, threatens our system of equal justice. Let us, in equity, look to the substance, not to the form. Let us remember that here is one form of that thing of which Lincoln said that one day he would strike it, and strike it hard. Let us not parry his blow.

The bill before us is prefaced with certain "whereas" clauses, obviously designed to beguile us into accepting it. The first clause reads:

Whereas the right to exclude or to expel aliens, or any class of aliens, absolutely or upon certain conditions, in war or in peace, is an inherent and inalienable right of every sovereign and independent nation.

Why was it thought advisable to introduce this bill with such a clause? The American people know that the Nation has the inalienable right to expel or exclude aliens. The courts have said so in innumerable decisions. The Supreme Court has said so with emphasis. The Congress has said so by the enactment of exclusion and deportation laws, time and time again, and no one denies that right. Has Congress nothing more important to do than repeat undeniable truisms? We had better enact into law one of the many decisions of the Federal courts on the subject than to invest with the solemnity of law this trite statement. But, as if the declaration of the unquestionable were the prerogative of Congress, this clause is followed by another:

Whereas the exercise of such sovereign power by the United States of America should not be hampered, limited, nor thwarted by any other nation.

Has anyone dared to say that Hitler should legislate for us? No. Has any foreign nation dared to assume to hamper, or limit, or thwart our sovereign power to exclude or deport aliens? No. Then why this declaration? Have some Congressmen just discovered its truth? No. As is so frequently the case, these perfectly innocuous statements are designed to serve as sugar coating for an otherwise unpalatable pill. They are the sheep's clothing in which the wolf of reaction masquerades. The next clause reads:

Whereas the right to detain an alien subject to deportation is but a necessary incident of the right to exclude or deport.

Whereas the bill promised to be a mere legislative tautology, it has now become a judicial fiat. Of course, the reasonable detention of an alien subject to deportation is but a necessary incident of the right to exclude or deport such alien. But we now have on the statute books more than enough laws authorizing such reasonable detention; and we have a steady stream of judicial decisions upholding such reasonable detention. This bill, however, as the minority report shows, as the report of the Department of Justice shows, and as a little reflection will make obvious, is intended to authorize a most unreasonable, unconstitutional, and un-American detention. Apropos the detention of aliens, the Supreme Court, in the celebrated Wong Wing case, said:

No limits can be put by the courts upon the power of Congress to protect, by summary methods, the country from the advent of aliens whose race or habits render them undesirable as citizens, or to expel such if they have already found their way into our land and unlawfully remain therein. But to declare unlawful residence within the country to be an infamous crime, punishable by deprivation of liberty and property, would be to pass out of the sphere of constitutional legislation, unless provision were made that the fact of guilt should first be established by a judicial trial. It is not consistent with the theory of our Government that the Legislature should, after having defined an offense as an infamous crime, find the fact of guilt and adjudge the punishment by one of its own agents.

What good cause will the enactment of this bill serve? We now have laws to exclude aliens. We have laws to deport undesirable aliens. We have laws to provide for the reasonable detention of deportable aliens. All of our laws apply to aliens as well as to citizens. If an alien commits a crime, he can be punished under our laws. If he murders, he can be made to pay the death penalty. If he incites to riot, or conspires to incite to riot, he can be imprisoned and fined. If he acts to destroy the Government, he can be imprisoned and fined. Every possible unfriendly or criminal act of an alien is properly punishable, either in a Federal or in a State jurisdiction. Then why this law? If we keep in mind the

adequacy of our existing laws and the excellence of their administration, especially by Federal agencies, which alone come within the jurisdiction of Congress, this bill can only be regarded as an attempt at persecution. It is not enough, its sponsors say in effect, that we can exclude aliens, that we can deport aliens, that we can detain aliens subject to deportation, that we can punish aliens for criminal acts, we must yet express our venom in this act of bigotry. By this bill, if enacted, we will transplant to the free soil of America the vilest weed of fascism. We shall establish concentration camps, we shall herd together like cattle tiny groups of helpless people, surround them with prison walls or barbed-wire entanglements, torture the sick, the stranded, the homeless, hound and harass the hapless men without a country. Mr. Chairman, surely this is not Americanism. Surely this is not the march of progress, but the goose step of reaction.

Let us not, Mr. Chairman, talk so loud about the Constitution that we cannot hear what it says. Let us not, Mr. Chairman, flaunt our Americanism by forgetting to act like Americans. Let us not, Mr. Chairman, attempt to protect our institutions against foreigners by tearing them down ourselves. I hold no brief for deportable aliens. I will go as far as anyone to rid our country of criminal foreigners who seek to undermine our system. But men do not cease to be men because they are not native-born Americans. Indeed, in our Declaration of Independence we solemnly affirmed that all men are equal and entitled to the blessings of equal justice. Let us not now attack un-American activities with un-American activities. Unconstitutional acts are bad and unworthy defenders of the Constitution. I have undying faith that America is safe against foreign foes so long as we Americans shall ourselves be loyal to American traditions.

I know there are some Congressmen who tremble at the thought of the bogey communism or the phantom fascism. Surely a little thought will reveal to them that the best way for us to protect America against undemocratic conspiracies is to make democracy work. Let us spend our time trying to help the 130,000,000 Americans whose welfare is our chief responsibility. We have no time to waste in unlawfully and unconstitutionally persecuting a handful of helpless and hopeless foreigners. And in these days when we pay constant lip-service to economy we should give heed to the fact that the enforcement of this bill would entail huge expenditures and a vast increase in the personnel of the Immigration Service. Surely Congress will not decline one day to provide adequate funds for the relief of human misery, and the next authorize wasteful expenditures for persecution.

Mr. CELLER. Mr. Chairman, I yield the gentleman from California [Mr. GEYER] such time as he may desire.

Mr. GEYER of California. Mr. Chairman, I am sure none of us are in sympathy with the class of criminals with which this piece of legislation deals. I wish it distinctly understood that I am not coming to their defense in what I say here. No one has less use for those who commit such offenses against our country and society than myself.

What I am defending today is the institution of democracy. And we all know, if there was ever a time that defense is needed, it is right now. Some of my colleagues claim that in supporting this bill they are defending democracy. Now, this cannot be the case in both instances. If I am defending it, these colleagues are trying to destroy it. If those on the other side are defending it, then I am trying to destroy it. Let us see who is right.

In the first place, it is axiomatic that one cannot defend by destroying. The passage of this bill, in the admission of several of those who champion it, takes from some, at least, of the victims, if not all of them, rights guaranteed under the Constitution or established by court decisions.

One need not be a clever attorney to see wherein this bill violates the right of trial by jury, that instrument of democracy bought by our ancestors at such a price. This piece of legislation takes the man who has served his sentence, paid his debt to society, if you please, and without due process of law confines him, maybe for life, in an un-American institution, the concentration camp. Is the violation of this sacred right upholding and defending democracy?

This law would take the victim, who again has paid his debt to society, and place him into confinement where the sacred right of the writ of habeas corpus can never be applied. Is this upholding democracy as written in our fundamental document?

What about the inflicting of excessive punishment for a crime, another sacred safeguard to democracy? Under the terms of this act a man who has served his sentence and thereby paid his debt to society may be placed in confinement if it so happens that his country has been erased from the map or he, for some reason beyond his control, is unable to obtain a visa. Are my colleagues who are trying to do this upholding and defending democracy?

What about this type of punishment for offenses? As the victim has served his sentence for the crime he has committed, his new crime would only be failure to return to his native land. This is a civil offense and not a criminal one. Do we under our form of government punish by imprisonment for a civil crime? Gentlemen, I believe if we are to carefully think this thing through we must conclude that those who are supporting this measure are destroying democracy in the name of defending it. I for one will continue to live up to my oath of office as I see it and continue to defend democracy by opposing this measure that belongs along with the edicts issued by a Hitler. [Applause.]

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. DICKSTEIN].

Mr. DICKSTEIN. Mr. Chairman, judging by the discussion that has been going on, this bill, which the Committee on the Judiciary has seen fit to consider, certainly is a 100-percent immigration bill. I wish they would take from our committee some bills which are a little tougher than the one now under consideration, because, in my opinion, it is absolutely a disgrace to bring the pending bill onto the floor of the House.

As I said a few days ago, I am not defending the criminal. I will go as far as any man on this floor in ridding this country of criminals, but the gentleman from Kentucky made a passionate speech on what a great bill this is in its treatment of those who are trying to overthrow our Government. Are the prostitutes trying to overthrow the Government? Are the dope peddlers trying to overthrow the Government?

This is not the real issue of this bill at all. The whole bill simmers down to one proposition. We have in this country a number of criminal aliens whom I wish we could get rid of. We cannot get passports for them because, under the Versailles Treaty, the whole world was changed and the lands whence some of these criminals came and where they were born are no longer in existence. The Department of Labor has done everything in its power to secure passports for them. Unfortunately, in many cases it was impossible to obtain the necessary passports. The only way we can dispose of that question, therefore, is by a resolution of this Congress calling on the State Department to ask the governments of the countries to which these criminals should be deported to grant the necessary documents.

Are we going to take these men and women who have been here for, say, 20 or more years away from their families? When they came here they were not criminals. They were made criminals right in this country because of bad environment or wrong education. They are now married to American women and have American families. Are we going to pass a law which is retroactive, which will take a man away from his wife and children and put him into a concentration camp because he committed a crime 20 years ago and the country where he was born will not take him back? I say that is wrong. If you want to dispose of this criminal and get rid of him, find another method by which we can check on him, by which we can find out if he continues to commit crimes. I venture to say that none of the 415 persons referred to by the gentleman from Michigan has committed a crime for many years. Those persons are on probation.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. I do not have time to yield.

I do not give them any credit for what they have done. The fact is, however, there is no way at the present time of getting rid of them by sending them back to countries which will not give them passports, or countries which no longer exist.

This bill refers to radicals. We have a law to deal with radicals. The bill refers to criminal aliens, and I say we already have laws to deal with them. The bill refers to certain types of immoral persons, and we have laws to deal with them. The present bill is inconsistent with at least a dozen different sections of the immigration law. Three of the sections of this bill are absolutely in contradiction of laws the Congress has placed on the statute books of this country. The committee has overlooked that. Why? Because, I believe, the committee is not familiar with the present status of the immigration law that has been in effect since 1917.

I submit that if we want to be constructive and help our country to get rid of these criminals we should do it in another way. Let us do it in an orderly way. I have a resolution before the Rules Committee today, the so-called Schulte resolution, that would give this committee the right to study this whole problem. This problem has not been touched in 31 years. The Committee on Immigration and Naturalization has been struggling almost constantly to solve all these various problems that we should solve, but without notice to the Committee on Immigration the bill is taken into the Committee on the Judiciary. Why?

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I yield to the gentleman from Indiana [Mr. LUDLOW] such time as he may desire to use.

Mr. LUDLOW. Mr. Chairman, I love democracy and I hate everything that strikes it down. I am against this bill because I am afraid of its ultimate implications. I fear that it would imperil the individual freedom which is so zealously sought and guarded in the Bill of Rights. I believe that it sets up an instrumentality which might be used to destroy personal liberty in America. So great are the potentialities for evil in this bill I shudder to see it go on the statute books.

I have the highest esteem for the author of this bill. I know that every fiber of his being is patriotic. He is a man of superlative ability and of the highest character. No one who knows him will challenge the integrity of his thought and purpose. I am not finding fault with the gentleman from Alabama [Mr. HOBBS] when I disagree with his bill. I am proud of his friendship, but I cannot see eye to eye with him in regard to this measure.

Here we have a bill which, in my opinion, violates the Constitution in half a dozen ways, and especially the fifth amendment of the immortal Bill of Rights, which reads as follows:

> No person shall be held to answer for a capital or other infamous crime unless on a presentment or indictment of a grand jury, except in cases arising in the land or naval forces, or in the militia, when in actual service in time of war or public danger, nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb, nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property without due process of law, nor shall private property be taken for public use without just compensation.

What becomes of due process of law, I ask you, in such a procedure as is provided in this bill, where an administrative officer can send persons to concentration camps without trial by jury? In this case the persons are aliens, but if we establish this precedent may we not reasonably expect that sometime in the future other persons against whom administrative officials may choose to direct their hostility may be sent to concentration camps without trial by jury? Suppose some Secretary of Labor of some future administration should be violently antagonistic to labor. Might there not be a temptation to extend the law so as to send recalcitrant laborites to concentration camps? And would there not be a likelihood that in times of war or great international stress these concentration camps would come in handy for the confinement of any persons who in the opinion of administrative officials ought to be deprived of their liberty? The plain truth is that this bill gives to administrative officials the adjudication of rights to liberty, which is something that administrative officials should never have in the American system. This bill sets the Secretary of Labor above the courts of the country.

Let us consider for a moment how it will operate in the case of the nationals of defunct countries, Czechoslovakia, for instance. There are Czechoslovakian aliens in the United States who cannot get passports back to Czechoslovakia because there is no Czechoslovakia any more. Unless Hitler is willing to receive these black sheep—and it is a thousand to one guess he will not be—the Secretary of Labor under this bill can send them to a concentration camp for life without trial by jury. Is that not a fearful precedent to set in free America? I know it is denied that there are to be concentration camps, but the bill provides for places of detention, and I do not think anyone will be so simple as not to know that this means concentration camps under another name.

When I think of concentration camps I think of stockades and barbed wire and Hitler and Mussolini and the totalitarian states where Christianity has been murdered and individual liberty has been stifled forever. Do we want to start that sort of thing in America? I hold no brief for alien crooks, and if I had my way every alien who remains in our country a year without filing a declaration of intention to become an American citizen would be deported automatically. But I fear that in striking at a few alien pimps and prostitutes and narcotic addicts we are imperiling our priceless franchise of freedom, and that is what is worrying me.

In conclusion, Mr. Speaker, let me remind you that only a few weeks ago President Roosevelt stood at the desk in front of you and said with justifiable emotional pride that America is one country where there are no concentration camps. Let us make the word of our President good and keep this hateful totalitarian institution out of America.

Mr. CELLER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I must repeat what I stated in discussing the rule on this bill, that I hold no brief for any crooks or pimps or procurers or dope peddlers. I loathe them just as much as any man in this House, but this bill goes much further than seeking to apprehend those despicable characters, and if you would but take the time to go carefully into the implications of subdivision (b) and subdivision (c) on page 4 of the bill you would find upon close examination that many other classes of aliens are covered; that the Secretary of Labor could reach back through the years and apprehend those who have long since expiated their crimes, who have brought up families, who have been in the country for 40 or 50 years. The bill is retroactive by its terms, and many innocent individuals might have only been malefactors under the act who simply violated the prohibition laws of the various States under the eighteenth amendment. In many States those violations were deemed to have been crimes involving moral turpitude, regardless of sentence. Remember the Jones 5-and-10 law, which sentenced to at least 5 years and not more than 10 years Federal Volstead violators? Many of those would be embraced under the bill.

I oppose this bill because of its unconstitutionality, because it sets up an entirely new procedure, a procedure which, in a sense, anomalous as it sounds, is very old because it was involved in the old 1798 alien and sedition laws, and it is interesting—it would be vastly interesting for you to read in the RECORD tomorrow the provisions of the alien and sedition laws, which I shall insert in the RECORD, and it might interest you to note these brief passages from that act. I cannot read all of them because of lack of time, and if you would substitute the word "Secretary of Labor" for the word "President," as the same appears in the alien and sedition laws, you would have the present so-called Hobbs bill:

> It shall be lawful for the President of the United States at any time during a continuation of this act to order all such aliens as he shall judge dangerous to the peace and safety of the United States to depart out of the territory of the United States, and in

case any alien so ordered to depart shall be found at large within the United States and not having obtained a license from the President to reside therein, or having obtained such license shall not have conformed thereto, every such alien shall be imprisoned for a term not exceeding 3 years.

I herewith insert the Alien Act:

THE ALIEN ACT

* * * It shall be lawful for the President of the United States at any time during the continuance of this act to order all such aliens as he shall judge dangerous to the peace and safety of the United States, or shall have reasonable grounds to suspect are concerned in any treasonable or secret machinations against the Government thereof, to depart out of the territory of the United States, within such time as shall be expressed in such order, which order shall be served on such alien by delivering him a copy thereof, or leaving the same at his usual abode, and returned to the office of the Secretary of State, by the marshal or other person to whom the same shall be directed. And in case any alien, so ordered to depart, shall be found at large within the United States after the time limited in such order for his departure, and not having obtained a license from the President to reside therein, or having obtained such license shall not have conformed thereto, every such alien shall, on conviction thereof, be imprisoned for a term not exceeding 3 years, and shall never after be admitted to become a citizen of the United States.

* * * * * * * *

* * * It shall be lawful for the President of the United States, whenever he may deem it necessary for the public safety, to order to be removed out of the territory thereof, any alien who may or shall be in prison in pursuance of this act; and to cause to be arrested and sent out of the United States such of those aliens as shall have been ordered to depart therefrom and shall not have obtained a license as aforesaid, in all cases where, in the opinion of the President, the public safety requires a speedy removal. And if any alien so removed or sent out of the United States by the President shall voluntarily return thereto, unless by permission of the President of the United States, such alien on conviction thereof shall be imprisoned so long as, in the opinion of the President, the public safety may require (1 Stat. 570, 571, act of June 25, 1798).

Is that the Hobbs bill? Beyond peradventure of a doubt it is the Hobbs bill, a new alien and sedition law, and I call the attention of the gentlemen south of the Mason and Dixon's line particularly to the fact that the Federalist Party was ruined by the alien and sedition laws. I call attention to the Kentucky resolution written by Thomas Jefferson and passed by the State of Kentucky on the Alien and Sedition Act:

KENTUCKY RESOLUTIONS DRAFTED BY THOMAS JEFFERSON WHILE VICE PRESIDENT, PASSED BY KENTUCKY LEGISLATURE IN 1798

6. *Resolved*, That the imprisonment of a person under the protection of the laws of this Commonwealth, on his failure to obey the simple order of the President to depart out of the United States, as is undertaken by said act entitled "An act concerning aliens," is contrary to the Constitution, one amendment to which has provided that "no person shall be deprived of liberty without due process of law;" and that another having provided that "in all criminal prosecutions the accused shall enjoy the right to public trial by an impartial jury, to be informed of the nature and cause of the accusation, to be confronted with the witnesses against him, to have compulsory process for obtaining witnesses in his favor, and to have the assistance of counsel for his defense," the same act, undertaking to authorize the President to remove a person out of the United States who is under the protection of the law, on his own suspicion, without accusation, without jury, without public trial, without confrontation of the witnesses against him, without hearing witnesses in his favor, without defense, without counsel, is contrary to the provision also of the Constitution, is therefore not law, but utterly void and of no force; that transferring the power of judging any person who is under the protection of the laws from the courts to the President of the United States, as is undertaken by the same act concerning aliens, is against the article of the Constitution which provides that "the judicial power of the United States shall be vested in courts, the judges of which shall hold their offices during good behavior"; and that the said act is void for that reason also. And it is further to be noted that this transfer of judiciary power is to that magistrate of the general Government, who already posseses all the Executive, and a negative on all legislative powers. (Writings of Thomas Jefferson, vol. XVII, pp. 383–385, Memorial Edition.)

I call the attention of the same gentlemen to the Virginia resolution adopted December 24, 1798, as written by Madison, which is as follows:

VIRGINIA RESOLUTIONS OF 1798, DRAFTED BY JAMES MADISON AND APPROVED BY THE VIRGINIA HOUSE OF DELEGATES, DECEMBER 24, 1798

That the general assembly doth particularly protest against the palpable and alarming infractions of the Constitution in the two late cases of the Alien and Sedition Acts, passed at the last session of Congress; the first of which exercises a power nowhere delegated to the Federal Government, and which, by uniting legislative and judicial powers to those of (the) Executive, subvert the general principles of free government, as well as the particular organization and positive provisions of the Federal Constitution. * * * (Madison, Letters and Writings, vol. 4, p. 506.)

I give a portion of an address by Madison:

ADDRESS OF JAMES MADISON, OF THE GENERAL ASSEMBLY, TO THE PEOPLE OF THE COMMONWEALTH OF VIRGINIA, DATED JANUARY 23, 1799, CONCERNING THE ALIEN BILL

But this bill contains other features still more alarming and dangerous. It dispenses with the trial by jury; it violates the judicial system; it confounds legislative, executive, and judicial powers; it punishes without trial; and it bestows upon the President despotic power over a numerous class of men. Are such measures consistent with our constitutional principles? And will an accumulation of power so extensive in the hands of the Executive, over aliens, secure to natives the blessings of republican liberty? (Madison, Letters and Writings, vol. 4, p. 512).

The alien bill * * * is a most detestable thing. (Letter, Thomas Jefferson to James Madison, May 1798, Ford ed., vol. VII, 260.)

If there is any doubt now as to whether or not this Hobbs bill is or is not constitutional, I refer you to the writings on the alien and sedition laws, to the words of Jefferson, Madison, Monroe, and even Hamilton and Marshall.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. MURDOCK of Utah. In the report from the Department of Labor, does not the present Secretary of Labor take the position that she is very doubtful about the constitutionality of this bill?

Mr. CELLER. There is no doubt about that.

REPORT IN OPPOSITION BY SECRETARY PERKINS

APRIL 10, 1939.

Hon. HATTON W. SUMNERS,
Chairman, Committee on the Judiciary,
House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: I have your letter of April 12, 1939, requesting my comment on H. R. 5643, a bill "to invest the circuit courts of appeals of the United States with original and exclusive jurisdiction to review the order of detention of any alien ordered deported from the United States whose deportation or departure from the United States otherwise is not effectuated within 90 days after the date the warrant of deportation shall have become final; to authorize such detention orders in certain cases; to provide places for such detention; and for other purposes."

Summarized, this bill provides (1) that certain specified classes of aliens ordered deported, either before or after the passage of the act, whose deportation has not been effected within 90 days after the entry of the warrant of deportation, shall be taken into custody and confined, though not at hard labor, until deportation becomes possible, or until the Secretary of Labor, upon evidence of good cause, orders the release of the alien on such bond as may be required; (2) that in determining whether or not good cause for release has been shown, the Secretary of Labor may take into consideration the age and health of the alien, the likelihood of the alien resuming the course of conduct which made him deportable, the efforts made to expedite departure from the United States by the alien, and the reason for inability to obtain a travel document by the Service; (3) that the authority to apprehend and confine by the Secretary of Labor may only be questioned by petition filed with the circuit court of appeals in which the place of confinement is located, and that the decision of the court shall be final; (4) that the class of aliens subject to the terms of the bill are those ordered deported as members of the anarchistic and similar classes, as violators of Federal narcotic laws, as persons connected with the business of prostitution, and as criminals convicted of crimes involving moral turpitude but not including the offense committed in connection with an alien's entry or naturalization.

Under section 20 of the Immigration Act of February 5, 1917 (39 Stat. 890; U. S. C., title 8, sec. 156), it is provided that:

"Pending the final disposal of the case of any alien so taken into custody (in deportation proceedings), he may be released under a bond in the penalty of not less than $500 with security approved by the Secretary of Labor, conditioned that such alien shall be produced when required for a hearing or hearings in regard to the charge upon which he has been taken into custody, and for deportation if he shall be found to be unlawfully within the United States."

The provision quoted has been construed judicially as mandatorily requiring the Secretary of Labor to release an alien under bond pending final disposition of the alien's case (*Prentis* v. *Manoogian*, 16 F. (2d) 422), and a proceeding for the deportation of an alien is "pending" within the purview of this section until the alien is actually deported (*Becharias* v. *United States*, 208 F. 143). The right to keep the alien in custody is conditioned on the prospect of his deportation within a reasonable period of time (*United States* v. *Wallis*, 279 F. 401). In the latter case the Court said:

"This and every other deportation order requires the proper official to return the alien to 'the country whence he came,' and for that purpose 'to purchase transportation for the alien.' Under

familiar law this necessarily means that the transportation is to be obtained and the deportation effected within a reasonable time. What is a reasonable time varies with circumstances; during the World War it was a matter of even judicial cognizance that opportunities for deportation were rare and long delayed. We now take cognisance of the fact that peace has been declared, and regular communication with the British Isles reestablished, and we therefore express our opinion that unless this relator, or any other person similarly situated, be actually deported within 4 months after such alien has exhausted his legal remedies, any further or other detention under pretense of awaiting opportunity for deportation would amount, and will amount, to an unlawful imprisonment, from which relief may be afforded by a new habeas corpus."

The purpose of the bill, it appears, is to nullify the provisions of section 20 of the Immigration Act of February 5, 1917, supra, and the controlling decisions thereunder insofar as certain classes of criminal aliens or those involved in subversive activities are concerned, and to make possible the continued confinement of such aliens if deportation cannot be effected within a certain period.

Since existing law permits the temporary custody of aliens under deportation proceedings it would probably be more accurate to state that the purpose of the measure is to permit the confinement of undesirable nondeportable aliens. The proposed legislation consequently represents an attempt to implement the immigration laws by imprisoning certain classes of aliens against whom deportation orders are outstanding if these orders cannot be executed within 90 days. It thus attempts to solve a problem of administration which recurs from time to time in cases where the Immigration and Naturalization Service is unable to execute a deportation warrant because no country will recognize the alien concerned as a national and issue passports or other travel documents to him.

The objective of the bill, therefore, is to remedy a defect inherent in the present deportation laws. Whether the approach to this problem represented by this bill is valid under the Constitution, however, presents a serious question.

As indicated by the language of the "whereas" clauses of the bill, the Congress has an absolute and inherent right to deport aliens for any reason which the Congress may decree, and, as an incident to that right may order the arrest and confinement of an alien pending determination of his deportability. But, lacking the ability for any cause to execute an order of deportation, is it within the power of the Congress to confine any alien for an indefinite period, or, so long as an administrative official shall deem proper? If the analogous case of *Wong Wing* v. *United States* (163 U. S. 228) is controlling, the answer must be in the negative.

In that case the Supreme Court was considering the fourth section of the act of May 5, 1892 (27 Stat. 25), which provided that any "Chinese person, or person of Chinese descent, convicted and adjudged to be not lawfully entitled to be or remain in the United States, shall be imprisoned at hard labor for a period not exceeding 1 year, and thereafter removed from the United States." The Court concluded that a Chinese alien held in custody under the provision was entitled to his release on the ground—

"We regard it as settled by our previous decisions that the United States can, as a matter of public policy, by congressional enactment forbid aliens or classes of aliens from coming within their borders and expel aliens or classes of aliens from their territory; and can, in order to make effectual such decree of exclusion or expulsion, devolve the power and duty of identifying and arresting the persons included in such decree and causing their deportation upon executive or subordinate officials.

"But when Congress sees fit to further promote such a policy by subjecting the persons of such aliens to infamous punishment at hard labor, or by confiscating their property, we think such legislation, to be valid, must provide for a judicial trial to establish the guilt of the accused."

The Court further stated:

"No limits can be put by the courts upon the power of Congress to protect, by summary methods, the country from the advent of aliens whose race or habits render them undesirable as citizens, or to expel such if they have already found their way into our land and unlawfully remain therein. But to declare unlawful residence within the country to be an infamous crime, punishable by deprivation of liberty and property, would be to pass out of the sphere of constitutional legislation, unless provision were made that the fact of guilt should first be established by a judicial trial. It is not consistent with the theory of our Government that the Legislature should, after having defined an offense as an infamous crime, find the fact of guilt and adjudge the punishment by one of its own agents."

It is true that in the bill under consideration the Congress has specifically provided that the alien who is to be confined shall not be imprisoned at hard labor. The fact remains, however, that the imprisonment may be for an indefinite period of time upon a finding of an administrative officer without judicial trial. Such imprisonment is not a temporary confinement, a part of the means necessary to give effect to the exclusion or deportation of aliens. The basis for imprisonment is not, except remotely, the result of the alien's actions; deportation may not take place within 90 days after a finding of deportability has been made because of the acts of others or causes beyond the alien's control. The failure or refusal of the country of the deportee's alleged nationality to issue a passport or other travel authorization for deportation is not the act of the alien. The illness of the alien, which may make his deportation impracticable within the period stipulated by the statute, is not his responsibility. The bill explicitly provides that 90 days after the entry of an order of deportation an alien must be taken into custody and confined unless released upon order of the Secretary of Labor.

It is also true that an alien detained under the terms of the act may, upon petition filed with the circuit court of appeals for the circuit in which the place of confinement of the particular alien is located, test the legality of the Secretary's order of detention under the act. But this is not a judicial commitment after trial. The power of the circuit court of appeals, although the court is vested with original and exclusive jurisdiction to hear such petitions, is to consider the "legality of the detention." Under the language of the act, that power necessarily is limited to a consideration of the legality of the finding of the Secretary of Labor as to the alien's deportability and the inability of the Government to execute the order of deportation within 90 days of its entry. The judicial scope of review is narrow and similar to that now exercised in habeas corpus proceedings in all immigration cases. The court may discharge an alien from custody if as a matter of law the finding of the Secretary of Labor cannot be supported—the court may not on a question of fact substitute its own judgment as to what disposition should be made of the case. Therefore, it does not follow that the provisions for judicial review remove the instant bill from the implications of the doctrine of the Wong Wing case, supra.

Apart from the question of the constitutionality, however, it is believed that the bill as drawn has certain other features which might well be reexamined. The present draft of section 1 requires not only the confinement of aliens whose deportation is known cannot be effected but necessitates the apprehension and confinement of an alien who may be too ill to travel under a deportation order even though it is known that a passport or travel authorization will issue shortly after 90 days by the government of his nationality. This would apply even in instances where immediate steamship sailings are not available and, literally read, in instances where an alien may be serving a sentence in a State prison or penitentiary.

It is true that the section also provides for the release from confinement of an alien after he is taken into custody when the Secretary of Labor finds certain conditions to exist. Nevertheless, the prospective deportee must first be taken into custody even though it is clear that conditions prescribed by the law justifying his release already exist. The procedure outlined seems to be unnecessarily cumbersome and rigid.

It would be preferable if confinement should be authorized only when deportation has not taken place within 90 days of the order of deportation and the Secretary of Labor has found that the conditions warranting freedom (those set forth in the proposed bill as justifying release) do not exist. Thus an alien serving a sentence of imprisonment, an alien too ill to travel, or an alien whose deportation is temporarily delayed pending negotiations for a travel document could properly be permitted to remain in prison or at large under bond, or on their own recognizance until such time as it is definitely known whether deportation can or cannot be effected. If there is validity for the action now proposed by the bill, there should be validity for the procedure suggested.

Attention is drawn to lines 4 to 7, on page 3 of the bill. The clause in question seems to serve no useful purpose under existing law. Aliens encompassed within the terms of the bill may not reenter the United States if they should depart therefrom without first securing the consent of the Secretary of Labor to reapply for admission. It would appear to be certain that aliens of the type defined would not be granted such permission to return, and therefore could not reenter lawfully.

Another phase of the subject which cannot be overlooked is the question of whether the problem at which this bill is directed will be remedied by the proposed legislation. Since 1930 the Service has recorded the number of cases in which deportation orders could not be executed because of the refusal of foreign governments to issue travel authorizations for their return. In the last 9 years a total of 118,561 aliens were deported. Only 2,379 deportation warrants issued during this period failed to be carried out because of the inability of the Department to obtain travel documents. Out of this total a large percentage will not be affected by the bill because not of the classes specified as within its purview. In virtually all these cases, the reason given by the foreign consular officer for refusal to issue the travel document was that under the nationality laws of his country the alien could no longer be deemed a national. It is very unlikely that the enactment of this bill would cause foreign governments to change their nationality laws. While there are undoubtedly a few cases where deportation is thwarted by the failure of the alien to cooperate with the United States Government in pressing his own government for a passport, the Department has no evidence that these cases are numerous, and it would seem that a possible result of the bill might be the isolation of a comparatively small number of aliens who, because of conflicts between the nationality laws of this country and the nationality laws of their native land, face a condition of statelessness for an indefinite period.

Attention is also drawn to the fact that the bill is retroactive, and for that reason, if enacted into law, an administrative task of considerable magnitude would be created. The bill would make it necessary for the Immigration and Naturalization Service to review the files of all the deportation cases since the establishment of the Department in order to ascertain those cases in which a final deportation order issued but which for various reasons was not effected.

It is indicated that since 1930 approximately 2,379 aliens are within the group who come within the purview of the bill. The number of such cases that exists which were closed out officially prior to 1930 is unknown. To discover those cases it will be necessary to obtain additional personnel in order to review the hundreds of thousands of files now considered closed cases. The Service does not index the cases of deportable aliens under the grounds for deportation appearing in the warrants of deportation. To ascertain which cases are comprehended within the terms of the bill it will be necessary to examine each and every file which contains a deportation order. The cases of those found to be within the terms of the bill will have to be investigated for the purpose of discovering their whereabouts and for the further purpose of apprehending them as required by the act. It would, therefore, seem that unless Congress contemplates a vast enlargement of the Immigration and Naturalization Service, some period of limitation should be inserted in the bill if it is to become law.

Sincerely,

FRANCES PERKINS, *Secretary.*

Let us see what the Judiciary Committee has done. Unfortunately I was ill at home in my bed when the committee considered this bill, but I make this statement, and I challenge contradiction. The committee did not consider the opinions of the Secretary of Labor. The committee had no factual information before it as was given to them subsequently by the Secretary of Labor, who opposes most vehemently this bill.

Furthermore, the committee did not ask for factual information from the Department of State. Certainly that Department should have been consulted; and I may tell you this: If you now ask the Department its opinion, it will, beyond peradventure of doubt, coincide with the opposition of the Secretary of Labor.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. BROOKS. I have great respect for the gentleman's ability, and I heard him in the cloakroom a few minutes ago express his grave concern over this problem. How would the gentleman solve the problem in a way other than suggested?

Mr. CELLER. I would like to get rid of these despicable characters. It can only be done in pursuance of the Constitution, by according them a jury trial before an impartial judge upon factual evidence. That can be done. Secondly, if, however, that fails, as I said a few days ago, the Department of State is now working on this very matter in an endeavor to get these foreign countries to issue passports for the deportation of these wretched deportees.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Not now. I will yield later.

Now, aside from the Wallis case, which points out the unconstitutionality of an act similar to the instant bill, as adverted to by the gentleman from New York [Mr. MARCANTONIO], let me read to you briefly from the petition of Brooks, cited in Fifth Federal, second edition, page 238, a decision of the circuit court in the New England section. Pay attention to this, gentlemen, because it clearly indicates the unconstitutionality of this act:

In the original return—

Says the court—

the immigration authorities admit their utter inability to deport one Bonder to Russia, but venture the suggestion that the United States will shortly resume diplomatic relations with Russia, and that, therefore, this alien should be kept in imprisonment pending recognition of the Soviet Government.

The court goes on to say this:

It is too plain for argument that the court cannot entertain any such proposition. There is no power in this court or in any other tribunal in this country to hold indefinitely any sane citizen or alien in imprisonment, except as a punishment for a crime.

In other words, the holding of the alien is not a mere incident—it is not a mere step in the deportation proceedings if you seek to imprison or deprive the alien of his liberty for an indefinite period. The Wallis case said you could hold an alien a reasonable time, and that 4 months was a reasonable time, but you could not go beyond the 4-months' period in any circumstances. The Brooks case holds that you cannot hold "indefinitely." The instant bill permits detention indefinitely—"for life" is possible under it.

Let me read to you briefly from the decision of the United States Supreme Court in *Wong Wing* v. *United States* (163 U. S. 228), decided in 1895. That tested the constitutionality of a State statute which sought to hold a Chinaman in jail for 1 year, an alien:

So, too—

Mark ye this—

So, too, we think it would be plainly competent for Congress to declare the act of an alien in remaining unlawfully within the United States to be an offense punishable by fine or imprisonment if such offense were to be established by a judicial trial.

A judicial trial is essential. The bill before us sets up no judicial trial.

You can do all you are doing in the Hobbs bill, but you must do it in pursuance of the Constitution by judicial trial. Otherwise you have no power. You must have a trial before an impartial judge and jury.

Further, the same decision reads:

But to declare unlawful residence within the country to be an infamous offense punishable by deprivation of liberty and property would be to pass out of the sphere of constitutional legislation, unless provision were made that the fact of guilt should first be established by a judicial trial.

In other words, it is outside our power to do what the Hobbs bill says, because the deportee, the intended deportee, is not given a trial as to whether he is guilty of any offense. He is clamped into jail or a concentration camp just because his country of origin refuses to receive him.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Not now; no.

It is said there is no provision for a concentration camp in this bill. It is not worded as such, but let me read to you first two previous bills introduced by the gentleman from Alabama.

Mr. WALTER. Will the gentleman yield at that point?

Mr. CELLER. I refuse now to yield. In just a moment I will yield.

H. R. 4768, introduced on March 4, provides on page 3:

That the Secretary of Labor is hereby authorized and directed to arrange for appropriate places of detention and to establish such appropriate places of detention, including such acreage for farming.

Now, if it is not possible to provide a concentration camp with such "acreage," I do not know what a concentration camp is.

Mr. MICHENER. Will the gentleman yield?

Mr. WALTER. Will the gentleman yield?

Mr. CELLER. I refuse to yield at this juncture.

The same language was used in a bill offered by the gentleman from Alabama [Mr. HOBBS] on April 4, 1939 (H. R. 5526). If you will read the so-called Smith bill, H. R. 5138, which is now before the Judiciary Committee, you will find similar language, showing that there runs through all of these bills a certain type of philosophy whereby there is possible the apprehension of certain aliens and their incarceration into detention camps. The second step will be to get noncriminal aliens. The Lord knows what the final step might be.

The bill H. R. 5138 provides in section 27, page 16:

The Secretary of Labor is hereby authorized and directed to arrange for appropriate places of detention and to this end may select established institutions or may establish such appropriate places of detention as may be necessary, including such acreage for farming as may be desirable.

I maintain this, that an alien, under this bill, under the previous Hobbs bill, under the Smith bill, can be incarcerated at San Quentin Prison, at Lewisburg, at Ellis Island, in any stockade or concentration camp that the Secretary of Labor may wish to set up. She is given carte blanche in this regard.

I yield now to the gentleman from Pennsylvania.

Mr. WALTER. The gentleman has just said when this bill was discussed by the Committee on the Judiciary he was not in the city of Washington.

For that reason I call the gentleman's attention to the fact that the proposals he has just discussed with respect to concentration camps were considered and taken from the bill, and are not the subject matter of this bill.

Mr. CELLER. There is every possibility and every likelihood that the broad language of the present wording of the bill now under consideration would permit the establishment of any kind of stockade or a concentration camp anywhere in this land. I suggest that the gentleman reread the salient provisions of the bill.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. MURDOCK of Utah. Did not the gentleman cite the former bill of the gentleman from Alabama [Mr. HOBBS] for the purpose of showing the philosophy underlying this type of legislation?

Mr. CELLER. I did.

It is sought to take this bill out of the realm of unconstitutionality by saying that the incarceration shall not be at hard labor.

"THOUGH NOT AT HARD LABOR"

This phrase does not save the bill from the charge of unconstitutionality. You cannot circumvent the Constitution that way. Hard labor is not the test. The test is deprivation of liberty and confinement or detention. Furthermore, the imprisonment is indefinite. It can be for life. There is undoubtedly deprivation of liberty without due process.

INDEFINITE DETENTION OF A DEPORTABLE ALIEN MAY INVOLVE CRUEL AND UNUSUAL PUNISHMENT

The alien who could be deported because of factors beyond his control would virtually be imprisoned for life in violation of the eighth amendment to the United States Constitution:

Excessive bail shall not be required, nor excessive fines imposed, nor cruel and unusual punishments inflicted (U. S. Constitution, amendment VIII).

DOUBLE JEOPARDY—INDEFINITE DETENTION OF DEPORTABLE ALIENS MAY INVOLVE DOUBLE PUNISHMENT FOR THE SAME CRIME

Aliens convicted of a crime involving moral turpitude, of a violation of the narcotics law, of engaging in the business of prostitution, or of preaching anarchy would serve their terms and then be subject to deportation. If later incarcerated for the original offense, they would be placed twice in jeopardy of life and limb contra to the provisions of the fifth amendment to the United States Constitution.

Nor shall any person be subject for the same offense to be twice put in jeopardy of life and limb (United States Constitution, amendment V).

USE OF THE WORDS "GOOD CAUSE" DOES NOT RENDER THE BILL CONSTITUTIONAL

The bill contains no definition whatsoever of the phrase "good cause," as same is used on page 2, lines 15 and 16, and on page 3, line 6. What is "good cause" to one Secretary may be "bad cause" to another. There is no standard in the bill to govern the validity of the Secretary's action. She is a law unto herself. The provision, therefore, for review to the circuit court of appeals is meaningless. Since the Secretary's word would be final, despite the wording of section 4, all that the circuit court of appeals can do is to examine into the legality of the procedure taken by the Secretary. The review is like the review in the Habeas Corpus case.

I quote from the letter of the Secretary of Labor:

It is also true that an alien detained under the terms of the act may, upon petition filed with the circuit court of appeals for the circuit in which the place of confinement of the particular alien is located, test the legality of the Secretary's order of detention under the act. But this is not a judicial commitment after trial. The power of the circuit court of appeals, although the court is vested with original and exclusive jurisdiction to hear such petitions, is to consider the legality of the detention. Under the language of the act that power necessarily is limited to a consideration of the legality of the finding of the Secretary of Labor as to the alien's deportability and the inability of the Government to execute the order of deportation within 90 days of its entry. The judicial scope of review is narrow and similar to that now exercised in habeas corpus proceedings in all immigration cases. The court may discharge an alien from custody if as a matter of law the finding of the Secretary of Labor cannot be supported—the court may not on a question of fact substitute its own judgment as to what disposition should be made of the case. Therefore, it does not follow that the provisions for judicial review remove the instant bill from the implications of the doctrine of the Wong Wing case (supra).

INDEFINITE DETENTION OF ALIENS IN DEPORTATION PROCEEDINGS IS UNCONSTITUTIONAL

There is no power in this court or in any other tribunal in this country to hold indefinitely any sane citizen or alien in imprisonment, except as a punishment for crime. Slavery was abolished by the thirteenth amendment. It is elementary that deportation or exclusion proceedings are not punishment for crime (*Bilokumsky* v. *Tod*, 263 U. S. 149, 154, 44 S. Ct. 54, 68, L. Ed. 221; *Fond Yue Ting* v. *U. S.*, 149 U. S. 698, 730, 13 S. Ct. 1016, 37 L. Ed. 905; *Bugajewitz* v. *Adams*, 228 U. S. 585, 591, 33 S. Ct. 607, 57 L. Ed. 978; petition of Brooks, 5 F. (2d) 238).

Ordinarily deportation is a civil proceeding but when accompanied by indefinite imprisonment it becomes a criminal proceeding.

The courts have repeatedly held that deportation proceedings are civil and not criminal in their nature (*Zakonaite* v. *Wolf*, 226 U. S. 272; *United States* v. *Williams*, 194 U. S. 289). That is the reason why Congress has been permitted to provide for deportation through administrative proceedings without a jury trial and without the ordinary safeguards of the rules of evidence. If Congress provides for imprisonment, however, for deportable persons it would seem to follow that such persons are entitled to a jury trial, the assistance of counsel, compulsory process, and other rights secured to persons accused of crime by the fifth and sixth amendments to the Constitution, since the courts have held that these amendments apply to the prosecution of aliens as well as citizens.

Congress cannot confine any alien for an indefinite period or so long as an administrative official shall deem proper (*Wong Wing* v. *U. S.*, 163 U. S. 228).

THE PROBLEMS AT WHICH THIS BILL AIMS WILL NOT BE SOLVED

I again quote from the Secretary of Labor's letter, as follows:

In virtually all these cases the reason given by the foreign consular officer for refusal to issue the travel document was that under the nationality laws of his country the alien could no longer be deemed a national. It is very unlikely that the enactment of this bill would cause foreign governments to change their nationality laws. While there are undoubtedly a few cases where deportation is thwarted by the failure of the alien to cooperate with the United States Government in pressing his own government for a passport, the Department has no evidence that these cases are numerous, and it would seem that a possible result of the bill might be the isolation of a comparatively small number of aliens who, because of conflicts between the nationality laws of this country and the nationality laws of their native land, face a condition of statelessness for an indefinite period.

IMPRISONMENT IS NOT THE RESULT OF THE ALIEN'S ACTION

I quote from pages 4 and 5 of the Secretary of Labor's letter:

Such imprisonment is not a temporary confinement, a part of the means necessary to give effect to the exclusion or deportation of aliens. The basis for imprisonment is not, except remotely, the result of the alien's actions; deportation may not take place within 90 days after a finding of deportability has been made because of the acts of others or causes beyond the alien's control. The failure or refusal of the country of the deportee's alleged nationality to issue a passport or other travel authorization for deportation is not the act of the alien. The illness of the alien, which may make his deportation impracticable within the period stipulated by the statute, is not his responsibility. * * *

The present draft of section 1 requires not only the confinement of aliens whose deportation is known cannot be effected but necessitates the apprehension and confinement of an alien who may be too ill to travel under a deportation order even though it is known that a passport or travel authorization will issue shortly after 90 days by the government of his nationality. This would apply even in instances where immediate steamship sailings are not available and, literally read, in instances where an alien may be serving a sentence in a State prison or penitentiary.

THERE IS NO INHERENT DANGER

I quote from my report:

During the last 9 years 205,094 aliens have been ordered deported from the United States. (See p. 191, hearings before the subcommittee of the Committee on Appropriations on the Department of Labor appropriation bill for 1940.) During this same period there have been 3,876 aliens subject to warrants of deportation whose deportation has been impossible because of the inability of the Immigration and Naturalization Service to secure passports for them. In other words, the passport problem has detracted less than 2 percent from the effectiveness of the immigration laws. Even this

figure is much too large to describe the problem with which this bill deals, since it relates only to aliens who fall into the following categories:

1. Criminals.
2. Violators of the narcotic laws.
3. Anarchists and kindred classes.
4. Immoral classes.

It is estimated that of the aliens deported from the United States only about 25 percent fall into any one of these categories. (See table 6, p. 101, Annual Report of the Secretary of Labor for the fiscal year ended June 30, 1938.) Consequently, it may be inferred that had this legislation been in effect for the past 9 years only about 850 aliens would have been subject to its provisions.

The committee has received no evidence that any of these 850 aliens are a menace to the United States or the peace and safety of our citizens. All of them are subject to the operation of the Criminal Code of the Federal Government and the laws and police regulations of the several States, and if they commit further offenses can be dealt with in the ordinary method of such laws.

What is the offense for which this bill proposes to subject them to indefinite imprisonment? Simply "because of the failure or refusal of the consular or diplomatic or other officers of the country of the alien's nationality * * * to issue a passport or other authorization permitting his return to the country of such nationality." In other words, an alien becomes subject to this bill even though he makes the most sincere efforts himself to obtain a passport to leave the country. There is nothing in the bill which limits it to recalcitrant aliens who refuse to apply for passports or to aliens who conspire to produce a situation causing a foreign consular officer to refuse a travel document.

THE BILL IS RETROACTIVE

I quote from page 6 of the Secretary of Labor's letter:

Attention is also drawn to the fact that the bill is retroactive, and for that reason, if enacted into law, an administrative task of considerable magnitude would be created. The bill would make it necessary for the Immigration and Naturalization Service to review the files of all the deportation cases since the establishment of the Department in order to ascertain those cases in which a final deportation order issued but which for various reasons was not effected.

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, I am opposed to this bill because I am against concentration camps. I do not care whether they are constitutional or unconstitutional, they are un-American. I believe that this is the beginning of the system that some European nations have adopted, a system of barbarism and brutality. I believe this bill will be followed and enlarged upon, if it is held constitutional, and that this system will continue to grow, so that if we are again asked to pull the chestnuts of some foreign nation out of the fire as in 1917, that then about one-half of our people will find themselves in concentration camps.

We do not intend to again send our sons on foreign battlefields for Great Britain or any other nation. We will defend our own country but not other countries, and our sons are not going to go into concentration camps for refusing to do so.

I believe that this is not a question of 460 criminals. These 460 criminals are answerable to the laws of this Nation. Under our Constitution we can hang them if they commit a capital offense. Under our Constitution we can keep them imprisoned for life if they commit a capital offense; and under our Constitution and laws they will have to answer the same as other criminals. We have at least 3,500 native criminals for every one of these aliens.

Let us consider this bill a little further. My friend from Michigan let the cat out of the bag when he said that really what it was aimed to do was to get rid of 50 propagandists; and again I am with him. On election day, you know, I would like to send to concentration camps all of my political enemies for a day or so [applause], and then I would let them out. I would not want them subjected to the cruel and inhuman punishment of being kept in a concentration camp for life just because no foreign nation would want them. It might be for the reason that they considered them too conservative.

We have now under consideration in this Congress a bill to prohibit Mr. Bergdoll from coming back, and I am not so sure but what that is proper; but then, how can we object if other nations follow our example and refuse to allow their criminals to return when we refuse to have our draft dodgers come back to us?

Let us be American citizens and remember that this is not a question of criminals, it is a question of policy, of our beginning to ape some European nations.

I may be prejudiced against concentration camps, but I came by it naturally. When we declared war on Spain I was one of 87 students of the University of North Dakota who offered to enlist, not because of the sinking of the *Maine* but because of the cruelty and the brutality that was practiced in the concentration camps in Cuba. Again I read a few years ago of the cruelty and brutality practiced by Russia in Siberia on the poor devils who were condemned and sent to the concentration camps because of their political beliefs.

That system seems to me to be un-American; and, as far as the constitutionality of this act is concerned, I believe we all must admit that the Constitution means a different thing to each of us as we view it from our individual viewpoint. To me, if I read the Declaration of Independence in connection with the Constitution, I need no Supreme Court to tell me that this act infringes upon the constitutional rights of aliens within our borders, because it provides for cruel and inhuman punishment. It is just another step to endanger our liberties, because it will not be long before whenever a person differs from us we will want to send him to the concentration camp.

We are told there are 460 affected by this legislation at present; that is 1 out of every 300,000 in the United States. Let us now turn to our own citizens. They are not all angels. We have 1 criminal in every 37 of our population. The bill under consideration affects only 1 person out of 300,000. Our own Nation in taking care of our criminals spends $15,000,000,000 a year. One million four hundred and fifteen thousand major criminal offenses are committed each year. I refer you to the 1939 World Almanac, page 78, for this information.

It seems to me that under these conditions our responsibility begins at home with our own citizens. Why in a world of madness should we lose our head and ape the European nations? Our responsibility begins at home with the cause that brings about these criminal acts. Do you know that we have been driving hundreds and thousands, and millions of men, women, and children out of their homes? We talk about communism, yet we prepare the seedbed in which communism thrives. Rags, hunger, filth, and poverty—that is where the Communists originate, that is where they grow. Let us remedy the cause and quit fighting the effect, and there will be no more communism. Then we will not need concentration camps. [Applause.]

Mr. CELLER. Mr. Chairman, will the Chair advise me how the time stands?

The CHAIRMAN. The gentleman from New York has 13½ minutes remaining, the gentleman from Kansas has 4 minutes remaining.

Mr. CELLER. Mr. Chairman, I yield the balance of my time to the gentleman from Alabama [Mr. HOBBS].

Mr. GUYER of Kansas. Mr. Chairman, I yield the balance of my time to the gentleman from Alabama [Mr. HOBBS].

The CHAIRMAN. The gentleman from Alabama is recognized for 17½ minutes.

Mr. HOBBS. Mr. Chairman, we are perfectly willing to concede the authority of the World Almanac quoted by the distinguished gentleman from North Dakota, but we lack a whole lot of being ready to go along with the legal opinion of the distinguished Secretary of Labor, who is a most estimable lady; but she does not even claim to be a lawyer, and so stated before our committee.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I would, sir, be glad to yield to you as soon as I would to anybody in the world, but I must decline to yield to anyone until I have finished my statement. Then I shall be happy to yield to the gentleman first of all.

Bishop Warren A. Candler, distinguished senior bishop of the Methodist Episcopal Church South, was holding a conference in my home town upon one occasion and he preached

upon the text involving Ananias and Sapphira. He said, when he had finished his dissertation: "Ananias and Sapphira were not stricken dead by God for lying. God does not strike people dead for lying. If he did, where would I be?"

There was a titter went through that vast audience that this distinguished prelate should thus involve himself. He said, "I will tell you where I would be. I would be standing up here preaching to a bunch of corpses."

I, too, am glad that God does not strike people dead for lying, for if he did, some of the arguments advanced in the latest edition of this Communist organ would relieve us of some of the responsibility which we are trying to subserve in this bill. I hold in my hand a telegram, which is one of thousands sent out from Washington, D. C., although signed as though it were from Louisville, Ky., and elsewhere, advising you how to vote on this bill.

So these preposterous misrepresentations flood us.

I want to read to you an amusing post card which came to my desk with thousands of others in the last few days. It is directed to Congressman Heil Hitler HOBBS:

As to your Fascist bill, H. R. 5643, America is going to remember you very well, Mr. Snobs, Wobs, or Chobs. The name "Hobbs" has the stench of an English pigpen about it, and so certainly is appropriate, Mr. Knobs. Go back to Hitler, you dirty skunk.

If this were a cussing match, I would be outclassed. But I do not hold any grudge against this communistic organ, nor against the equally communistic force behind those thousands of telegrams. I hold no resentment against this gentleman, because he does not know any better. Of course, every one who can read the English language knows that there is no concentration camp provided for in this bill. There is no detention camp provided in this bill, and there is no provision even remotely suggesting either.

The gentleman from New York [Mr. CELLER], the distinguished ranking member of our committee in the absence of the chairman, complains that the Judiciary Committee did not take into consideration a letter written by the Secretary of Labor. If he will take the trouble to look at that letter he will see that it was written after the bill was reported to the House. But had that letter been there, I reiterate, a committee of 25 lawyers would not be very apt to follow the advice of the Secretary of Labor upon the question of the constitutionality of this bill, unless they agreed—which they do not.

It is said that the present law is sufficient. Sufficient for what? Sufficient to promote continuation of the pollution and poisoning of the blood stream of the body politic of this Nation. That is all for which it is sufficient. The honorable gentleman from New York [Mr. DICKSTEIN], chairman of the Committee on Immigration and Naturalization, complains that he now has in the Rules Committee a bill, which is being held up there, that would do what? Permit him and his committee to study the problem. In God's name, what have you been doing all these years? Why can you not study it now? You do not need a rule. What you need is an inclination to act. [Applause.]

While you are "cussing" the Rules Committee for not giving you authority to make a study, we are doing business for God and for this country in the pending bill. [Applause.]

I shall quote now from the minority report made by the gentleman from New York, Mr. EMANUEL CELLER, in which it is said that only 850 would be taken care of by this bill. Well, 12 men that we read of in Holy Writ turned the world upside down in less than a generation and did so by preaching a gospel, to which we have become sadly hardened in modern times.

Mr. Chairman, I am glad this bill comes up for final passage in child-health week, because our children all over the country are being debauched by peddlers going up and down this broad land of ours selling school children marijuana cigarettes, selling narcotics, and making dope fiends of the flower of our youth.

A distinguished gentleman from a neighboring State told me just yesterday that he knew of one woman who had sent into the pollution of the baudy house and that life over 100 girls from his State. We allow those people to walk around as free as any one of us. That is what you are pleading for, whether you know it or not, or whether you admit it, if you do know.

May I call attention to a letter from the distinguished general counsel of the C. I. O., Mr. Lee Pressman. This went to every one of you. I will not take the time to read it, because all of you received it, and I have no doubt you read it, as I did. He states that these people, through no fault of their own, are unable to secure a passport.

That is not what the men of the Immigration and Naturalization Bureau tell me.

They tell me that 90 percent of the people covered by my bill are here as the result of slipping a bribe to a local consular agent or by collusion with their home governments. In other words, when they are so good at spreading communistic and anarchistic propaganda as to be valuable to Russia, Russia will not receive them back but wants to keep them on the job. Then the small fry go down and slip a hundred-dollar bill to a local consular agent of their foreign government and say, "Now remember, big boy, I have been trying ever since Christmas to think of something nice to buy you, but I haven't been able to decide. Here is something I want you to take and use just as you see fit. There is just one thing I want you to remember, and that is, I don't want to go back to Italy." That is why many of them are here, so the experts tell me.

I want to answer Mr. Lee Pressman's question with another question. Granting that there may be some of them who are denied permission to go back home through no fault of their own, I ask him how in God's world is Uncle Sam to blame for that?

Then he states:

This procedure is a violation of the fundamental principles of justice and in contravention of our constitutional guaranties.

That is just on a par with the statements of these gentlemen who have been prating about the fourteenth amendment and the fifth and sixth amendments, which are stressed in the minority report, and all this bunk about due process, all of which the Supreme Court of the United States says has nothing in God's world to do with the issue here presented.

Many of the authorities which the gentleman from New York [Mr. CELLER] has quoted in his two arguments here deal exclusively with criminal cases, and then in his own minority report he stresses the fact that this is a civil proceeding, which, of course, it is. Therefore, the fourteenth amendment and the fifth and sixth amendments, the due-process clauses, have nothing to do with the subject matter of this bill; but I will come to that when I begin to discuss the constitutionality.

Mr. Pressman states that this bill is unconstitutional and is null and void, yet he says it is going to work a great hardship on somebody. He says this bill is used to intimidate and threaten workers who are exercising their ordinary rights, and so forth and so on. Yes; it is used to intimidate workers and it is intimidating them and all their buddies. But who are these busy bees, the workers this bill intimidates? They are the white-slave procurer, the pimp, the man who shares the wage of shame, the peddlers of dope, and those who have committed crimes involving moral turpitude.

Those men and the anarchists and the Communists and their ilk are the "workers" this bill not only seeks to intimidate but does intimidate [applause]; and they and their ilk and their sponsors are the very ones I am shooting at and talking about.

The gentleman from New York [Mr. CELLER] made a statement today hedging a little bit on the statement he made in his former debate on the rule. Today he said the State Department would, beyond the peradventure of a doubt, agree with the Secretary of Labor, but the other day he said:

I have been in touch with the State Department. They have indicated they would much prefer to deal with the question in the way indicated by the gentleman from California—namely, by treaty arrangement—and for some time past they have been endeavoring to work out a situation satisfactory to all parties. They feel that this method of attacking the problem is an erroneous method.

I did not know anyone to appeal to in the State Department except the head of it—the Secretary of State, the Honorable Cordell Hull. He read me the only letter the Department had written on this subject. It had never been signed and had never been dispatched; yet the gentleman from New York says they have written a strong letter opposing my bill.

Mr. Hull read the letter to me. The letter did not say so, and it had not gone out when the gentleman from New York made that statement. Now, I do not know to whom the gentleman has been talking in the State Department, but I give you my authority.

The gentleman from New York [Mr. CELLER] and several others would have you believe that the violation of the prohibition law, when the old Volstead Act was in effect, could possibly come under this bill. On the question of moral turpitude, I have here the definition of that phrase given in Webster's New International Dictionary:

The quality of a crime involving grave infringement of the moral sentiment of the community as distinguished from statutory mala prohibita.

Moral turpitude is defined in Forty-sixth Federal Reports, second edition, page 755, as "An act of baseness, vileness, or depravity," and in Thirty-fourth Federal Reports, second edition, page 920, as "shamefully immoral." That is moral turpitude.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Yes; I will be glad to yield to the gentleman, because I am using his name, and I would love to have the gentleman answer.

Mr. CELLER. Does not the gentleman know that in many States during the prohibition period a violation of the Prohibition Act was deemed a crime involving moral turpitude?

Mr. HOBBS. That is quite true, but the gentleman does not go on. The gentleman does not dare dispute this statement—that there has never been in the history of this Government a single alien deported on that ground.

Mr. CELLER. Is it possible to do so under the bill?

Mr. HOBBS. Certainly, it is not; of course not, and nobody knows it, in my judgment, better than the gentleman from New York.

Mr. CELLER. I may say to the gentleman that is not so, because it is perfectly possible under the act.

Mr. HOBBS. That is the gentleman's opinion, and, thank God, it is not mine, because I am going to read you what the Supreme Court of the United States has to say on the subject. My bill provides only for those convicted of crime, and "crime" means "felony." A violation of the prohibition law is a misdemeanor, and never has been anything else.

There was a case—and that was what I expected to get out of the gentleman from New York when he rose—of Rousseau against Weedin, reported in Two Hundred and Eighty-fourth Federal Reports, 565, where a man who ran a house of ill fame in which he sold liquor illegally, as a business, was convicted under a Washington State statute of being a "jointist," that is, a man who ran a "joint." The court said that because the "joint" he ran was of ill repute and running for the open sale of liquor in violation of the Washington State statute he could be deported. [Applause.] That is the only case in our Nation's history, and it was not a mere case of possessing liquor, such as they hypothesize.

Therefore, there is no case in the past to be resurrected; if there were it would be only a misdemeanor case and not a "crime" as this bill reads. So their alleged fears on this score are absolutely groundless.

[Here the gavel fell.]

The Clerk read as follows:

Be it enacted, etc., That any alien in any of the classes indicated in section 2 of this act who has been or may hereafter be ordered deported by the Secretary of Labor, but whose deportation or departure from the United States otherwise is not effectuated within 90 days after the date the warrant of deportation shall have become final, shall be taken into custody and transported to such place of detention as may be designated by the Secretary of Labor, and there, or in such other place or places as may be thereafter designated by the Secretary of Labor, confined, though not at hard labor, until such time as deportation shall have become feasible, or departure from the United States otherwise shall have been arranged, or until the Secretary of Labor, upon sufficient evidence of good cause, shall order the release of such alien, temporarily or permanently, on such bond as may be required, with or without rescinding the warrant of deportation.

Any alien detained hereunder may secure his release from detention upon a showing which shall satisfy the Secretary of Labor that he has obtained a travel document or made other approved arrangements to leave the United States and giving departure bond conditioned as prescribed by the Secretary of Labor, with good and sufficient sureties approved by the Secretary of Labor.

Should any such alien return to the United States after having departed he shall be excluded, or, if that be not legally possible, he shall be taken into custody and confined in accordance with the provisions of this act.

In determining whether good cause has been shown to justify the release of an alien, on bond or otherwise, the Secretary of Labor shall take into account such factors as (1) the age and health of the alien, (2) the likelihood of the alien's resuming the course of conduct which made him deportable, (3) the character of the efforts made by such alien himself and by representatives of the country to which his deportation is directed to expedite the alien's departure from the United States, (4) the reason for the inability of the Immigration and Naturalization Service to secure passports or other travel documents from the country to which the alien has been ordered deported.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I may say to the gentleman from Alabama [Mr. HOBBS] I had several conversations with a very distinguished official of the State Department, and he indicated to me exactly what I stated on the floor this afternoon. I have a very high regard for the ability of the gentleman from Alabama [Mr. HOBBS], but I fear in regard to his bill he is enthusiastically misguided.

Now, it is sought to take this bill out of the realm of unconstitutionality by saying that the imprisonment shall not be at hard labor, but there shall nevertheless be imprisonment. This phrase does not save the bill from the charge of unconstitutionality. You cannot circumvent the Constitution in that way. Hard labor is not the test. I repeat, the test is deprivation of liberty and confinement or detention; and incidentally, Mr. Chairman, this bill may involve detention for life. It may involve a period of 4 years for the present Secretary of Labor and 4 years for the succeeding Secretary of Labor, and all those who follow 4 years each. There is no provision in this bill that the deportee can raise the question and say, "You shall not continue me in confinement for one day longer." This is deprivation, to my mind, without due process, and therefore it is violative of the Constitution.

I asked the Labor Department to advise me what countries were refusing to grant these passports, and it might interest you to know that almost every country on the face of the globe—and I shall put the names of the countries in the RECORD—have refused to grant passports in certain of these cases. So you are trying to pass a bill here today which will give offense, serious offense, to almost every nation on the face of the globe—and why do I say that? Because I fear this: How many Americans do you think are living abroad? Three hundred and sixty thousand Americans are living abroad, and their lives and their property are jeopardized by the passage of a bill of this character which gives offense, and serious offense in the opinion of the State Department, to these nations.

Do you believe these countries are going to take this kind of punishment without retaliation? Will they take it sitting down? You can rest assured that they are going to retaliate and they are going to retaliate in no uncertain terms, and that is why the State Department, as I have been informed, says it would be far better to treat with these nations and endeavor to get mutual arrangements whereby we would issue passports and they would issue passports to those sought to be covered by this bill.

I have put in the RECORD a very long memorandum sent by the Department of Labor to the chairman of the Judiciary Committee on April 19. It may have been after the report was written by the gentleman from Alabama. It was before my report was written, and why did not the gentleman from Alabama confer with the Secretary of Labor and get these facts before he attempted to legislate on a matter as important as the bill before us today? Why did he not go to the State Department before he drew his report and get the

factual information? There are seven closely typewritten pages of very important factual information contained in the letter sent to the chairman of our committee by the Secretary of Labor.

Furthermore, I could go on and give you citations from over 100 cases, and I have spent much time on the subject, clearly indicating that this bill violates the fifth, the sixth, the fourteenth, and the eighth amendments.

Mr. O'TOOLE. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman.

Mr. O'TOOLE. Does the gentleman think that anyone who is detained as a result of this bill would have an action in tort for such detention?

Mr. CELLER. He might have; I do not know. I have not examined that.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. MARCANTONIO. Is there any provision in this bill which protects a person who is innocent; in other words, if the Secretary of Labor says that Mr. So-and-So is an alien who has been convicted of a crime involving moral turpitude and is going to detain him, if that person is not an alien and has not been convicted of a crime involving moral turpitude, what provision is there in this bill that protects that person?

Mr. CELLER. None.

Number of cases which would be affected by the Hobbs bill, H. R. 5643, since 1930

Abyssinia	0
Afghanistan	2
Algeria	2
Arabia	0
Argentina	8
Armenia	1
Australia	2
Austria	13
Bahamas	0
Belgium	3
Borneo	0
Brazil	2
British East Africa	1
British Guiana	0
British Honduras	0
British South Africa	0
British Somaliland	0
British West Africa	0
British West Indies	17
Bulgaria	3
Canada	84
Canal Zone	0
Chile	4
China	0
Colombia	1
Costa Rica	3
Cuba	7
Czechoslovakia	56
Denmark	3
Dominican Republic	0
Dutch East Indies	0
Dutch Guiana	0
Dutch West Indies	1
Egypt	0
El Salvador	1
England	22
Estonia	2
Ethiopia	1
Finland	1
France	10
Free City of Danzig	1
French India	1
French Somaliland	0
French West Africa	0
French West Indies	0
Germany	63
Greece	39
Guatemala	0
Haiti	0
Honduras	0
Hungary	63
Iceland	0
India	3
Iran	1
Iraq	1
Ireland	11
Italy	28
Latvia	0
Lebanon	2
Liberia	0

Number of cases which would be affected by the Hobbs bill, H. R. 5643, since 1930—Continued

Lithuania	25
Madagascar	0
Malay Peninsula	0
Malta	0
Mesopotamia	0
Netherlands	5
New Zealand	4
Nigeria	0
N. Ireland	3
Norway	27
Palestine	4
Panama	9
Persia	2
Poland	220
Portugal	2
Rumania	50
Scotland	2
South Africa	6
South Wales	1
Spain	6
Straits Settlements	0
Sweden	17
Switzerland	6
Syria	28
Turkey	28
Uruguay	0
Venezuela	1
Wales	0
Yugoslavia	41
Total without Russia	972
Russia	675
Grand total	1,647

[Here the gavel fell.]

Mr. HOBBS. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I assure the House this is not going to keep up, but I did not finish one or two important matters.

I will answer the question of the gentleman from New York [Mr. MARCANTONIO]. Any person is arrested under an initial warrant of arrest in deportation proceedings and at any minute from then on, clear through, he has a right to do what Joe Strecker did in his case, petition for the writ of habeas corpus. Joe Strecker tried it in Arkansas and lost out, so he took another bite at the cherry and went down to New Orleans and tried it again. Both decisions were against him, so he took an appeal to the Circuit Court of Appeals for the Fifth Circuit, and that decision was in his favor.

Then the United States certioraried the case to the Supreme Court of the United States, which, in effect, affirmed the decision of the circuit court and turned him loose. That is how the practice works, and that way is open to every single one of these cases, and all this bill touches are those who, in the four worst classes, have been ordered deported finally after all these legal hurdles have been cleared.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield to me for a reply?

Mr. HOBBS. No; I would be glad to if I had the time, but there are one or two matters I must touch on.

I want to read you this from the United States decisions:

> This [deportation] statute is valid though it provides an administrative instead of a judicial hearing, an alien remaining unlawfully in this country having no right to a hearing unless it be accorded him by Congress (7th C. C. Ap., 25 Fed. 2d, 714).

I do not have time to read any more citations. I want to tell you about Caesare Valenti, of Philadelphia. He is one of those birds that these gentlemen are arguing for today, the man who has just confessed being part of a poison ring up there which has poisoned 21, according to his own knowledge, and possibly more than 100 others. There are one or two others that I would love to call attention to. I have a letter from Mr. Houghteling giving me the facts about Valenti. He says it appears he was in constant conflict with the police authorities in Italy from 1890 until he came here in 1909. He plead guilty to murder in the second degree since he came here, and was sentenced to 15 years of imprisonment. He is under deportation proceedings now, and is one of a poison ring. Go to it. Keep them here, if you want to, but I do not. [Applause.]

Now, I promised to say something in answer to Mr. GAVAGAN'S fear about the ex post facto laws. The ex post facto guaranty has nothing in God's world to do with this problem. That means if I commit an act, by no law passed thereafter by any legislative body can that act be made an offense which was not an offense at the time I did the act. That is all it means. The Supreme Court has so held many times.

Now I want to talk about the Wallis case. I think they have misconceived its meaning. The Wallis case says that the "alibi" of the immigration authorities was that they could not get transportation back to England. The report said, and very properly, "the war is over. This transportation problem is no longer a problem."

You can buy a ticket to England any week. If you let 4 months go by without doing so, then you cannot detain this alien longer under the pretense that you cannot get transportation. But no such case is here presented. Transportation is easy to get. It is landing permits which we lack. Foreign governments are denying landing permits, and by thus thumbing their noses at Uncle Sam are thwarting our Nation's sovereign right to deport those who have been adjudged by our constituted authorities unfit to live here. We cannot run other countries, but we can run our own, so if we cannot send them back home we will at least keep them out of circulation till they arrange to leave.

I want to say just this word more. What is this proposal, essentially? You would think we were trying to punish somebody for a crime. Not at all. The word "deportation" comes from the Latin and means to carry away. "Deportare" De—from; portare—to carry or transport. It means banishment. As long as the sovereignty of the United States of America is subject to veto by any foreign government in any respect, its sovereignty, to that extent, is a joke. Every free and independent nation has the right of deportation, indisputably. In 460 cases last year other nations prevented us from exercising that sovereign right. What are we going to do about it? This bill is an honest attempt to answer that question. Let us pass it. [Applause.]

[Here the gavel fell.]

Mr. HANCOCK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK: On page 2, line 4, after the word "who", strike out "has been or."

Mr. HANCOCK. Mr. Chairman, the purpose of this amendment is obvious. It eliminates from the bill the retroactive feature. Whether my amendment is accepted or not, I intend to vote for this bill. I feel it is the duty of Congress to protect our Government against alien enemies within our borders who would destroy it, and to protect society against the most vicious and dangerous classes of crooks that we have among us, just as far as we can. Legislation to this end ought to be passed.

However, there are certain constitutional questions here which, I think, should be discussed while we are considering the bill. I feel they are sufficiently serious to jeopardize the ultimate fate of the bill. However, I do not intend to set myself up as a court of last resort. I am willing that these questions shall be submitted to the courts, and we will, of course, have to abide by their decision.

I am unable to persuade myself that the right to detain an alien indefinitely is a mere incident to the right to deport an alien. It seems clear to me that to keep a nondeportable alien in custody, possibly for life, goes far beyond any reasonable construction that might be placed upon the right to deport, and must be classified as punishment. Such punishment, despite the eloquence of my good friend from Alabama [Mr. HOBBS], is ex post facto, if I understand the meaning of that term. It imposes punishment upon a man who has been convicted of a crime and who has paid the law's penalty. To impose a new punishment for the same offense, in addition to the punishment that has already been inflicted upon him, is an ex post facto provision and is contrary to section IX, article I, of the Constitution itself.

There is another amendment that should be offered to this section if this bill is going to stand up in court, in my judgment. There ought to be some limitation placed upon the period within which the Secretary of Labor is allowed to detain an alien. It should be a period long enough to permit the Secretary of Labor to devise means of ridding this country of these undesirable aliens, or long enough to permit the Secretary of State to negotiate with foreign nations and agree upon treaties which would take care of the problem.

Under present law the Secretary of Labor in the case of the alien ordered to be deported must take that alien into custody and deport him. There is no limit fixed by law upon the time within which the alien must be deported, but the courts have fixed it for us as a "reasonable period." I think we have the right to determine what constitutes a reasonable period; it is a legislative rather than a judicial function. It cannot be without limit, and it should not rest entirely on the judgment or the caprice of a single executive officer, the Secretary of Labor. I think 5 years is the longest that any court would sustain as being a reasonable period, and I propose to offer such an amendment if the pending amendment is agreed to. One further point in connection with this amendment I wish to call to your attention and that is this: Should this bill be passed as written, it will impose an almost impossible administrative task upon the Secretary of Labor.

Mr. COFFEE of Washington. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK. I yield.

Mr. COFFEE of Washington. The gentleman states that it would impose an impossible task on the Secretary of Labor, yet the gentleman said he would vote for the bill whether his amendment was adopted or not.

Mr. HANCOCK. As I said before, I am not setting myself up as the court of last resort or as an authority on constitutional questions. I am giving the membership the benefit of such wisdom as I possess and for what it is worth.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK. I yield.

Mr. CELLER. The gentleman said that the bill is retroactive.

Mr. HANCOCK. I claim that it is ex post facto.

Mr. CELLER. Would that mean that even though an alien has been here 40 years but that way back in the early days of his sojourn in this country he committed two offenses, that he could be apprehended because of that and deported?

Mr. HANCOCK. Yes; he could under the provisions of this bill.

Mr. CELLER. Under the provisions appearing on page 2, subsections (b) and (c)?

Mr. HANCOCK. Yes; under subsection (c), no matter when the crimes were committed.

Mr. CELLER. And no matter how long he has been in this country?

Mr. HANCOCK. It is my belief that if a man has been convicted and has served his sentence, he cannot now under a new enactment be taken into custody and confined indefinitely for the same crime. This is an ex post facto provision and is unconstitutional. I submit the question for your consideration. I do not claim to be a great student of the Constitution, but I think I have raised a question which ought to be given your best thought. Let us not be carried away either by prejudice or emotion. Let us soberly and calmly consider this bill and endeavor to perfect it so it will pass the test of the courts.

[Here the gavel fell.]

Mr. HOBBS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, there is no man in this House for whose opinion I have a higher regard than the distinguished gentleman who has just resumed his seat after making his honest criticism, which I welcome.

I read from the case of *Wong Wing* v. *United States* (163 U. S. 228) this statement:

Detention is a usual feature of every case of arrest on a criminal charge, even when an innocent person is wrongfully accused. But it is not imprisonment in a legal sense.

I would agree with the gentleman fully if we could accomplish the purpose, deportation. As a matter of fact, his fears and all the fears that have been expressed are groundless, because not one of these aliens is going to stay in detention 10 minutes before sending a whisper to the consular agent of his home government, "Big boy, I no longer have my fingers crossed; let me out," and out he will come; or he can send word to his home folk to intervene with their government back home.

They talk about the stateless people. Let me answer just a word as to that. The bill reads "or other travel documents." In other words, not only is it possible to go out under a passport but they can go out under a visitor's visa, or under a sailor's contract, and stay at home 30 days in any port by reason of working on a boat, and then, if they overstay the 30-day limit in the foreign port, they would not be doing a thing more than what they did here, and that is staying illegally; or they can go over under what is known as a travel document. In one of those four ways they can go, and they will begin trying to do it within 20 minutes after they are put in detention. But whether they are able to get out in one of these ways or not, whether I am right or wrong, I did not take any chances of doing injustice. I left it to the discretion of the Secretary of Labor for good cause shown, by evidence, which the Secretary is required by this bill to make a synopsis of and put in the files, to turn them loose. This, sir, is an honest answer to your honest query.

Now, as far as 5 years are concerned, I may say that not until deportation—which is synonymous, say the dictionaries, with banishment—not until deportation has been accomplished is any deportee entitled to become a free man. He has had his day in court, he has had a hearing, he has had the right of appeal, he has had the right of habeas corpus, he has had, in effect, every right known to an American citizen. After all of the proceedings and solemn adjudication of your Government made, in obedience to congressional mandate, by administrative authority has said to such a person, "You are not fit to live here, go home," that command can never become an accomplished fact until the person leaves. I say, therefore, that "ex post facto" has nothing in God's world to do with the problem here sought to be solved.

The question asked by the gentleman from New York [Mr. CELLER], he knows as well as I do, is answered by the statement that that is existing law.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I yield.

Mr. HANCOCK. I have great sympathy with the gentleman's objectives and want to help him accomplish them.

Mr. HOBBS. I realize that, sir, and appreciate it.

Mr. HANCOCK. But, in my opinion, the constitutional question raised is serious. I cannot persuade myself to the belief that detaining an alien, keeping him in custody for life, is not punishment.

Mr. HOBBS. I refer the gentleman to the authority I read from the Supreme Court of the United States.

Mr. HANCOCK. That is where our minds do not go along together.

Hr. HOBBS. Not until deportation—taking and carrying away, separation from our soil—has become a completed fact does detention become unreasonable.

[Here the gavel fell.]

Mr. EBERHARTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, some of the proponents of this bill are trying to give the impression to the members of the Committee that it only refers to those aliens who have been guilty of the most loathsome, hideous crimes. In this connection, may I say that within the past 2 months I had up with the Bureau of Immigration and Naturalization a matter in connection with deportation proceedings and I think I can present my idea of this subject by reading a letter which I received from the Bureau of Immigration and Naturalization, dated March 7, 1939, as follows:

Hon. HERMAN P. EBERHARTER,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN EBERHARTER: Supplementing letter addressed to you by this office on February 23, 1939, relative to the case of Vincenzo Giuseppe Pieroni, I have to advise that after considering the evidence adduced at the hearing accorded this alien it was found necessary to issue a warrant, dated March 6, 1939, for his deportation to Italy on the ground that he has been sentenced, subsequent to May 1, 1917, to imprisonment more than once for a term of 1 year or more for the commission subsequent to entry of a crime involving moral turpitude, to-wit; defrauding the United States of tax; defrauding the United States of tax; defrauding the United States of tax.

In view of the alien's criminal record his deportation is mandatory and must be effected in due course.

Cordially yours,

BY DIRECTION OF THE COMMISSIONERS,
W. W. BROWN, *Assistant.*

In another letter, Mr. Brown, assistant to the Commissioner, refers to a case decided on August 20, 1938, by the United States Circuit Court of Appeals, Fifth Circuit, in re Salvadore Guarneri against E. Kessler, that it is considered to be moral turpitude if you defraud the United States of a tax.

This means the pending bill refers to every alien convicted of defrauding the United States of a tax. It further means if an alien has in his possession liquor upon which the tax has not been paid, and he is convicted and sentenced, he comes within the purview of this bill.

Mr. Chairman, you are including in this drastic provision aliens who have defrauded the United States of a tax or who violate the revenue laws of this country. I think the bill is intemperate. I think it shows intolerance. I think it is un-American in every respect, and I submit it should be defeated.

[Here the gavel fell.]

Mr. LANHAM. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I rise merely to give my interpretation of the language sought to be stricken by the pending amendment in its alleged ex post facto features.

As I see it, the language incorporated in the bill as it stands does not involve the question of ex post facto. If an alien commits a crime and the court assesses a punishment for that crime, then that is a punishment for the offense which the alien has committed; but by committing the crime he makes himself subject to deportation, and the action sought here does not attach to his original crime as a penalty but attaches merely to the deportation as a protection of this Government by reason of the fact that he is subject to deportation on account of having committed the crime.

In my judgment, any punishment that may be imposed by this measure arises by reason of the fact that the alien is subject to deportation and is not inflicted as a penalty for the crime which he committed and which rendered him subject to deportation.

Mr. ROUTZOHN. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Ohio.

Mr. ROUTZOHN. With reference to the point the gentleman is making, is that not analogous to depriving a man of voting who has committed a crime and has been convicted of same? Is it not the same thing?

Mr. LANHAM. The gentleman has cited a clear analogy, and I thank him for his contribution.

[Here the gavel fell.]

Mr. PATRICK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, this thing that has so unexpectedly shown its head is the most lovely and beautiful creature met since we came together at the beginning of the present session. We can now see a rainbow spanning the horizon, wherein for many months dark clouds have been hanging low. I perceive as I look about the body and see the activity today that those who have been a little bit reluctant to put any responsibility in the hands of the Secretary of Labor have today decided that they can gladly bestow upon her a respon-

sibility with which even some of her most ardent friends are afraid to clothe her on this occasion. Who can, in my position, refuse? So I may say I have decided to go along and join them. [Laughter and applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. HANCOCK].

The amendment was rejected.

The Clerk read as follows:

SEC. 2. This act shall apply only to those aliens of one or more of the following-described classes: (a) Those aliens ordered deported under the act of October 16, 1918, entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," as amended by the act of June 5, 1920 (40 Stat. 1012; 41 Stat. 1008, U. S. C., title 8, sec. 137); (b) those aliens who have beeen sentenced to imprisonment for a term of 1 year or more because of conviction in this country of a crime involving moral turpitude, not connected with their own entry or naturalization, committed within 5 years after the entry of the alien to the United States; (c) those aliens who have been sentenced more than once to a term of 1 year or more of imprisonment because of conviction in this country of a crime or crimes involving moral turpitude; (d) those aliens who have received, shared in, or derived benefit from any part of the earnings of any prostitute or have in any way assisted any prostitute or protected or promised to protect from arrest any prostitute or have imported or attempted to import any person for the purpose of prostitution; (e) those aliens ordered deported under the act of May 26, 1922, entitled "An act to amend the act entitled 'An act to prohibit the importation and use of opium for other than medicinal purposes,' approved February 9, 1909, as amended" (42 Stat. 596; U. S. C., title 21, sec. 175); or the act of February 18, 1931, entitled "An act to provide for the deportation of aliens convicted and sentenced for violation of any law regulating traffic in narcotics" (46 Stat. 1171; U. S. C., title 8, sec. 156 (a)).

Mr. SCHULTE. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SCHULTE: Page 4, line 24, strike out the comma, insert a colon, and add: "*Provided further*, That this act shall not apply to those aliens heretofore convicted of any violation of any law enacted under and by virtue of the eighteenth amendment to the Constitution."

Mr. SCHULTE. Mr. Chairman, I want to start this little speech of mine by saying I am not a lawyer. I was mighty happy to sit on the side lines here and hear the controversy and disagreement among the lawyers of the House as to whether this bill is constitutional or not; and, certainly, if they cannot agree among themselves, how do they expect us to know. Perhaps it is just as well that my father did not allow me to become a lawyer. [Laughter and applause.]

Mr. Chairman, there is no question in my mind but what we are all agreed on the principles that are outlined in this bill. We oppose prostitution. I do not know of a character that is more despised in the United States than a man or woman, whether it be an American or an alien, who sells women.

I would like to go a little further than the gentleman from Alabama [Mr. HOBBS] would go with those fellows. I would like to take them out of circulation and place them on an island for life. That would cure that situation. Where we should get really drastic is with the sellers of dope, and I am in entire accord with the gentleman on that, in view of the sufferings the dope peddler causes humanity and the fact that many dope addicts never will be cured. Certainly the dope seller should be placed in that category. But are we not going just a bit too far in some instances in this bill? In January 1919 there was placed on the statute books of this country an act called the prohibition law. During this period a great many people made their own beer and wine and sometimes sold a little of it. Of course they were violating the law, and we helped them by buying it. A violator of this law, because he was rendering a public service during the time that law was in effect, up until 1933, we now seek to place in that same category. Because of the fact that some "snooper" would find his way into that man's little domicile or place where he was selling a glass of beer, an act which in a great many States was considered to involve moral turpitude, that man was taken into court and sentenced and fined for selling that one glass of beer; and you are placing that fellow in this same category with those who were selling women and peddling dope. That is why I have offered my amendment so that the punishment will not be as drastic on the man who sold beer.

In the State of Michigan it was life for a pint. They went a little farther than did other States. My State was also excessively drastic in its punishment for such offenses. I do not believe it is the wish of any Member of this body that we go that far. Certainly a violator of that law is not to be placed in the same category as a man who has been selling women, and certainly he is not as vicious a character or as despicable as the man who has been selling dope. I doubt if any Member here wants to place him in that category, in view of the fact that a great many of such violators were sentenced and served their sentences of a year because he had sold a glass of beer. And a great many of us are just as guilty as he in view of the fact that we bought from him. I believe we all agree that it was one of the most unpopular laws that was ever enacted in view of the terrific pressure that was brought to bear to repeal it and thank heavens in 1933 it was repealed.

My good friend referred to the investigating committee that is being proposed by the Committee on Immigration and Naturalization. That bill is pending before the Rules Committee. Had that bill been enacted there is no question in my mind that cases of this kind would not be on the floor of the House of Representatives. What we are attempting to do is what other investigating committees are trying to do, to obtain facts and first-hand information from those who are employed on the borders of the United States and also along the Atlantic and Pacific ports of entry. I think it is an accepted fact that they are being smuggled in by the hundreds each and every month, and we are not going to get that information unless we can get to the source. We have been told any number of times there is an alien smuggling ring in this country, and I am very anxious to know who the leaders are who are engaged in this alien smuggling. Just recently there was an article in one of the newspapers stating that an individual confessed that he had smuggled 200 aliens across the Canadian border and had received from $50 to $200 per head. According to the testimony of the Immigration Commissioner, there are 29,000 people in Habana, Cuba, who are very desirous of coming into the United States. A great many persons are being smuggled across the Mexican border, and the men in the border patrol down there tell us it is impossible to cope with this problem.

All my resolution does is try to get the House to give our committee the authority to go down there and investigate the situation and come back to this Congress at the next session and get legislation enacted that will block those leaks. That is what my good friend the gentleman from Alabama was referring to; but how can we do it unless we get the authority? Now, getting back to my amendment, I do hope you will exempt the man who sold a glass of beer or a glass of wine from being deported. I do hope my amendment will be adopted. [Applause.]

[Here the gavel fell.]

Mr. HOBBS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I simply wish to say that the prohibition law has long since been repealed, and there has never been in the history of the country a conviction under it which resulted in deportation. If I thought there was the slightest danger of that, I would have no objection to the amendment; but as it is I am sincerely convinced that there is no possible reason for putting that amendment in this bill.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. I presume the gentleman heard me read the letter from the Assistant Commissioner of Immigration stating that a warrant of deportation had issued in the case of an alien who had defrauded the United States Government of taxes, and that deportation was mandatory?

Mr. HOBBS. Yes.

Mr. EBERHARTER. Does not the gentleman conclude from that that this bill includes violators of the tax laws of the country?

Mr. HOBBS. Of course.

Mr. EBERHARTER. It includes violators of the Prohibition Act.

Mr. HOBBS. No, sir; not at all. Of course, it includes violators of the tax laws who have crooked the Government out of taxes. In other words, if the gentleman defrauds anybody he is guilty of an offense involving moral turpitude, and if he is sentenced to more than a year so as to indicate that it is a felony then he ought to be deported; but the gentleman would never do that.

Mr. EBERHARTER. The gentleman believes that if anybody has violated the revenue laws by having in his possession intoxicating liquor, which is a violation of the Revenue Act, and thus has defrauded the Government of taxes, he should be included in the class of criminals referred to in this bill whose crimes involve moral turpitude?

Mr. HOBBS. I wish we could put out of this country everybody who would steal or defraud.

Mr. EBERHARTER. The gentleman just made the statement that if he thought there was the slightest danger that this bill would include violators of the Prohibition Act he would be willing to concede an amendment should be drawn to exclude them.

Mr. HOBBS. That is right.

Mr. EBERHARTER. The gentleman concedes that the bill does include that class of violators?

Mr. HOBBS. The gentleman is not talking about violating the prohibition law, which is no more; but when it was the law, a violation of that law was simply a misdemeanor. The gentleman is talking about defrauding the Government of taxes, which is an entirely different proposition.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. SCHULTE].

The question was taken; and on a division (demanded by Mr. SCHULTE) there were—ayes 39, noes 73.

So the amendment was rejected.

Mr. MARTIN of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Colorado: In line 1, on page 4, after the figure "137" and the semicolon, insert the following:

"(b) Those aliens who advise, advocate or teach, or who are members of or affiliated with any organization, association, society, or group that believes in, advises, advocates, or teaches communism, nazi-ism, or fascism."

Mr. MARTIN of Colorado. Mr. Chairman, there are five categories or groups of aliens who may be imprisoned under this bill in the event their deportation cannot be effected.

The first of these categories is composed of those aliens who are members of anarchistic or similar classes. In my judgment that classification is practically obsolete in this country. I do not know whether there are any anarchists left. I have not read of any anarchists in a long time, but I looked up the definition of anarchy and it is as follows:

Anarchy, a state of society where there is no law or supreme power. Anarchy implies the total absence or suspension of government.

There are, however, some other classes and they represent government and lots of it, and they are enumerated in the amendment which I have offered to this bill and I cannot understand why this bill did not include them when it was drafted. My amendment does not disturb the language of the bill. It leaves it stand as to anarchists just as it is, and adds the other undesirable groups mentioned in my amendment.

Let me just read you a recent news item about one of these classes enumerated in my amendment. It relates to a rally of the German-American Bund over in the State of New Jersey. On the 30th day of April they held a rally over at the bund's camp at Nordland in New Jersey. The spokesman over there was a gentleman by the name of Kunze. I read from an Associated Press dispatch of April 30:

Kunze spoke to the accompaniment of Nazi salutes from the crowd as they sang the "Horst Wessel"—

Whatever the Horst Wessel is—I do not know the meaning of the words, but the paper stated that it is the German Nazi Party anthem, while a fife and drum corps played.

Further quoting the Associated Press dispatch:

Kunze predicted that Congress soon would enact legislation to make the United States "a white man's Christian country again."

That is one thing that Mr. Kunze said that I agree with and I would like to begin by deporting all the Kunzes in this country back to the country whence they came and where they belong. [Applause.]

Now, just listen to this if you are hunting for candidates for deportation and concentration camps. I quote from the dispatch:

Calling the German Fuehrer "the prophet of labor," Kunze said "Hitler's spirit has inspired laboring men of America to make this country free for dignified, respectable, and courageous labor."

Well, if Herr Hitler does this, he will do something for labor in America that he has not done for labor in Germany, and there are not wanting reports that labor in Germany is not so happy. I commend to the workingmen of America the proposition that the Nazi dictator is going to make this country "free for dignified, respectable, and courageous labor" by a "putsch."

Mr. Kunze, referring to Hitler's answer to President Roosevelt's peace message, said:

It was sent to the greatest talker and thinker that Europe has ever produced (Hitler).

I wonder how his pal and best friend Il Duce would relish Mr. Kunze's estimate of Herr Hitler. Il Duce is supposed to be the reincarnation of Caesar, and while, unlike the Berlin end of the axis, he does not trace his blood directly back to the veins of God, nevertheless he is known to entertain a pretty fair opinion of himself and has a record to show for it.

If Mr. Kunze would only go to Italy and make this break, we would have him checked off the list of American liabilities.

This is the same Mr. Kunze who figured so prominently in the Nazi rally in Madison Square Garden, New York, on February 20, "celebrating" Washington's Birthday, and who addressed his fellow Nazis as "My fellow Christian Americans" when he was neither a fellow, a Christian, nor an American, no matter where he was born.

Quoting still further from the A. P. dispatch:

The program was in honor of "national labor," as opposed to Monday's May Day demonstrations of "international labor."

Mr. Chairman, it might not be entirely clear to all readers of the news account of the meeting just what "national labor" is as used by the speaker. It is labor in Germany, where labor was nationalized by the destruction of labor unions. Organized labor in Germany was destroyed. Organized labor in Germany is a crime against the state. It is no more permitted in Germany than it is in Russia or Italy. "International labor" as used by the speaker means, of course, labor in Russia. Well, may God help labor in both countries, for nobody else will. If I had to choose between "national labor" in Germany or Italy and "international labor" in Russia, I would prefer relief in the United States. In fact, I would rather be on relief in the United States than to have a good job in any country in Europe.

They had another of these meetings at the same time out in California. Says the same A. P. dispatch:

The German-American Bund held a meeting at Hindenburg Park. The meeting was headed by Fritz Kuhn, chief of the national bund, and Hermann Schwinn, Los Angeles bund leader.

This bund also celebrated Washington's Birthday, where Hitler was compared to Washington. Well, Mr. Chairman, when the time comes for the Nazi Washington to make this a free Christian country I want to beat it across the boundary

line. "When nazi-ism saves America," as I have seen stated in newspaper articles of their rallies, I want to be lost.

Fifty uniformed bund members were present, but there was no disorder. The speakers denounced the policies of President Roosevelt and verbally trampled on the Jewish race.

I think we might find some deportable material in those outfits. [Laughter.]

Here is another item I want a minute or two to read. Very recently a gentleman came to my home city, who lives in Milwaukee. His name is Carl Taylor. He was invited out there by the Knife and Fork Club, a very popular business organization, to make a patriotic speech, and this is what he said:

In recent months I have stood before my office window facing out on Wisconsin Avenue in Milwaukee and have seen as many as 35,000 people marching from curb to curb, 6 feet separating their lines, people who think this is no longer a good country.

One of our office secretaries stood there one afternoon for two and a half hours marking down the Soviet Russian emblems carried in one parade; 223 "red" banners carrying the sickle and hammer of Soviet Russia in one parade. In that same parade were dozens of emblems of Nazi Germany, Fascist Italy, and other indications that these people do not think America is a good country; and not one American flag.

This was my first knowledge that the "reds" had shoved the Nazis into second place in Milwaukee.

Mr. Taylor, whose speech was published in full in my home city newspaper, the Pueblo Star-Journal and Chieftain, Sunday, April 30, 1939, asked a pertinent question. As he put it:

A simple question which must appeal in its logic to any fair man: "Why do not these persons who think Russia, Germany, or Italy is a better country than our own go there?"

[Applause.]

Their answer would be, of course, that they want to stay in this benighted, un-Christian, and enslaved country to make it a grand country like their own.

Mr. Chairman, I have a mental reservation and serious doubt about legislation of this type, particularly if it is half baked, for fear we may fly to evils we know not of. We may get out of it a remedy worse than the disease, just like we did with respect of the alien and sedition laws; but if we are going to start at all, let us go the whole route and deport all of such elements from this country, and not simply single out one particular class. [Applause.]

[Here the gavel fell.]

Mr. HOBBS. Mr. Chairman, I am in hearty accord with the gentleman's purpose, just as I was with the last amendment offered, but this would be the situation that would follow. This bill seeks to deport all those who have been ordered deported and we refer to the immigration acts that have been in effect from 1917 down to date.

This is not part of any of this body of deportation law and therefore you cannot make such a change in this bill and expect to get results, particularly with the retroactive effect, which is one of the things I am most interested in in this act.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. HOBBS. I yield.

Mr. SCHAFER of Wisconsin. This amendment would not provide for the deportation of Fritz Kuhn because Fritz Kuhn is a native American-born citizen.

[Here the gavel fell.]

Mr. VAN ZANDT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it is time this Congress gave adequate consideration to the alien problem in the United States. I rise to support H. R. 5643, in the earnest hope that it will pass by an overwhelming majority.

The undesirable aliens covered by the provisions of this bill are the enemies of our country. I say this advisedly as a veteran of the World War. The aliens covered by this bill are the enemies of our country because they belong to classes which have declared war upon society. It is a preposterous fact that alien anarchists, Communists, and other foreigners engaged in predatory crime or the promotion of vice in the United States should be allowed at large, because, for one reason or another, obstacles are put in the way of their prompt deportation from the United States. The question, to my mind, is not arguable. The reasons for the passage of this bill are unanswerable.

It is a regrettable fact that any part of letting loose undesirable aliens in the United States is directly chargeable to the present Secretary of Labor. It is my understanding that some 6,000 aliens mandatorily deportable under existing laws have been let loose in the community to roam at large under a suspension of the deportation warrants which had to be issued in accordance with the terms of our immigration laws.

The report of this bill to the House says that 460 aliens are still living in America who during 1938 were adjudged unfit to remain here, and against whom, after due and proper procedure, solemn warrants of deportation were issued. That situation mocks the sovereignty of our Government. It is situations such as that which leaves it in the power of detestable dictators to jeer at democracies for their inability to defend themselves.

Mr. Chairman, I yield to no man in this House in my detestation of dictatorship; but the time has come when our democracy must demonstrate that it is capable of dealing with an intolerable situation, and deal with it effectively. This bill is a case in point. It should be passed.

There should be in this country no distinction between criminals and the penalties which they suffer. Do not try to make me believe that the man who buys a forged passport to enter the United States does not know what he is doing. Restriction upon immigration into the United States is not a new story to the foreigner, and, believe me, the foreigner is not so dumb that he does not know what he is doing when he pays a heavy sum for a forged passport to enter the United States.

I say to the opponents of this bill that they should not expect this House of Representatives to be so credulous as to suppose that the man who swears falsely—commits perjury, to put it plainly—or bribes an officer of the United States to let him in, in violation of the law, does not know what he is doing.

Mr. Chairman, let us be honest about this matter. The organized foreign blocs who are determined to defend the right of any alien, whether he is a criminal or not, to stay within the borders of the United States, and the sob sisters of our own Nation who help them in this cause, are making American law enforcement an object of universal contempt throughout the world; and, Mr. Chairman, I ask you to bear in mind that this bill puts a check upon any arbitrary action by conferring jurisdiction to review cases of detention within the scope of the circuit courts of appeals of the United States. As a matter of fact, in so doing we are showing more than courtesy and more than justice to the alien criminal. The alien is here as a matter of grace, not of right.

Just read over to yourself section 2, which defines the aliens liable to detention under the provisions of this bill—aliens who have been sentenced to imprisonment for a term of 1 year or more because of conviction in this country of a crime involving moral turpitude committed within 5 years after the entry of the alien to the United States, aliens who have been sentenced more than once to a term of 1 year or more of imprisonment because of conviction in this country of a crime or crimes involving moral turpitude, and those who have shared in or derived benefit from any part of the earnings of any prostitute.

Mr. Chairman, I challenge any man to get up on the floor of this House and say that this country is in any way benefited by allowing such people to remain at large in the United States. On the contrary, aliens who fall under the provisions of this bill are enemies of all society, and this country is no place for them to be at large.

When I enumerate these classes of undesirable aliens I do not mean to omit the aliens who have been allowed freedom to circulate in the United States, although mandatorily deportable and not deported. The Congress is elected to govern this country in the interests of the American people, and no other people. We, the Members of this body, have taken an oath to defend our country against all enemies, foreign or domestic. The aliens covered by this bill are

foreign enemies on our soil. If they cannot be expelled they certainly should be under guard.

Mr. Chairman, I am only sorry that this debate here today is not being carried Nation-wide by the broadcasting companies, because to me this debate constitutes one of the greatest classes on Americanization ever conducted in the United States. To me it represents the first effort of the Seventy-sixth Congress to deal with a group of people who have been boring from within to destroy the democracy that Americans are fighting to preserve today. I am only sorry this bill, with all due respect to the gentleman who drew the bill, is not termed as "the Americanization bill of the Seventy-sixth Congress," because it deals with that group which has been spreading un-American propaganda and hiding behind the cloak of technicalities. Let us think of the group to which this bill applies. The men and women in this group are ineligible to become citizens. They cannot join the military forces of our country; they cannot vote; but they cannot be deported on account of a mere technicality. When I speak of a technicality I think of the man who raised his right hand and agreed to lay down his life in defense of our country and the Star-Spangled Banner. When he marched into battle, did a mere technicality preserve his life? It did not. But today the country for which that man laid down his life, the country for which that man was willing to sacrifice his life, is being honeycombed by alien anarchists, Communists, and other foreigners, who have no conception of Americanism and the things for which the American flag is a symbol.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. SCHAFER of Wisconsin. The gentleman was former national commander of the Veterans of Foreign Wars. I rise to ask him if it is not a fact that nearly every one of the men that followed that red, white, and blue flag are in favor of this bill?

Mr. VAN ZANDT. I cannot speak for the organized veterans, but I have a wide acquaintance among the veterans throughout this country, and I know if they had an opportunity to march down this aisle today, 4,000,000 strong, they would raise their right hands and say to the Congress of the United States, "Pass this legislation and drive from our shores these alien radicals who are unfit to live under the protection of the Stars and Stripes." [Applause.]

[Here the gavel fell.]

Mr. HOOK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I expected that from the Republican side. I always get it because I have always stood for principle. [Laughter and applause.]

Go on; keep on.

Mr. SCHAFER of Wisconsin. Mr. Chairman, may we have order?

Mr. HOOK. Mr. Chairman, without questioning the good intentions of the proponents of the Hobbs bill, I wish to raise my voice against it and point out the dangers that the passage of this bill will inevitably lead to and the primary infringements on the rights of our people.

Upon the basic truths and principes of the Constitution of the United States are reared the institutions which characterize the furthest advance of civilization known to man. Imagine if you can the Constitution stripped of the provisions which protect the individual in his rights to freedom of person, freedom of speech, and freedom of religion. The people of this Nation would grope in darkness. We would have a people that would be afraid and without hope.

Today as we look toward Europe we witness the dictatorial powers in some of the countries assaulting those rights by attacking minorities. When I speak of minorities I speak of them in a broad sense. The gathering storm of hysteria blackens the horizon. Many of the minority groups have been terrified and driven from their homes with no place to go. They are scourged with the whip of ostracism and seared with the hot iron of hate because they refuse to surrender the rights that have become theirs through long periods of hardship and development. As we from the distance look in sadness upon this tragic situation, let all America lift its heart in thanksgiving that the sky above us is still clear, and let us pray that the stars of freedom continue to shine undimmed over our land of freedom. I think we should contrast the conditions at home and abroad and in so doing let there not be too much of the spirit of smug contentment. Rather let the threat of the eclipse of freedom and democracy in any form stir our souls with righteous indignation.

Let us always be on guard against anything that would tend toward the development of any form of government that will in any way spread out and allow its tentacles to snatch away any of our basic rights. This bill would allow the imprisonment of certain aliens for indeterminate and indefinite terms without any law authorizing it. This bill places authority greater than our courts in the hands of the Secretary of Labor. Should the Secretary of Labor decide that an alien ought to be deported because of violation of some law, that alien can be incarcerated for an indefinite length of time.

Let me ask you this: Where do Americans come from? This Nation in the broad sense has been developed through the pioneering spirit of the alien because the only native of this land is the American Indian. Therefore, let not some of those who trace their ancestry back to the days of the Mayflower be so narrow and vicious in dealing with the alien problem. Our Nation is made up of every nationality and every tongue known on the face of the globe. For over a hundred years we have developed because of the many different thoughts and ideas. This land has been the haven of the oppressed.

I fully realize that some of those coming from foreign lands have violated the laws of this Nation and have become undesirable criminal aliens. However, this is not real penal legislation. "Foreigner" has always been a good catchword to turn issues from their real consequence to glittering generalities of patriotism. I happen to be one of those men who walked into the United States Army and wore the American uniform. [Applause.] I happen to be one of those who was spoken of patriotically here today, but I want to say there have been more sins committed by those who would hide behind the cloak of patriotism than any other one thing in this Nation.

I also happen to be an attorney—one of those who was referred to here today. I think I know something about the basic laws of this Nation. During my lifelong practice of the profession I have given some study to the rights guaranteed to the individual under the Constitution of the United States of America. When that Constitution was framed in the first instance it provided that the writ of habeas corpus would not be suspended except in time of invasion or revolution, and then only in the interest of public safety. In my opinion this bill suspends the right to a writ of habeas corpus. We are thus weakening the foundation of democracy by violating one of the main principles guaranteed the individual under that Constitution.

The ordinary alien in this country came here looking for liberty and a better place in which to live and to rear his family. They have become citizens of this land and love it beyond their ability to express in words. The alien awaiting his citizenship in this country who has lived up to the laws and is a respected resident hates the criminal alien just as well as those of you who may possibly trace your ancestry back to the *Mayflower*. There is no doubt that the criminal alien as mentioned in this bill should be segregated from society. I know the self-respecting alien awaiting his naturalization would appreciate that as well as you and I, but the approach that we are taking in this bill is not the proper way to handle this problem. We are using the methods that resulted in the iron hand of dictatorship in Europe. God forbid that we should start concentration camps in this Nation. If one class of people can be detained indefinitely, then who is to say that other classes will not be included? The logical conclusion of this legislation would inevitably lead to the detention of people depending on the whim and fancy of the Secretary of Labor. I can well imagine the outcome if

Mr. Tom Girdler were ever to hold the office of Secretary of Labor.

Some of the sponsors of this bill maintain that it is a purely penal measure affecting about 50 persons each year. It is interesting, since the criminal treatment in this bill is its backbone, that only 3 weeks ago here in Washington there was a conference, the National Parole Conference, at which the greatest men in this field gathered together to discuss crime in America. Studying the proceeding of this conference I find nothing relating to the question we are now considering. These men whose education, training, and lives have been spent in the field of penology would surely have had something to say about this bill if its passage was as important as some Members would leave us believe. Those men, leaders in all fields of law enforcement and public welfare, were assembled from all over the Nation to discuss the real crime problems and to point out the defects in our penal system. I feel certain this group would not have ignored the criminal-alien bill had they felt there was merit to it. In addressing this conference, the Honorable Frank Murphy in speaking of preserving the benefits of our democracy said:

> We won't do it by making speeches, passing resolutions, or holding conventions about democracy. No matter how intensely 130,000,000 people believe in democracy, it won't be kept working unless we have the common sense and the courage to roll up our sleeves and put the machinery of democracy in working order.

The Honorable Robert M. Hutchins, president of the University of Chicago, addressing the National Parole Conference, said:

> A just society is one which regards no man as subhuman. A society which regards a man as subhuman because he is an alien is unjust. A society that so regards him because of his race, religion, or previous condition of servitude, is unjust. So is a society which regards as less than human a man who has been guilty of criminal conduct, for no group of men can deprive another of his humanity. This is merely another way of phrasing the Scriptural warning, "Vengeance is mine, saith the Lord." A just society must respect the humanity even of those who have violated its laws.

Others maintain naively that the bill will bring about the deportation of all Communist and Nazi agitators. I am afraid these Congressmen have themselves been victimized by the very thing they are fighting against. Communism and nazi-ism is not spread today by the so-called criminal alien. Their means are far more subtle. The real and dangerous agitator now uses Jefferson as a proponent of Communism. He quotes Lincoln whenever it serves his purpose. In order to disseminate this insidious propaganda they, of course, make a very showy pretense of upholding our laws. The real forces spreading this propaganda will in no way be hindered by the 50 aliens this law affects. These criminals are known lawbreakers and have been apprehended. The real danger to our institution lies in those who will never run afoul the law yet while parading the picture of George Washington attack the very foundation of our country. This bill does not restrain Fritz Kuhn and his gang of hoodlums nor does it hamper those Communists who, under the guise of good citizenship, join unions and try their best to dominate them. Professional agitators avoid anything relating to a crime involving moral turpitude. They simply could not carry on their vicious work unless they lived shadily within the law. The most simple mind knows that 50 criminals are not going to have much force in molding public opinion.

Those who came from alien stock in this Nation, which includes practically everyone of you on the floor of this House, have richly contributed to law, to morals, and to humanity. Our ancestors struggled for national existence and conquered all obstacles, thereby setting up the greatest form of government on the face of this earth. This land, more than all others, is indebted to the genius, the loyalty, and the energy of those who came from foreign lands. We have now builded a nation that can safely defy the rest of mankind to show such undying adherence to democracy and such faith that we who love it will sacrifice for it. We should now show our noble spirit and should see to it that justice and protection are afforded all minorities.

I have heard many Members on the floor of this House express their thought privately that this is one of the most vicious pieces of legislation that has ever been offered to be placed upon the statute books of this Nation, but inasmuch as it purports to deal with criminal aliens they are afraid to vote against it because of a possible loss of a few votes of some of their constituents who do not understand the principles that are being violated by this bill.

I love democracy; love this Nation that has been so benevolent to me. I love all that it stands for, and I hope that I will never get to the point that I will have to vote for a piece of legislation that violates those principles in order to garner a few votes. As long as I am a Member of this House I shall do everything within my power to retain the principles upon which this democracy is founded. I shall vote for principle and not for expediency in the matter of votes. [Applause.]

[Here the gavel fell.]

Mr. MASSINGALE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this bill, to my mind, is of such transcendent importance at this particular time in the affairs of this country and of the world as to justify every member of the Committee on the Judiciary expressing himself on it one way or the other. I made my argument in the time allotted to me. I feel very keenly the probable consequences of the passage of this unfortunate piece of proposed legislation. You can say what you please about it, but there is only one way known in America by which you can take a man's liberty away from him, and that is by presentment, as I stated a while ago, of an information, or by indictment by a grand jury, letting the court pass upon it.

What are you asked to do under this bill? You are asked to turn over to a department of this Government, a limited department, the Department of Labor, power to be used by the Secretary setting herself up above the courts of this country, power to imprison men for almost—well as long as they live, if conditions bring about that effect. This bill means simply that you are departing from established principles in a way that is dangerous. You may not take me seriously, but I believe every lawyer in this House—and there are nearly 275 of us—recognize in his study the reading of opinions of Justice Brewer, formerly a Member of the Supreme Court of the United States. Nobody questions his ability or integrity. Let us see what he says about it. I take this excerpt from the case of *Turner* v. *Williams* (194 U. S. 295). Listen to Judge Brewer. You are not listening to SAM MASSINGALE; this is Judge Brewer's language:

> I do not believe it within the power of Congress to give the ministerial officers final adjudication of the right to liberty or to oust the courts from the duty of inquiry respecting both law and facts.

What are you going to do when you come to consider this kind of law? Are you going to kick it aside and follow the mania that is sweeping America now and try to get on the popular side of this controversy? I know how the average Member feels about it. It is a popular thing now to get up here and vote for a bill of this kind which is absurd and dangerous. It is a bill which, in effect, takes away the right of habeas corpus; and if a poor devil can get it under this law, they shunt him around to some distant circuit court of appeals for any remedy he may have after he had been ordered deported.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. MASSINGALE. I yield.

Mr. MARCANTONIO. But as a matter of fact, and as a matter of procedure, the circuit court of appeals cannot disturb the findings of fact of an administrative officer where an alien is involved.

Mr. MASSINGALE. The gentleman is correct about that, the circuit court of appeals cannot inquire into the facts of the case. The Secretary of Labor is supreme, with greater power than a court was ever vested with, no right of appeal, nothing left but to obey her order.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado.

The amendment was rejected.

Mr. HANCOCK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK: Page 4, line 11, strike out all of subdivision (d) and insert in lieu thereof:

"(d) Those aliens who directly or indirectly procure or attempt to procure or import prostitutes or persons for the purpose of prostitution or for any other immoral purpose, or who are knowingly supported by or receive in whole or in part the proceeds of prostitution."

Mr. HOBBS. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HANCOCK. Debate on this amendment instead of taking 20 minutes ought not to take 20 seconds. I offer the amendment merely for the purpose of clarification and for the purpose of strengthening this particular provision. The gentleman who drafted the bill took fragments from section 155, title VIII of the United States Code, but he did not use all of the language of that section that was necessary, I believe, to carry out his purpose. I believe the language which is contained in section 136, title VIII of the immigration law is much more precise and comprehensive than the wording of the bill and includes all of the dangerous and vicious class of aliens the gentleman is aiming at by this section.

Let me call attention to the language of the bill as written. It contains scattered phrases of section 155, title VIII, the section that deals with deportable offenses, and it mentions three classes of aliens: First, those who receive any benefit from or any part of the earnings of any prostitute. This might include some aged parent whose child went to the city, became a prostitute and occasionally sent some of her wages of sin back home. We are not concerned with those people. The second class is those who in any way protect or assist a prostitute. This might include a person who does a simple act of kindness or attempts to reclaim some fallen Magdalene. The third class mentioned in this section includes only those who have imported any person for the purpose of prostitution and it entirely omits the scoundrel who deals in domestic white slaves.

We do not intend to give any alien the privilege of going into the business of selling American white slaves, while penalizing him for dealing in imported prostitutes. If you will let me again read my amendment, which is taken bodily from section 136 of the immigration law, I think you will see it embraces the class we want to hit by this bill.

Those aliens who directly or indirectly procure or attempt to procure or import prostitutes or persons for the purpose of prostitution or for any other immoral purpose or knowingly supported by or receive in whole or in part the proceeds of prostitution.

I think it will strengthen, improve, and clarify the bill if you accept the amendment.

Mr. HOBBS. Mr. Chairman, I will be glad to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. HANCOCK].

The amendment was agreed to.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BRADLEY of Pennsylvania: Page 4, line 10, after the word "turpitude", change the semicolon to a comma and insert "not connected with their own entry or naturalization."

Mr. HOBBS. Mr. Chairman, I will be glad to accept the amendment.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, after the statement just made by the gentleman from Alabama [Mr. HOBBS], that he is willing to accept the amendment, I do not think much time will be necessary in explaining it.

The amendment merely includes in section (c) the same language which already exists in section (b) on page 4, "not connected with their own entry or naturalization," and it extends the provisions of that section to section (c).

I am sure the gentleman from Alabama [Mr. HOBBS] thinks it does not change the purposes of the bill, but merely affords necessary protection to those who are not really criminals, therefore I hope the Committee will agree to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. BRADLEY].

The amendment was agreed to.

Mr. MARTIN of Colorado. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Colorado: In line 15, page 4, after the word "prostitution", strike out the semicolon, insert a comma, and add the following: "and who have been convicted and sentenced for such offense in a court of record."

Mr. MARTIN of Colorado. Mr. Chairman, I understood the gentleman from Alabama a few moments ago, in objecting to my prior admendment, to say that this act affected only aliens who had been ordered transported. There is a question in my mind about that with reference to subsection (d), which reads as follows:

Those aliens who have received, shared in, or derived benefit from any part of the earnings of any prostitute, or have in any way assisted any prostitute or protected or promised to protect from arrest any prostitute or have imported or attempted to import any person for the purpose of prostitution.

There is no requirement in the paragraph, the section, or the bill that that person shall be under a deportation order or shall be under sentence from any court. As I said a few moments ago, there are five categories of delinquents dealt with in this bill. In the case of the other four there must be in effect at the time the delinquent is apprehended for imprisonment an order of deportation or the sentence of a court.

Mr. Chairman, I am pointing out that this category dealing with prostitution does not require that there shall be outstanding any order of deportation or any sentence of a court whatever. The only effect of my amendment is to add there the same safeguard, and I think it ought to be there, that in this category also the delinquent person shall have been convicted and sentenced for such offense in a court of record.

I make this contention, and if I am mistaken I want somebody to get up here and dispute it, that under the language of the bill if a prostitute should give a man a package of cigarettes, he could be taken up and ordered deported, and if he was not able to get a passport he could be locked up indefinitely without having been judicially adjudged of any offense. This is certainly a grant of administrative power and discretion with a vengeance.

Mr. GEARHART. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from California.

Mr. GEARHART. I believe the words "in a court of record" in the amendment which the gentleman has offered will defeat the objective he has in mind. Prostitution in nearly all States is a simple misdemeanor. Simple misdemeanors are not handled as a rule in courts of record, but in police courts.

Mr. MARTIN of Colorado. I get the gentleman's point. Does the gentleman mean to say he would be willing to have a man subjected to the drastic penalties of this bill providing for imprisonment on a $5 fine in some municipal or kangaroo court?

Mr. GEARHART. I rise for the purpose of pointing out to the gentleman that the phrase "in a court of record" will defeat that which the gentleman has in mind, because cases of that kind are not handled, as a rule, in courts of record.

Mr. MARTIN of Colorado. I want to answer the gentleman. I think any offense of sufficient magnitude to entail the penalties of this bill ought to be of sufficient magnitude to be handled and disposed of in a court of record. I do

not believe we ought to pass legislation here predicated on judgments of police courts.

Mr. Chairman, I realize the temper of the House regarding this bill at this late hour and with adjournment for the week end coming on, but I am serious about this matter. I wonder if Congress has ever before passed legislation authorizing an administrative officer of the Government to indefinitely imprison a man without trial in a court of law. That is precisely what subparagraph (d) does.

I have no fear that any persons will be so imprisoned. I feel confident that this legislation in another body will be given careful and competent scrutiny and be operated on to its great improvement. I feel confident that no such loose provision can stand the scrutiny of the courts. I simply want the House to do a little carpenter work of its own on this bill and not leave it to some other legislative or judicial branch to show it what a blind man ought to be able to see.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. MARTIN].

The question was taken; and on a division (demanded by Mr. MARTIN of Colorado) there were—ayes 32, noes 76.

So the amendment was rejected.

The Clerk read as follows:

SEC. 3. The Secretary of Labor is hereby authorized and directed to arrange for appropriate places of detention in established institutions for those aliens required by this act to be taken into custody and confined.

Any Federal institution designated by the Secretary of Labor in a detention order hereunder shall receive the alien subject to such order, any provision of law to the contrary notwithstanding; and shall deem any appropriate order of the Secretary of Labor sufficient warrant for discharging any such alien.

The appropriation of such sums of money as may be necessary from time to time for the maintenance and care of detained aliens in such places of detention, including the cost of the removal of such aliens thereto, is hereby authorized.

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last word. May I remind the House that we are considering here this afternoon a matter concerning only 460 people in all—really not such a large number, is it? And let no one think he can save America by measures like this. That will take much more work on our part than putting a few aliens out of the way.

I believe I understand what the gentlemen who are sponsoring this bill want to accomplish. I believe it is a worthy and proper objective. I do not want to have aliens who are dangerous to the body politic in America continue to be here, but I believe there are other matters connected with this legislation that must be considered. I should like to vote for it because it would be nice to go home and make speeches and say that I voted against prostitution and against enemy aliens and so on and so on. I am against them; and I believe every proper effort should be made to hasten their deportation. But after all, the issue here is not an issue as to whether or not you want these people to stay in the United States, it is not an issue as to whether or not you want them to be punished, and it has nothing to do with the length of the term they are supposed to serve in jail in punishment for offenses; it has to do simply with whether or not America is going to adopt a method of putting these people into what will amount to concentration camps in order to try to solve the problem.

I would be perfectly willing to vote for a bill that stated that America would not accept a single immigrant from a nation that refused to take back these people who are under order of deportation. I would also be willing to vote for a measure—and, as I understand, one is coming here for consideration soon—which would make more severe the penalty against espionage in this country. I believe those measures are reasonable, and I understand the necessity for them, but I believe it is very dangerous when the House gets into a spirit such as I believe it is in this afternoon when we have to be swept along with the tide, without considering carefully the implications involved in the pending measure.

I am not against the bill because of what it is going to do to these alien people primarily. I am against it because I am afraid of what it is going to do to the United States. After all, we have to have enough faith, it seems to me—and I do have enough faith—to know that even though we must go through a period of difficulty America can solve her problems and can shake her fist in the face of the man who tries to destroy her institutions and tell him, "You can talk if you want to, but this Nation is founded in the hearts of its own people upon a rock too solid for you to shake."

I hope I have made myself clear. I have only a few minutes. I should like to repeat again at the end that I am in sympathy with the aims and desires of the people who believe these persons ought not to be continued in the United States. Neither do I. I hope some way can be found to prevent it, but I do recognize, as several Members have pointed out on this floor this afternoon that this particular method is subject to such great possible abuse and smacks so much of a system of government unlike that of our own that I have dire fear concerning it.

I believe we can find a better answer to this problem. I hope we can, and I am in favor of doing it, but I do not think this is it.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Oregon.

Mr. MOTT. I am rather sympathetic with some of the statements the gentleman has made. If this bill had to do with citizens of this country, I believe the gentleman would be entirely right, but since it has to do with deportable aliens, and more than that, with aliens who were ordered to be deported for having committed deportable offenses, where does the argument apply, and where does the gentleman's fear come in?

Mr. VOORHIS of California. My fear comes in with regard to using the method of detention camps against any group of people. I quote from a letter I received from the president of the National Farmers' Union today on this subject, which expresses my views exactly. He states:

Though allegedly aimed at aliens, measures such as the Hobbs bill threaten to undermine our democratic institutions and to destroy our liberty.

The pending bill does not do this directly, I know, but does it through the frame of mind it puts us in.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. The gentleman expresses great fear of detention camps. We have a detention camp in Louisiana for lepers; we have detention camps scattered all over the country under the Bureau of Prisons, and we have Leavenworth, Kans.

Mr. VOORHIS of California. I understand, but that is where persons are serving sentences for committing crimes of which they were convicted. There is no question here as to whether or not people should pay the lawful penalty for crimes. Of course they should do so. If we think the penalty should be more severe, then that should be considered. But in this bill I think we have a virtual suspension of law under consideration.

Mr. VAN ZANDT. But these are Americans.

Mr. VOORHIS of California. True enough, and I wish we had no one in this country but law-abiding, loyal citizens. But we do have others. And the freedom we prize so much may be destroyed if we are not careful in our dealings with those whom it is easiest to punish. If we give way to a vindictive spirit with regard to one group of people, remember it will be easier next time with regard to another group, and next time it may not be aliens.

Mr. Chairman, I recognize the problem here with these deportable aliens; but I beg of the House to deal with it more in accordance with the basic human rights—rights extending even to those who do wrong—upon which our national life is based.

[Here the gavel fell.]

Mr. KEEFE. Mr. Chairman, I rise in opposition to the pro forma amendment.

I would not deem it necessary to say a word on this matter, were it not for the arguments that have been repeatedly adduced, as evidenced by the remarks just now made by the distinguished gentleman from California. One would gather from the arguments advanced by the numerous liberals of this House that if this bill is passed we are embarking upon an absolutely new thing in government in America; that we are going to establish something that has never been heard of or known before in the government of America. Let us see if that is true.

The gentleman who just spoke mentioned the chagrin and embarrassment to which he would be subjected if he drove along the road in his car with his little son and had to point out a building where certain people were confined. My God, for over 100 years people have driven over the highways of America and have looked at places of detention where we have confined citizens of America whose only crime has been that they were paupers and indigents. In State after State of this Nation we take people who have never been convicted of a crime into a minor court and upon an adjudication of pauperism and indigency send them to a poorhouse where, at least under the laws of Wisconsin, they are detained and confined for life or until they can absolve themselves of the charges of indigency; yet they never committed a crime. It is possible in State after State of this Nation to take persons who are afflicted with venereal disease and without a trial and upon the mere certificate of the examining physician go before a court and get an order of detention and take them and detain them and confine them until they have been absolved of the necessity for being taken from society.

It is possible in this State and possible in almost every State in the Union on the application of two citizens to have any person taken before a surrogate or probate judge on a petition involving alleged lunacy, and that judge, without any hearing, can order the detention of the person named in the petition, and upon the report of two examining physicians that he is insane or feeble-minded, he may be committed to a house for the detention of such people and kept there perhaps for life.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. We do that to citizens of America, and you are here worrying about sixty or a hundred or two hundred aliens who have committed crimes.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield to me? The gentleman has mentioned me.

Mr. KEEFE. Yes; I yield.

Mr. VOORHIS of California. The gentleman puts me in an entirely false light. I am not appealing for anybody to be excused from suffering punishment for any crime he commits. I think he should be punished, and I think these people should be deported.

Mr. KEEFE. Yes.

Mr. VOORHIS of California. The only thing I am objecting to is the particular method suggested in this bill.

Mr. KEEFE. You are objecting because we are going to put them in detention.

Mr. VOORHIS of California. That is right.

Mr. KEEFE. And I have indicated to you that this matter of detention is nothing new in our system of government, that we have detention homes throughout America today to take care of undesirable American citizens who cannot adjust themselves to our social conditions.

Mr. VOORHIS of California. The gentleman knows very well that is under an entirely different situation.

[Here the gavel fell.]

The Clerk read as follows:

SEC. 4. Notwithstanding the provisions of section 20 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 156), the Secretary of Labor is authorized and directed to detain aliens of the classes described in this act, and his authority to do so shall not be questioned except upon petition filed with the circuit court of appeals for the circuit in which the place of detention of the particular alien is located, and for this purpose the circuit courts of appeals are hereby invested with original and exclusive jurisdiction to hear such petitions and determine the question of the legality of the detention under this act, and the decision of any such court in any such case shall be final.

Mr. HOBBS. Mr. Chairman, I have three amendments to offer to this section, which are committee amendments, and I will offer them all at one time.

The Clerk read as follows:

Committee amendment offered by Mr. HOBBS: On page 5, line 23, after the word "located" and the comma immediately thereafter, insert "or by a petition for a writ of habeas corpus filed with such circuit court or by a writ of habeas corpus issued by any district court of the United States made returnable in such circuit court."

Mr. CELLER. Mr. Chairman, I rise in support of the amendment.

This amendment was offered so that there may not be any difficulty in the mind of anyone as to whether or not there would be a writ of habeas corpus issued to any one of those detained, and to make assurance doubly sure this amendment will be inserted in the bill when you vote favorably upon the amendment.

I do want to rise just briefly to call this fact to your attention. Section 4 has a very unusual sting to it. I do not know of any provision in any statute which says there shall be no appeal to the United States Supreme Court.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield there?

Mr. CELLER. In this bill we provide that the circuit court of appeals shall be invested with original and exclusive jurisdiction to hear the petition. I take it that this means that you must, in the first instance, if you feel aggrieved, go to the circuit court of appeals and there your remedy ends.

This is very unusual. Why did the authors of the bill fear to allow an appeal to the Supreme Court of the United States? Why is the jurisdiction of the circuit court of appeals made exclusive? Certainly, there should be a right of appeal by anybody aggrieved to go to the Supreme Court of the United States.

I am told that an amendment may be offered in this regard. If it is, I think it would be very praiseworthy, but there certainly should be an appeal to the highest court of the land.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. MARCANTONIO. With regard to the habeas corpus proceeding, I think it should be pointed out to the membership that in habeas corpus proceedings the relator cannot obtain a review of facts where there is some evidence to sustain the findings of the Secretary; in other words, the court in a habeas corpus proceeding will not review the weight of evidence on questions of fact.

Mr. CELLER. That is correct and I shall read an opinion from the Secretary of Labor and, incidentally, the opinion is by Gerard D. Reilly, who is Solicitor of the Department of Labor, a very gifted and a very erudite student of the law and one whose word can be uttermostly relied upon.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Let me first read what he says.

Mr. MICHENER. I want to know when he said it. He said it after the bill had been reported out?

Mr. CELLER. The date is April 19, and I shall read from it very briefly with respect to the question the gentleman from New York [Mr. MARCANTONIO] propounded to me:

The judicial scope of review is narrow and similar to that now exercised in habeas corpus proceedings in all immigration cases. The court may discharge an alien from custody if as a matter of law the finding of the Secretary of Labor cannot be supported—the court may not on a question of fact substitute its own judgment as to what disposition should be made of the case. Therefore, it does not follow that the provisions for judicial review remove the instant bill from the implications of the doctrine of the Wong Wing case, supra——

Which declared similar proceedings of the law unconstitutional.

Mr. MARCANTONIO. So, therefore, on the question of fact, court or no court, the findings of the Secretary of Labor are final; is that not correct?

Mr. CELLER. That is correct.

[Here the gavel fell.]

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. HOBBS: On page 5, line 25, after the word "petitions", insert "and to try the issue presented by such writs."

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Committee amendment offered by Mr. HOBBS: On page 6, line 3, after the period insert:

"The terms 'Circuit Court of Appeals' and 'Circuit Courts of Appeals' as herein used include the United States Court of Appeals for the District of Columbia."

The committee amendment was agreed to.

Mr. GWYNNE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GWYNNE: On page 5, line 24, after the word "with", strike out the remainder of the sentence and insert "exclusive original jurisdiction to hear such petitions and determine the question of the legality of the detention under this act."

Mr. GWYNNE. Mr. Chairman, the purpose of this amendment is simply to give the right of appeal to the Supreme Court in the ordinary manner that appeals are now handled in that Court. I would like to yield to the gentleman from Alabama [Mr. HOBBS], to see what he thinks about this amendment.

Mr. HOBBS. I was perfectly willing to have you insert a period, giving appeal to the Supreme Court if you wish. I did not understand the rest of your amendment, nor do I now.

Mr. GWYNNE. I think, after hearing the amendment offered by the committee, that my amendment perhaps should be rewritten. I confess that.

Mr. CELLER. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There being no objection, the Clerk read as follows:

Amendment offered by Mr. GWYNNE: On page 5, line 24, after the word "with", strike out the remainder of the sentence and insert "exclusive original jurisdiction to hear such petitions and determine the question of the legality of the detention under this act."

Mr. HOBBS. My only objection to that is that that would cut out the second committee amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa [Mr. GWYNNE].

The amendment was rejected.

Mr. CELLER. Mr. Chairman, I move to strike out the last word. We now have the situation which I indicated before, that you have no appeal whatsoever to the United States Supreme Court.

The Clerk read as follows:

SEC. 5. Before the Secretary of Labor may order the release of any alien detained hereunder or rescind the warrant of deportation for such alien, he must prepare and file with all the other papers relating to such case a synopsis of the evidence upon which such order is to be made and the reasons for such order.

Mr. HOBBS. Mr. Chairman, I ask unanimous consent that the preamble of the bill be stricken.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. Under the rule, the Committee will now rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMASON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 5643, pursuant to House Resolution 175, he reported the same back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. Is a separate vote demanded on any amendment? if not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. Without objection, the amendment adopted in Committee of the Whole striking out the preamble will be agreed to.

There was no objection.

The SPEAKER. The question is on the passage of the bill.

Mr. CELLER. Mr. Speaker, I move to recommit the bill to the Committee on the Judiciary for further study and consideration.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CELLER. I am.

The SPEAKER. The Clerk will report the motion of the gentleman from New York.

The Clerk read as follows:

Mr. CELLER moves to recommit the bill to the Committee on the Judiciary for further study and consideration.

The SPEAKER. The question is on the motion of the gentleman from New York.

Mr. CELLER. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. As many as favor taking this vote by the yeas and nays will rise and remain standing until counted. [After counting.] Thirty-two Members have arisen on the request for the yeas and nays. The Chair has again counted, and there are 280 Members present. A sufficient number not having arisen, the yeas and nays are refused.

The question is on the passage of the bill.

Mr. CELLER. Mr. Speaker, I ask for the yeas and nays on the final passage of the bill.

The yeas and nays were ordered.

The question was taken; and there were—yeas 289, nays 61, not voting 80, as follows:

[Roll No. 66]

YEAS—289

Alexander	Clason	Garrett	Keogh
Allen, Ill.	Clevenger	Gartner	Kerr
Allen, La.	Cluett	Gathings	Kilday
Andersen, H. Carl	Coffee, Nebr.	Gearhart	Kinzer
Anderson, Calif.	Cole, N. Y.	Gibbs	Kitchens
Anderson, Mo.	Colmer	Gilchrist	Kleberg
Andresen, A. H.	Connery	Gore	Knutson
Angell	Cooley	Gossett	Kocialkowski
Arends	Cooper	Graham	Kramer
Arnold	Corbett	Grant, Ala.	Lambertson
Ashbrook	Costello	Grant, Ind.	Lanham
Austin	Cox	Green	Lea
Ball	Crawford	Gregory	LeCompte
Barnes	Creal	Griffith	Lewis, Colo.
Barry	Crowe	Gross	Lewis, Ohio
Bates, Ky.	Crowther	Guyer, Kans.	Luce
Bates, Mass.	Culkin	Gwynne	McAndrews
Beam	Cullen	Hall	McCormack
Beckworth	Cummings	Halleck	McDowell
Bell	Curtis	Hancock	McGehee
Bender	D'Alesandro	Hare	McKeough
Blackney	Darden	Harness	McLaughlin
Bland	Darrow	Harrington	McLean
Boehne	Dempsey	Harter, N. Y.	McLeod
Boland	Dirksen	Harter, Ohio	McMillan, John L.
Bolles	Disney	Hawks	Maas
Bolton	Dondero	Heinke	Mahon
Boren	Doughton	Hendricks	Mapes
Boykin	Dowell	Hennings	Marshall
Bradley, Mich.	Drewry	Hess	Martin, Ill.
Bradley, Pa.	Duncan	Hinshaw	Martin, Iowa
Brewster	Durham	Hobbs	Martin, Mass.
Brooks	Dworshak	Holmes	Mason
Brown, Ga.	Eaton, Calif.	Hope	May
Brown, Ohio	Eaton, N. J.	Houston	Merritt
Buck	Edmiston	Hunter	Michener
Burgin	Elliott	Jarman	Mills, Ark.
Byrns, Tenn.	Ellis	Jarrett	Mills, La.
Caldwell	Elston	Jenkins, Ohio	Monroney
Cannon, Mo.	Engel	Jensen	Moser
Carlson	Englebright	Johnson, Ill.	Mott
Cartwright	Faddis	Johnson, Ind.	Mundt
Case, S. Dak.	Fenton	Johnson, LutherA.	Murdock, Ariz.
Chandler	Fernandez	Johnson, Okla.	Murray
Chapman	Fish	Johnson, W. Va.	Nelson
Chiperfield	Flannery	Jones, Tex.	Nichols
Church	Ford, Miss.	Keefe	Norrell
Clark	Gamble	Kennedy, Md.	Norton

O'Brien	Rees, Kans.	Smith, Maine	Van Zandt
O'Leary	Rich	Smith, Ohio	Vincent, Ky.
Oliver	Richards	Smith, Va.	Vinson, Ga.
O'Toole	Risk	Snyder	Vorys, Ohio
Owen	Robsion, Ky.	South	Vreeland
Pace	Rodgers, Pa.	Sparkman	Walter
Parsons	Rogers, Mass.	Spence	Warren
Patman	Rogers, Okla.	Springer	Weaver
Patrick	Routzohn	Starnes, Ala.	West
Patton	Rutherford	Steagall	Wheat
Pearson	Ryan	Stearns, N. H.	Whelchel
Peterson, Ga.	Sandager	Stefan	Whittington
Pierce, N. Y.	Sasscer	Sumner, Ill.	Wigglesworth
Pittenger	Satterfield	Sutphin	Williams, Del.
Plumley	Schaefer, Ill.	Taber	Williams, Mo.
Poage	Schafer, Wis.	Tarver	Wolcott
Polk	Schiffler	Taylor, Colo.	Wolfenden, Pa.
Powers	Scrugham	Taylor, Tenn.	Wolverton, N. J.
Rabaut	Seccombe	Thill	Wood
Ramspeck	Secrest	Thomas, N. J.	Woodruff, Mich.
Rankin	Seger	Thorkelson	Youngdahl
Rayburn	Shafer, Mich.	Tibbott	Zimmerman
Reece, Tenn.	Sheppard	Tinkham	
Reed, Ill.	Short	Tolan	
Reed, N. Y.	Simpson	Treadway	

NAYS—61

Bloom	Gehrmann	Ludlow	Schulte
Burdick	Geyer, Calif.	McGranery	Schwert
Cannon, Fla.	Griswold	Maciejewski	Smith, Conn.
Casey, Mass.	Havenner	Marcantonio	Smith, Wash.
Celler	Hill	Martin, Colo.	Somers, N. Y.
Coffee, Wash.	Hook	Massingale	Sweeney
Crosser	Hull	Miller	Tenerowicz
Dickstein	Izac	Murdock, Utah	Terry
Dingell	Johnson, Lyndon	O'Connor	Thomas, Tex.
Dunn	Kean	O'Day	Thomason
Eberharter	Keller	O'Neal	Voorhis, Calif.
Evans	Kunkel	Osmers	Wallgren
Flaherty	Larrabee	Pierce, Oreg.	White, Idaho
Ford, Thomas F.	Leavy	Robinson, Utah	
Fries	Lemke	Sacks	
Gavagan	Lesinski	Schuetz	

NOT VOTING—80

Allen, Pa.	Ditter	Jenks, N. H.	Peterson, Fla.
Andrews	Douglas	Johns	Pfeifer
Barden	Doxey	Jones, Ohio	Randolph
Barton	Fay	Kee	Robertson
Bryson	Ferguson	Kelly	Rockefeller
Buckler, Minn.	Fitzpatrick	Kennedy, Martin	Romjue
Buckley, N. Y.	Flannagan	Kennedy, Michael	Sabath
Bulwinkle	Folger	Kirwan	Shanley
Burch	Ford, Leland M.	Landis	Shannon
Byrne, N. Y.	Fulmer	Lord	Sirovich
Byron	Gerlach	McArdle	Smith, Ill.
Carter	Gifford	McMillan, Thos. S.	Smith, W. Va.
Claypool	Gillie	McReynolds	Sullivan
Cochran	Hart	Magnuson	Sumners, Tex.
Cole, Md.	Hartley	Maloney	Talle
Collins	Healey	Mansfield	Wadsworth
Curley	Hoffman	Mitchell	Welch
Delaney	Horton	Monkiewicz	White, Ohio
DeRouen	Jacobsen	Mouton	Winter
Dies	Jeffries	Myers	Woodrum, Va.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Randolph (for) with Mr. Hart (against).
Mr. Barden (for) with Mr. Hartley (against).
Mr. Doxey (for) with Mr. Sabath (against).

Until further notice:

Mr. Cochran with Mr. Wadsworth.
Mr. Woodrum of Virginia with Mr. Ditter.
Mr. Pfeifer with Mr. Gifford.
Mr. Dies with Mr. Hoffman.
Mr. Burch with Mr. Jones of Ohio.
Mr. Martin J. Kennedy with Mr. Jeffries.
Mr. Bryson with Mr. Douglas.
Mr. Romjue with Mr. Jenks of New Hampshire.
Mr. Allen of Pennsylvania with Mr. Carter.
Mr. Robertson with Mr. Barton.
Mr. Shanley with Mr. White of Ohio.
Mr. Collins with Mr. Andrews.
Mr. Fay with Mr. Leland M. Ford.
Mr. McReynolds with Mr. Lord.
Mr. Delaney with Mr. Winter.
Mr. Bulwinkle with Mr. Rockefeller.
Mr. Kelly with Mr. Gerlach.
Mr. Sullivan with Mr. Horton.
Mr. Michael J. Kennedy with Mr. Talle.
Mr. Thomas S. McMillan with Mr. Gillie.
Mr. Maloney with Mr. Johns.
Mr. Mansfield with Mr. Landis.
Mr. Fulmer with Mr. Welch.
Mr. Fitzpatrick with Mr. Monkiewicz.
Mr. DeRouen with Mr. Buckler of Minnesota.
Mr. Kee with Mr. Mouton.
Mr. Folger with Mr. Shannon.
Mr. Curley with Mr. Mitchell.
Mr. Cole of Maryland with Mr. Jacobsen.
Mr. Buckley of New York with Mr. McArdle.
Mr. Peterson of Florida with Mr. Byrne of New York.
Mr. Smith of Illinois with Mr. Sumners of Texas.
Mr. Kirwan with Mr. Magnuson.
Mr. Claypool with Mr. Byron.
Mr. Ferguson with Mr. Myers.
Mr. Flannagan with Mr. Sirovich.

Mrs. NORTON changed her vote from "nay" to "yea."

Mr. LARRABEE changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend and revise their remarks on this bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RECESS ON MONDAY, MAY 8

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that on Monday next it may be in order for the Speaker at any time to declare a recess of the House and that the recess may last for as long a period as the Speaker may see fit.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. MAAS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a report of the Mayors' Committee to the Civil Aeronautics Authority.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. RUTHERFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from the trustees of the Philadelphia Rapid Transit Co.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FLANNERY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including a resolution from the Federation Men's Bible Classes of Hazelton, Pa.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial captioned "Our Most Destructive Tax" published in the Nonpareil, Council Bluffs, Iowa.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement by Mr. Clinton M. Hester, Administrator of the Civil Aeronautics Authority.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement by Hon. Aubrey Williams, Director of the National Youth Administration.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from the secretary of the General Welfare Federation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a short editorial and a reply prepared by myself.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SECREST. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a resolution prepared by three substantial citizens of Marietta, Ohio, and adopted by advocates of the Townsend plan in mass convention assembled in that city April 30, 1939.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain words of Woodrow Wilson, also an article that appeared in the Washington Post this morning.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HEINKE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including an address made by Sterling Morton, 2d, at Nebraska City, Nebr., on April 22, 1939.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ANNOUNCEMENT OF VOTE

Mr. MAGNUSON. Mr. Speaker, on the vote today on the bill H. R. 5643, I was unavoidably absent. Had I been present, I would have voted "nay."

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HEALEY, indefinitely, on account of illness in family.

To Mr. ROMJUE (at the request of Mr. WILLIAMS of Missouri), for 10 days, on account of official business.

To Mr. SHANLEY, for 1 day, on account of official business.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, to ask the majority leader a question.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I ask the majority leader about the program next week?

Mr. RAYBURN. Mr. Speaker, Monday will be District day. The Committee on the District of Columbia will not take more than 45 minutes. It is then intended to take up the naval appropriation bill and read that bill for amendment under the 5-minute rule, disposing of it Monday.

On Tuesday, the nonmilitary appropriation bill, carrying appropriations for rivers and harbors and flood control, as well as allied subjects, will be taken up and we hope to dispose of that bill on Tuesday, because it is usual to conclude consideration of that bill in 1 day.

On Calendar Wednesday the call rests with the Committee on Rivers and Harbors. I do not know what bill that committee will call up, but I presume it will be the river and harbor authorization bill. After that we have no program for the remainder of the week.

Mr. MARTIN of Massachusetts. The gentleman does not expect the Florida ship canal bill to be taken up next week?

Mr. RAYBURN. The Florida ship canal bill is not included.

Mr. KNUTSON. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Minnesota.

Mr. KNUTSON. The majority leader has stated that the program for Monday is what?

Mr. RAYBURN. The District of Columbia Committee will report a bill or two, which will take about 45 minutes. Then the House will resolve itself into the Committee of the Whole to consider the appropriation bill under the 5-minute rule. It is also planned that, if the President of Nicaragua pays us a visit, the Speaker of the House will declare a recess in order to receive this benevolent ruler.

Mr. KNUTSON. The distinguished majority leader intimates that we are going to recess to receive the President of Nicaragua. It is my understanding that the President of Nicaragua—or should I say the dictator who displaced his uncle and abolished elections?—will be here on Monday. It was very gratifying to me this afternoon, Mr. Speaker, to observe that great Democrat, Franklin Delano Roosevelt, and the dictator from Nicaragua riding down Constitution Avenue in a White House limousine conversing very amiably. It shows that we can make the lion and the lamb lie down together.

Mr. RAYBURN. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Texas.

Mr. RAYBURN. Mr. Speaker, of all the unfortunate statements I have ever heard made in this House, I think the one just made by the gentleman from Minnesota is the most unfortunate.

It is true that rulers of countries across the sea are hardly in good enough humor with each other to ride in the same automobile or be received in one another's country; but I pray God the time will never come in the Western Hemisphere when the rulers of all the republics of the Western Hemisphere are not upon friendly terms as we are today. [Applause.]

[Here the gavel fell.]

The SPEAKER. Under a previous special order of the House, the gentleman from Colorado [Mr. MARTIN] is recognized.

Mr. MARTIN of Colorado. Mr. Speaker, I used that time yesterday, and I relinquish it now.

EXTENSION OF REMARKS

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD relative to roads and to include therein a speech I made in Dallas, Tex.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. CARTWRIGHT]?

There was no objection.

SENATE BILLS REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 68. An act for the relief of the San Francisco Mountain Scenic Boulevard Co.; to the Committee on Claims.

S. 190. An act to authorize the temporary appointment of a special judge for the District Court of the Virgin Islands; to the Committee on the Judiciary.

S. 242. An act relating to the disposition of funds derived from the Coos Bay Wagon Road grant lands; to the Committee on the Public Lands.

S. 444. An act for the relief of John F. Thomas; to the Committee on the Civil Service.

S. 682. An act relative to the military record of Charles C. Rascoe, deceased; to the Committee on Military Affairs.

S. 755. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Borg-Warner Corporation; to the Committee on Claims.

S. 1156. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the military reservation known as the Morehead City Target Range, N. C., for the construction of improvements thereon, and for other purposes; to the Committee on Military Affairs.

S. 1307. An act authorizing the Secretary of War to grant a revocable license to the Union Pacific Railroad Co. to maintain certain railroad trackage on the Fort Leavenworth Military Reservation; to the Committee on Military Affairs.

S. 1322. An act for the relief of Dorothy Clair Hester, daughter of E. R. Hester; to the Committee on Claims.

S. 1449. An act for the relief of Robert Stockman; to the Committee on Claims.

S. 1467. An act for the relief of the Standard Oil Co., Inc., in Kentucky; to the Committee on Claims.

S. 1701. An act to amend section 12B of the Federal Reserve Act, as amended; to the Committee on Banking and Currency.

S. 1759. An act granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River; to the Committee on Irrigation and Reclamation.

S. 1905. An act for the relief of Elizabeth E. Burke; to the Committee on Claims.

S. 2054. An act for the relief of Joseph Alder, E. G. Allen, and E. G. Allen and By Hanchett jointly; to the Committee on Claims.

S. 2056. An act for the relief of N. F. Clower and Elijah Williams; to the Committee on Claims.

S. 2061. An act for the relief of William Hillock; to the Committee on Claims.

S. 2154. An act to modify the provisions of section 10 of the act of June 30, 1834, and section 10 of the act of June 22, 1874, relating to the Indians; to the Committee on Indian Affairs.

S. 2179. An act for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department; to the Committee on Claims.

S. 2192. An act to carry out certain obligations to certain enrolled Indians under tribal agreement; to the Committee on Indian Affairs.

S. 2222. An act to provide for a Deputy Chief of Staff, and for other purposes; to the Committee on Military Affairs.

S. 2239. An act for the relief of Dorothy Clair, G. F. Allen, and Earl Wooldridge; to the Committee on Claims.

S. 2314. An act to establish the position of Under Secretary in the Department of Commerce; to the Committee on Interstate and Foreign Commerce.

S. J. Res. 62. Joint resolution to reinter the bodies of Mary McDonough Johnson Daughtery and Sarah Phillips McCardle Whitesides near the body of former President Andrew Johnson; to the Committee on Military Affairs.

SENATE BILLS AND JOINT RESOLUTION REFERRED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 70. An act to amend section 90 of the Judicial Code, as amended, with respect to the terms of the Federal District Court for the Northern District of Mississippi;

S. 270. An act for the relief of Lofts & Son; and

S. 1038. An act for the relief of L. M. Bell and M. M. Bell.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.), under its previous order, the House adjourned until Monday, May 8, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, May 10, 1939, at 10 a. m., on H. R. 4051, relating to hiring of seamen on Government vessels.

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4985, relating to fishery educational service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Monday, May 8, 1939, at 10:30 a. m., to hold hearings on the project for the waterway connecting the Tombigbee and Tennessee Rivers.

COMMITTEE ON THE JUDICIARY

There will be a hearing before Subcommittee No. 2 of the Committee on the Judiciary on Tuesday, May 9, 1939, at 10 a. m., on the bill (H. R. 4587) to give the Supreme Court of the United States authority to prescribe rules of pleading practice, and procedure with respect to proceedings in criminal cases prior to and including verdict or finding or plea of guilty. Room 346, House Office Building.

There will be a public hearing before Subcommittee No. 1 of the Committee on the Judiciary on Wednesday, May 10, 1939, at 10:30 a. m., on House Joint Resolution 190, to make available to the Federal Government the facilities of the Council of State Governments, and for other purposes. Room 346, House Office Building.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents will hold hearings in the committee room, 1015 House Office Building, on Tuesday, May 23, 1939, at 10:30 a. m., on H. R. 3605, a bill to provide a permanent force to classify patents, etc., in the Patent Office. Hon. JOHN M. COFFEE (Washington) is chairman of the subcommittee.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

705. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers on a preliminary examination of Burnt River and tributaries, Oregon, authorized by the Flood Control Act approved August 28, 1937; to the Committee on Flood Control.

706. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers on a preliminary examination of harbor of refuge at or in the vicinity of Swampscott, Mass., authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

707. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers on a preliminary examination of Big Piney Creek, in Pope and Johnson Counties, Ark., authorized by the Flood Control Act approved August 28, 1937; to the Committee on Flood Control.

708. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers on a preliminary examination of Indian Bayou, La., authorized by the River and Harbor Act approved June 20, 1938; to the Committee on Rivers and Harbors.

709. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 20, 1939, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Sebewaing River, Mich., authorized by the Flood Control Act approved June 22, 1936 (H. Doc. No. 286); to the Committee on Flood Control and ordered to be printed with two illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 4653. A bill to amend an act entitled "An act to control the possession, sale, transfer, and use of pistols and other dangerous weapons in the District of Columbia, to provide penalties, to prescribe rules of evidence, and for other purposes," approved July 8, 1932; with amendment (Rept. No. 560). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 5987. A bill to amend the District of Columbia Traffic

Act of 1925 (43 Stat. 1119); without amendment (Rept. No. 561). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 4654. A bill to amend an act entitled "An act for the establishment of a probation system for the District of Columbia," approved June 25, 1910; without amendment (Rept. No. 562). Referred to the House Calendar.

Mr. MAAS: Committee on Naval Affairs. H. R. 6044. A bill to regulate the number of warrant and commissioned warrant officers in the Marine Corps; without amendment (Rept. No. 564). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURDOCK of Arizona: Committee on Indian Affairs. H. R. 5758. A bill to add certain lands to the Papago Indian Reservation in Arizona; without amendment (Rept. No. 565). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

M. LESINSKI: Committee on Immigration and Naturalization. H. R. 6182. A bill for the relief of sundry aliens; without amendment (Rept. No. 548). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 6183. A bill for the relief of sundry aliens; without amendment (Rept. No. 549). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 6184. A bill for the relief of sundry aliens; without amendment (Rept. No. 550). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 6185. A bill for the relief of sundry aliens; without amendment (Rept. No. 551). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 6186. A bill for the relief of sundry aliens; without amendment (Rept. No. 552). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 6187. A bill for the relief of sundry aliens; without amendment (Rept. No. 553). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 6188. A bill for the relief of sundry aliens; without amendment (Rept. No. 554). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 6189. A bill for the relief of sundry aliens; without amendment (Rept. No. 555). Referred to the Committee of the Whole House.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 6190. A bill for the relief of sundry aliens; without amendment (Rept. No. 556). Referred to the Committee of the Whole House.

Mr. MACIEJEWSKI: Committee on Immigration and Naturalization. H. R. 6191. A bill for the relief of sundry aliens; without amendment (Rept. No. 557). Referred to the Committee of the Whole House.

Mr. MACIEJEWSKI: Committee on Immigration and Naturalization. H. R. 6192. A bill for the relief of sundry aliens; without amendment (Rept. No. 558). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 6193. A bill for the relief of sundry aliens; without amendment (Rept. No. 559). Referred to the Committee of the Whole House.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 5516. A bill for the relief of Charlotte E. Hunter; without amendment (Rept. No. 563). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Kentucky:

H. R. 6194. A bill to amend the act to regulate the practice of podiatry in the District of Columbia; to the Committee on the District of Columbia.

By Mr. BLAND:

H. R. 6195. A bill to improve the efficiency of the Lighthouse Service, to clarify the status of its personnel serving under the jurisdiction of War and Navy Department during national emergency, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CRAWFORD:

H. R. 6196 (by request). A bill to authorize the creation of separate thrift and commercial departments in national banking associations, and to regulate the use of the funds in each of said departments and the withdrawal of funds therefrom; to the Committee on Banking and Currency.

By Mr. KOCIALKOWSKI:

H. R. 6197 (by request). A bill creating the Puerto Rico Water Resources Authority, and for other purposes; to the Committee on Insular Affairs.

By Mr. WALTER:

H. R. 6198. A bill to provide for the more expeditious settlement of disputes with the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. BYRON:

H. R. 6199. A bill to extend the provisions of the District of Columbia minimum-wage law to men; to the Committee on the District of Columbia.

By Mr. COSTELLO:

H. R. 6200. A bill authorizing an appropriation for the construction and equipment on the military reservation at Sunnyvale, Calif., of research facilities for aeronautical research; to the Committee on Military Affairs.

By Mr. KENNEDY of Maryland:

H. R. 6201. A bill for the creation of a municipal assembly of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. PETERSON of Florida:

H. R. 6202. A bill providing for a preliminary examination and survey of Sarasota Bay, Fla.; to the Committee on Rivers and Harbors.

H. R. 6203. A bill providing for a preliminary examination and survey of Lake Okeechobee, Fla., and the streams tributary thereto; to the Committee on Rivers and Harbors.

By Mr. VREELAND:

H. R. 6204 (by request). A bill to incorporate the American International Academy; to the Committee on the Judiciary.

By Mr. BOYKIN:

H. R. 6205. A bill to provide for additional clerk hire in the House of Representatives, and for other purposes; to the Committee on Accounts.

By Mr. DISNEY:

H. R. 6206. A bill amending section 731 of the Revenue Act of 1932 and section 3460 of the Internal Revenue Code; to the Committee on Ways and Means.

H. R. 6207. A bill to amend section 2810 (a), Internal Revenue Code, to exclude petroleum stills from the requirement of registration; to the Committee on Ways and Means.

By Mr. JONES of Texas:

H. R. 6208. A bill to amend the Agricultural Adjustment Act, as amended, and as reenacted by the Agricultural Marketing Agreement Act of 1937, as amended; to the Committee on Agriculture.

By Mr. KENNEDY of Maryland:

H. J. Res. 287. Joint resolution proposing an amendment to the Constitution of the United States providing for national representation for the people of the District of Columbia; to the Committee on the Judiciary.

By Mr. DEMPSEY:

H. J. Res. 288. Joint resolution authorizing the Osage Tribe of Indians to submit claims to the Court of Claims; to the Committee on Indian Affairs.

H. J. Res. 289. Joint resolution to amend section 5 of Public, No. 360, Sixty-sixth Congress; to the Committee on Indian Affairs.

By Mr. JOHNSON of Oklahoma:

H. J. Res. 290. Joint resolution referring the claims of the Kiowa, Comanche, and Apache Tribes of Indians in Oklahoma to the Court of Claims for finding of fact and report to Congress; to the Committee on Indian Affairs.

By Mr. JOHNSON of Indiana:

H. Res. 183. Resolution to require the Federal Administrator of the Works Progress Administration to furnish names, addresses, and salaries of all nonrelief employees of the Works Progress Administration to the Congress of the United States; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Ohio:

H. R. 6209. A bill for the relief of William H. Dugdale and wife; to the Committee on Claims.

By Mr. JOHNSON of Indiana:

H. R. 6210. A bill for the relief of George R. Stringer; to the Committee on Claims.

By Mr. LUTHER A. JOHNSON:

H. R. 6211. A bill for the relief of Barron Brick Co.; to the Committee on Claims.

By Mr. McGEHEE:

H. R. 6212. A bill for the relief of Nannie May Blythe; to the Committee on Claims.

H. R. 6213. A bill for the relief of Sam E. Woods; to the Committee on Claims.

H. R. 6214. A bill for the relief of Sam E. Woods; to the Committee on Claims.

By Mr. RAYBURN:

H. R. 6215. A bill for the relief of John E. Avery; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2903. By Mr. ANDREWS: Resolution adopted by the New York State Senate, favoring enactment of the Wagner-Rogers bill; to the Committee on Immigration and Naturalization.

2904. Also, resolution adopted by the New York Assembly, having to do with the amendment of the Social Security Act so that New York State could take advantage of the credit provisions of the Social Security Act for the years 1936 and 1937; to the Committee on Ways and Means.

2905. Also, resolution adopted by the New York State Senate, favoring amendment of the postal laws in connection with rates on books, etc.; to the Committee on the Post Office and Post Roads.

2906. By Mr. CURLEY: Resolution of Local 90, U. F. W. A., Veterans' facility, Bronx, New York City, seeking abolition of charges to employees of Veteran Administration hospitals and facilities for quarters, subsistence, and laundry; to the Committee on Expenditures in the Executive Departments.

2907. Also, memorial of the Senate of the State of New York, urging passage of the Wagner-Rogers bill to allow the admission to the United States in the next 2 years of 20,000 children from persecuted families of Germany; to the Committee on Immigration and Naturalization.

2908. Also, memorial of the Senate of the State of New York, urging the amendment of the postal laws to provide that henceforth the rates proclaimed by the President on October 31, 1938, shall apply to books in the same manner as the laws apply to newspapers and magazines; to the Committee on the Post Office and Post Roads.

2909. Also, memorial of the Assembly of the State of New York, favoring legislation whereby the States, including the State of New York, may avail themselves of their failure to take full advantage of the credit provisions of the Social Security Act for years 1936 and 1937; to the Committee on Ways and Means.

2910. By Mr. DeROUEN: Petition of Jennings (La.) Townsend Club No. 1, praying for the enactment into law of House bill 2 during the present session of Congress; to the Committee of Ways and Means.

2911. Also, petition of sundry citizens of Basile, La., praying to keep the United States out of war; to the Committee on Foreign Affairs.

2912. By Mr. FAY: Memorial in the nature of a resolution of the State Assembly of Albany, N. Y. (if the senate concur), respectfully memorializing the Congress of the United States, by Mr. Manning, to pass sufficient legislation whereby the States, including the State of New York, may avail themselves of their failure to take full advantage of the credit provisions of the Social Security Act for the year 1936 or 1937 and that said legislation provide that out of the sums appropriated therefor the Secretary of the Treaty shall pay such amount through the Division of Disbursements of the Treasury Department to each such State employment fund and particularly to the unemployment administration funds of the State of New York; to the Committee on Banking and Currency.

2913. Also, memorial in the nature of a resolution of the State Senate of Albany, N. Y. (if the assembly concur), by Mr. Hanley, requesting Congress to amend the postal laws by legislative act to provide that henceforth the rates proclaimed shall apply to books in the same manner as it has legislated those rates with reference to newspapers and magazines; to the Committee on the Post Offices and Post Roads.

2914. Also, memorial in the nature of a resolution of the State Senate of Albany, N. Y., respectfully memorializing Congress to enact into law with all convenient speed the Wagner-Rogers bill to allow for the entrance into this country in the next 2 years of 20,000 children from persecuted families in Germany; to the Committee on Immigration and Naturalization.

2915. By Mr. GAVAGAN: Memorial of the Legislature of the State of New York, concerning perpetuation of the postage rates on books proclaimed by the President October 31, 1938; to the Committee on the Post Office and Post Roads.

2916. Also, memorial of the Legislature of the State of New York, concerning amendment of Social Security Act, etc.; to the Committee on Ways and Means.

2917. Also, memorial of the Senate of the State of New York, favoring enactment of the Wagner-Rogers children-refugee bill; to the Committee on Immigration and Naturalization.

2918. By Mr. GUYER of Kansas: Petition of sundry citizens of Baldwin City, Kans., petitioning the enactment of House bill 2; to the Committee on Ways and Means.

2919. By Mr. HARTER of New York: Petition of the Buffalo City Federation of Women's Clubs of Buffalo, N. Y., favoring a law providing that any declaration of war by the Congress must be approved by the referendum vote of all the people before becoming effective, except in case of attack by armed forces upon the United States or its Territorial possessions, or by any non-American nation against any country in the Western Hemisphere; to the Committee on Military Affairs.

2920. Also, petition of a group of 113 citizens and voters in Erie County, N. Y., who are opposed to the Lea bill (H. R. 4862), which is a bill to amend the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

2921. Also, petition of a group of 206 citizens and voters in Erie County, N. Y., who are definitely opposed to any sort of a neutrality act that is not a neutrality act and un-American; to the Committee on Foreign Affairs.

2922. By Mr. IZAC: Petition of certain residents of the city of San Diego, Calif., to the Council of the City of San Diego, Calif., protesting against the shipping of scrap iron to Japan; to the Committee on Foreign Affairs.

2923. By Mr. MICHAEL J. KENNEDY: Memorial of Local No. 90, U. F. W. A., Veterans' Administration, Bronx, N. Y., protesting against compulsory charges which certain classes of employees in the Veterans' Administration hospitals are

compelled to pay for quarters, subsistence, and laundry on salaries as low as $1,020 annually and expressing support of House bills 3529 and 3829, which would abolish these charges; to the Committee on Expenditures in the Executive Departments.

2924. Also, petition of Local No. 149, International Association of Machinists, San Leandro, Calif., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2925. Also, petition of Lodge No. 670, International Association of Machinists, Muskegon, Mich., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2926. Also, petition of Jacob House & Sons, Buffalo, N. Y., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2927. By Mr. KEOGH: Petition of Local No. 90, of the United Federal Workers of America, and employees of the Veterans' Administration, Bronx, N. Y., favoring House bills 3529 and 3829; to the Committee on Expenditures in the Executive Departments.

2928. Also, petition of Forty Plus Club of New York, concerning House bill 118 and Senate bill 890; to the Committee on the Civil Service.

2929. Also, petition of the Senate, Legislature of the State of New York, requesting Congress to amend the postal laws to provide that henceforth the rates proclaimed shall apply to books in the same manner as those rates with reference to newspapers and magazines; to the Committee on the Post Office and Post Roads.

2930. Also, memorial of the Senate, Legislature of the State of New York, favoring the enactment of the Wagner-Rogers bill; to the Committee on Labor.

2931. Also, petition of the Assembly, Legislature of the State of New York, concerning the Social Security Act; to the Committee on Ways and Means.

2932. By Mr. McCORMACK: Memorial of the General Court of Massachusetts, urging the Postmaster General of the United States to provide for a special commemorative postage stamp to be issued in honor of Capt. Jeremiah O'Brien; to the Committee on the Post Office and Post Roads.

2933. Also, memorial of the General Court of Massachusetts, urging Congress to enact legislation increasing the amounts of old-age assistance payable by the Federal Government to States and their political subdivisions; to the Committee on Ways and Means.

2934. By Mr. MERRITT: Resolution of the Assembly of the State of New York memorializing Congress to pass sufficient legislation whereby the States, including the State of New York, may avail themselves of their failure to take full advantage of the credit provisions of the Social Security Act for the years 1936 or 1937 and that said legislation provide that out of the sums appropriated therefor, the Secretary of the Treasury shall pay such amounts through the Division of Disbursements of the Treasury Department to each State unemployment fund and particularly to the unemployment administration fund of the State of New York; to the Committee on Appropriations.

2935. By Mr. PFEIFER: Petition of Local No. 90, United Federal Workers of America, Bronx, N. Y., urging support of House bills 3529 and 3829; to the Committee on Expenditures in the Executive Departments.

2936. Also, petition of the Young Women's Christian Association, Charlotte, N. C., favoring the Nye-Bone-Clark bill and also the Thomas amendment; to the Committee on Foreign Affairs.

2937. Also, petition of the Committee for Amendment of the Coal Act, Washington, D. C., urging favorable consideration of House bill 5119; to the Committee on Ways and Means.

2938. By Mr. SECCOMBE: Petition of Nettie K. Hurlburt and approximately 50 residents of North Canton, Ohio, urging the United States to put into effect a policy of nonparticipation in aggression by stopping the shipment to aggressor nations of all goods that can be used by their military forces, and that immediate steps be taken to stop their shipment to Japan; also urging that any measures possible for the peace-loving people be taken to aid China in her desperate resistance against the invaders; to the Committee on Foreign Affairs.

2939. Also, resolution, adopted by Local No. 150, International Brotherhood of Pulp, Sulphite, and Paper Mill Workers, of Rittman, Ohio, urging the curtailment of foreign importation of paper products; to the Committee on Foreign Affairs.

2940. Also, petition of Rev. L. S. Hegnauer, pastor, Lowell Reformed Church, of Canton, Ohio, and members of his Sunday school class, urging Congress to give the people the opportunity to vote on whether or not we are to be plunged into another foreign war; to the Committee on Foreign Affairs.

2941. Also, petition of Metta E. Musgrave and approximately 75 other residents of North Canton, Ohio, urging the United States to put into effect a policy of nonparticipation in aggression by stopping the shipment to aggressor nations of all goods that can be used by their military forces, and that immediate steps be taken to stop their shipment to Japan; also urging that any measures possible for the peace-loving people be taken to aid China in her desperate resistance against the invaders; to the Committee on Foreign Affairs.

2942. Also, petition of sundry residents of Alliance, Ohio, urging the passage of the Townsend recovery plan, known as House bill 2; to the Committee on Ways and Means.

2943. By Mr. THOMAS of New Jersey: Letter from Herbert Weir, county adjutant, the American Legion of Bergen County, N. J., advising that the regular meeting of the Bergen County committee, the American Legion, held at Ridgefield, N. J., April 25, the 240 delegates present, representing 4,000 members in Bergen County, went on record as unanimously opposing the war referendum legislation now pending in Congress; to the Committee on the Judiciary.

SENATE

MONDAY, MAY 8, 1939

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Eternal Father, infinite in power, who givest might to those who earnestly desire and wistfully pursue the higher, nobler things: Regard, we beseech Thee, our prayer and supplication as we lift up our voice unto Thee confessing our weakness and our sin and invoking Thy blessing upon us. We are conscious of a dull, craven fear among the nations of the world that poisons life at its very springs, causing it to crawl when it should soar; cast out this fear, dear Lord, by Thy perfect love, removing all cowardly motives that pollute life's sanctuary, and grant that sincerity and singleness of purpose may there abide. Help us to realize that what we do will always be determined by what we are; restore to us, therefore, the power of conscience and clarify our vision; enable us always to respond to those divine promptings and inspirations which aim at the renewal and ultimate transformation of our poor lives, that with clean hands and pure hearts we may ascend into the hill of the Lord and receive the blessing of the generation of them that seek Thy face. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 4, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Johnson, Calif.	Reed
Andrews	Davis	King	Reynolds
Ashurst	Donahey	La Follette	Russell
Austin	Downey	Lee	Schwartz
Bailey	Ellender	Logan	Schwellenbach
Bankhead	Frazier	Lucas	Sheppard
Barbour	George	Lundeen	Shipstead
Barkley	Gibson	McCarran	Slattery
Bilbo	Gillette	McKellar	Smathers
Bone	Glass	McNary	Stewart
Borah	Green	Maloney	Taft
Bridges	Guffey	Mead	Thomas, Okla.
Bulow	Gurney	Miller	Thomas, Utah
Burke	Hale	Minton	Townsend
Byrd	Harrison	Murray	Truman
Byrnes	Hatch	Norris	Tydings
Capper	Hayden	Nye	Vandenberg
Caraway	Herring	O'Mahoney	Wagner
Chavez	Hill	Overton	Walsh
Clark, Idaho	Holman	Pepper	Wheeler
Clark, Mo.	Holt	Pittman	
Connally	Hughes	Radcliffe	

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is detained from the Senate because of illness.

The Senator from South Carolina [Mr. SMITH] is absent because of illness in his family.

The Senator from Michigan [Mr. BROWN], the Senator from Colorado [Mr. JOHNSON], and the Senator from West Virginia [Mr. NEELY] are detained on important public business.

Mr. AUSTIN. I announce that the Senator from Massachusetts [Mr. LODGE] is absent on official business.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

VISIT TO THE SENATE OF THE PRESIDENT OF NICARAGUA

The VICE PRESIDENT. The Chair desires to make a statement to the Senate. Some days ago the State Department, through Secretary Hull, advised the Vice President that the President of Nicaragua is in this country and would be glad to visit the Chamber of the Senate, and suggested that, if agreeable to the Senate, today might be an appropriate opportunity.

The Chair understands that arrangements have been made for the President of Nicaragua to visit the Chamber, if agreeable to the Senate, at 12:15 o'clock. The Chair makes that statement for the information of the Senate.

Mr. BARKLEY. Mr. President, I ask unanimous consent that at the hour of 12:15 o'clock p. m. the Senate stand in recess, subject to the call of the Chair, and that the Chair appoint a committee of three Senators to wait upon and receive the President of Nicaragua and escort him into the Chamber.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and the Chair appoints the Senator from Kentucky [Mr. BARKLEY], the Senator from Nevada [Mr. PITTMAN], and the Senator from Oregon [Mr. MCNARY] as the committee to receive and escort the President of Nicaragua into the Senate Chamber.

MESSAGE FROM THE HOUSE DURING ADJOURNMENT—ENROLLED BILLS SIGNED

Under authority of the order of the 4th instant,

The following message was received by the Secretary from the House of Representatives on May 5, 1939: That the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 70. An act to amend section 90 of the Judicial Code, as amended, with respect to the terms of the Federal District Court for the Northern District of Mississippi;

S. 270. An act for the relief of Lofts & Son; and

S. 1038. An act for the relief of L. M. Bell and M. M. Bell.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 111) designating August 19 of each year as National Aviation Day.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 3230. An act to amend the statutes providing punishment for transmitting threatening communications; and

H. R. 3812. An act granting postal employees credit for Saturday in annual and sick-leave law, thereby conforming to the 40-hour workweek or 5-day-week law.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5762) to provide for temporary postponement of the operations of certain provisions of the Federal Food, Drug, and Cosmetic Act, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LEA, Mr. CHAPMAN, and Mr. MAPES were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4997. An act giving the consent and approval of Congress to the Rio Grande compact signed at Santa Fe, N. Mex., on March 18, 1938; and

H. R. 5643. An act to invest the circuit courts of appeals of the United States with original and exclusive jurisdiction to review the order of detention of any alien ordered deported from the United States whose deportation or departure from the United States otherwise is not effectuated within 90 days after the date the warrant of deportation shall have become final; to authorize such detention orders in certain cases; to provide places for such detention; and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 752. An act to amend section 78 of the Judicial Code, relating to the district of Idaho;

H. R. 1694. An act for the relief of Bozzani Motors, Ltd.;

H. R. 2529. An act for the relief of W. F. Towson;

H. R. 3230. An act to amend the statutes providing punishment for transmitting threatening communications;

H. R. 3231. An act to authorize the mailing of pistols, revolvers, and other firearms capable of being concealed on the person, to officers of the Coast Guard;

H. R. 3587. An act to authorize the Secretary of War to exchange obsolete, unsuitable, and unserviceable machines and tools pertaining to the manufacture or repair of ordnance matériel for new machines and tools;

H. R. 3811. An act to provide for the appraisal of the pneumatic-mail-tube systems in New York and Boston;

H. R. 3812. An act granting postal employees credit for Saturday in annual and sick leave law, thereby conforming to the 40-hour workweek or 5-day-week law;

H. R. 4087. An act to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920, so as to confer on the commanding general, General Headquarters Air Force, the same retirement privileges now enjoyed by chiefs of branches;

H. R. 4771. An act limiting working hours of pneumatic-tube-system employees to 8 in 10 hours a day;

H. R. 4772. An act to provide time credits for substitutes in the pneumatic-tube service;

H. R. 4785. An act to provide a differential in pay for night work to pneumatic-tube-system employees in the Postal Service;

H. R. 4786. An act to extend the provisions of the 40-hour law to pneumatic-tube-system employees in the Postal Service;

H. R. 4852. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes; and

H. J. Res. 241. Joint resolution providing for the participation of the United States in the celebration of the one hun-

dred and fiftieth anniversary of the establishment of the United States Lighthouse Service.

RELIEF OF DISBURSING OFFICERS IN THE NAVY

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Navy, reporting, pursuant to law, relative to the relief from responsibility of certain disbursing officers of the Navy on account of losses sustained, which was referred to the Committee on Naval Affairs.

MINERAL LANDS, WAR OR NAVY DEPARTMENTS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide for the leasing, development, and production under the act of February 25, 1920 (41 Stat. 437), as amended, of deposits of coal, phosphate, sodium, potassium, oil, oil shale, or gas in lands owned by the United States under the jurisdiction of the War or Navy Departments, and for other purposes, which with the accompanying paper, was referred to the Committee on Public Lands and Surveys.

REGULATION OF TRAFFIC IN FOOD, DRUGS, AND COSMETICS

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 5762) to provide for temporary postponement of the operations of certain provisions of the Federal Food, Drug, and Cosmetic Act, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BAILEY. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. CLARK of Missouri, Mr. PEPPER, and Mr. MCNARY conferees on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the Senate of the State of New York, favoring the enactment of the so-called Wagner-Rogers bill, to permit entrance into this country in the next 2 years of 20,000 children from families in Germany, which was referred to the Committee on Immigration.

(See resolution printed in full when presented today by Mr. WAGNER.)

The VICE PRESIDENT also laid before the Senate a concurrent resolution of the Legislature of New York stating that the postage rates on books proclaimed by the President on October 31, 1938, are in the public interest and should be perpetuated, and also that Congress should immediately amend the postal laws so as to provide that henceforth the rates proclaimed shall apply to books in the same manner as the rates with reference to newspaper and magazines, which was referred to the Committee on Post Offices and Post Roads.

(See resolution printed in full when presented today by Mr. WAGNER.)

The VICE PRESIDENT also laid before the Senate a concurrent resolution of the Legislature of the State of New York, favoring the enactment of legislation to provide that certain States may avail themselves of their failure to take full advantage of the credit provisions of the Social Security Act for the years 1936 or 1937, which was referred to the Committee on Finance.

(See resolution printed in full when presented today by Mr. WAGNER.)

The VICE PRESIDENT also laid before the Senate the petition of Acme Local, No. 1136, of Hettinger County, N. Dak., praying for the enactment of legislation appropriating $250,000,000 for parity benefit payments to farmers, which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a letter in the nature of a memorial from the International Conference for the Investigation of Vivisection, remonstrating against additional appropriations for the New York World's Fair, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution of the City Council of Chicago, Ill., favoring reduction in the interest rate and an extension of the period of amortization of all home owners' loans, which was referred to the Committee on Banking and Currency.

He also laid before the Senate petitions of the United Federal Workers of America, Local No. 2, of Washington, D. C., and Local No. 47, of New York City, N. Y., favoring the enactment of Senate bill 1314, providing for appeals procedure in the Federal Civil Service, which were referred to the Committee on Civil Service.

He also laid before the Senate resolutions of the West Virginia Osteopathic Society and the Delaware State Osteopathic Society, favoring amendment of the so-called Wagner National Health bill (S. 1620), so as to preserve the freedom of choice of the physician and school of practice to persons entitled to medical care, and providing osteopathic representation on Federal and State advisory councils, which were referred to the Committee on Education and Labor.

He also laid before the Senate petitions of sundry citizens of Beaver Dam, Wis., praying for the adoption of the so-called Townsend national recovery plan, providing old-age assistance, which were referred to the Committee on Finance.

He also laid before the Senate a resolution of the Ninth District Petroleum Industries Committee of Alabama favoring the expiration as of June 30, 1939, of the 4-cent per gallon Federal lubricating oil tax, which was referred to the Committee on Finance.

He also laid before the Senate a letter from the president of the Sentinels of the Republic, Washington, D. C., transmitting a statement of the purposes and program of policies of the organization as recently approved by its executive committee, which, with the accompanying paper, was referred to the Committee on the Judiciary.

Mr. MCNARY. Mr. President, I should like to have noted in the RECORD that I have received 77 petitions signed by about 2,000 citizens favoring the adoption of a resolution now pending, having for its purpose the prevention of traffic in war materials for use against the Chinese people. I ask that the petitions be referred to the Committee on Foreign Relations.

The VICE PRESIDENT. The petitions will be received and referred as requested by the Senator from Oregon.

Mr. WALSH presented a resolution adopted by the Polish American Citizens Club, at a meeting held at Indian Orchard, Mass., favoring the policies pursued by the United States Government regarding European affairs, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the Grand Council of the Grand Lodge of Massachusetts, Order of Sons of Italy in America, Boston, Mass., favoring the adoption by Congress of a joint resolution expressing a spirit of friendship toward all nations and manifesting the desire of the United States to cooperate impartially toward a lasting world peace, etc., which was referred to the Committee on Foreign Relations.

Mr. TYDINGS presented a petition of sundry citizens of the State of Maryland, praying for the enactment of pending legislation to admit 10,000 refugee children into the United States per year during a 2-year period, which was referred to the Committee on Immigration.

He also (for himself and Mr. RADCLIFFE) presented a memorial of sundry citizens of the State of Maryland, remonstrating against the enactment of House bill 3325, relative to the perpetuation of the stabilization fund and empowering the President to further alter the gold content of the dollar, which was referred to the Committee on Banking and Currency.

He also (for himself and Mr. RADCLIFFE) presented a petition of sundry citizens of the State of Maryland, praying for the enactment of neutrality legislation which will give the United States complete protection from any and all embroilment in war and protect lives and properties from the danger

of war, which was referred to the Committee on Foreign Relations.

He also (for himself and Mr. RADCLIFFE) presented a petition of sundry citizens of the State of Maryland, praying for the enactment of legislation to provide a merchant ensign to be used on all merchantmen, and also that merchantmen be forbidden by law to fly the naval ensign, Old Glory, which flag it is proposed to be used exclusively on naval vessels, which was referred to the Committee on Naval Affairs.

Mr. WAGNER presented the following concurrent resolution of the Legislature of New York, which was referred to the Committee on Post Offices and Post Roads:

Whereas, in accordance with the power vested in him by law, the President of the United States on October 31, 1938, proclaimed that the postage rates on books as defined shall for the period commencing November 1, 1938, and ending June 30, 1939, be 1½ cents a pound or a fraction thereof irrespective of the zone of destination; and

Whereas the interests of the public in the promotion of the culture growth, education, and development of the American people required the change proclaimed; and

Whereas by the proclamation the discrimination in postage rates against books and in favor of magazines and newspapers which had theretofore existed was brought to an end and the same rates made applicable to books as to other reading matters; and

Whereas it is vital for this Nation to encourage the widest possible dissemination of the written word and the most free possible market in ideas; and

Whereas while the present postage rates applicable to newspapers and magazines have been permanently enacted into law by the Congress the same postage rates will not be applicable to books after June 30, 1939, unless similarly enacted into law, or unless the power to proclaim these rates is reconferred on the President of the United States and he chooses to exercise it; and

Whereas the matter is of sufficient vital import to warrant congressional action: Now, therefore, be it

Resolved (if the assembly concur), That it is the sense of the Legislature of the State of New York that the postage rates on books proclaimed by the President of the United States on October 31, 1938, are in the public interest and should be perpetuated; and be it further

Resolved (if the assembly concur), That Congress should at once amend the postal laws by legislative act to provide that henceforth the rates proclaimed shall apply to books in the same manner as it has legislated those rates with reference to newspapers and magazines; and be it further

Resolved (if the assembly concur), That a copy of this resolution be transmitted to the Secretary of the Senate, the Clerk of the House of Representatives, and to each Member of the Congress and each United States Senator from the State of New York.

Mr. WAGNER also presented the following resolution of the Senate of the State of New York, which was referred to the Committee on Immigration:

Whereas the Wagner-Rogers bill introduced in the Congress of the United States will allow 20,000 children from persecuted families in Germany to enter this country in the next 2 years; and

Whereas aid given to the helpless child victims of Germany's ruthless persecution will be in keeping with the generous impulses and democratic instincts of the American people; and

Whereas 20,000 children may thus be spared the appaling prospect of lives without hope; and

Whereas these children, whose maximum age will be 14 years, will in no way increase the unemployment burden in this country, and their support will be guaranteed by responsible families here; and

Whereas the bill is sponsored by United States Senator ROBERT F. WAGNER, of New York State, and has received the support of former President Herbert Hoover and many labor and industrial leaders: Now, therefore, be it:

Resolved, That the Congress of the United States be, and it hereby is, respectfully memorialized to enact into law with all convenient speed the Wagner-Rogers bill to allow for the entrance into this country in the next 2 years of 20,000 children from persecuted families in Germany; and be it further

Resolved, That the clerk of the senate is directed to transmit a copy of this resolution to the Secretary of the United States Senate, the Clerk of the House of Representatives, and to each Member of Congress from New York State.

Mr. WAGNER also presented the following concurrent resolution of the Legislature of New York, which was referred to the Committee on Finance:

Whereas, under article 18 of the Labor Law of the State of New York, as enacted, there was created an unemployment insurance fund; and

Whereas under section 520 of said article 18 there is established an unemployment administration fund, to which fund all Federal moneys allotted or apportioned to the State by the Federal Social Security Board or other agency shall be paid; and

Whereas certain States, including the State of New York, have failed to take full advantage of the credit provisions of the Social Security Act of the Federal Government; and

Whereas there is a need on the part of the Congress for the passage of legislation to make available certain sums to the States, including the State of New York, which failed in 1936 or 1937 to take full advantage of the credit provisions of the Social Security Act: Now, therefore, be it

Resolved (if the senate concur), The Congress of the United States be and it respectfully is hereby memorialized to pass sufficient legislation whereby the States, including the State of New York, may avail themselves of their failure to take full advantage of the credit provisions of the Social Security Act for the years 1936 or 1937 and that said legislation provide that out of the sums appropriated therefor, the Secretary of the Treasury shall pay such amount through the Division of Disbursements of the Treasury Department to each such State unemployment fund and particularly to the unemployment administration fund of the State of New York; and be it further

Resolved (if the senate concur), That a copy of this resolution immediately be transmitted to the Secretary of State of the United States, to the Clerk of the House of Representatives, and to the Secretary of the Senate of the United States, and to each Member of Congress and each United States Senator elected from the State of New York.

PAY-ROLL TAXES, SOCIAL SECURITY ACT—PETITIONS

Mr. VANDENBERG. I present petitions signed by 2,500 so-called small businessmen of Michigan for relief from social-security taxes—relief, by the way, which is belatedly in sight. I ask that the text of one of the petitions be printed in the RECORD, that the petitions be referred to the Committee on Finance, and that the covering letter be printed in the RECORD.

There being no objection, the petitions were referred to the Committee on Finance and the text of one of the petitions and the covering letter were ordered to be printed in the RECORD, as follows:

Greetings to the Congress of the United States:

The undersigned small-business men, their employees and customers conjointly with the Michigan Division of the National Small Business Men's Association respectfully request that the Social Security Act be amended so as to maintain pay-roll deductions for old-age benefits at present level, experience having shown that the tremendously large reserves originally provided by the act are unnecessary.

NATIONAL SMALL BUSINESS MEN'S ASSOCIATION,
MICHIGAN DIVISION,
Detroit, May 3, 1939.

Hon. ARTHUR H. VANDENBERG,
United States Senate, Washington, D. C.

DEAR SIR: The Michigan Division of the National Small Business Men's Association recently conducted a survey to determine the effects of the Social Security Act on business. The results of that survey very clearly indicate that the total tax load has become a severe handicap to business and recovery—more than that, it seriously threatens the very existence of many Michigan concerns. Our survey (an analysis of which we will be pleased to place at your disposal) discloses the following:

(1) Added to other existing taxes, the social-security tax is detrimental to business, responsible for net losses thus preventing purchases for replacement equipment and causing tax payments to be paid out of reserves which means eventual if not immediate bankruptcy.

(2) Competitive conditions prevent organizations from raising prices sufficiently to cover the tax.

(3) The increases in gross sales necessary to offset this tax are far beyond reasonable expectancy. Sales increases required from firms reporting in percentage figures vary from 5 to 60 percent with the average slightly in excess of 24 percent. Firms reporting in dollars and cents vary from $10,000 to $300,000 annually with the majority in excess of $150,000 per year.

(4) Eighty-five percent of the organizations reporting showed losses for the year 1938. The social security tax represented an average of 24 percent of their losses.

(5) The social security tax reduces employment. Organizations turn down temporary business rather than permit their tax reserves to suffer by employing temporary help. Dwindling reserves and net losses prevent capital expenditure for business expansion or replacement thus reducing the possibility of employment in many industries.

In view of the fact that the social-security tax alone has such a demoralizing effect upon business and employment, the need for a general tax revision must be apparent to the Members of Congress.

We contend that a step in the right direction will be an amendment to the Social Security Act to retain pay-roll deductions at their present level. In support of that contention we recently circulated a limited number of petitions in a few Michigan cities. It was not our intention in so doing to obtain a great quantity of names but rather to secure a cross section of the attitude of

Michigan citizens on the question. We enclose herewith 2,717 signatures of farmers, housewives, laborers, office workers, and executives signed to that petition, which reads:

"The undersigned small-business men, their employees, and customers conjointly with the Michigan division of the National Small-Business Men's Association, respectfully request that the Social Security Act be amended so as to maintain pay-roll deductions for old-age benefits at present level, experience having shown that the tremendously large reserves originally provided by the act are unnecessary."

We respectfully ask you to present these petitions for us to the Congress of the United States and to express to the Members of the Senate that it is the sincere and considered opinion of the members of this association that business confidence, essential to recovery, will come only after a trend toward economy is definitely apparent. Mere words or promises of future consideration are wholly inadequate. Only definite action in the form of constructive tax-relief measures will effectively meet today's needs. Further delay will jeopardize the very existence of business establishments in the State of Michigan and result in more widespread and increased unemployment.

Yours very truly,

FRANCIS C. SPENCE,
Executive Secretary.

NEUTRALITY—PETITION

Mr. DANAHER. Mr. President, among the many resolutions and petitions which have reached me concerning our neutrality situation is one from the Bridgeport, Conn., Council of Catholic Women, with a membership of more than 7,000. I ask that the text of the petition be printed in the RECORD and that it be referred to the Committee on Foreign Relations.

The VICE PRESIDENT. Without objection, the text of the petition or resolution will be printed in the RECORD, and it will be referred to the Committee on Foreign Relations.

Whereas we Americans love peace and abominate war, because we know that the heavy burden of war rests on the shoulders of our youth and that the rulers and the legislators whose votes plunge us into war, as well as the war mongers and unscrupulous profiteers, are not the ones who engage in battle and suffer bodily harm and even death itself;

Whereas in the recent war America fought to make the world safe for imperialistic democracy and gained nothing, but lost untold numbers of young men in the slaughter besides the two billions in material wealth;

Whereas those same so-called democracies that added to their empires and yet refused to pay their just debts to America, thus placing an insupportable burden upon the backs of American taxpayers, are once more working subtly through propaganda to embroil us in another and more terrible war;

Whereas one of the countries, namely Russia, that we are now asked to join with, is bolshevistic and atheistic and is just waiting to destroy our Constitution and all we hold dear;

Whereas, our entrance into such a war is wholly unnecessary, unjust, and anti-American and would cause the blood of our youth to be shed once more in profusion, and for what? Simply to preserve inviolate the imperialistic designs of so-called democracies: Be it

Resolved, That we, the Bridgeport Council of Catholic Women, with a membership of 7,000 in Bridgeport, Fairfield, Stratford, and Trumbull, in mass meeting assembled on this 17th day of April 1939 absolutely condemn war and its propaganda and are determined that Congress shall not relinquish its constitutional rights by placing in the hands of any one man the stupendous power of naming aggressors in any conflict not our own and thus embroiling this country in war; be it

Resolved, That as citizens of these United States we courageously come to the defense of American youth and in its behalf call upon all fellow citizens in city, State, and country to militantly protest against all entangling foreign alliances and to urge our Representatives in Congress, first, to vote for a Neutrality Act that is genuinely neutral and fair to all nations alike and, second, to punish propagandists and to warn responsible representatives of our Government to be temperate in speech and to shun all provocative and inflammatory language and acts; be it further

Resolved, That we urge our United States Senators and others to prove themselves true Americans worthy of the sacred trust given them by the people, to work for America and not for any foreign country, to vote to keep this country free from war and thus protect our homes and preserve the lifeblood of our youth.

MRS. JOHN L. KENNELLY,
Chairman of Council.
MABEL A. LAVEY,
Chairman of Legislation.

BRIDGEPORT, CONN., *April 17, 1939.*

REPORT OF BOARD OF VISITORS TO THE COAST GUARD ACADEMY

Mr. BAILEY submitted the following report, which was ordered to be printed in the RECORD:

WASHINGTON, D. C., *April 28, 1939.*

To the PRESIDENT OF THE SENATE.
To the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

GENTLEMEN: As provided in section 7 of the act approved April 16, 1937, authorizing the establishment of a permanent instruction staff at the United States Coast Guard Academy, the annual Board of Visitors to the Coast Guard Academy was appointed in January of this year consisting of the following:

Senators: Hon. JOSIAH W. BAILEY, of North Carolina, chairman, Committee on Commerce, United States Senate, ex officio member; Hon. FRANCIS T. MALONEY, of Connecticut; Hon. WALLACE H. WHITE, Jr., of Maine.

Members of the House of Representatives: Hon. SCHUYLER O. BLAND, of Virginia, chairman, Committee on Merchant Marine and Fisheries, House of Representatives, ex officio member; Hon. LINDSAY C. WARREN, of North Carolina; Hon. EDWARD J. HART, of New Jersey; Hon. RICHARD J. WELCH, of California.

In further conformity to the above-mentioned act, the Secretary of the Treasury, under date of March 14, 1939, designated 9 a. m., Thursday, April 20, 1939, as the time for the meeting of the Board of Visitors at the Coast Guard Academy, New London, Conn. Senators JOSIAH W. BAILEY and WALLACE H. WHITE, accompanied by Representatives EDWARD J. HART and RICHARD J. WELCH, left Washington at 10 a. m., April 19, arriving at New London, Conn., at about 5 p. m., the same date, when they were met by the Superintendent of the academy and conducted to his quarters on the reservation. The departure of Representative S. O. BLAND was delayed until 1 p. m., on account of a meeting of the Merchant Marine and Fisheries Committee and Senator MALONEY was unable to leave Washington before 5 p. m. Members of the Board arriving at 5 were entertained at dinner by the Superintendent and Mrs. Jones in their quarters. Later the party was joined by Representative BLAND, and motion pictures depicting various phases of Coast Guard life were shown the members of the Board.

The Board convened the following morning at 9 a. m., and was later joined by Senator MALONEY. The first business upon the assembling of the Board was the election of a chairman, and Representative S. O. BLAND, the nominee of Senator J. W. BAILEY, was so elected. The Board expressed the desire that Commander (E) E Reed-Hill, United States Coast Guard, act as secretary, a position filled by this officer during the meeting of the preceding board in 1938.

Admiral R. R. Waesche, Commandant of the United States Coast Guard, and Capt. E. D. Jones, superintendent of the academy, were invited to appear before the Board and to bring to the attention of same any pertinent and necessary matters. There was a general discussion of various matters affecting the academy, with the exception of the curriculum, which the Board ascertained was satisfactorily taken care of by the advisory committee of the Coast Guard Academy, which, appointed by law, makes recommendations in such matters to the Secretary of the Treasury. The Board discussed and inquired into the following matters:

(1) Set-up of appropriations for the academy.

(2) The loss of the two schooners (Gloucester fishing type), one sunk and the other damaged beyond economic repair by the hurricane of September 1938.

(3) Use of facilities at the academy by the United States Maritime Service in the Coast Guard training of licensed and unlicensed personnel of the merchant marine.

(4) The geographical distribution of cadets accepted by the service.

(5) The number of enlisted men admitted for cadetship.

(6) The method of obtaining cadets by open competitive examinations held throughout the United States.

(7) The effect of special preparation for competitive examinations by so-called cram schools.

(8) The pay and allowances of cadets.

(9) The handling of cadet funds and cadet messes.

(10) Need for publicity in obtaining cadet material.

(11) The proper date for the meeting of the Board of Visitors, probably a few weeks later in the year.

(12) The enactment of legislation authorizing an appropriation for contingencies for the superintendent of the academy, which was recommended by the previous Board of Visitors and which was approved on this date.

The Board inspected the academy grounds and reviewed the battalion of cadets, after which the members had luncheon with the cadets.

The Board was most favorably impressed with the academy and the administration thereof, and finds it a thoroughly modern educational institution of high standards. The Board believes that comparatively few young men are familiar with the advantages of a cadetship in the Coast Guard, and the Board is of the opinion that every reasonable effort should be made to present to the qualified throughout the country the opportunity offered at the Coast Guard Academy for an education and a career.

The Board recommends an appropriation of not to exceed $200,000 for the construction of a suitable vessel for the training of cadets in the handling of sails—this vessel to be a replacement of the two schooners no longer available due to damage sustained by the hurricane—as the proper training of cadets is being seriously handicapped by the lack of a suitable sailing vessel; that additional funds be made available for replacements, supplies, and repairs to laboratory equipment; and that the act of April 16, 1937, be so

amended that when a member appointed in January is unable to attend the annual meeting an additional member may be appointed in his stead.

The Board desires to make mention of the cordial reception and hospitable treatment furnished its members by Captain Jones, the other officers, and cadets at the academy.

Having completed its inspection, the Board departed New London at 2:19 and arrived in Washington at 9:20 that night.

Respectfully submitted.

SCHUYLER O. BLAND, *Chairman.*
JOSIAH W. BAILEY.
FRANCIS T. MALONEY.
WALLACE H. WHITE, JR.
EDWARD J. HART.
RICHARD J. WELCH.

ELLIS REED-HILL,
Secretary to the Board.

REPORT OF THE APPROPRIATIONS COMMITTEE DURING ADJOURNMENT—APPROPRIATIONS FOR THE AGRICULTURAL DEPARTMENT

Under authority of the order of the 4th instant,

On May 5, 1939, Mr. RUSSELL, from the Committee on Appropriations, to which was referred the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes, reported it with amendments and submitted a report (No. 386) thereon.

REPORTS OF COMMITTEES

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (S. 860) authorizing the President to present a medal of honor to Harold R. Wood, reported it with an amendment and submitted a report (No. 387) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally with amendments, and submitted reports thereon:

S. 1116. A bill to amend section 1860 of the Revised Statutes, as amended (48 U. S. C. 1460), to permit retired officers and enlisted men of the Army, Navy, and Marine Corps to hold civil office in any Territory of the United States (Rept. No. 388);

S. 1854. A bill to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia (Rept. No. 389);

H. R. 2878. A bill to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes (Rept. No. 390); and

H. R. 5765. A bill to authorize commissioning aviation cadets in the Naval and Marine Corps Reserves upon completion of training, and for other purposes (Rept. No. 391).

Mr. WALSH also, from the Committee on Naval Affairs, to which was referred the bill (S. 1118) to provide for acceptance and cashing of Government pay checks of retired naval personnel and members of the Naval and Marine Corps Reserves by commissary stores and ship's stores ashore, located outside the continental limits of the United States, reported it without amendment and submitted a report (No. 392) thereon.

Mr. AUSTIN, from the Committee on Military Affairs, to which was referred the bill (H. R. 3131) to authorize the Secretary of War to convey certain lands owned by the United States for other lands needed in connection with the expansion of West Point Military Reservation, N. Y., and for other purposes, reported it without amendment and submitted a report (No. 393) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 839. A bill to amend the Retirement Act of April 23, 1904 (Rept. No. 394);

S. 871. A bill for the relief of James T. Moore (Rept. No. 395);

S. 912. A bill for the relief of Joseph Kenney (Rept. No. 396); and

S. 1181. A bill to provide for the status of warrant officers and of enlisted men of the Regular Army who serve as commissioned officers (Rept. No. 397).

Mr. SHEPPARD also, from the Committee on Military Affairs, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 1820. A bill to provide for the transfer of certain land owned by the United States to the State of Texas; and certain other land to the county of Galveston, Tex. (Rept. No. 398); and

S. 1666. A bill to provide a right-of-way (Rept. No. 399).

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (H. R. 4131) for the relief of Melvin Gerard Alvey, reported it without amendment and submitted a report (No. 400) thereon.

Mr. GILLETTE (for himself and Mr. CAPPER), from the Committee on Agriculture and Forestry, to which was referred the bill (S. 446) to amend the Packers and Stockyards Act, 1921, reported it without amendment and submitted a report (No. 401) thereon.

SACRAMENTO GOLDEN EMPIRE CENTENNIAL

Mr. JOHNSON of California. From the Committee on Foreign Relations I report back favorably, without amendment, a joint resolution authorizing the President to invite other nations to participate in the Sacramento Golden Empire Centennial commemorating the one hundredth anniversary of the founding of Sacramento by Capt. John A. Sutter. It requests no money from the Government, and I ask for the immediate consideration of the joint resolution.

The VICE PRESIDENT. Is there objection?

There being no objection, the joint resolution (H. J. Res. 221) authorizing the President to invite other nations to participate in the Sacramento Golden Empire Centennial commemorating the one hundredth anniversary of the founding of Sacramento by Capt. John A. Sutter was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That the President of the United States is authorized to invite by proclamation, or in such manner as he may deem proper, foreign nations to participate in the Sacramento Golden Empire Centennial to be held at Sacramento, Calif., from May 1, 1939, to September 10, 1939, inclusive, for the purpose of properly commemorating and observing the one hundredth anniversary of the arrival in California at the confluence of the American and Sacramento Rivers, of John Augustus Sutter, a Swiss adventurer, and the founding by him, through the establishment of Sutter's Fort, of what is today California's capital city of Sacramento, which establishment and the subsequent development of the region adjacent resulted in the discovery of gold at Coloma, Calif.

SEC. 2. The Government of the United States is not by this resolution obligated to any expense in connection with the holding of such exposition.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills:

On May 5, 1939:

S. 513. An act to provide for the promotion on the retired list of the Navy of Fred G. Leith.

On May 6, 1939:

S. 70. An act to amend section 90 of the Judicial Code, as amended, with respect to the terms of the Federal District Court for the Northern District of Mississippi;

S. 270. An act for the relief of Lofts & Son; and

S. 1038. An act for the relief of L. M. Bell and M. M. Bell.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BAILEY:

S. 2337. A bill to clarify the status of personnel of the Lighthouse Service serving under the jurisdiction of the War or Navy Department during national emergency; to the Committee on Commerce.

By Mr. BARBOUR:

S. 2338. A bill for the relief of Kenneth A. Cranmer; to the Committee on Finance.

S. 2339. A bill for the relief of William H. Chambliss; and

S. 2340. A bill for the relief of George W. Stout; to the Committee on Claims.

By Mr. BRIDGES:

S. 2341. A bill to amend the Social Security Act, approved August 14, 1935, and the Internal Revenue Code with respect to the definition "employee"; to the Committee on Finance.

By Mr. DAVIS:

S. 2342 (by request). A bill for the relief of Siegfried Stein, Erna Stein, and Marion Stein; to the Committee on Immigration.

By Mr. MEAD:

S. 2343. A bill to provide for the insurance of loans to business, and for other purposes; to the Committee on Banking and Currency.

S. 2344. A bill providing for compensation to firemen injured while answering a call on property owned by the United States of America; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 2345. A bill to confer jurisdiction on the Court of Claims to hear and determine the claim of Lamborn & Co.; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

S. 2346. A bill for the relief of Beryl M. McHam; to the Committee on Military Affairs.

S. 2347. A bill for the relief of Thomas W. Waldon (with accompanying papers); and

S. 2348. A bill relating to allowances to certain naval officers stationed in the Canal Zone for rental of quarters; to the Committee on Naval Affairs.

By Mr. MALONEY:

S. 2349. A bill granting a pension to Caroline Cutler; to the Committee on Pensions.

By Mr. KING:

S. 2350. A bill to amend the act of Congress approved May 3, 1935, entitled "An act to promote safety on the public highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes;" to the Committee on the District of Columbia.

S. 2351 (by request). A bill providing for the incorporation of certain persons as Group Hospitalization, Inc.; to the Committee on the Judiciary.

By Mr. CAPPER:

S. 2352. A bill to amend Public, No. 190, June 23, 1932, to provide for the incorporation of credit unions within the District of Columbia; to the Committee on the District of Columbia.

By Mr. SHEPPARD:

S. 2353. A bill to authorize appropriation for the construction of a Medical School Building at Carlisle Barracks, Pa.; and

S. 2354. A bill to provide for the rank and title of lieutenant general of the Regular Army for commanders of corps areas and foreign departments; to the Committee on Military Affairs.

By Mr. CLARK of Missouri:

S. 2355. A bill for the relief of Benno von Mayrhauser and Oskar von Mayrhauser; to the Committee on Immigration.

By Mr. MINTON (for himself and Mr. VAN NUYS):

S. 2356. A bill to provide for the creation of the George Rogers Clark National Memorial, in the State of Indiana, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. DOWNEY:

S. 2357. A bill to provide for the coinage of fractional minor coins; to the Committee on Banking and Currency.

S. 2358. A bill providing for the payment of an annuity to J. M. Logan from funds available for financing the retirement system of the Office of the Comptroller of the Currency; to the Committee on Civil Service.

S. 2359. A bill to confer jurisdiction on the District Court of the United States for the District of Columbia to hear, determine, and render judgment upon the claim of C. A. Blume against the United States; and

S. 2360. A bill to extend the benefits of the Employees' Compensation Act of September 7, 1916, to John F. Considine, a former employee of the United States under the Reclamation Service, Department of the Interior, at Yuma, Ariz.; to the Committee on Claims.

S. 2361. A bill to amend the Immigration Act of 1924, as amended, with respect to quota immigrants; to the Committee on Immigration.

S. 2362. A bill granting a pension to Dora F. Babbitt;

S. 2363. A bill granting a pension to Georgene F. Jackson; and

S. 2364. A bill granting an increase of pension to Gail E. Plunkett; to the Committee on Pensions.

By Mr. McCARRAN:

S. 2365. A bill for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof; to the Committee on the Judiciary.

By Mr. GUFFEY:

S. 2366. A bill for the relief of Franklin C. Richardson; to the Committee on Military Affairs.

S. 2367. A bill for the relief of Clark Wilfred Martin; to the Committee on Patents.

By Mr. WAGNER:

S. 2368. A bill to authorize the sale of the monthly document prepared by the Treasury Department entitled "Bulletin of the Treasury Department"; to the Committee on Banking and Currency.

S. 2369. A bill to make available certain sums to States which failed in 1936 or 1937 to take full advantage of the credit provisions of the Social Security Act; to the Committee on Finance.

By Mr. OVERTON:

S. 2370. A bill for the relief of Corinne W. Bienvenu (nee Corinne Wells); to the Committee on Military Affairs.

By Mr. WALSH:

S. J. Res. 126. Joint resolution to amend the act to authorize alterations and repairs to certain naval vessels, and for other purposes, approved April 20, 1939; to the Committee on Naval Affairs.

By Mr. DOWNEY:

S. J. Res. 127. Joint resolution authorizing an appropriation to provide for the national defense; to the Committee on Military Affairs.

By Mr. REYNOLDS:

S. J. Res. 128. Joint resolution to amend section 5 of Public, No. 360, Sixty-sixth Congress; and

S. J. Res. 129. Joint resolution authorizing the Osage Tribe of Indians to submit claims to the Court of Claims; to the Committee on Indian Affairs.

By Mr. THOMAS of Oklahoma:

S. J. Res. 130. Joint resolution referring the claims of the Kiowa, Comanche, and Apache Tribes of Indians in Oklahoma to the Court of Claims for finding of fact and report to Congress; and

S. J. Res. 131. Joint resolution authorizing the Secretary of the Interior to investigate and ascertain a certain claim on the part of the Kiowa, Comanche, and Apache Tribes of Indians in Oklahoma, and for other purposes; to the Committee on Indian Affairs.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 4997. An act giving the consent and approval of Congress to the Rio Grande compact signed at Santa Fe, N. Mex., on March 18, 1938; to the Committee on Irrigation and Reclamation.

H. R. 5643. An act to invest the circuit courts of appeals of the United States with original and exclusive jurisdiction to review the order of detention of any alien ordered deported from the United States whose deportation or departure from the United States otherwise is not effectuated within 90 days after the date the warrant of deportation shall have become

final; to authorize such detention orders in certain cases; to provide places for such detention; and for other purposes; to the Committee on the Judiciary.

AMENDMENT OF FAIR LABOR STANDARDS ACT, 1938—AMENDMENT

Mr. DOWNEY submitted an amendment intended to be proposed by him to the bill (S. 2008) to amend the Fair Labor Standards Act of 1938, which was referred to the Committee on Education and Labor and ordered to be printed.

AMENDMENTS TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. DOWNEY submitted amendments intended to be proposed by him to House bill 5269, the Agricultural Department appropriation bill, 1940, which were ordered to lie on the table and to be printed, as follows:

On page 55, line 6, to strike out "$200,000" and insert in lieu thereof "$253,000."

On page 55, line 8, to strike out the period and insert in lieu thereof a colon and the following: *"Provided further,* That $53,000 of such amount shall be available for expenditure only for the control of the pine-bark beetle in the State of California."

On page 59, line 13, to strike out "$4,967,401" and insert in lieu thereof "$5,020,401."

Mr. BANKHEAD submitted an amendment relative to the exportation of cotton or cotton articles, etc., intended to be proposed by him to House bill 5269, the Agricultural Department appropriation bill, 1940, which was ordered to lie on the table and to be printed.

SENATOR FROM INDIANA—EXPENSES OF INVESTIGATION

Mr. GEORGE submitted the following resolution (S. Res. 130), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Privileges and Elections, or a subcommittee thereof, hereby is authorized to expend from the contingent fund of the Senate not to exceed $100 for expenses incurred incident to the investigation of the election in 1938 of a Senator from the State of Indiana.

MONETARY POWERS (S. DOC. NO. 72)

Mr. WAGNER. Mr. President, I ask unanimous consent to to have printed as a Senate document a communication from the Secretary of the Treasury relative to the extension of monetary powers in response to a letter I sent to him.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

STUDIES OF PROPOSED LEGISLATION—WORK OF THE SESSION—FINAL ADJOURNMENT

The VICE PRESIDENT. There is one resolution coming over from a previous day which will be stated.

The Chief Clerk read Senate Concurrent Resolution 15, submitted by Mr. BANKHEAD on the 2d instant.

Mr. BARKLEY. I ask that the concurrent resolution be placed on the table calendar.

The VICE PRESIDENT. Without objection, it is so ordered.

THE LATE SENATOR CUTTING—ADDRESS BY HON. SAM G. BRATTON

Mr. HATCH. Mr. President, Saturday last, the 6th day of May, was the anniversary of the tragic and untimely death of former United States Senator Bronson M. Cutting. On that day on the capitol grounds in the city of Santa Fe, N. Mex., a statue, which had been provided by friends and admirers of the late Senator Cutting, was dedicated, and on that occasion an eloquent tribute was paid by another former Member of this body, the present United States circuit judge, Hon. Sam G. Bratton. I ask unanimous consent that the well-deserved tribute paid to former Senator Cutting by Judge Bratton on that occasion be inserted in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. SAM G. BRATTON AT THE DEDICATION OF THE STATUE OF THE LATE SENATOR BRONSON M. CUTTING

We are assembled in this ancient city on this beautiful afternoon in midspring with the opulence of nature's boundless resources on every hand to pay earnest tribute to a friend of yesteryear whose career was cut short with tragic suddenness at an early age. I participate in these proceedings with a spirit of humility and in gratitude for a great life. It is hoped that you will appreciate how wholly inadequate my mother tongue is in expressing my deep feelings on this occasion.

Bronson Murray Cutting was born June 23, 1888, at Oakdale, Long Island, N. Y., the son of William Bayard and Olivia Peyton (Murray) Cutting. He received his education at Groton and Harvard. He entered Groton in September 1901, was there 5 years, and was graduated in June 1906. He entered Harvard in the autumn of 1906, was forced on account of ill health to leave temporarily during his junior year, and finished with his B. A. degree in 1910. His record in scholarship at each institution was remarkable. At the early age of 10 he spoke French and German almost as easily as English, and he later mastered Spanish, Arabic, and other languages. In addition to being an accomplished linguist, he was an educated man in a real sense. Life itself was his education. It began almost at the cradle and continued throughout his life. It consisted of literature, music, art, experience, travel, people, and work. He came to New Mexico in 1910 in search of health. He was restored to good health and remained until his tragic death in an airplane crash in Missouri on May 6, 1935, 4 years ago today. Although 4 years have intervened, our affection for him is as fresh today as it was then.

It may be assumed with confidence that Bronson Cutting spent his period of convalescence in a careful study of political conditions then existing in the Territory of New Mexico, and that as the result of a painstaking survey of the situation he developed a virile interest in the problems which then confronted the people here. He took a lively interest in the first election after statehood and continued to devote himself as a private citizen to the solution of public questions as they arose from time to time until the entry of the United States into the World War. Despite a physical handicap which might have deterred one with less force and determination, he volunteered, was commissioned as a captain, and rendered service of high order both at home and abroad. At the conclusion of that service he returned to civil life of a quiet and unostentatious character, as was his wont. While he served in many capacities in the State, his first call to official service of national scope came in 1927. On December 29 of that year Gov. Richard C. Dillon appointed him United States Senator from New Mexico to fill the vacancy caused by the death of Andrieus A. Jones. He served under that recess appointment until December 1928. In November 1928 he was elected United States Senator for a full term of 6 years and he was reelected in 1934 for a second term.

When the background of Senator Cutting is rightfully understood and appraised, it is easily understood how coincident with the repair of his health and physique he developed a deep understanding of conditions here and an acute sympathy for those who needed assistance in their quest for better government and improved conditions in which to live and rear and educate their sons and daughters for useful citizenship. He came to maturity in an era of reform, and he was from the beginning thoroughly at home in that era. His birth coincided with the beginning of the Populist movement and that of socialism, his boyhood with that quest for social justice which is the distinguishing mark of the "nineties," his youth with Roosevelt-La Follette liberalism. No other period in our history has been so elaborately and self-consciously concerned with reform, and that reform reached into every nook and corner of our life. It inquired into the plight of the farmer and of the laborer; it illuminated conditions of life in the slums of the great cities; it agitated woman's rights and the welfare of children; it probed into the dark places of prisons and reformatories; it interested itself in the Negro and the Indian; it faced squarely the problems of drunkenness and vice; it addressed itself to corruption and maladministration in high places; it grappled with the great problems of public education; and it concerned itself with matters of religion. It was in truth a crusading era, an era in which men were conscious as never before to fulfill the promise of American life.

To all this Bronson Cutting could not be immune, nor did his wealth and social position embarrass him. Wealth was on the defensive; some thought it was a disgrace to die rich. The Cuttings needed no admonition on this score. There was no disposition on the part of that family to evade the responsibilities of wealth nor any reluctance to join in the quest for social justice, economic equalitarianism, and political democracy.

Bronson Cutting was born to wealth and social position, but not to conservatism. His family, on both sides, had a distinguished record for liberalism in politics and activity in socal reform. His grandfather, Bronson Murray, whose name he bore, was an abolitionist when abolitionism was looked upon much as is communism today, an eager advocate of woman's rights, and of religious liberalism. His father, Bayard Cutting, was throughout his life allied with the forces of social and political reform in New York City; he was long a leader of civil-service reform, a pioneer in slum clearance, generous alike with time and money in forwarding those educational, religious, and charitable causes which enlisted his broad sympathies. It was characteristic of Senator Cutting's father that he was one of the few New York businessmen who from the beginning enthusiastically supported Theodore Roosevelt in his efforts to control trusts, regulate railroads, and cleanse public life. It is equally characteristic that Bronson Cutting's first political memory was of his sympathy for William Jennings Bryan in the historic campaign of 1896. He was then just 8 years old, but the campaign made a lasting impression upon his keen and absorbing mind.

Senator Cutting's material inheritance was important, and it enabled him to do many things which otherwise would have been difficult, if not impossible, of performance. But more important was the intellectual inheritance; a profound sense of his obligation to society; and implicit assumption that wealth was not a personal possession but a trust and a social responsibility; a lively sensitiveness to the misfortunes and deprivations of the underprivileged; and a passionate, though never intemperate, desire to contribute to

the creation of an economy which should provide opportunities for all, a society which should insure equality in access to those opportunities, and a government which should protect those who were unfitted for the struggle of competition.

Bronson Cutting's education did not wean him away from this inheritance. Groton and Harvard did not impair his sense of social obligation any more than they impaired the passion of Franklin Delano Roosevelt for social justice. Groton was a rich man's school, but it was not entirely isolated from the America of the nineteen hundreds. There were lectures on subjects of social and political interests, debates on such questions as public ownership of railroads or regulation of trusts; there was a summer camp maintained for the poor of Boston and New York in which Bronson Cutting served. And for all of its prestige and antiquity, Harvard has always been a stronghold of liberalism, has always encouraged independence of thought, individualism of expression, and social consciousness. It may be remarked in passing that Bronson Cutting was in the same class with Walter Lippman, Jack Reed, Heywood Broun, and a dozen others who later distinguished themselves by their independence.

Inheritance and education gave to Senator Cutting a disdain for material and social possessions. These things came too easy and were to be taken for granted. What he developed was an intense anxiety to justify himself and his life on other grounds, to contribute something of his own to the cultural and social welfare of the country. It is interesting that he did not need to make money, interesting but not significant; it is significant that he never cared to try. From the beginning he had other and more important business at hand. Before his break-down in health which brought him out here that business was primarily intellectual; he planned to devote himself to archeology; but after his arrival here that business was social and political reform. At no time was it merely material or merely personal. New Mexico contributed much to the education of Bronson Cutting, but his first awareness of the need for social reform and his inspiration to social consciousness were deeply implanted long prior to the time when he established citizenship among us. New Mexico furnished him an opportunity for the practical application of that which had been theoretical, an opportunity to make concrete and tangible that which had been vague and intangible, an opportunity to give sense of realism and immediacy to his social consciousness. It is safe to conjecture that Senator Cutting would never have been the sterling crusader that he was had it not been for his background and training; and it is equally safe to assert with confidence that he never would have brought into full exertion his potential possibilities had it not been for the rich opportunity which New Mexico supplied to educate him to human realities.

This early environment and training implemented by the rare opportunity which New Mexico generously extended for practical application of his concepts respecting social and economic questions lends ready answer to the often propounded query why he possessed such a crusading spirit for public welfare. By inheritance and by early training, he instinctively championed the cause of the helpless and the unfortunate, he unfailingly went to the rescue of the underprivileged, he was always on the side of the masses.

The rise of Bronson Cutting in the Senate of the United States was meteroic. He was a member of the Committees on Banking and Currency, Foreign Relations, Irrigation and Reclamation, Manufactures, Military Affairs, and Public Lands and Surveys. Membership on these important committees enabled him to render invaluable service of the highest order to his constituents in New Mexico and to the Nation as a whole. His achievements were many for the reason that he possessed in large measure the qualifications and the indefatigable industry to overcome difficulties and to accomplish hard legislative tasks. He devoted himself with unflagging industry to legislation affecting veterans of the World War, veterans of the Spanish War, veterans of other wars, and their dependents. He concerned himself with measures relating to agriculture, air mail, banking, civil service, interstate and foreign commerce, holding companies, home financing, labor, military affairs, national defense, public utilities, and relief. He mastered every question with which he concerned himself. He illuminated every question he discussed. He graced every cause he espoused. He ennobled every duty he performed. He weighed questions with great care. He reached conclusions with deliberation and caution; but once he formed a definite conviction upon a question affecting public welfare, he was unshakable in his support or opposition, as the case might be. He was brave, imperious, and incorruptible. It mattered not to him whether a cause was popular. His inquiry was whether it was right. If so, he supported it with all the vigor at his command. If wrong, he waged withering opposition with no thought of the political consequences to himself. He was valiant for truth. He loved justice and ordered liberty; he hated wrong and oppression; he stood firmly for truth and virtue; he was uncompromising against that which was false; he was insensible to the attack of the demagogue; he was deaf to the blandishments of the flatterer. He bore daily in mind the admonition:

"This above all; to thine own self be true
And it must follow, as the night the day,
Thou canst not then be false to any man."

It was his belief that there are no short-cuts to wisdom, influence, and service; and that after all the centuries of invention and progress the path of the soul often lies through the thorny wilderness which still must be trod, sometimes in solitude. He believed that the greatest need of the hour was clear and calm thinking, and for Americans to rise to the height of the opportunity for self-improvement and effective leadership. To him the problem was not one of sectional discord or internal differences. It was one of making certain that democratic impulses do not grow weaker under pressure or false doctrines or insidious propaganda; it was one of keeping a clear vision upon the substance of institutional arrangements designed to protect and preserve the attributes of personal freedom and the perpetuity of free institutions.

A real farmer prefers to fall among his growing crops; a real physician prefers to fall on a mission of mercy; a real soldier prefers to fall with drawn sworn in hand. Bronson Cutting, the eminent statesman and faithful public servant, fell as he would have preferred to fall, en route to his post of duty in the Senate, there to join with others in supporting to the utmost a program of legislation which would contribute to organized society and to liberal democracy. His death was an irreparable loss. Men and women throughout New Mexico and in all parts of the Nation mourn his departure. We miss him tremendously. His like will not soon pass this way again. Let us take courage in the words of Longfellow:

"There is no death,
What seems so is transition;
This life of mortal breath
Is but a suburb of the life Elysian,
Whose portal we call death."

THOMAS JEFFERSON MEMORIAL—SCULPTOR OF JEFFERSON'S STATUE

Mr. THOMAS of Utah. Mr. President, as a representative of the United States Senate on the Thomas Jefferson Memorial Commission it has been a duty to provide for the selection of a sculptor for the statue of Jefferson which will be placed in the memorial. In making preliminary surveys about the proper method to follow, our Commission listened to the recommendations of many persons in our Government who represent those departments which are responsible for buildings, monuments, and governmental art. I am sure that all members of the Commission were happy in learning of the remarkable talent available to the Government in the creation of symbols which reflect the ideals of American institutions. As an example of the spirit of many who are giving to the American people this inspiration, I am presenting for the RECORD a short address delivered as a report to the President of the United States by Edward Bruce, Chief of the Section of Fine Arts of the Procurement Division of the Treasury Department. As this speech is, I know, of interest to the American people, I ask, Mr. President, unanimous consent to have it inserted in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. President, this, I suppose, is the first time in history that the head of a great state has asked his advisors to consider the work of a group of unknown but very talented artists. The reason why, as we all know, is the kindness of our President's heart. It makes me realize how times have changed from the days when I first came to Washington, when the then President was, may I say, Hoover-ing over the White House.

In the limited time at my disposal I want to make three points about the program of the Section of Fine Arts. When the Secretary of the Treasury organized the section, his only instruction to us was to carry out the work in such a way as will assist in the development of art in this country and reward what is regarded as the outstanding talent which develops. To carry out this program we have set up a system of national and local competitions which are conducted as fairly as we know how to conduct them. They are open to all and are absolutely anonymous. Our juries are constantly changed and in certain cases we have even allowed the artists themselves to elect their own jury. We are constantly considering ways of improving our program and insuring impartial judgment. The integrity of our program is a sacred thing to all of us. No artist, however great his name, has had a job from our section without earning it on a merit basis.

I think primarily of the Section of Fine Arts as an accomplishment in democracy. Prior to the organization of the section there was no thought of a merit system. Commissions were given to friends and competitions were never used. It seems to me a very fine thing that today when the Government has a commission to give an American artist the artist may, like St. Paul, announce his citizenship and as a matter of right claim an opportunity to have his talent tested on a merit system. It makes the nice phrases in the Declaration of Independence mean something in these days when the rights of man are pretty much in the scrap basket. The group of distinguished gentlemen who used to get all the business must now compete on a merit system.

I would like to call your attention to the map at the end of the room. This is really my favorite picture. It shows how widely we are distributing our art over the country. There is a mural or piece of sculpture either completed or planned for every button on the map. I have before me the prices which the Government paid

for works of painting or sculpture in six of the large Federal buildings in Washington. These figures show that in the case of two buildings, the Supreme Court and the Archives Building, the Government spent for painting and sculpture $630,400. This figure of $630,400 is exactly $42,638.61 more than the Section of Fine Arts has paid for the decoration of 420 Federal buildings. It really is nearly $50,000 more than the Government paid for all the completed work which is shown on that map. The reason, I think, that there has been such universal approval of the work of our program is the fact that it has been so modest. The amount we receive to carry on our work is limited to 1 percent of the cost of each Federal building. In fact, we are developing a slogan, "One percent for art in every building."

Mr. Mellon paid $15,868,515 for 59 of the pictures which he has presented to his National Gallery in his magnificent gift. The average cost of these pictures was $31,622 per square foot. The average cost of all the murals that have been executed by the Section of Fine Arts has been $14 per square foot. I do not say that our pictures are now worth Mr. Mellon's prices, but I do say, with absolute belief, that in the due process of time the Government will find it has made a very good bargain and that these pictures will be valued at one hundredfold the prices which the Government has paid for them. At all events I think it is safe to estimate that the artists who painted these pictures originally received less for them than the prices which the Government is paying.

For my last point I would like to spend a few minutes talking about the pictures around this room. They are not prize pictures. They are just the run of the mine. Every one of them was sent in a little competition which we have just held for a mural decoration for the post office in Wausau, Wis. The competition was limited to artists residing in Wisconsin and Illinois. There are no famous names among them. I doubt if any one of you has ever heard of one of them. They are, however, all works of art of distinction.

I hope you will all look at these pictures. I think if you do that you will realize that any one of them would make a country post office a pleasanter place to come to. They make me feel very comfortable about America. I do not believe that one of these artists who painted these pictures likes either Hitler or Mussolini. I have a feeling that they all know and like the Twenty-third Psalm.

These pictures are typical of the thousands of pictures that have been sent in to our office under competitions. There has been no sign of defeat or social unrest among any of them. They have spread out before us a panorama of America, triumphant, clear-eyed, and unafraid, and I like to think that as time goes on we will continue to develop through our post offices little cultural centers where we are raising the taste of our country and helping to develop our native art. The Secretary of Commerce has done a superb job in developing his community art centers throughout the country. I know that in this way we are in a very real sense raising the standard of living of our people by bringing to their lives something of beauty they have never had before, and making them realize how much richer a life is when they have around them something of beauty and of good taste.

I recommend it as the best panacea I know of against all the rotten unrest that is tormenting the world today. I tried to make our artists feel, and I think they do feel, that any one of them who receives a commission from us to do a mural in a post office has received a high honor which calls for the best they have to give. I tell them of a little village I know in Italy nestling in the Appennine Hills which is called Borgo San Sepolcro. In that village there is a little town hall no bigger than the average country post office. Also, in that village lived a great artist. His name was Piero Della Francesca, and he painted there the greatest picture in the world, The Resurrection of Christ. Whenever I am in Italy I make a pilgrimage to Borgo to see that picture, and I find my soul refreshed from seeing it, as do the thousands of pilgrims who visit it each year. I hope the day may come when we, too, may develop a Piero Della Francesca.

Thank you very much, Mr. President.

THE STATE OF THE UNION—ADDRESS BY SENATOR VANDENBERG

[Mr. BARBOUR asked and obtained leave to have printed in the RECORD an address on the state of the Union, delivered by Senator VANDENBERG at Atlantic City on Saturday, May 7, at the twenty-fourth annual convention banquet of the Manufacturers' Association of New Jersey, which appears in the Appendix.]

NATIONAL HEALTH BILL—ADDRESS BY SENATOR WAGNER

[Mr. MINTON asked and obtained leave to have printed in the RECORD a radio address on the subject of the national health bill, delivered by Senator WAGNER on the evening of May 7, 1939, which appears in the Appendix.]

AMERICAN NEUTRALITY—ADDRESS BY SENATOR CLARK OF MISSOURI

[Mr. NYE asked and obtained leave to have printed in the RECORD a radio address delivered on May 5, 1939, by the senior Senator from Missouri [Mr. CLARK] on the subject of American neutrality, which appears in the Appendix.]

AMERICA'S FOREIGN POLICY—STATEMENT OF DR. L. W. STILWELL

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD the statement on the foreign situation made by Dr. L. W. Stilwell, of Dartmouth College, before the Foreign Relations Committee, which appears in the Appendix.]

AMERICAN NEUTRALITY—STATEMENT BY THEODORE H. HOFFMAN

[Mr. NYE asked and obtained leave to have printed in the RECORD a statement by Theodore H. Hoffman, chairman of the National Council of the Steuben Society of America, on neutrality, which appears in the Appendix.]

NATIONAL YOUTH ADMINISTRATION—LETTER FROM H. D. WEATHERS

[Mr. BANKHEAD asked and obtained leave to have printed in the RECORD a letter from H. D. Weathers, of Evergreen, Ala., superintendent of the Conecuh County Board of Education, relative to the National Youth Administration, which appears in the Appendix.]

DEPORTATION OF ALIENS—EDITORIAL FROM SHREVEPORT TIMES

[Mr. HATCH asked and obtained leave to have printed in the RECORD an editorial from the Shreveport (La.) Times of Saturday, April 22, 1939, on the subject of the deportation of aliens, which appears in the Appendix.]

MONETARY POWERS—EDITORIAL FROM SATURDAY EVENING POST

[Mr. TOWNSEND asked and obtained leave to have printeu in the RECORD an editorial entitled "Power in the Closet," published in the Saturday Evening Post of May 6, 1939, which appears in the Appendix.]

CALL OF CALENDAR DISPENSED WITH

The VICE PRESIDENT. Routine morning business having been concluded, the consideration of bills on the calendar under rule VIII is in order.

Mr. BARKLEY. I ask unanimous consent that the calling of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none.

AGRICULTURAL DEPARTMENT APPROPRIATIONS

Mr. RUSSELL. I move that the Senate proceed to the consideration of House bill 5269, the annual supply bill for the Department of Agriculture.

The VICE PRESIDENT. The question is on the motion of the Senator from Georgia.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. RUSSELL. I ask unanimous consent that the formal reading of the bill be dispensed with, and that it be read for amendment, the amendments of the committee to be first considered.

The VICE PRESIDENT. Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

Mr. RUSSELL. Mr. President, I understand the Senate is about to take a brief recess to receive a distinguished guest. I will ask that the consideration of the appropriation bill be resumed immediately following the recess.

RECEPTION OF THE PRESIDENT OF NICARAGUA

The VICE PRESIDENT (at 12 o'clock and 15 minutes p. m.). The hour has arrived for the Senate to take a recess under its previous order.

The Senate thereupon took a recess, subject to the call of the Chair.

The Senate being in recess,

His Excellency General Anastasio Somoza, President of the Republic of Nicaragua, escorted by the committee appointed by the Vice President, consisting of Mr. BARKLEY, Mr. PITTMAN, and Mr. MCNARY, entered the Senate Chamber, accompanied by Dr. Manuel Cordero Reyes, Minister of Foreign Affairs of Nicaragua; First Lt. Octavio Sacasa, aide; Second Lt. Pedro Nolasco Romero, aide; Col. Charles B. Elliott, American military aide to President Somoza; Capt. Ernest L. Gunther, American naval aide to President Somoza; the Honorable George T. Summerlin, the Chief of Protocol, De-

partment of State; and the Honorable León De Bayle, Minister of Nicaragua at Washington.

The President of Nicaragua having been seated to the left of the Vice President, and the distinguished visitors accompanying him having been escorted to places assigned them on the Senate floor on the left side of the Chamber,

The VICE PRESIDENT said: Senators, it is my privilege to present to you the President of Nicaragua, General Anastasio Somoza. [Prolonged applause, Senators rising.]

ADDRESS BY THE PRESIDENT OF NICARAGUA

PRESIDENT SOMOZA. Mr. President and Members of the Senate of the United States, it is a source of very deep satisfaction to me to have the privilege of being received by this distinguished legislative body.

I appreciate most particularly the kind words of welcome of your honorable President, Mr. GARNER, and I feel I should not decline his courteous invitation—which I consider an honor—to address you on this occasion.

I take pleasure in extending to each and every one of the Members of the Senate a most cordial personal greeting; and I wish to convey, through you, to the American people, the warmest expressions of friendship and understanding on the part of the Government and the people of Nicaragua.

Recently, in a memorable ceremony, the highest representatives of the various branches of your Government gathered under the dome of this same Capitol to commemorate the one hundred and fiftieth anniversary of the First Congress of the United States under the Constitution.

The American people on that occasion paid a just tribute of admiration and gratitude to the founders of this great Nation, whose wisdom and patriotism, in the midst of the misfortunes and uncertainties of the period, established the fundamental principles of American democracy as set forth in your great Constitution and its Bill of Rights.

We, your neighbors to the south, felt that the commemoration of this anniversary was not foreign to the history of the development of our life as independent nations. It is well known that our founders, in establishing our republics, adopted in substance your democratic representative form of government as being the most adequate to insure the well-being and prosperity of free peoples.

From their inception this fortunate circumstance has established between the young Latin-American republics and the United States a similarity of governmental institutions based on a common devotion to the democratic ideals which we have been able to preserve in spite of the vicissitudes of time and the characteristics peculiar to each people.

The American nations have recently reaffirmed their stanch determination to preserve this heritage of our ancestors.

With a full realization of the difference in our relative capacity, I wish to state that we, the nations smallest in size, are ready, to the limit of our ability, to share with you, the greatest and most powerful, all the efforts and sacrifices involved in the collective task of keeping our American institutions free from any interference foreign to our continent and to our ideology. [Applause.]

As a result of conscious efforts carried out over a long period of years by our statesmen and peoples, in spite of mistakes and temporary friction, a sentiment of collective solidarity, mutual respect, and reciprocal cooperation has been created which happily now prevails in inter-American relations.

If the advances of pan-Americanism were slow in the past, all the greater should be our satisfaction in observing the rapid progress achieved in recent years.

It is a fact—and I do not need to emphasize it—the prudent, wise, and sagacious "good-neighbor policy," inaugurated and maintained with such success by your illustrious President, Franklin D. Roosevelt, has given a vigorous impulse to the movement for pan-American rapprochement. [Applause.]

This policy has been a powerful factor in uniting the minds of the whole continent in one sole spiritual and moral entity. The Latin-American republics are now approaching the United States cordially, with greater confidence, in an attitude of spontaneous cooperation, and with the same sentiments of friendship that they feel toward their other sister republics.

My presence in this country and the generous hospitality that your Government has offered me are a living testimonial to the truth of this assertion.

Under these happy auspices, pan-Americanism is no longer a romantic formula of international policy. It now represents a doctrine of constructive action which takes into consideration the political as well as the economic and cultural aspects of harmonious relationships.

The new spirit which governs the affairs of the Western Hemisphere was given concrete form at the conferences at Montevideo, Buenos Aires, and Lima. These conferences established well-defined bases for the inter-American order, setting forth as fundamental principles of our continental organization the juridical equality of treatment and of opportunity in international trade and the determination to defend the integrity of our territory and of our institutions against any foreign action or interference whatsoever.

This is the gospel of peace and freedom which the Americas, with the powerful assistance of the United States, present to a troubled world. Small though their contribution may be, the Nicaraguan people are, nevertheless, as proud as any other, of their cooperation in these fundamental achievements.

Because of her geographic position, and the fortunate configuration of her territory, Nicaragua, in spite of her size, will be called upon to be a complementary factor, indispensable to any plan or combination of forces for the security and defense of this continent. Her territory offers a convenient route for the construction of an interoceanic canal.

The Nicaraguan people consider this fact as their most valuable source of potential prosperity. We earnestly desire that this gift of nature may not be left hidden indefinitely in our native forests, when, by the act of man, it could bring incalculable benefits to ourselves, to you, to the Americans as a whole, and to the commerce of the world. [Applause.]

By a treaty which we are willing to carry through in terms which conform to the interests of both parties, on permanent bases of equity and justice, the United States has long been associated with Nicaragua in the possible realization of this mighty undertaking. We have thus joined our international destiny to yours, confident that this association will always be maintained in an atmosphere of reciprocal amity, of mutual benefits, and of a real comprehension of the needs and character of both nations. Those who are now engaged, as I am, wholeheartedly in the consolidation of this association of our destinies, firmly believe that when history records its judgment on future events, posterity will not betray our present hopes and convictions. [Prolonged applause.]

The VICE PRESIDENT. There is a desire on the part of Senators to meet our distinguished guest, and the Chair will ask the President pro tempore the Senator from Nevada [Mr. PITTMAN] to present Members of the Senate to the President of Nicaragua.

The President of Nicaragua advanced to the area in front of the Vice President's desk, accompanied by Mr. PITTMAN and by the Secretary of the Senate, and greeted the Members of the Senate as they were introduced to him.

The President of Nicaragua and the distinguished visitors accompanying him were then escorted from the Chamber.

The VICE PRESIDENT (at 12 o'clock and 32 minutes p. m.) called the Senate to order, and legislative session was resumed.

ADDRESS OF THE PRESIDENT OF NICARAGUA (S. DOC. NO. 73)

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed as a public document the very gracious address delivered today by the President of Nicaragua to the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes.

The VICE PRESIDENT. The clerk will proceed to state the amendments reported by the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Department of Agriculture—Office of the Secretary—Salaries", on page 2, line 6, after the word "elsewhere", to strike out "$581,920" and insert "$620,720", so as to read:

For the Secretary of Agriculture, Under Secretary of Agriculture, Assistant Secretary, and for other personal services in the District of Columbia, and elsewhere, $620,720.

Mr. KING. Mr. President, it is the purpose of the Senator from Georgia to explain the bill and its various provisions?

Mr. RUSSELL. Mr. President, I shall be glad to explain the bill. It is, of course, a very comprehensive measure, referred to as the agricultural appropriation bill. While it provides funds for more different activities of government than does any other appropriation bill, it does not appropriate the largest amount of money. Around 2,000 various activities of the Government of the United States are carried on and maintained with funds which are provided for by this measure. Unless some Senator requests specific information as to an item, I shall confine my remarks at this time to the major Senate amendments to the House bill.

While the total sum appropriated in the bill as reported to the Senate is $1,216,000,000, less than $100,000,000 of that amount goes to carry on the ordinary activities of the Department of Agriculture. There are a great many other items in the bill.

In view of the reorganization proposals submitted by the President this year for the last time the bill carries funds to carry on the activities of the Bureau of Public Roads and for other highway building activities, aggregating more than $215,000,000. Appropriations are also contained in the bill for the Weather Bureau, for furnishing weather reports to the air lines and aviation interests of the Nation.

The largest sums, of course, are the funds that are appropriated to carry out the purposes of the Soil Conservation Act, making payments to farmers for diverting their lands from soil-depleting crops to soil-conserving crops, and for carrying on the soil-conservation practices, and conservation practices generally.

As the report of the committee will show, the bill as reported to the Senate from the Committee carries $381,000,000 more than the bill which passed the House. That increase is almost wholly found in three items; one an item of $225,000,000 for the purpose of making parity payments under section 303 of the Agricultural Act of 1938; $113,000,000 for the purpose of carrying out the provisions of section 32 providing for the removal of agricultural surpluses; and $25,000,000, which is a reimbursable item, for the purpose of making loans to tenant farmers to enable them to become home owners and landowners.

I should like to direct the attention of the Senate to the fact that the farmers of this Nation, in cooperating in carrying out the plan suggested by the Congress of the United States to benefit the condition of agriculture, have been expecting and looking to the time when they would receive parity prices for the five basic commodities which are dealt with in the Agricultural Act of 1938. Last year the Congress appropriated $212,000,000 for the purpose of making price-adjustment or parity payments to farmers. The bill as it came to the Senate from the House did not contain a single dollar for that purpose. Therefore the Senate amendment represents only an increase of $13,000,000 over the amount that was available for that purpose during the current fiscal year. Without this appropriation the income of the farmer that is represented by benefit payments from the Government will be reduced more than 30 percent in 1940 below the amount that is available during the current year. Any such reduction will have a disastrous effect not only to the income of the farmer but in securing cooperation in the long-range program that looks to the distribution and removal of the huge surpluses which were accumulated during the time when there was no control program in effect in that period following the invalidation by the Supreme Court of the original Agricultural Adjustment Act.

The next item, Mr. President, is the appropriation of $113,000,000 for the purpose of carrying out the provisions of section 32. This appropriation has a twofold purpose. A large part of it is used for the purchase of surpluses, such as butter, potatoes, and all forms of fruits and vegetables, and those edibles are distributed to persons on relief and to those who have been certified for relief but who have not been able to get on the relief rolls. From that standpoint it is in the nature of a relief appropriation. From the other standpoint it maintains the price level that the farmer receives for his product.

The testimony before the committee disclosed that the outlook for some of these commodities for next year is very gloomy. That is particularly true in regard to the dairy industry, in which there is a considerable surplus of butter, and I understand that the prices for other dairy products are very largely controlled by the price of butter. The amount provided in the bill does not represent an increase of $113,000,000 over the appropriations for the current year, as might be apparent at first blush, because last year $144,000,000 was available for that purpose under the allocation of 30 percent of the customs duties, which is provided in section 32. This year that amount has decreased to $90,000,000 due to the shrinkage in customs receipts, so if the Congress does not afford additional funds for the purpose of carrying out the provisions of section 32 there will be a reduction of $54,000,000 in the funds which would be available for that item, when according to all the testimony adduced before the committee there is a greater need this year than was the case last year.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Georgia yield to the Senator from Utah?

Mr. RUSSELL. I yield.

Mr. KING. I am interested in the observation just made by the Senator from Georgia with respect to the customs duties. Are the customs duties which are made available for the agricultural activities of the Government included in the appropriation carried in the pending bill, or are they in addition to this enormous appropriation of more than a billion dollars?

Mr. RUSSELL. They are in addition, because they represent a permanent allocation. The Senator is familiar, of course, with the provisions of section 32, which set up as a permanent appropriation an amount equal to one-third of the customs receipts. The $113,000,000 is in addition to the $90,000,000, but when the $113,000,000 and the $90,000,000, added together, are considered and compared with the sum which is available this year, it will be found that there is an increase of only $69,000,000 over the current year, whereas all the testimony before the committee disclosed that there is a greater need for funds this year than there had ever been before. As a matter of fact, it was strongly insisted before the committee that without an appropriation of $150,000,000 the Department would be unable to maintain the prices of the commodities which are dealt with under section 32, even at their present very low level.

Mr. KING. Mr. President, the explanation of the Senator indicates that automatically one-third of all the customs receipts go to the Department of Agriculture for utilization as the Secretary sees fit, and there is no accounting, so far as the appropriation bills are concerned, of this very large fund, which may increase if our exports and imports also increase. It seems to me it is a very unwise system of bookkeeping, to take a large fund, perhaps $100,000,000—and as our imports increase perhaps the fund may be two or three hundred million dollars—and allocate that money without any consideration of it being taken in the

appropriation bill. It seems to me it is a very unwise policy, as it does not permit proper bookkeeping. It gives to the agricultural activities $100,000,000, or whatever one-third of the customs receipts may be, in addition to the large appropriations carried in the appropriation bill.

Mr. RUSSELL. The observation of the Senator as to the wisdom or folly of the provisions of section 32 are interesting, but they are not pertinent at this time, because we cannot change the existing law in this appropriation bill. Legislation permanently allocating 30 percent of the customs duties has already been enacted by the Congress, and any change in that provision made in this bill would be legislation, and would be subject to a point of order, as required by the rules.

I may state that the Committee on Finance would doubtless be the proper committee to consider any permanent change in the provisions of section 32.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. FRAZIER. This customs duties fund, as I understand, is allocated to the Department of Agriculture for specific purposes, not for general purposes.

Mr. RUSSELL. Yes. The provisions of section 32 set out very specifically and definitely the purposes for which the money can be expended, and reports are filed with the Congress as to the use of these funds.

The hearings before the Senate Appropriations Committee will show exactly for what purposes these funds have been expended. I do not think there has been any reckless expenditure of the funds. In the past the Department has not spent any considerable portion of them unless a very great need existed. I should like to point out to the Senator from Utah that in 1937 one-third of the customs receipts amounted to $109,000,000. The Department had it all in its hands and could have expended it all if it had desired, but spent only $16,000,000 of that money. The rest reverted to the Treasury. If there had been a reappropriation, as is the case with respect to other items, it would not have been necessary to increase by one dime the money to be expended for carrying out the provisions of section 32 in this bill.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Nebraska.

Mr. NORRIS. It is true, is it not, that the money available to the Department from the collections of customs duties is available under the provisions of section 32, a permanent provision of law, so that the bookkeeping, as far as concerns the items in connection with carrying out the provisions of section 32, has nothing to do with the present appropriation bill. Is it not just the same as though that money had been appropriated for the uses set out in section 32? The effect is just the same, is it not?

Mr. RUSSELL. The money has been appropriated, and it would require——

Mr. NORRIS. Yes; it has been appropriated by that permanent law, and it is just the same as though we were appropriating the same amount of money in the pending bill.

Mr. RUSSELL. The Senator from Nebraska is undoubtedly correct, because that is a permanent appropriation continuing from year to year, and unless there is some change in the substantive law, found in section 32, that appropriation will continue from year to year.

Mr. KING. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. KING. Obviously what the Senator has stated is true. Nevertheless, the agricultural appropriation bill itself would not indicate the amount and the purposes for which it is to be expended. Of course, we can go to the general law and learn the amount of the authorization.

Mr. RUSSELL. The permanent appropriation is not carried in the annual appropriation bill.

Mr. President, the other item of consequence which goes to make up the increase suggested by the Senate committee over the House provisions is an increase to $50,000,000 in the sum available for loans to tenant farmers and sharecroppers to enable them to become farm owners and home owners. This program has just gotten under way. The first appropriation for this purpose was $15,000,000. The authorization last year was $25,000,000, and the full amount was appropriated. This year the authorization is $50,000,000; and on the basis of testimony that was submitted to us, the Senate committee felt that the problem was very important and far-reaching, and that we should appropriate the full amount.

Bear in mind, this is not an outright expenditure or a grant. It is a loan on good security, farm lands, at 3½ percent interest, to be repaid by the tenant farmer and by the sharecropper we are seeking to help. In view of the fact that the Congress has authorized an increase to $4,000,000,000 in the amount of mortgages insured by the Federal Housing Administration for urban buildings, has appropriated $800,000,000 for slum clearance and has before it legislation looking to the appropriation of $800,000,000 additional for slum clearance, the committee felt that we could not say to the three and a half million tenant farmers and sharecroppers of the Nation, who are living in slums that are as bad or worse than those found in any city of the land, that we propose to cut the authorization and allow only $25,000,000.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LOGAN. Has the Senator any information as to the expenditure of the $25,000,000 which was appropriated last year? Has it all been expended? Just what progress has been made under the Farm Tenancy Act up to the present time?

Mr. RUSSELL. The entire amount has been obligated, but all of it has not yet been expended. As I recall the figures, in round numbers approximately 11,000 tenant farmers have been reached in the beginning of the program.

Of course, the Senator is familiar with the basis of distribution of the fund. There is a formula in the basic act which provides that the funds shall be distributed on the basis of farm population and the number of farm tenants within the several States. Of course, the money loaned will be repaid to the Government. If it is not repaid in full, the Government holds the title to the farm lands which are purchased for the tenant.

Speaking for myself, I regret that the authorization for this purpose is not larger, so that the credit of the Government might be extended in a sum of at least $100,000,000 a year, in an effort to combat the rising tide of farm tenancy, and to give some hope for the future to those in our Nation who are at the very bottom of our economic heap, and who have the lowest standards of living of any people in the country.

Mr. LOGAN. Is it not true that apparently the tenant farmer and the sharecropper are in greater need of help from the Government than many who live in slums, and who have been otherwise helped by the Government? Is not $50,000,000 for this year entirely too small an amount to carry out the program?

Mr. RUSSELL. In my opinion, the sum is wholly inadequate, but I will say to the Senator from Kentucky that it is much better than the $25,000,000 provided in the bill as it came from the House, and is as much as the committee could appropriate.

Mr. HILL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HILL. Is it not also true that the problem is not sectional or local? The problem of farm tenancy touches practically all the great agricultural States in the Nation. The truth is that the greatest advance in farm tenancy in recent years has been noted in some of the great Middle Western farm States, such as the great State of Iowa and other States. Is that no true?

Mr. RUSSELL. I am not familiar with the exact location of the increase in farm tenancy, and I have not sought to break it down by States. However, it is a fact that due to the economic straits to which the agricultural population of the Nation have been subject in recent years, an average

of 50,000 home owners and farm owners in this country each year have been driven into farm tenancy or into being sharecroppers. The number of farm owners in the country has been decreasing instead of increasing. The pittance of $50,000,000 will not stem the rising tide of increasing tenancy, but it will afford as much of a dam as the committee was able to give, because it is the full amount of the authorization.

Mr. HILL. The $50,000,000 is a much smaller sum than Congress is appropriating for the United States Housing Authority, which deals with slum clearance in the big cities. Is that not true?

Mr. RUSSELL. The Senator from Alabama is familiar with the fact that we have already appropriated $800,000,000 for that purpose, and other legislation is pending providing for an appropriation of an additional $800,000,000. In addition to that appropriation, of course, those who reside in the buildings which are erected as a result of the slum-clearance program receive a subsidy in their rent. That is not the case in the farm-tenancy program. It will pay its own way.

I do not like to make comparisons; but I will say that the amount appropriated by the bill, the full amount of the authorization of $50,000,000, is disproportionate when we consider the needs of farm tenants and sharecroppers compared to the needs of those in cities. The need in both instances is great; but certainly the need of three and a half million families, represented by that number of tenant farmers in this country, would warrant a greater appropriation than $50,000,000.

Mr. HILL. Fifty million dollars is one-sixteenth of what we have appropriated for the slum-clearance program.

Mr. RUSSELL. I am hopeful that some legislation along the line of that suggested by the junior Senator from Oklahoma [Mr. LEE] will be enacted at this session of the Congress to enable us to attack the problem on a wider front. However, as the matter stands before us today, all the Senate can do is to agree to the committee amendment increasing the appropriation for loans by the sum of $25,000,000.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LUCAS. Do I correctly understand the junior Senator from Georgia to say that the bill merely increases the amount available for loans, and that the existing or basic law is not changed in any manner whatever?

Mr. RUSSELL. The Farm Tenancy Act is not affected at all. The original act provided for an authorization of $50,000,000 this year, to be expended for the purpose of making loans. Of course, the committee did not undertake to change the basic law. It only appropriated the amount authorized by existing law.

There is one other matter which I should like to bring to the attention of the Senate, and that is the matter of parity-payment appropriations. In the amendment appropriating $225,000,000 there is a proviso that in the event any of the five basic farm commodities dealt with in the Agricultural Act of 1938 attain a market price equal to three-fourths of parity no funds shall be expended from this appropriation for the purpose of making parity payments in connection with that commodity. In other words, we are not undertaking to bring the farmer full parity. We are merely seeking to insure to the farmer 75 percent of parity. The Congress, after long and careful deliberation, has enacted a farm bill which has as its objective, as it is stated in place after place, bringing the farmer's income up to parity. The basic farm commodities are selling today for half of parity. We cannot afford to defeat an appropriation which will in some measure tend to bring about a nearer approach to parity.

We all hope it will not be necessary to spend one dime of the funds. If wheat, corn, cotton, tobacco, and rice next year bring 75 percent of parity, not a nickel of the funds appropriated will be spent; but the funds are provided to insure against some catastrophe and the suffering and distress which would ensue in the farm homes of the Nation if the basic farm commodities should bring less than three-fourths of parity.

The bill contains a large number of other amendments. Most of them are relatively small. I shall not undertake to discuss all the amendments at this time. If any Senator desires an explanation of any amendment when it is reached, I shall be glad to endeavor to explain its purpose.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment, on page 2, line 6.

The amendment was agreed to.

The next amendment was, on page 4, line 13, after the word "cotton", to strike out "or apples", so as to make the additional proviso read:

Provided further, That no part of the funds appropriated by this act shall be used for the payment of any officer or employee of the Department of Agriculture who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast with respect to future prices of cotton or the trend of same.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous expenses, Department of Agriculture", on page 5, line 11, after the word "designate", to strike out "$108,250" and insert "$111,450", so as to read:

For stationery, supplies, materials, and equipment, freight, express, and drayage charges, advertising and press clippings, communication service, postage, washing towels, repairs, and alterations; for the maintenance, repair, and operation of one motorcycle and not to exceed three motor-propelled passenger-carrying vehicles (including one for the Secretary of Agriculture, one for general utility needs of the entire Department, and one for the Forest Service) and purchase of one motor-propelled passenger-carrying vehicle at not to exceed $1,500, including the exchange value of one such vehicle, for official purposes only; for official traveling expenses, including examination of estimates for appropriations in the field for any bureau, office, or service of the Department; and for other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department, which are authorized by such officer as the Secretary may designate, $111,450.

The amendment was agreed to.

The next amendment was, on page 6, line 23, after the word "That", to insert "except to provide materials required in or incident to research or experimental work where no suitable domestic product is available", so as to make the additional proviso read:

Provided further, That, except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

The amendment was agreed to.

The next amendment was, on page 7, at the end of line 8, to increase the total appropriation under the office of the Secretary of Agriculture from $883,700 to $925,770, so as to read:

Total, office of the Secretary, $925,770.

The amendment was agreed to.

The next amendment was, under the heading "Office of Information, salaries and expenses", on page 8, line 1, before the word "of", to strike out "$383,040" and insert "$385,440"; and in the same line, after the word "exceed", to strike out "$360,780" and insert "$363,180", so as to read:

For necessary expenses in connection with the publication, indexing, illustration, and distribution of bulletins, documents, and reports, including labor-saving machinery and supplies, envelopes, stationery and materials, office furniture and fixtures, photographic equipment and materials, artists' tools and supplies, telephone and telegraph service, freight and express charges; purchase and maintenance of bicycles; purchase of manuscripts; traveling expenses; electrotypes, illustrations, and other expenses not otherwise provided for, $385,440, of which not to exceed $363,180 may be used for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Printing and binding", on page 8, line 25, after "(44 U. S. C. 111, 220:)", to insert a colon and *"Provided*, That the Secretary of Agriculture may transfer to this appropriation from the

appropriation made for 'Conservation and use of agricultural land resources' such sums as may be necessary for printing and binding in connection with marketing quotas under the Agricultural Adjustment Act of 1938, and from funds appropriated to carry into effect the terms of section 32 of the act of August 24, 1935 (7 U. S. C. 612c), as amended, such sums as may be necessary for printing and binding in connection with the activities under said section 32, and from funds appropriated for parity payments under section 303 of the Agricultural Appropriation Act of 1938, such sums as may be necessary for printing and binding in connection with such payments: *Provided further,* That the total amount that may be transferred under the authority granted in the preceding proviso shall not exceed $600,000."

The amendment was agreed to.

The next amendment was, on page 9, line 16, after the word "Information", to increase the total appropriation under the Office of Information from $1,992,610 to $1,995,010.

The amendment was agreed to.

The next amendment was, under the heading "Library, Department of Agriculture", on page 10, line 3, after the word "expenses", to strike out "$105,420" and insert "$109,220", and in line 4, after the word "exceed", to strike out "$71,600" and insert $75,250", so as to read:

Salaries and expenses: For purchase and exchange of books of reference, law books, technical and scientific books, periodicals, and for expenses incurred in completing imperfect series; not to exceed $1,200 for newspapers; for dues, when authorized by the Secretary of Agriculture, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; for salaries in the city of Washington and elsewhere; for official traveling expenses, and for library fixtures, library cards, supplies, and for all other necessary expenses, $109,220, of which amount not to exceed $75,250 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Office of Experiment Stations—Payments to States, Hawaii, Alaska, and Puerto Rico for agricultural experiment stations", on page 10, line 18, after the word "carry", to strike out "in" and insert "into", so as to read:

Adams Act: To carry into effect the provisions of an act approved March 16, 1906 (7 U. S. C. 369), entitled "An act to provide for an increased annual appropriation for agricultural experiment stations and regulating the expenditure thereof," and acts supplementary thereto, the sums apportioned to the several States to be paid quarterly in advance, $720,000.

The amendment was agreed to.

The next amendment was, on page 11, at the end of line 9, to strike out "$55,000" and insert "$60,000", so as to read:

Hawaii: To carry into effect the provisions of an act entitled "An act to extend the benefits of certain acts of Congress to the Territory of Hawaii," approved May 16, 1928 (7 U. S. C. 386-386b), $60,000.

The amendment was agreed to.

The next amendment was, on page 11, line 18, after "(7 U. S. C. 369a)", to strike out "$8,750; in all, for Alaska, $23,750" and insert "$10,000; in all, for Alaska, $25,000", so as to read:

Alaska: To carry into effect the provisions of an act entitled "An act to extend the benefits of the Hatch Act and the Smith-Lever Act to the Territory of Alaska," approved February 23, 1929 (7 U. S. C. 386c), $15,000; and the provisions of section 2 of the act entitled "An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes," approved June 20, 1936 (7 U. S. C. 369a), $10,000; in all, for Alaska, $25,000.

Mr. ADAMS. Mr. President, I should like to inquire of the Senator from Georgia as to this amendment and other amendments. In glancing through the bill there seem to be on pages 12, 14, and 16 appropriations under the Bankhead-Jones Act. I was wondering what they aggregate and why the separation?

Mr. RUSSELL. They are separated because the Bankhead-Jones Act relating to experiment and extension work is composed of many different items. For example, on page 12 the appropriation is for payment to States for assisting in carrying on "research into basic laws and principles relating to agriculture" by the various State experiment stations and land-grant colleges. The Bankhead-Jones Act was passed by the Congress in 1935. It provided for an increase of $600,000 a year in the amount appropriated until the amount of $3,000,000 was reached, and thereupon any increase would cease and the appropriation would become permanently $3,000,000. The House did not allow this year's increment in this appropriation. The Senate committee decided to bring this appropriation up to date and to appropriate the full amount of $3,000,000.

The maximum amount that could be appropriated for this purpose was $5,000,000. Sixty percent of that money was to be allocated as between the several States and Puerto Rico and Hawaii. The other 40 percent was to be retained in a special reserve fund in the Department of Agriculture for work in various lines of research that were suggested by the Secretary of Agriculture himself.

The Senator from Colorado will observe on page 15 that the Senate committee did not allow the full amount for this work. We only restored this appropriation to the amount provided for the current fiscal year, which was $1,400,000. The Secretary's special research fund is therefore $600,000 below the authorization and below the amount that was contemplated by the Congress when it enacted the Bankhead-Jones Act in 1935.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 11, line 18.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the Committee on Appropriations.

The next amendment was, on page 12, line 8, after "427–427g)", to strike out "$2,400,000" and insert "$3,000,000", so as to read:

Title I, Bankhead-Jones Act: For payments to States, Hawaii, Alaska, and Puerto Rico, pursuant to authorizations contained in title I of an act entitled "An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges", approved June 29, 1935 (7 U. S. C. 427–427g), $3,000,000.

The amendment was agreed to.

The next amendment was, on page 12, line 11, after the word "stations", to strike out "$6,843,750" and insert "$7,450,000", so as to read:

In all, payments to States, Hawaii, Alaska, and Puerto Rico for agricultural experiment stations, $7,450,000.

The amendment was agreed to.

The next amendment was, on page 14, line 4, after the word "Stations", to strike out "$7,088,485" and insert "$7,694,735", so as to read:

Total, Office of Experiment Stations, $7,694,735, of which amount not to exceed $150,105 may be expended for personal services in the District of Columbia, and not to exceed $750 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Special research fund, Department of Agriculture", on page 15, line 5, after the name "District of Columbia", to strike out "$1,143,190" and insert "$1,400,000", so as to read:

For enabling the Secretary of Agriculture to carry into effect the provisions of an act entitled "An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges," approved June 29, 1935 (7 U. S. C. 427, 427b, 427c, 427f); for administration of the provisions of section 5 of the said act, and for special research work, including the planning, programming, coordination, and printing the results of such research, to be conducted by such agencies of the Department of Agriculture as the Secretary of Agriculture may designate or establish, and to which he may make allotments from this fund, including the employment of persons and means in the District of Columbia and elsewhere, and the purchase, maintenance, repair, and operation of

motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia, $1,400,000.

The amendment was agreed to.

The next amendment was, under the heading "Extension Service, payments to States, Hawaii, Alaska, and Puerto Rico", on page 15, after line 20, to insert:

Extension work, act of April 24, 1939: To enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act to provide for the further development of cooperative agricultural extension work," approved April 24, 1939 (Public, No. 41, 76th Cong.), $300,000.

The amendment was agreed to.

The next amendment was, on page 16, line 25, after "343f–343g)", to strike out "45,000" and insert "$128,000", so as to read:

Puerto Rico: To enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act to extend the benefits of section 21 of the Bankhead-Jones Act to Puerto Rico," approved August 28, 1937 (7 U. S. C. 343f–343g), $128,000.

The amendment was agreed to.

The next amendment was, on page 17, line 2, after the word "work", to strike out "$13,546,418" and insert "$13,929,418", so as to read:

In all, payments to States, Hawaii, Alaska, and Puerto Rico for agricultural extension work, $13,929,418.

The amendment was agreed to.

The next amendment was, under the subhead "Salaries and expenses", on page 17, line 17, after the word "expenses", to strike out "$545,170" and insert "$575,170", so as to read:

Farmers' cooperative demonstration work: For farmers' cooperative demonstration work, including special suggestions of plans and methods for more effective dissemination of the results of the work of the Department of Agriculture and the agricultural experiment stations and of improved methods of agricultural practice, at farmers' institutes and in agricultural instruction, and for such work on Government reclamation projects, and for personal services in the city of Washington and elsewhere, supplies, and all other necessary expenses, $575,170.

The amendment was agreed to.

The next amendment was, on page 19, line 2, after the name "District of Columbia", to strike out "$56,838" and insert "$100,000", so as to read:

Cooperative farm forestry extension work: For cooperation with appropriate officials of the various States or with other suitable agencies to assist the owners of farms in establishing, improving, and renewing wood lots, shelterbelts, windbreaks, and other valuable forest growth, and in growing and renewing useful timber crops under the provisions of section 5 of the act entitled "An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor", approved June 7, 1924 (16 U. S. C. 564–570), including personal services in the District of Columbia, $100,000.

The amendment was agreed to.

The next amendment was, on page 19, line 3, after the word "expenses", to strike out "$892,254" and insert "$965,416", and in line 4, after the word "exceed", to strike out "$680,316" and insert "$705,316", so as to read:

In all, salaries and expenses, $965,416, of which amount not to exceed $705,316 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 19, line 6, after the word "Service", to increase the total appropriation for the Extension Service from $14,438,672 to $14,894,834.

The amendment was agreed to.

The next amendment was, on page 20, line 6, to increase the grand total appropriation, office of the Secretary of Agriculture, from $26,179,627 to $27,547,049.

The amendment was agreed to.

The next amendment was, under the heading "Weather Bureau, salaries and expenses", on page 21, line 21, after "(16 U. S. C. 581e)", to strike out "$2,527,870" and insert "$2,681,570", so as to read:

General weather service and research: For necessary expenses incident to collecting and disseminating meteorological, climatological, and marine information, and for investigations in meteorology, climatology, seismology, evaporation, and aerology in the District of Columbia and elsewhere, including $3,930 for investigations of the relationship of weather conditions to forest fires, under section 6 of the act approved May 22, 1928 (16 U. S. C. 581e), $2,681,570, of which not to exceed $1,500 may be expended for the contribution of the United States to the cost of the office of the secretariat of the International Meteorological Committee, and not to exceed $10,000 may be expended for the maintenance of a printing office in the city of Washington for the printing of weather maps, bulletins, circulars, forms, and other publications.

The amendment was agreed to.

The next amendment was, on page 22, line 14, after the word "elsewhere", to strike out "$3,334,095" and insert "$4,105,000", so as to read:

Airways weather service and research: For promoting the safety and efficiency of aircraft as provided by section 803 of the Civil Aeronautics Act of 1938, and for the maintenance of stations for observing, measuring, and investigating atmospheric phenomena, including salaries and other expenses, in the city of Washington and elsewhere, $4,105,000.

The amendment was agreed to.

The next amendment was, on page 22, line 15, after the name "Weather Bureau", to strike out "$6,006,965" and insert "$6,931,570", and in line 16, after the word "exceed", to strike out "$710,299" and insert "$757,339", so as to read:

Total, salaries and expenses, Weather Bureau, $6,931,570, of which amount not to exceed $757,339 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, at the top of page 23, to insert:

WEATHER BUREAU BUILDING, WASHINGTON, D. C.

Weather Bureau Building: For the construction and equipment, on the site of the Weather Bureau in the District of Columbia, of the first unit of an extensible building for the use of said Bureau, including necessary alterations in the existing Weather Bureau buildings, to remain available until expended $250,000.

The amendment was agreed to.

The next amendment was, on page 23, after line 8, to insert:

Total, Weather Bureau, $7,181,570.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Animal Industry, salaries and expenses", on page 26, line 6, after the word "experiments", to strike out "$792,880" and insert "$812,880"; in line 14, after the word "appropriated", to strike out "$238,957" and insert "$243,957"; and in line 16, before the word "may", to strike out "$40,000" and insert "$45,000", so as to read:

Animal husbandry: For investigations and experiments in animal husbandry; for experiments in animal feeding and breeding, including cooperation with the State agricultural experiment stations and other agencies, including repairs and additions to and erection of buildings absolutely necessary to carry on the experiments, $812,880, including $12,500 for livestock experiments and demonstrations at Big Spring or elsewhere in Texas, to be available only when the State of Texas, or other cooperating agency in Texas, shall have appropriated an equal amount or, in the opinion of the Secretary of Agriculture, shall have furnished its equivalent in value in cooperation for the same purpose during the fiscal year 1940: *Provided*, That of the sum thus appropriated $243,957 may be used for experiments in poultry feeding and breeding, of which amount $45,000 may be used in cooperation with State authorities in the administration of regulations for the improvement of poultry, poultry products, and hatcheries.

The amendment was agreed to.

The next amendment was, on page 26, line 23, after the word "products", to strike out "$447,000" and insert "$462,000", so as to read:

Diseases of animals: For scientific investigations of diseases of animals, including the construction of necessary buildings at Beltsville, Md., and necessary expenses for investigations of tuberculin, serums, antitoxins, and analogous products, $462,000.

The amendment was agreed to.

The next amendment was, on page 27, line 6, after the word "cattle", to strike out "$7,175,000" and insert "$9,800,000", so as to read:

Eradicating tuberculosis and Bang's disease: For the control and eradication of the diseases of tuberculosis and paratuberculosis of animals, avian tuberculosis, and Bang's disease of cattle, $9,800,000, together with the unobligated balances of the funds reappropriated under this head for the fiscal year 1939 by the Agricultural Appro-

priation Act for that year from unobligated balances of funds made available by the act of May 25, 1934 (48 Stat. 805), and section 37 of the act of August 24, 1935 (7 U. S. C. 612b).

The amendment was agreed to.

The next amendment was, on page 28, line 15, after the word "condemned", to strike out "in the case of tuberculous or paratuberculous animals, nor twice the amount paid or to be paid by the State, Territory, county, and municipality in the case of cattle reacting to the test for Bang's disease", so as to make the additional proviso read:

Provided further, That out of the money hereby appropriated no payment as compensation for any cattle condemned for slaughter shall exceed one-third of the difference between the appraised value of such cattle and the value of the salvage thereof; that no payment hereunder shall exceed the amount paid or to be paid by the State, Territory, county, and municipality where the animal shall be condemned; and that in no case shall any payment hereunder be more than $25 for any grade animal or more than $50 for any purebred animal.

The amendment was agreed to.

The next amendment was, on page 29, line 2, after the word "ticks", to strike out "$475,000" and insert "$503,940", so as to read:

Eradicating cattle ticks: For the eradication of southern cattle ticks, $503,940.

The amendment was agreed to.

The next amendment was, on page 29, line 12, after the name "Bureau of Animal Industry", to strike out the colon and the following additional proviso: *"Provided further*, That on and after May 1 of the fiscal year for which this appropriation is made, in any State or Territory whose legislature has been in regular session subsequent to the beginning of such fiscal year, no expenditures shall be made for these purposes until a sum or sums at least equal to such expenditures, or contributions other than money of the value equivalent to such expenditures, shall have been appropriated, subscribed, or contributed by the State, county, or local authorities, or by individuals or organizations concerned."

The amendment was agreed to.

The next amendment was, on page 30, line 25, after the word "printing", to strike out "$5,412,600" and insert "$5,433,000", so as to read:

Meat inspection: For expenses in carrying out the provisions of the Meat Inspection Act of June 30, 1906 (21 U. S. C. 95), as amended by the act of March 4, 1907 (21 U. S. C. 71–94), as extended to equine meat by the act of July 24, 1919 (21 U. S. C. 96), as authorized by section 2 (a) of the act of June 26, 1934 (31 U. S. C. 725a), and as further amended by the act of June 29, 1938 (21 U. S. C. 91), including the purchase of printed tags, labels, stamps, and certificates without regard to existing laws applicable to public printing, $5,433,000.

The amendment was agreed to.

The next amendment was, on page 31, line 19, to strike out "$15,493,312" and insert "$18,202,652", so as to read:

In all, salaries and expenses, Bureau of Animal Industry, $18,202,652.

The amendment was agreed to.

The next amendment was, under the subhead "Eradication of foot-and-mouth and other contagious diseases of animals", on page 33, line 4, after the word "Industry", to strike out "$15,493,312" and insert "$18,202,652", and in line 7, after the word "exceed", to strike out "$66,150" and insert "$144,950", so as to read:

Total, Bureau of Animal Industry, $18,202,652, of which amount not to exceed $768,898 may be expended for departmental personal services in the District of Columbia, and not to exceed $144,950 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Dairy Industry, salaries and expenses", on page 34, line 2, after the word "buildings", to strike out "$641,905" and insert "$645,905", so as to read:

Dairy investigations: For conducting investigations, experiments, and demonstrations in dairy industry, cooperative investigations of the dairy industry in the various States and inspection of renovated-butter factories, including repairs to buildings, not to exceed $5,000 for the construction of buildings, $645,905.

The amendment was agreed to.

The next amendment was, on page 34, line 4, before the words "of which", to strike out "$717,405" and insert "$721,405"; so as to read:

Total, salaries and expenses, Bureau of Dairy Industry, $721,405, of which amount not to exceed $343,510 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Plant Industry, salaries and expenses", on page 35, line 19, after the word "production", to strike out "$541,121" and insert "$561,121", so as to read:

Cereal crops and diseases: For the investigation and improvement of cereals, including corn, and methods of cereal production and for the study and control of cereal diseases, and for the investigation of the cultivation and breeding of flax for seed purposes, including a study of flax diseases, and for the investigation and improvement of broomcorn and methods of broomcorn production, $561,121.

The amendment was agreed to.

The next amendment was, on page 36, line 20, after the word "control", to strike out "$308,450" and insert "$328,450", so as to read:

Forage crops and diseases: For the investigation and improvement of forage crops, including grasses, alfalfas, clovers, soybeans, lespedezas, vetches, cowpeas, field peas, and miscellaneous legumes; for the investigation of green-manure crops and cover crops; for investigations looking to the improvement of pastures; and for the investigation of forage-crop diseases and methods of control, $328,450.

The amendment was agreed to.

The next amendment was, on page 37, line 6, after "U. S. C. 581b)", to strike out "$255,392" and insert "$265,392", so as to read:

Forest pathology: For the investigation of diseases of forest and ornamental trees and shrubs, including a study of the nature and habits of the parasitic fungi causing the chestnut-tree bark disease, the white-pine blister rust, and other epidemic tree diseases, for the purpose of discovering new methods of control and applying methods of eradication or control already discovered, and including $132,569 for investigations of diseases of forest trees and forest products, under section 3 of the act approved May 22, 1928 (16 U. S. C. 581b), $265,392.

The amendment was agreed to.

The next amendment was, on page 37, line 15, after the word "storage", to strike out "$1,328,982" and insert "$1,373,982", so as to read:

Fruit and vegetable crops and diseases: For investigation and control of diseases, for improvement of methods of culture, propagation, breeding, selection, and related activities concerned with the production of fruits, nuts, vegetables, ornamentals, and related plants, for investigation of methods of harvesting, packing, shipping, storing, and utilizing these products, and for studies of the physiological and related changes of such products during processes of marketing and while in commercial storage, $1,373,982.

The amendment was agreed to.

The next amendment was, on page 39, after line 2, to insert:

Rubber and other tropical plants: For investigation of crops from tropical regions and for the study and improvement of rubber plants by cultural methods, breeding, acclimatization, adaptation, and selection, and for investigation of their diseases, $46,749.

The amendment was agreed to.

The next amendment was, on page 39, line 18, after the word "matter", to strike out "$121,622" and insert "$168,457", so as to read:

Soil fertility investigations: For soil investigations into causes of infertility; maintenance of productivity, effects of soil composition, cultural methods, and fertilizers on yield and quality of crops; and the properties, composition, formation, and transformation of soil organic matter, $168,457.

The amendment was agreed to.

The next amendment was, on page 40, line 10, after the word "seed", to strike out "$322,500" and insert "$332,500", so as to read:

Sugar-plant investigations: For sugar-plant investigations, including studies of diseases and the improvement of sugar beets and sugar-beet seed, $332,500.

The amendment was agreed to.

The next amendment was, on page 40, line 15, before the words "of which", to strike out "$5,083,760" and insert "$5,282,344"; in line 16, before the word "may", to strike out "$1,736,620" and insert "$1,805,885"; and in line 18, after the word "exceed", to strike out "$24,575" and insert "$25,325", so as to read:

Total, salaries and expenses, Bureau of Plant Industry, $5,282,344, of which amount not to exceed $1,805,885 may be expended for departmental personal services in the District of Columbia and not to exceed $25,325 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Forest Service, salaries and expenses", on page 44, line 1, after the word "experimental", to strike out "forests" and insert "areas under administration of the Forest Service"; on page 45, line 5, after the word "Act", to strike out "$11,819,754" and insert "$12,004,000"; and in line 9, after the name "Idaho", to insert a colon and *"Provided further,* That in sales of logs, ties, poles, posts, cordwood, pulpwood, and other forest products the amounts made available for schools and roads by the act of May 23, 1908 (16 U. S. C. 500), and the act of March 4, 1913 (16 U. S. C. 501), shall be based upon the stumpage value of the timber", so as to read:

National-forest protection and management: For the administration, protection, use, maintenance, improvement, and development of the national forests, including the establishment and maintenance of forest tree nurseries, including the procurement of tree seed and nursery stock by purchase, production, or otherwise, seeding and tree planting and the care of plantations and young growth; the maintenance and operation of aerial fire control by contract or otherwise; the maintenance of roads and trails and the construction and maintenance of all other improvements necessary for the proper and economical administration, protection, development, and use of the national forests, including experimental areas under administration of the Forest Service: *Provided,* That where, in the opinion of the Secretary of Agriculture, direct purchases will be more economical than construction, improvements may be purchased; the construction, equipment, and maintenance of sanitary, fire preventive, and recreational facilities; control of destructive forest tree diseases and insects; timber cultural operations; development and application of fish and game management plans; propagation and transplanting of plants suitable for planting on semiarid portions of the national forests; estimating and appraising of timber and other resources and development and application of plans for their effective management, sale, and use; examination, classification, surveying, and appraisal of land incident to effecting exchanges authorized by law and of lands within the boundaries of the national forests that may be opened to homestead settlement and entry under the act of June 11, 1906, and the act of August 10, 1912 (16 U. S. C. 506–509), as provided by the act of March 4, 1913 (16 U. S. C. 512); and all expenses necessary for the use, maintenance, improvement, protection, and general administration of the national forests, including lands under contract for purchase or for the acquisition of which condemnation proceedings have been instituted under the act of March 1, 1911 (16 U. S. C. 521), and the act of June 7, 1924 (16 U. S. C. 471, 499, 505, 564–570), lands transferred by authority of the Secretary of Agriculture from the Resettlement Administration to the Forest Service, and lands transferred to the Forest Service under authority of the Bankhead-Jones Farm Tenant Act, $12,004,000: *Provided,* That $200 of this appropriation shall be available for the expenses of properly caring for the graves of fire fighters buried at Wallace, Idaho; Newport, Wash.; and St. Maries, Idaho: *Provided further,* That in sales of logs, ties, poles, posts, cordwood, pulpwood, and other forest products the amounts made available for schools and roads by the act of May 23, 1908 (16 U. S. C. 500), and the act of March 4, 1913 (16 U. S. C. 501), shall be based upon the stumpage value of the timber.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McNARY. Mr. President, my attention was diverted to another matter for a moment. I inquire if the amendment, on page 45, lines 9 to 14, has been agreed to?

The PRESIDING OFFICER. That amendment has been agreed to.

Mr. McNARY. May I ask the able Senator from Georgia was that amendment discussed in the committee?

Mr. RUSSELL. It was discussed at considerable length. The Senator from Oregon, who has participated in writing most of the forestry laws, in recent years, is familiar with the fact that when the wood or timber is sold from national forests the States receive 25 percent of the amount received from the sale of the wood in lieu of taxes which they have lost. After the great hurricane that devastated the New England States, and which blew down a great deal of timber in national forests we made an appropriation in the deficiency bill of $5,000,000 to employ people and to get that timber out of the woods to the roads where it could be sold. The act provides that the States are to receive 25 percent of the stumpage value of the timber. Without this language in the bill the States in which these forests are situated would receive 25 percent of the $5,000,000 appropriated as well as what the timber ultimately might bring. Therefore, this amendment merely provides that those States shall receive stumpage value, which is the amount they would have received if the wood had been cut without having been blown down by the hurricane.

Mr. McNARY. That is a very clear explanation. I inquire if the Forest Service requested the change?

Mr. RUSSELL. The Forest Service requested the change. The language was submitted in the Budget estimate but for some reason it was left out by the other House.

Mr. McNARY. Very well.

The PRESIDING OFFICER. The next amendment reported by the committee will be stated.

The next amendment was, on page 46, line 24, after the word "elsewhere", to strike out "$593,403" and insert "$648,403", and in line 25, after the word "which", to strike out "$5,000" and insert "$20,000", so as to read:

Forest management: Fire, silvicultural, and other forest investigations and experiments under section 2, as amended, at forest experiment stations or elsewhere, $648,403, of which $20,000 shall be for investigations of the lowland hardwoods in the lower Mississippi River Basin.

The amendment was agreed to.

The next amendment was, on page 47, line 6, after the word "elsewhere", to strike out "$225,935" and insert "$245,935", so as to read:

Range investigations: Investigations and experiments to develop improved methods of management of forest and other ranges under section 7, at forest or range experiment stations or elsewhere, $245,935.

The amendment was agreed to.

The next amendment was, on page 47, line 9, after the word "elsewhere", to strike out "$628,361" and insert "$700,000", so as to read:

Forest products: Experiments, investigations, and tests of forest products under section 8, at the Forest Products Laboratory, or elsewhere, $700,000.

The amendment was agreed to.

The next amendment was, on page 47, line 13, after the numeral "10", to strike out "$121,295" and insert "$131,295", so as to read:

Forest economics: Investigation in forest economics under section 10, $131,295.

The amendment was agreed to.

The next amendment was, on page 47, after line 20, to insert:

Tropical forest experiment station: For the establishment and maintenance of a forest experiment station in the tropical possessions of the United States in the West Indies, pursuant to section 2 of the act of May 22, 1928 (16 U. S. C. 581a), $30,000.

The amendment was agreed to.

The next amendment was, on page 48, line 1, after the word "expenses", to strike out "$14,605,400" and insert "$14,976,285"; in line 8, after the word "exceed", to strike out "$853,349" and insert "$862,769"; in line 10, after the word "exceed", to strike out "$1,000" and insert "$1,500"; and in line 13, after the word "Stations", to insert "and of the Department of Timber Utilization of the Comité International du Bois", so as to read:

In all, salaries and expenses, $14,976,285; and in addition thereto there are hereby appropriated all moneys received as contributions toward cooperative work under the provisions of section 1 of the act approved March 3, 1925 (16 U. S. C. 572), which funds shall be covered into the Treasury and constitute a part of the special funds provided by the act of June 30, 1914 (16 U. S. C. 498): *Provided,* That not to exceed $862,769 may be expended for departmental personal services in the District of Columbia: *Provided further,* That not to exceed $1,500 may be expended for the contribution of the

United States to the cost of the office of the secretariat of the International Union of Forest Research Stations and of the Department of Timber Utilization of the Comité International du Bois.

The amendment was agreed to.

The next amendment was, under the subhead "Forest-fire cooperation", on page 49, line 2, after the word "act", to strike out "$2,000,000" and insert "$2,500,000", and in line 3, after the word "exceed", to strike out "$50,000" and insert "$62,000", so as to read:

For cooperation with the various States or other appropriate agencies in forest-fire prevention and suppression and the protection of timbered and cut-over lands in accordance with the provisions of sections 1, 2, and 3 of the act entitled "An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote continuous production of timber on lands chiefly valuable therefor," approved June 7, 1924 (16 U. S. C. 564–570), as amended, including also the study of the effect of tax laws and the investigation of timber insurance as provided in section 3 of said act, $2,500,000, of which not to exceed $62,000 shall be available for departmental personal services in the District of Columbia and not to exceed $2,500 for the purchase of supplies and equipment required for the purposes of said act in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Cooperative distribution of forest planting stock", on page 49, line 19, after the word "thereto", to strike out "$70,579" and insert "$100,000", so as to read:

For cooperation with the various States in the procurement, production, and distribution of forest-tree seeds and plants in establishing windbreaks, shelterbelts, and farm wood lots upon denuded or nonforested lands within such cooperating States, under the provisions of section 4 of the act entitled "An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor", approved June 7, 1924 (16 U. S. C. 567), and acts supplementary thereto, $100,000, which amount shall be available for the employment of persons and means in the District of Columbia and elsewhere.

Mr. ADAMS. Mr. President, in connection with the item relating to cooperative distribution of forest planting stock let me say that I have received some communications protesting against it. I do not pretend to know what the situation is, and so I should like to have an explanation. The protests come to me from those who are engaged in the business of developing trees, I think, for private sale. I do not know what the stiuation is, but, as I have said, I have received some telegrams about it and should like to know what the situation is.

Mr. RUSSELL. The item that is now under consideration by the Senate has been carried in the bill for a long number of years. In my opinion, the item to which the Senator from Colorado has reference will be found on page 102 of the bill, which is the cooperative farm forestry item under the Norris-Doxey Act and it appears in the bill for the first time this year. The item now under consideration pertains largely to national forest lands. It is part of the original McNary-Sweeney Act, I think.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 49, line 19.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment will be stated.

The next amendment was, under the subhead "Acquisition of lands for national forests", on page 50, line 6, after the word "lands", to strike out "$2,000,000" and insert "$3,000,000", so as to read:

For the acquisition of forest lands under the provisions of the act approved March 1, 1911, as amended (16 U. S. C. 513–519, 521), under sound commercial title satisfactory to the Attorney General as provided in said act, including the transfer to the Office of the Solicitor of such funds for the employment by that office of persons and means in the District of Columbia and elsewhere as may be necessary in connection with the acquisition of such lands, $3,000,000: *Provided*, That not to exceed $112,500 of the sum appropriated in this paragraph may be expended for departmental personal services in the District of Columbia.

Mr. BARKLEY. Mr. President, I ask to have that amendment passed over until a little later, and also, when it is reached, the amendment on page 80 with reference to grading tobacco.

Mr. RUSSELL. I have no objection.

Mr. BARKLEY. Mr. President, I will offer my amendment now. On page 50, line 6, in the committee amendment, I move to strike out "$3,000,000" and insert in lieu thereof "$5,000,000."

I shall make only a brief statement about the amendment. For some time the Forest Service have been asking Congress to appropriate $10,000,000 a year to enable them to buy new forest lands over a period, so that they may have some reliance on the amount of money that will be available. I have not time to go into details about the matter; but it seems to me that the request of the Forest Service is not an unreasonable one, because we have to start in now to purchase lands available for forestry because of the shortsightedness of some of our ancestors, who allowed nearly all of the available forest lands in certain parts of the country to become owned by private interests; and now we have to go back and buy them up in order to turn them into forests. Our ancestors became a little more farsighted as our country developed toward the west, and were able, out of the public lands and otherwise, to arrange for large forest areas; but especially in the East and in the Middle West and in some parts of the far West there are still available areas for the Forest Service. There are cut-over lands that ought to be reforested. I am not asking that the request of the Forest Service be granted by appropriating $10,000,000, but I am asking that half of that amount be provided.

The Senate committee has amended the House language by increasing the amount from $2,000,000 to $3,000,000. The amendment I offer is to make the amount $5,000,000. I should like to see the House figure increased by $3,000,000 so that the Forest Service may with some degree of assurance go ahead with its program—which it can carry out, under the amendment I offer, only to the extent of 50 percent of its desires—of purchasing available forest lands not only where there are forests in existence, but lands that have been cut over and need to be reforested, because, unless the Forest Service does this work, it is not going to be done.

I wish the Senator from Georgia, in charge of the bill, would accept the amendment.

Mr. RUSSELL. Mr. President, I should be glad to accept the amendment if the committee had not considered and rejected the proposal submitted by the Senator from Kentucky. I feel bound by the committee's action to state that the committee considered the $5,000,000 amendment and voted it down, and then adopted an amendment increasing the appropriation to $3,000,000, which is the amount provided in the act for the current year.

Of course the representatives of the Forest Service testified before the committee that there was very vital need for increased funds. They had asked the Budget Bureau for $10,000,000, and the Budget Bureau had allowed only $2,000,000, the amount carried in the House bill.

If the committee had not definitely voted on this question, I should be glad to accept the amendment of the Senator from Kentucky; but I feel that I am bound by the action of the committee to say that the committee did consider it, and voted it down.

Mr. BARKLEY. The Senator knows that the Forest Service now have under contemplation the purchase of a considerable acreage of forest lands in the Appalachian Mountains and in other parts of the country, and that they cannot go forward with that project unless they receive an increased amount.

Mr. RUSSELL. That was the testimony which was adduced before the committee. After hearing that testimony, the committee voted to restrict the appropriation to $3,000,000.

Mr. BARKLEY. I appreciate the Senator's attitude, and I appreciate his sympathy for the increased amount; but I hope the Senate will feel justified in increasing it.

Mr. BYRNES. Mr. President, I desire to ask the Senator from Georgia if my recollection is correct that not only for

the current year but for the previous year the appropriation has been $3,000,000. The purpose of the committee, as I understood the discussion, was to try to fix an amount upon which the Forest Service could rely, and, as it has been heretofore fixed at $3,000,000, to retain that amount, instead of increasing it and decreasing it from year to year, and having the Forest Service in such a position that it would not know what amount it could rely upon having. If we stick to the appropriation of $3,000,000, the Forest Service can make its plans accordingly.

Mr. RUSSELL. Mr. President, the appropriation for the current year is $3,000,000, and the appropriation for the preceding year was the same amount. Until that time varying amounts had been appropriated. One year the Forest Service received from emergency funds an allocation amounting to approximately $16,000,000. The next year the Budget Bureau allowed them only $1,000,000. There has been a great fluctuation; and for the past 3 years the Senate committee has endeavored to keep this sum at not less than $3,000,000.

Mr. McNARY. Mr. President, of course, the chairman must always follow the action of his committee. I am a member ex officio of the committee, and therefore am not bound, because I was not present when this item was considered. If I had been, the result might have been different.

This probably is one of the most meritorious appropriations contained in this very large bill. Some years ago, when the late able Senator from Massachusetts, Mr. Weeks, was a Member of this body, I recall that he introduced a bill which was called the forest acquisition bill. The first appropriation under that bill was $150,000. It gradually grew to $500,000, and then to a million dollars. In 1926 a bill was passed, known as the Clarke-McNary bill, which authorized an annual expenditure of $10,000,000 to acquire cut-over land in the watersheds of navigable streams.

Anyone can appreciate, from a mere glance at the matter, how full of merit an appropriation of that kind is. Under that authorization large sums have been appropriated, and particularly have been transferred by the P. W. A. and other agencies to this Department for this purpose. Large areas have been acquired in some of the Southern States and the New England States. Very little has been expended in the Western States, because they have sufficient forest areas without acquiring any more. I think the average price of the land acquired has been a little less than $4 an acre—$3.87 an acre. The Government acquires cut-over land where great erosion occurs, where the forests had a great deal to do with climatic conditions and the water-supply and recreation conditions of the country, and reforests them now by means of the C. C. C. camps to a large extent. In a short time these areas are protected from erosion, the rainfall is conserved, a better supply of water for municipalities is assured, and large recreation areas are afforded to the people of the country. Without the purchase by the Government of these practically worthless lands—which oftentimes are abandoned by the private owners, and go back to the States or the counties or the tax roll, and become a charge against the respective political subdivisions—this work could not be carried on.

If I had my way and were going through this bill, I would pare down many of the other appropriations, and place in this fund the amounts thus saved. In my opinion, no more desirable work is being done than taking worthless lands that have been logged off, where bare stumps appear on the soil without any evidence of reforestation, and making forests out of them.

We should have had during all the years since 1925, the year of the passage of the Clarke-McNary bill, annual appropriations of $10,000,000; but somehow we have never been able to obtain them, because there was a lack of appreciation of the splendid work that has been done and is being done in acquiring these lands.

I am in entire sympathy with the able Senator from Kentucky [Mr. BARKLEY] in desiring to increase this amount to $5,000,000. If we do so, I suspect that the House will accept the amendment. It is a very small sum for such a commendable purpose. While I concede the correctness of the attitude of the able Senator from Georgia, the chairman of the subcommittee, that as this matter was considered by the committee of course he should stand up nobly, as he is doing, and oppose the amendment, I am in favor of the amendment offered by the Senator from Kentucky, and hope we may now have a vote on it, and that that sum of money will be appropriated by the Senate for this purpose.

Mr. ADAMS. Mr. President, I wish to call the attention of Senators to the fact that there have been purchased and added to the Forest Service during the past 10 years 15,000,000 acres. So the Forest Service has not been idle, and Congress has not been neglectful of the Forest Service, when 15,000,000 acres have been acquired in 10 years.

Mr. McNARY. Of course, standing by itself, that seems a tremendous area; but if one goes over the country and makes a study of this matter, as I did a few years ago with a special committee, 15,000,000 acres seem very small compared with the area of denuded land which should be reforested. Of course some areas have been added, and some money has been appropriated, but not sufficient.

There were 400,000 acres of lands in the East originally which should have been forested, and now the area has been reduced by at least three-fourths, much of it in the New England States, where hardwood is grown and converted into lumber, and much of it in the Great Lakes States, lands which are as bare as they were 25 or 30 years ago when the timber was removed. The Government should begin to acquire those lands and build up the forests for the benefit of those who live in the region and for the great purpose forests serve the entire Nation.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. BARKLEY. Fifteen million acres, compared with the acreage of an average farm or even an average county, may seem like a tremendous acreage, and I wish to compliment the Forest Service for doing the best they could with the amount of money available. But when we consider what every other country in the world has done to preserve its forests, and the regulations in force under which a man is not even permitted to cut a tree from his own land; when we consider the welfare of our country 50 or 75 years hence in the matter of forests and the preservation and re-creation of forests, 15,000,000 acres is really a very insignificant area. I hope the amendment will be agreed to.

Mr. BYRNES. Mr. President, I have listened to what the chairman of the subcommittee and the Senator from Colorado have said as to the 15,000,000 acres. My information is that on July 1 a considerable acreage is to be transferred to the Forest Service from the Resettlement Administration. I should like to ask the Senator from Georgia what acreage will be transferred on July 1 to the Forest Service from the Resettlement Administration.

Mr. McNARY. Is the transfer statutory, or is it to be made under an edict under the reorganization plan?

Mr. BYRNES. I wish to ascertain that from the Senator from Georgia. I remember a statement being made before the committee of a considerable acreage being transferred, but I am not familiar with the amount.

Mr. McNARY. I am anxious to know whether this is in contemplation by the President or is mandatory by statute.

Mr. BYRNES. I have just stated that I do not know, and that is what I intend to ask the Senator.

Mr. McNARY. The Senator knows a good deal about the reorganization plans.

Mr. BYRNES. I know only of the order which has come to the Senate, and I know of no order affecting this particular question. I think the Senator from Georgia has the information desired by the Senator from Oregon.

Mr. RUSSELL. Mr. President, I do not have before me the exact figures as to the number of acres acquired by the Resettlement Administration under the acquisition program affecting submarginal lands. It is my recollection that approximately 8,000,000 acres were acquired. I do not know the exact number that were transferred to the Forest Service.

I may say to the Senator from Oregon that this has nothing whatever to do with the reorganization program, but the Resettlement Administration did purchase these lands with emergency funds to retire them from cultivation, on the theory that they were submarginal. While I am not sure, my recollection is that 1,500,000 acres will be transferred on the 1st of July to the Forest Service.

Mr. McNARY. That is submarginal land.

Mr. RUSSELL. It is adjacent to forest areas.

Mr. McNARY. It has no relation to forest bearing lands at the headwaters of navigable streams.

Mr. RUSSELL. Yes, it is land which is adjacent to established forest areas. Of course, some of these lands were given to many other agencies. The Biological Survey has acquired a considerable number of acres. A number of acres have been transferred to the National Park Service. But those adjacent to established forest areas were transferred to the Forest Service.

Mr. GEORGE. Mr. President, as a member of the National Forest Reservation Commission I would like to say upon that point that all the lands that will be transferred to the Forest Service are outside of existing units. They are not within the units. They may be adjacent, and are adjacent, because attractive land far removed from any forest unit could not be very well handled by the Forest Service unless it were sufficiently large within itself to warrant the handling of the tract as a separate forest unit area. So, while the addition of these lands does increase the forests, the additional lands do not fill out units which have been commenced. In other words, the National Forest Reservation Commission, on the advice and recommendation of the Forest Service, approves a unit. The boundaries are marked out and lands are purchased within the unit. The addition of lands outside the unit may increase the total area of the unit finally, but will not make any contribution to the filling out of the area included within the unit.

We have tried to follow a somewhat consistent rule by not purchasing lands where less than 20 percent of the unit has been acquired by the Government. Generally speaking, the Commission has followed that rule during the past 2 years.

The larger part of the money paid to the Forest Service with the assistance of the Commission for establishing units throughout the country has come to us through allotments from relief or public-works appropriations. By virtue of an order issued by the President 2 years ago, I believe, some $30,000,000 was transferred at one time.

These forest units have now been established as far west as Minnesota, and even beyond, some in California, but the greater part of the units which are now being filled out are in the eastern part of the United States. Large areas have been purchased in the State of Michigan, as well as areas in Missouri and Illinois, and, as I have stated, some have been established as far west as Minnesota.

I do not think there is any better purpose for which Congress can authorize the expenditure of public money than in the rebuilding of our forests, in the rebuilding of lands which have been denuded of timber—cut-over lands. The purchases made by the Forest Service and approved by the Commission have not evoked any complaint on account of the high prices paid; but from time to time the Commission have considered protests, coming from various and widely scattered sections of the country, that we were paying too little for the lands, and thereby affecting the general market price of other lands in the areas.

It seems to me that this program ought to be extended as far as possible, and I heartily agree that we should have a fixed appropriation of $10,000,000 a year for the purpose of filling out the various forest units, now running very high in number.

In many of the units only 25 or 30 percent of the land within the area has been purchased, and the longer we defer action probably the higher will be the prices which will have to be paid, and certainly greater will be the delay in the actual effective work of the Forest Service in treating the whole area as a unit, and applying to it such principles and such policies as the Forest Service desires to apply to the respective units. I hope the appropriation will be increased to $5,000,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. BARKLEY. Mr. President, I ask the Senator from Georgia whether he will not be willing to step forward to page 80 to another amendment in which I am interested, because I am compelled to leave the Chamber?

Mr. RUSSELL. I shall be glad to accommodate the Senator from Kentucky.

Mr. BARKLEY. I ask unanimous consent that we take up at this time the amendment in line 2 on page 80.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 80, line 2, the committee proposes to strike out "$375,000" and to insert in lieu thereof "$450,000", so as to make the paragraph read:

Tobacco Inspection Act: To enable the Secretary of Agriculture to carry into effect the provisions of an act entitled "An act to establish and promote the use of standards of classification for tobacco, to provide and maintain an official tobacco-inspection service, and for other purposes", approved August 23, 1935 (7 U. S. C. 511-511q), $450,000.

Mr. BARKLEY. Mr. President, I move that the figures "$450,000" be eliminated and that "$525,000" be substituted.

This is an increase in the amount of money appropriated for the purpose of scientific grading of tobacco through the Department of Agriculture. If I had the time, I should like to go into the history of the appropriation and the history of the activities of the Department of Agriculture in the matter of grading tobacco. It is a sort of self-liquidating proposition.

When I was a boy, living in the country, we used to raise tobacco, but we knew only three grades. In the scientific development of the marketing of tobacco, however, there are now some sixty-odd grades of tobacco, and the more scientifically these tobaccos are graded better prices and the more logical prices are received by the producer according to the quality of his tobacco.

Mr. President, tobacco produces about one-eighth of the entire revenue of the United States Treasury. Between $525,000,000 and $550,000,000 goes into the Treasury of the United States because of taxation on tobacco. That is about one-eighth of the income of the Treasury Department.

Tobacco is the only product which still bears war-time taxes levied during the World War. There is a tax of 18 cents a pound on tobacco that is distributed in the rough, or in the hand, or loose for chewing or smoking purposes, unless the farmer sells his own tobacco which he himself has produced on his own farm, and in that event he does not have to pay the tax. But if I raise tobacco and I sell it to B, and B desires to sell it to the consuming public for the purposes of chewing or smoking, without going through what is called the manufacturing process, B must pay a tax of 18 cents a pound into the Treasury of the United States in order to enjoy the right to resell that tobacco. Although that tobacco may have been sold by the farmer for 5 or 6 cents a pound, the Government of the United States gets 18 cents a pound in the form of a tax. There is the tax on cigars; there is the tax on smoking tobacco; there is the tax on cigarettes, and all these different taxes on tobacco in its various forms amount to nearly $550,000,000 a year.

All we are asking is $150,000 increase in the amount of money carried in the appropriation bill as passed by the House in order to assist the Department of Agriculture to help the farmers grade their tobacco more scientifically.

Under the appropriation of $375,000 carried in the House bill, and $450,000 carried in the bill as amended by the Senate Committee on Appropriations, there are scores of tobacco markets in the United States, in Kentucky, Tennessee, Virginia, North and South Carolina, Georgia, Wisconsin, and in the southern part of Ohio, and probably a few in

Indiana, where the Department cannot install any scientific and well-trained graders in order to teach the farmer how to grade his tobacco so that it may produce more money for the farmer, and of course produce more money for the Treasury.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LOGAN. Is it not also true that the farmers in those markets where they sell the tobacco are asking for these graders, but the Department of Agriculture cannot furnish them because of lack of funds?

Mr. BARKLEY. That is absolutely true. The tobacco growers have been imploring and are now imploring Congress to increase this appropriation. I went before the subcommittee of the Committee on Appropriations and asked for an additional $150,000 and the committee granted an increase of $75,000, which is really insignificant when compared to the need. The farmers' organizations, individual farmers, and the Farm Bureau Federation in all the States which produce tobacco, are asking for the increase.

Mr. President, in view of the enormous revenue that is produced and which comes into the United States Treasury from tobacco alone, $150,000 is an insignificant sum to ask Congress to appropriate in order that the tobacco farmers may be given the necessary help in undertaking to grade scientifically their tobacco. They are asking for such help. The amount asked is small. I realize that it is the committee's duty to keep appropriations down. However, greater amounts of money are carried in the appropriation bill for the benefit of crops which do not produce a dime of revenue for the United States. I do not object to that. I am in favor of appropriating money for the benefit of all agricultural products. I am not sectional in my attitude toward agriculture, and even though the increase I ask is not allowed, I would not vote to strike from the bill any item in it the purpose of which is to help some other crop in some other section of the country. But it certainly seems to me to be a just and fair request, and one which ought not to receive opposition, when a great agricultural industry, the tobacco industry, which provides for the United States Treasury one-eighth of its income, asks for $150,000, not only to help the farmer grade his tobacco more scientifically, and therefore receive more money for it, but almost automatically to increase the amount of money that will come into the United States Treasury by reason of the more scientific grading and marketing and distributing of the tobacco produced in the United States.

I hope the amendment to the committee amendment will be agreed to.

Mr. RUSSELL. Mr. President, I was personally much impressed by the statement which the Senator from Kentucky [Mr. BARKLEY] made when he appeared before the Committee on Appropriations. However, the item he refers to is just one of any number of very meritorious items which the Appropriations Committee would like to include in the bill. But when considering the many requests which were made, in the light of the amount carried in the House bill, and the amount approved by the Bureau of the Budget, the committee allowed the Senator from Kentucky one-half of the amount which he requested. I might point out that this amount of $75,000 was just that much above the Budget estimate. The Budget recommended the sum of $375,000.

We were keenly aware of the merits of the assertions of the Senator from Kentucky [Mr. BARKLEY] in making this appropriation last year. The year before last only $275,000 was allowed for this purpose. The Senator from Kentucky appeared before the committee and we agreed to $450,000 last year, and the item came out of conference with $375,000. Therefore the item for the current year is a substantial increase over the amount carried year before last.

It is true that tobacco does pay an enormous amount of revenue into the National Treasury, but when the basic act was enacted providing for this inspection work, that fact was taken into account.

This is one of the few inspection items under the Department of Agriculture for which no inspection fee is charged the farmer. In most instances some fee is charged for inspection. Of course, I am arguing against self-interest in this matter because the tobacco farmers in my State are very anxious to have these grading markets established, but my responsibility as Senator in charge of the bill compels me to oppose any increase over and above the amount we allowed.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LOGAN. The thing that is uppermost in my mind is that if the Department of Agriculture is given the additional $150,000 it can supply the demand for grading. But if Congress stops with a $75,000 increase, then there will be many tobacco markets in which the graders and inspection service cannot be installed. The service would be installed in the tobacco market in one town, let us say, and in another town, not far away, the Department cannot give them the same service, and they must do without it.

In view of the fact that the Department of Agriculture can furnish all the graders necessary if the $150,000 increase is granted and will have to leave certain markets out if only $75,000 is granted, it seems to me apparent that the $150,000 asked for should be allowed.

Mr. RUSSELL. Mr. President, of course, there is some merit in that argument, but this inspection service is not installed in any tobacco market until there has been a referendum of the farmers living in the neighborhood, and the Department has proceeded very wisely and has not called referendums except when the Department has been requested so to do.

Mr. LOGAN. That is true.

Mr. RUSSELL. And the service is now being afforded where the referendums have been held and the majority of the farmers have voted in the affirmative. Other tobacco markets doubtless would have approved the establishment of this service if referendums were held, but at the present time the service is established in all the markets in which referendums have been held, and the increase which the committee allowed will permit an increase in the number of markets where the farmers can vote that they wish to have the service established.

Mr. LOGAN. The Department of Agriculture would naturally not call a referendum when it knew it did not have the money to supply the graders. I think all the farmers want this grading help if they can get it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky [Mr. BARKLEY] to the committee amendment on page 80, line 2.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, on page 50, after line 23, to insert:

> For the acquisition of lands for addition to the Tahoe National Forest in the State of Nevada in accordance with the provisions of sections 1 to 4, inclusive, of the act approved February 12, 1938, $325,000.

Mr. KING. Mr. President, upon a number of occasions during the past few years I have challenged attention to the fiscal policies of the Government and the unjustifiable if not illegal appropriations which were being made. I have called attention to the heavy burdens of taxation which the American people were compelled to meet and the unwise and in many instances unsound and dangerous policies which were being adopted and which called for increased appropriations and encroachments of the Federal Government upon the States. We have seen the mounting costs of Government during the past few years and the enormous increase in the demands made upon the taxpayers of the United States. All appeals for economy in governmental activities have fallen upon deaf ears. There has been a veritable orgy

of expenditures without commensurate results. It would appear that the more bureaus that were created and the larger the appropriations made by the Federal Government, the more unsatisfactory was our economic and industrial condition. Certain it is that we have not by these large expenditures reduced unemployment, improved the conditions of agriculture, and advanced the industrial and economic condition of the Nation. Indeed the demands for larger appropriations are increasing, based in part at least upon the contention that there has been no improvement in the economic or industrial conditions of our country. The opinion seems to prevail that the obligation rests upon the Federal Government to respond to every request for Federal appropriations.

There are many indications that some of our citizens are relying more and more upon the Federal Government to assume responsibilities which belong to individuals, States, and their political subdivisions. The Government is responding to many of these demands and projecting itself into fields of endeavor which are without the authority of the Federal Government.

It must be apparent to even the most casual observer of the economic and industrial conditions of the United States during the past few years that there is a subsidence of that fine spirit of individualism which is essential to the preservation of democratic institutions and of our form of government. There are limits under the Constitution to the power of the Federal Government, and whenever it transgresses such limitations unfortunate and, indeed, serious consequences will inevitably result.

I have indicated on several occasions that the Federal Government has been engaged in a spending spree, and it is obvious that the spree is not ended. But I fear that my criticisms of some of the policies of the Government have been regarded as discordant notes. I have no reason to believe that what I shall say today will meet with any very general approval in this body, and certainly not with millions who are the beneficiaries of Federal gratuities and appropriations.

We are spending billions of dollars annually in excess of the billions which we wring from the people of the United States by oppressive revenue measures. Before concluding my remarks I shall indicate some of the enormous expenditures which are being made, and the progress toward national bankruptcy which some contend we are making.

Mr. President, excessive debt, whether of individuals or of governments, may not be defended; and certainly excessive debt corrupts a nation just as it ruins individuals. As I indicated, I know that I am but a voice crying in the wilderness and that efforts to reduce governmental expenses and adopt sound fiscal policies will under the present phobia of State socialism prove futile. We cannot stay the torrential flow of Federal expenditures, nothwithstanding the fact that there are signposts along the way to show that we are tending toward inflation, which will culminate in impairing the credit of the Government.

The attempt to borrow one's self out of debt only prolongs the evil and adds to the confusion. Upon many occasions I have criticized the spending policy of the Government and of my party, and have indicated that unless the demands are resisted the inevitable consequence must be bankruptcy. I have examined many of the hearings, not only those before the committee which reported the bill, but those in the House. I have examined many thousands of pages of the Senate and House hearings this year and I recall but few instances in which there was any opposition to the appropriations which were being made or to the demands which were presented by executive departments.

It is worthy of note, Mr. President, that in 99 cases out of a hundred, if not 999 out of a thousand, the demands for appropriations come from Federal officials; from these persons and Federal agencies which will profit thereby and increase their authority and power. The bureaus are always in tune to sound their demands when appropriations committees meet. The bureaus and the hundreds of thousands of Federal officials are the ones who are most anxious to obtain appropriations. There are no opponents to question or defeat their demands; there is no devil's advocate before the committees to protect the interests of the public and of the Government. Senators may search the hearings in vain to find justification for many appropriations, or to find opposition voiced to the demands which are made.

Within a few days I shall offer a bill which I hope will have the effect of protecting the people and the Government and of providing satisfactory evidence to the legislative branches of the Government of the validity of any claim which is presented for consideration. The measure provides for an independent legislative organization or commission, with an adequate and suitable staff to investigate claims and measures presented or requests made for appropriations. This commission will have full authority to subpena witnesses and, as indicated, to make exhaustive investigations as to the merits of any measure, or bill, or demand for legislation, and particularly for appropriations from the Federal Treasury.

Under the provisions of the proposed bill the legislative branch of the Government will not have to depend almost exclusively upon Federal agencies, Federal employees, Federal bureaus and organizations, for facts with respect to claims and demand for legislation. There will be no ex parte hearings in which only Government agencies and claimants for Federal appropriations will be heard.

Mr. President, in my opinion it would be in the interest of economy and in the interest of the people if Federal employees, and representatives of Federal bureaus and organizations, were permitted to appear before committees preparing legislation, only when requested by the proper legislative committees and organizations.

As I have indicated substantially all of the propaganda in favor of appropriations and increased activities of bureaus and Federal organizations come from employees in the Federal Government who would be profited thereby. As I have stated the hearings are practically ex parte, and committees preparing legislation are dependent almost exclusively upon representations made by Federal agencies and bureaus and by Federal employees.

Unfortunately there is great apathy upon the part of the public. Representatives of the people seldom appear, and only when they are interested in securing legislation, including appropriations. The view seems to prevail that the various departments and Federal agencies and bureaus, including the Bureau of the Budget, will prepare the necessary measures, including appropriation bills, and therefore it is not important that representatives of the public should participate in hearings leading up to the preparation of appropriation bills.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. VANDENBERG. I think the Senator has made an excellent suggestion in proposing an independent legislative budget and in arming senatorial debate with an independent source of information with which to combat the constant campaign for increased expenditures.

I should like to remind the Senator that the able chairman of the Finance Committee, the Senator from Mississippi [Mr. HARRISON], in discussing the same problem in an address this week, suggested that it might be well to require a two-thirds majority in the House and Senate to sustain appropriations. As he pointed out at the time, that was one of the provisions of the Constitution of the Confederate States.

I should like to add for the Senator's consideration, Mr. President, the further thought that the Chief Executive of this country can never fulfill his promises to the American people in respect to economy unless he has the privilege of the item veto in connection with appropriation bills. I know of nothing more essential than to give the President the item-veto privilege, so that an Executive who wants to economize may have an opportunity to do so effectually.

I submit that suggestion to the Senator.

Mr. KING. Mr. President, I am glad the Senator has indicated approval of the suggestion which I made; and I

sincerely hope that the bill which I shall present may have his support, because I fear that it will encounter opposition.

With respect to the suggestion which the Senator has made concerning the power of the President to veto items in an appropriation bill, I heartily subscribe to that view. I have favored it for a number of years, and have supported the Senator who has so eloquently and forcibly presented it from time to time for the consideration of the Senate. I marvel that we have not taken the necessary steps to effect that reform, even though a constitutional amendment might be necessary.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. VANDENBERG. I merely wish to add that about 2 years ago the present President of the United States indicated a very active interest in the item veto. Since that time nothing has been heard from the White House on the subject. I do not know whether or not it has become lost in the concentrated attention which foreign affairs now demand, monopolizing every consideration we give to public matters. However, I respectfully suggest to the President of the United States that he renew his interest in his suggestion of 2 years ago. I think it would be very helpful to him, and to his successor in salvaging his deficits.

Mr. KING. I shall be pleased to see the necessary steps taken to accomplish that reform. However, Mr. President, in my opinion Senators individually and collectively do not give to the consideration of appropriation bills that serious and earnest attention which they should. We have before us today a bill calling for appropriations of more than $1,300,000,000 in the aggregate. There were 20 Senators present before the able chairman of the subcommittee began explanation of the bill and its most important provisions; and at the conclusion of his statement less than 10 Senators were present.

It is expected that the bill will pass with but little opposition; and perhaps the lamentation will be that instead of $1,300,000,000 the appropriation should be $1,500,000,000.

When I was in the House, I remember that the agricultural appropriation bill carried appropriations of but a few million dollars. It now carries appropriations exceeding $1,300,000,000, plus $100,000,000, and perhaps more, which will be realized from customs receipts. As Senators know, a few years ago our customs receipts were between $400,000,000 and $600,000,000 annually. If there should be a revival of business, and a reasonable degree of prosperity, undoubtedly the customs receipts would soon rise far above the present figure, and perhaps attain a figure of $400,000,000 or $500,000,000 annually, which would, of course, automatically increase the appropriation for the Department of Agriculture.

The bill, of course, does not indicate the sum of over $100,000,000 which comes from customs receipts. So when the bill passes the Department of Agriculture will have available for expenditure during the next year approximately $1,400,000,000, a sum so large that I fear many of us do not fully comprehend.

A few moments ago we were debating over an appropriation of $150,000 for the benefit, as it was claimed by the distinguished Senator from Kentucky [Mr. BARKLEY], of the producers of tobacco. Why not take $150,000 from the salaries of the personnel in the Department of Agriculture and give it to the Senator from Kentucky for the benefit of tobacco growers? The personnel in the Department of Agriculture, as I recall, exceed 35,000. We could strike from the rolls thousands of those who constitute the great army in the Department of Agriculture and provide $150,000 for the tobacco growers. However, that will not be done. The personnel will be increased by this bill. A few years ago the personnel in the Department of Agriculture was only a few thousand. In fact, I recall that when I was in the House years ago the personnel in the Department of Agriculture was approximately 1,000. I believe it is now more than 35,000. So I suggest that we economize by reducing the enormous army in the Department of Agriculture and in all the other executive departments of the Government.

There are now considerably more than a million and a half persons employed by the Federal Government not including several million whose names appear upon the pay rolls of the various Federal agencies.

As an illustration of the increase of personnel I recall that the number of employees of the Department of Commerce and Labor soon after its organization was 1,047. Later it was divided into two departments and the employees in the two departments today total many thousands. I recall that in 1903 the number of employees in the District of Columbia in the Department of Justice was 141. In 1936 there were 2,178. In the Department of the Navy the employees in the District of Columbia in 1903 were 324 and in 1936 there were 11,000. The number of employees in the Post Office Department in the District of Columbia increased from 697 in 1903 to 3,940 in 1936. The number of employees in the Department of the Interior between the years just mentioned more than doubled and in the Department of the Treasury the number of employees in 1903 in the District of Columbia was 4,881 and in 1936 there were 19,300. In June 1936, as I recall, there were employed in the civil establishment of the Government 824,259 persons. In December 1935, according to an industrial conference board estimate, there were 11,120,025 persons receiving income from the Government of the United States. In the preceding 2 years more than 9,000,000 persons were recipients of bounties and contributions from the Federal Government aside from those on the direct pay and pension rolls.

Mr. VANDENBERG. Mr. President, will the Senator yield further at that point?

Mr. KING. I yield.

Mr. VANDENBERG. I think the Senator's figures are very conservative as to the number of those who are now attached to the public pay roll. I have seen an authentic analysis which demonstrates that one out of every nine gainfully employed persons in the United States is on a public pay roll. We cannot sustain a Republic indefinitely upon that basis.

Mr. KING. I have seen figures given by the Senator, and, as I remember them, they are correct. May I digress for a moment to make a statement and say that the Democratic Party was builded upon the concept that this was to be a government economically administered, that the States were to take care of the functions which belonged to them under the division of authority in this dual form of government. The Democrats for years criticized the Republican Party because they claimed that it was building up a great bureaucracy, that it lacked economy in the administration of public affairs. I wonder what some Democrats who carried the banner of democracy for years would say now, when they contemplate the tremendous expansion of the Federal Government, its usurpation of the functions and duties and responsibilities of States and individuals, with its enormous appropriations which this year will exceed $10,000,000,000, with authorizations of several billion dollars more? I may say—and I say it with regret—that I cannot understand the attitude of my party, the Democratic Party, that has always stood for economy, for the limitation of the power of the Federal Government, for the assertion of the rights of individuals and States. I cannot understand why it has abandoned those principles upon which it was founded and has accepted policies and principles of some Republican administrations. Indeed, it is said, that it has gone beyond some Republican administrations in the matter of expenditure and encroachment upon the rights of individuals and upon the authority of the States.

It is believed by many that the fundamental principles upon which the Democratic Party was founded by Jefferson have been forgotten or at least are not being followed.

May I recur to the increase in the expenditures of the Federal Government, to the demand for larger appropriations, the demand for the Federal Government to take over the functions of the States? The mail that I receive contains demands for larger appropriations and for the Government to enter into the States and take over duties and responsibilities which rest upon the counties and cities and upon the

States themselves. We seem to have lost our conception of our form of government, of its dual character, and we are moving rapidly toward a condition under which the States will lose their power, their vitality, and their strength—and there will be devolved upon the Federal Government responsibilities belonging to individuals as well as to the States. Democracy will be lost; State rights will be destroyed, and we will have a powerful paternalistic or socialistic state.

I recall that Madison stated:

> The powers reserved to the several States will extend to all the objects which, in the ordinary course of affairs, concern the lives, liberties, and properties of the people and the internal order, improvement, and prosperity of the State.

I fear that we are forgetting some of the features of our form of government which commanded the admiration of students of government in other lands. Senators will recall that Lord Acton said:

> Whilst England was admired for the safeguards with which, in the course of many centuries, it had fortified liberty against the power of the Crown, America appeared still more worthy of admiration for the safeguards which, in the deliberations of a single memorable year, it had set up against the power of its own sovereign people.

We should not forget that Madison, speaking for the great patriots who gave us this Republic, said that the powers delegated to the Federal Government were few and definite, but the powers remaining to State governments were numerous and indefinite. It has been said that the approach to political paternalism was paved with benevolence. The Federal Government, for at least a hundred years, did not covet authority. It merely extended a helping hand. It paid out money to the States and, indirectly, to their citizens without attaching strings to it. It left them free to work their own salvation. The fact that public generosity was a step in the substitution of collective political responsibility for personal responsibility and that it put the beneficiary in the position of paying for what the Government gave him rather than of buying what he wanted when he wanted it was not brought home until the burden of expenditure for this assistance began to be reflected in mounting taxes and increasing public debt. By giving to the States public lands and, finally, from the General Treasury the Federal Government purchased the acquiescence of the citizens and their local governments, allaying any misgivings that may have arisen.

Bills are now pending before the Congress for the Federal Government to take over the public health, to make loans to all manner of persons, and to engage in every activity incident to human life and human development, regardless of State and individual rights.

History is so clear as to the effect of excessive debts that it seems difficult to believe that a country such as ours would deliberately follow the primrose path to economic destruction. Egypt, Syria, Greece, Rome, and many other nations to which attention might be called all echo the same refrain—great expenditures, and then finally the destruction of the government through inflation and through bankruptcy.

Let me give an illustration of one of the evils following the course I have indicated. We are all familiar with New Zealand, a great democratic country. In 1880 it was an enterprising, democratic dominion, functioning under a conservative constitution akin to our own. A trade depression brought forth political leaders who would create national prosperity by different policies. A daring "borrow and scatter" government—that was its title—program was launched. The public debt was multiplied four times in as many years. The Premier, through his ability to supply more borrowed money in answer to the demand, "Where is the prosperity?" became an unchallenged dictator; economic laws were ignored; business and industrial returns declined in ratio with lavish government spending.

The court, offering some resistance to the folly, was packed. Vast loans were floated each year and all manner of pensions were granted, sapping the people of their vitality and of their independence. The Government fostered labor unions, resulting in increased wages, increased unemployment, and increased cost of living. It also resulted in a wedge between classes, such as is being developed in the United States today and such as the Communists desire to accomplish here in this country as well as in other democratic countries. Repeating, it also resulted in a wedge between classes, which marked the end of the democracy and pointed to a later state socialism. Industry was regulated and then taken over by the Government.

We are regulating industry and fixing hours of labor; wages will soon be fixed in every department, if they are not fixed now; and, little by little, the activities which come within the category of private endeavor will come under the iron hand of a despotic bureaucracy which will presage, as I have indicated, state socialism. Our Democratic friends may think we are going to remedy the evils which have come to other nations by following the course which we are following, but they will be mistaken; and their children, if they themselves do not, will witness a change that will bring to them regret that their fathers failed to follow the principles and precepts under which this Republic was organized and established.

As I have said, in New Zealand the industry was regulated and then taken over by the Government; farmers were at first guaranteed a price, the balance being paid by the Government from taxes, as we are now giving parity-price payment to farmers; and demands will be made for similar measures dealing with those engaged in industrial activities. I make no comment upon the wisdom of it, but it is analogous to legislation which contributed to the economic downfall of the country to which I am referring.

Mr. VANDENBERG. Mr. President, may I ask the Senator one more question? I do not wish to interrupt his trend of thought.

Mr. KING. I yield.

Mr. VANDENBERG. The Senator has been discussing the enormous appropriations which are to be domestically consumed. I read in the newspapers this morning what seems to be a commitment to $250,000,000 which, out of a plenitude of our deficits, we are going to extend to some of our neighbors externally. Will the Senator indicate to me where the Government gets the authority, constitutionally or otherwise, to make external loans about which we read this morning in the newspapers?

Mr. KING. I am unable to answer my friend from Michigan, but I suggest that he confer with some of the advisers of the President or some of the legal luminaries whose radiance is shed upon our country today. I confess I have not enjoyed much of it.

In New Zealand high incomes were prohibited. We are going to do that by taxation. There is now pending here a bill to compel every man who has a dollar to declare it, and then he will be compelled to buy with the dollar Government bonds whether or not he wants to do so.

As stated, high incomes were prohibited in New Zealand, so that the task of paying the huge debt fell to the low-income group. The depression of 1930 brought the people abruptly face to face with their folly, but it was too late. They had become "leaners" on the Government, as we are becoming. The result was repudiation and complete socialism. If we can escape the tragic ending of New Zealand, as I have indicated, we will be more fortunate than I now anticipate. I do not think we can stop our Government upon the toboggan slide where it now finds itself in its economic, political, and industrial activities.

Mr. President, may I invite the attention of the Senate to France? Senators doubtless are more familiar with some of these historical matters than am I, but I have attempted to understand the progress of the nations and their rise and fall and the cause of their decadence and destruction.

At the end of the eighteenth century, as Senators know, France was in dire financial embarrassment. Despite thoughtful warnings, paper money inflation was adopted as the way out. We are adopting paper money; we have issued bonds to the extent of $44,000,000,000; and a short time ago a demand was made by an important element in the administration that we should be permitted to issue $75,000,000,000 of bonds. The bonds are largely unloaded upon the banks;

and if my friend from Oregon [Mr. HOLMAN], who will pardon me for addressing him, has $10,000 in a bank in his State, if he should seek to withdraw $10,000 he would not receive gold or silver, but would receive Government obligations, predicated upon bonds which had been unloaded upon his bank, or perhaps upon some other bank.

Mr. President, in spite of all the paper issues in France, it has been said that business activities grew more and more spasmodic. Enterprise was soon chilled, and stagnation followed. There had come a complete uncertainty as to the future, as there is today a complete uncertainty as to the future of our fiscal policy and the future of our taxation and revenue system. The result was that capitalists declined to embark their means in business. That is the case here. Enterprise received a mortal blow. Demand for labor was still further diminished. This state of things, too, while it bore heavily upon the interests of the moneyed classes, was still more ruinous to those in most moderate, and most of all to those in straitened circumstances. Private property rights gave way to frantic attempts of the Government to regulate the value of the paper money. We regulated the value of our money. We compelled men who had gold to surrender it to the Treasury. Then we "revalued," as it was termed, the gold, and made an ounce of gold which was worth $20 plus, worth $35. You may call that high financing, or give to it any term you please, but it was not—so some stated—an honest transaction.

Mr. NORRIS. Mr. President——

Mr. KING. I yield to the Senator from Nebraska.

Mr. NORRIS. I have been detained outside the Chamber; and just as I came in I heard the Senator say that we might call a certain transaction high financing, or anything else we pleased, but it was not honest.

Mr. KING. I meant to say, some persons contended that it was not an honest policy.

Mr. NORRIS. I do not understand that there has ever been any high financing except that which was honest; has there? How can the Senator apply those two terms to the transaction?

Mr. KING. My dear friend always speaks with so much irony, and his questions carry so much condemnation, that I am very often disposed to agree with him.

To cure a disease temporary in its character, a corrosive poison was administered which ate out the vitals of French prosperity. It progressed according to a law in social physics which we may call the law of accelerating issue and depreciation. It brought to commerce, manufacturing, mercantile, and agricultural interests utter ruin. It ended in the complete financial, moral, and political prostration of France.

There is a lesson in all this which it behooves thinking persons to ponder. Whether individual or nation, debt leads slowly and insidiously to disaster.

Now, let us look at our own country. What is our economic status? Wither are we tending? The table of our Federal public debt presents a picture which, repeating the language I used a moment ago, it behooves every thinking man to ponder.

I shall go back no further than 1910. In that year the public debt was $1,147,000,000.

In 1911 it was $1,154,000,000.

In 1912 it was $1,194,000,000.

In 1913 it was $1,193,000,000.

In 1914 it was $1,188,000,000.

In 1915 it was $1,191,000,000.

In 1916 it was $1,225,000,000.

In 1917, as Senators know, we entered the World War and, of course, that compelled large appropriations for preparation and to carry out what we conceived to be our obligation as one of the belligerents in that frightful contest; so in 1917 the public debt was $2,976,000,000.

In 1918 it was $12,244,000,000. We were building ships. We were marshaling nearly 4,000,000 of our boys under the colors, and transporting to France more than 2,000,000 men. We were also making loans to our Allies of billions of dollars in order to enable them to purchase supplies from us, wheat and other commodities, powder and shot and shell and munitions in very large quantities. So, as stated, in 1918 the debt rose to the stupendous height of $12,244,000,000.

In 1919 pay day was coming. Some of the bonds were maturing. Some of the obligations we had incurred demanded consideration, and so the debt mounted to $25,482,000,000.

In 1920 we reduced the debt more than a billion dollars, so that it amounted to but $24,298,000,000.

In 1921 we reduced the debt again nearly a billion dollars, down to $23,964,000,000.

In 1922 it was $22,964,000,000.

The following year, 1923, it was $22,350,000,000.

In 1924 it was $21,251,000,000. We were reducing the debt by the very heavy burdens of taxation which we were imposing upon the American people, and were on the way to a balanced Budget within a reasonable time.

In 1925 the debt was $20,516,000,000.

In 1926 it was $19,643,000,000.

In 1927 it was $18,510,000,000.

In 1928 it was $17,604,000,000.

In 1929 it was $16,931,000,000.

In 1930 it was $16,185,000,000.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. KING. Yes.

Mr. DOWNEY. Am I to understand, then, that we were reducing the national debt when the depression came?

Mr. KING. I have given the figures, which indicate that issue. The Senator from California may determine for himself the implications to be derived therefrom. I have stated that we reduced the debt from the figure I have indicated so that in 1929 it was $16,931,000,000; in 1930 it was $16,185,000,000; in 1931 it was $16,801,000,000; and in 1932 it was $19,487,000,000. It had increased from 1931 to 1932 to $19,487,000,000.

In 1933 it was $22,539,000,000.

In 1934 it was $27,053,000,000—a rising scale again.

In 1935 it was $28,701,000,000.

In 1936 it was $33,545,000,000.

In 1937 it was $36,427,000,000.

In 1938 it was $37,167,487,000.

In 1939 it is estimated at $41,131,502,000.

In 1940 it is estimated at $44,457,847,210.

As I have indicated, Mr. President, in my opinion our appropriations for the coming fiscal year will be at least one billion and I think probably two billion dollars more than they were for the current fiscal year, which will make, at the close of next year, unless there should be a tremendous renaissance in our business activity, an indebtedness of $50,000,000,000; and we shall incur deficits, probably in violation of the terms of statutes, which we shall feel in honor bound to meet by increasing the taxes or lifting the ceiling, which is now $50,000,000,000, for the issuing of bonds.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. KING. I yield to the Senator from Oregon.

Mr. HOLMAN. I have listened with tremendous interest and agreement to the remarks of the Senator from Utah. My only comment is that with my fellow Senators on the subcommittee of the Appropriations Committee, which considered the agricultural appropriation bill, we do not want this one bill, the farmers' bill, to be the one in which drastic cuts must be made.

Mr. KING. May I interrupt my friend?

Mr. HOLMAN. Yes, sir.

Mr. KING. My observations are general in character and not directed to any particular measure.

Mr. HOLMAN. I understand that.

Mr. KING. I am directing my remarks generally to our philosophy and to our policy.

Mr. HOLMAN. I understand the Senator, and I am in entire agreement with him.

Mr. KING. If money is to be expended, I would rather to spend it for the farmers than for many other activities.

Mr. HOLMAN. I believe the way out is the way the Senator has suggested, that all the various measures asking for appropriations be scrutinized by a staff organized for that

purpose, as suggested by the Senator from Utah, the Senator from Georgia, and the Senator from Colorado.

At this point, substantiating the Senator's remark as to what happens in history to those who give way to selfish demands, I should like to have permission to read a short poem of four stanzas, composed by an Oregonian.

Mr. KING. I have no objection.

Mr. HOLMAN. The poem reads:

THE WITNESS OF THE DUST

Voices are crying from the dust of Tyre,
From Baalbec and the stones of Babylon—
"We raised our pillars upon self-desire,
And perished from the large gaze of the sun."

Eternity was on the pyramids,
And immortality on Greece and Rome;
But in them all the ancient traitor hid,
And so they tottered like unstable foam.

There was no substance to their soaring hopes;
The voice of Thebes is now a desert cry;
A spider bars the road with filmy ropes,
Where once the feet of Carthage thundered by.

No house can stand, no kingdom can endure,
Built on the crumbling rock of self-desire;
Nothing is Living Stone, nothing is sure,
That is not whitened in the social fire.

Mr. KING. Mr. President, I think the poem the Senator has read came from a person who was familiar with history and the deductions which are to be drawn from infractions of moral and spiritual laws, as well as sound financial policies.

I might add, supplementing the observations of the Senator, that governments are not immune to the evil results which follow the transgression of moral and spiritual laws. Men who violate those laws perish miserably. Nations which violate the laws of God and the laws of justice and humanity will perish. The history of the world is a record of the struggles of individuals for liberty and justice, their ascent to a high degree of civilization, then, by corruption, they lost the proud eminence which they had achieved and went down to destruction.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. HATCH. I have not been in the Chamber during all of the Senator's references to the question which he has been discussing, but the remarks of the Senator from Oregon make me believe that perhaps I lost the principal part of the address. Has the Senator proposed setting up some supercommittee to coordinate all appropriation bills, and things of that sort?

Mr. KING. I shall be glad very briefly to respond to the Senator. What I suggested was that we have an executive budget organization, speaking primarily for the executive department. I hope I will be pardoned a personal allusion. The late Senator of Illinois was chairman of a committee considering that matter, and I had the honor to serve with him. We worked for months attempting to devise a budget system which I hoped would tend to reduce the expenditures of the Government, and coordinate the expenditures in the various departments. I think we failed in accomplishing all that was desired. What I stated, supplementing that, was that Congress does not have a budget commission, does not have organizations to scrutinize appropriations. The Committees on Appropriations meet, and in niney-nine cases out of one hundred every person who comes before the committees is interested in getting something out of the Treasury.

We do not have a devil's advocate there. We do not have anyone to defend the Government. Senators, with their multitudinous duties on various committees, can only accept the testimony that is presented, with the limited opportunities afforded them of securing evidence corroborative, or evidence to negative and overcome the testimony which has been given.

I suggested, therefore, that we should have an independent legislative organization to look into the various demands being made, and to make independent investigations, that we give it a staff to secure evidence and the facts as to the matters under consideration. The legislative commission, under the plan suggested, would get experts from outside of the Government service, persons who are familiar with governmental and social questions, and with the problems which Congress has to meet. The commission would be advisory to the House and the Senate, and would sit in with the committees and present the facts which they have elicited.

Mr. HATCH. There would be no intention on the part of the Senator, then, that the advisory committee supersede or take the place of the regular committees of Congress?

Mr. KING. Oh, no.

Mr. HATCH. Its function would be to furnish information?

Mr. KING. Yes. The Senator has been a very able judge, and he knows it is not satisfactory to rely only upon ex parte testimony. Frequently, where no preparation has been made by a defendant, the case goes against him by default, whereas if all the facts had been obtained, a different judgment might have been rendered by the jury or by the court.

All I am suggesting is that Congress get the facts and not rely solely upon special interests, upon people who are in the Government service and who want large appropriations or who desire to expand their functions of the organizations with which they are connected.

We know the tendency of bureaus to proliferate. There is a greater fecundity in Government agencies and Government organizations than there is in any branch of the animal kingdom.

Mr. President, I have been diverted by the poem read by the Senator from Oregon and I am sure he should congratulate the writer of the same.

Mr. HOLMAN. The author was Edwin Markham.

Mr. KING. Anything which comes from the pen and brain of Edwin Markham is a benediction, and calls for thought upon the part of those who read.

Mr. President, the figures which I have read of the mounting indebtedness of the Government, up to more than $44,457,847,000 are so huge as to stagger comprehension. I wonder if we understand what a billion dollars means? Yet I notice in the first amendment that we are asked to increase the salaries in one small branch up to nearly a million dollars, where it ought to have been only perhaps $25,000 to $100,000.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. RUSSELL. I think the Senator from Utah is in error as to the bill providing any increase in salaries in any such amount.

Mr. KING. It is an increase for the department here in Washington, and I assumed it referred to compensation.

Mr. RUSSELL. The total amount in the item referred to by the Senator is only $24,000.

Mr. KING. That is not the one to which I refer.

Mr. RUSSELL. The appropriations in the bill are large enough, without exaggerating the amounts.

Mr. KING. There is an increase of $600,000 plus for salaries in one of the agencies here.

Mr. RUSSELL. There is no such item in the bill. The office of Budget and Finance does have an increase of $8,800.

Mr. KING. That is not the one to which I refer, and I am sure if the Senator will look at the bill he will find the one I am discussing. When I conclude my remarks, I shall point it out.

Mr. RUSSELL. I have been living with the bill for several weeks, and I am sure there is no such increase in salaries. There are increases in appropriations, but there is no such increase in salaries.

Mr. KING. Perhaps I was in error in saying it was for salaries, but it was for one of the agencies in the District of Columbia, and for services in the District of Columbia, and I cannot conceive that it could be for anything else—because they get their rent free—except for salaries.

I indicated that many do not understand what a billion dollars is. Let me give some idea of what it means. There are in the District approximately 600,000 people, plus. If every man, woman, and child in Washington came forward

and deposited a dollar each day it would take 2 days to accumulate a million dollars. They would have to deposit a dollar each day for 2,000 days, approximately 6 years, in order to accumulate a billion dollars. It would require 270 years to accumulate $45,000,000,000. Every man, woman, and child in the District of Columbia would have to deposit a dollar a day for approximately 270 years in order to pay the principal alone of the public debt. Assuming a man lived to be 60, it would take four and a half lives of that duration.

Then there is the interest on the public debt. At 2 percent, the interest alone amounts to nearly $1,000,000,000 a year. Eight dollars for every person in the United States would be required to pay only the interest on the public debt for 1 year.

There is a disturbing factor in the increase portrayed by the table, in addition to the mere size of the figures. Since 1930 the debt has been higher each year than in the preceding year. From 16 to 19, 22, 27, 28, 33, 36, 37, 41, 44, and so on. For 10 years now, without a single exception, Government expenditures have greatly exceeded Government receipts. On the other hand, the expansion in the debt necessitated by the war emergency, from $3,000,000,000 in 1917 to $25,500,000,000 in 1919, was immediately checked when the emergency had passed. The debt was lowered each year, without exception, between 1919 and 1930.

I digress for a personal allusion. I am a member of the Finance Committee and I am receiving letters daily from all parts of the United States protesting against increasing the Federal taxes. Complaints are made that bankruptcy is being forced upon the small-business men as well as others in various industrial and business activities, and upon private individuals, by reason of the enormous taxes which are wrung from the people by the oppressive Federal legislation.

I desire to reduce the taxes, but we will increase them, and if we do not increase the taxes but continue the enormous expenditures, undoubtedly the day will come when the bonds of the Government will react to the situation, thus forced upon the country. If they should fall a few points, it can be imagined what the result would be. Banks and insurance companies might experience some concern. It is a fact that 60,000,000 Americans hold insurance policies. Millions of American people, particularly women, are investing their savings in annuities with insurance companies, and the insurance companies are taking the payments which are made and obtaining Government bonds. Suppose that the policy of spending is continued; it might eventuate in inflation. This would result in an unfortunate situation.

Mr. President, do the figures mean that the emergency of 1930 is still with us, or has there been a fundamental change in the conception of government which will require the huge expenditures as the rule rather than the exception?

I find no movement here among members of my own party, and not a suspicious movement by my brethren on the other side of the aisle in favor of the reduction of Government expenditures.

I should like to see a group of Senators and a group of Representatives work together for the purpose of demanding a reduction in Federal expenditures so that we may not be compelled before the Congress adjourns or at the next session of Congress, to increase the burdens of taxation which are now bearing so oppressively upon business, upon the big-business man and the little-business man, upon private individuals as well as upon partnerships and corporations. But I find no voices raised demanding reduction in expenditures. The demand is "Give. Give more." And in Washington today I venture that there are many representatives of States, counties, and municipalities for the purpose of obtaining appropriations from the Federal Government, or securing grants which call of course for increased taxes, and which stimulate in other sections of the country demands for excessive grants and payments out of the Federal Treasury for activities which belong to the municipalities and the counties and the State and individuals. I fear we have lost all sense of proportion.

The Federal Government no longer is a federal government. It is a national government with a big "N." It is increasing its power and encroaching upon the rights of individuals, and thus destroying the initiative of the American people.

It is a strange philosophy that government debt can be differentiated from the debt of an individual. Of course, it is to be differentiated only because it is more danger, and in the long run has potentialities for evil far in excess of those which hover over the individual in his greatest problems.

There is no magic, Mr. President, in government borrowing and spending. I have said before that this is the spendingest Nation in the world. This is the spendingest administration that our country has ever seen.

The debt must be paid, and with money. Of course, it may be deflated money. Will the Senate pardon a personal allusion? I was in Germany under the period of deflation, and I saw working people, when they got their marks at night, run as fast as possible to the nearest store to buy anything to get rid of their marks, because before morning they would lose in value perhaps several hundred percent.

Taxes now yield more than $5,000,000,000 to the Government annually. Thirty years ago less than $1,000,000,000 was collected in taxes, and this revenue was sufficient to pay the operating expenses and to reduce the public debt. Now, with the taxes increased more than five times—and under this administration—expenditures have gone up nearly 1,000 percent. The debt is 40 times as large today as it was 30 years ago. That is because the Government receipts have increased only five times, whereas expenditures are today approximately 15 times as much as they were in 1910. And we will increase the expenditures before we adjourn, and with increased public indebtedness we will have a larger deficit next year than we have this year, and so on until ultimately, if the people are not aroused, there will be national bankruptcy. It is inevitable. Bankruptcy in the sense that Germany had it; bankruptcy in the sense that Russia had it. When a mark was less than one-hundredth part of a cent, and when a ruble—and I found that was the case—had no value.

When I was in Moscow a few years ago the little children in the street were taking the paper rubles and making spitballs out of them, which they flung at each other in the streets.

Mr. President, an individual could not long operate upon such a financial basis. How long may a government?

The deficit trend must be reversed and this alarming debt reduced or repudiation and cancellation through inflation is inevitable, with all its chaos and tragedy. It has been well said:

> All of us are committed to the proposition that the worthy needy must be taken care of, but at the same time, it must not be forgotten that the destruction of savings and the starvation of production through an ever-increasing deficit and public debt means that there will be a loss of the capacity to care for the needy. The thrifty citizen, and not the Government, must produce the money for this purpose. Necessarily, the interests of those on relief are identical with the interests of the producers and those who have saved, for the Government cannot care for the needy one moment longer than it remains within the capacity of the thrifty in America to provide the Government with necessary funds.

The masses of the people in America have been misled into the belief that the debt caused by public spending is to be paid by the rich. Let us look at the facts. In 1936, 61 individuals, with incomes of a million or more, paid $107,000,000 in income tax. The Government took all but thirty million, leaving these 61 persons only 29 percent of their income. A government that spends eight billions a year spends more than $21,000,000 each day. If the Government had taken the thirty million from the rich that it did not take, it could have operated on this sum for only 1½ days. Of the persons with less than $5,000 income, aggregating five and one-half billion, only 1.2 percent was taken as income tax, or sixty-six million. Who, in the end, is going to pay this public debt—the rich, who are already deprived of 71 percent of their income, or the poor, who now pay a little more than 1 percent?

The answer is obvious, and the reason they are not protesting against the extravagant spending is that they do not real-

ize that they are the ones who will have to pay in the end. If all the property of the rich is taken, then obviously the burden of taxation must rest, as it now does, upon the wage earner and those of limited resources.

The trouble is that the American people are not tax-conscious. In 1936 only 3,000,000 out of 40,000,000 gainfully employed persons paid any tax on income. The persons upon whom the burden will lie are at present enjoying a short immunity. It would be well if we were conscious of the plight which awaits the American people if this extravagance continues.

Where are the blessings which were to follow Government spending? The New York Sun, in its Voice of Business issue for January 7, presents an interesting comparison. I do not endorse all the statement, but it is worthy of consideration as showing the thought which prevails in some parts of our country.

The population of the United States is 130,000,000. The population of the United Kingdom, which we shall call England, is 45,000,000. Therefore, on a population basis the national income of the United States should be three times that of England. In 1929 it was four times that of England. In 1937 it was only two and two-fifths times that of England. From the low point of the depression, 1932, England's national income had increased 101 percent at the end of 1937. The national income of the United States, from the low of 1933, had increased only 49 percent at the 1937 high. National tax receipts in England have increased 11 percent since 1932. In the United States they have increased 193 percent.

England did not attempt to spend itself out of the depression. From 1932 to 1938 the British budget shows a surplus of about $400,000,000, which means that that sum was the amount of tax revenues which remained after Government spending. The United States did attempt to spend itself out of the depression. From 1932 to 1938 the United States Budget showed a deficit of $20,400,000,000, which means that that sum was the amount of money spent over the revenue which was collected by the Federal Government.

Mr. President, it is to be hoped that the American citizenry will soon ask, "Where is the prosperity?" The answer to that question will determine whether this Nation will continue as a democracy, or whether it will follow the course of New Zealand, where the answer was more spending, culminating in state socialism.

It must be remembered that the Government has no money of its own. Yesterday I received a letter with a demand for more money. In answer to my reply to the first inquiry, I stated that the Government did not have the money, that we were in debt, and spending more than we were collecting. My correspondent was amazed. He thought the Government had an abundance of money, and could meet all demands made by the people. That illustration shows that we are not tax-conscious. It shows that many of our American people do not understand the question of Federal finance, or the relation of individuals, States, and counties to the Federal Government.

Every cent the Government spends must come from the people. Taxes fundamentally depend upon the exchange of articles or services. Capital is essential for the functioning of both governments and individuals. Without it services will not be rendered, or articles or commodities produced. It seems to me that we need some lessons from Adam Smith, from Ricardo, and from the great writers upon political economy and upon a sound economic system. The experience of countries all down the pages of history, and the experience of the United States during the past few years, testify to the general principle that capital is dormant in the face of uncertainty, in the threat of overpowering debt and imminent bankruptcy. Excessive bank reserves in America today are illustrative of the unhealthy status of our national economy. A few moments ago I presented the picture of the national debt. To make the figure complete, and to illustrate its growth year by year, the table of our national receipts and expenditures will indicate the current tendency toward deficits, despite the marked increase in revenue.

I hope the Senate will pardon me for inviting attention to the figures of receipts and expenditures. Figures always give us headaches. They are not always very illuminating. In stating the figures, I shall give only the round numbers.

In 1910 the receipts were $899,000,000, or less than $1,000,000,000. The expenditures were $673,000,000; and the surplus $206,000,000.

In 1911 the receipts were a little more than $900,000,000; the expenditures only $600,000,000; and the surplus $248,000,000 plus.

In 1912 the receipts were $939,000,000; expenditures, $689,000,000; surplus, $249,000,000.

In 1913 the receipts were $990,000,000; expenditures, $724,000,000; surplus, $266,000,000.

In 1914 the receipts were $1,018,000,000; expenditures, $700,000,000; surplus, $283,000,000.

In 1915 the receipts were $900,000,000; expenditures, $700,000,000; surplus, $220,000,000.

In 1916 the receipts were $1,094,000,000; expenditures, $734,000,000; surplus, $360,000,000.

In 1917, the receipts were $1,448,000,000; expenditures, $1,977,000,000; and that year, during the war, we had a deficit of $528,000,000.

In 1918 the receipts were $3,000,000,000; expenditures, $12,000,000,000; deficit, $8,000,000,000.

In 1919 the receipts were $5,000,000,000, expenditures $18,000,000,000; closing out the expenditures of the war with a deficit of $13,000,000,000.

In 1920, the receipts were $7,000,000,000, expenditures $6,000,000,000; and we had a surplus in 1920 of $644,000,000.

In 1921 we reduced taxes down to $6,000,000,000. Expenditures were only $5,000,000,000, and we had a surplus of more than $550,000,000, which was applied to the extinguishment of the public debt.

Without taking the time to read all these figures, Mr. President, I ask unanimous consent that they be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. HATCH in the chair). Without objection, it is so ordered.

The table is as follows:

Receipts and expenditures of the Federal Government

Year	Receipts	Expenditures	Surplus	Deficit
1910	$899,640,373	$693,617,065	$206,023,308	
1911	939,712,735	691,201,512	248,511,223	
1912	939,353,220	689,881,334	249,471,886	
1913	990,730,756	724,511,963	266,218,793	
1914	1,018,807,733	735,081,431	283,726,302	
1915	981,658,992	760,586,802	221,072,190	
1916	1,094,592,237	734,056,202	360,536,035	
1917	1,448,850,911	1,977,681,751		$528,830,840
1918	3,960,428,126	12,697,836,705		8,737,408,579
1919	5,427,198,262	18,522,894,705		13,095,696,443
1920	7,126,502,601	6,482,090,191	644,412,410	
1921	6,088,424,236	5,538,209,190	550,215,046	
1922	4,593,876,198	3,795,302,500	798,573,698	
1923	4,539,963,406	3,697,478,020	842,485,386	
1924	4,584,993,480	3,506,677,715	1,078,315,765	
1925	4,379,740,162	3,529,643,446	850,096,716	
1926	4,622,575,491	3,584,987,874	1,037,587,617	
1927	4,812,516,430	3,493,584,519	1,318,931,911	
1928	4,735,982,077	3,643,519,875	1,092,462,202	
1929	4,730,197,803	3,848,463,190	881,734,613	
1930	4,883,425,800	3,994,152,487	889,273,313	
1931	3,846,102,015	4,091,597,712		245,495,697
1932	2,593,897,360	5,153,644,895		2,559,747,535
1933	2,607,328,106	5,142,953,627		2,475,625,521
1934	3,702,287,216	7,105,050,085		3,402,962,869
1935	4,431,262,504	7,375,825,166		2,944,562,662
1936	4,781,299,971	8,879,798,258		4,098,498,287
1937	6,020,041,347	8,105,158,547		2,085,117,200
1938	6,241,661,227	7,691,287,108		1,449,625,881
1939 [1]	5,520,070,000	9,492,320,000		3,972,250,000
1940 [1]	5,669,320,000	8,995,663,200		3,326,343,000

[1] Estimates from the Budget.

Figures as to expenses and receipts are taken from the Report of the Treasury Department for the fiscal year 1938.

Mr. KING. I will come down to the last 2 or 3 years, to show the change. In 1931 receipts were $4,883,000,000, expenditures were $3,994,000,000, and the surplus was $889,000,000.

In 1932 the receipts were $3,000,000,000 plus, expenditures $4,000,000,000 plus, and the deficit was $245,000,000.

The deficits have been increasing until 1940, when they will be more than $3,336,000,000. Although taxes are $5,669,000,000, our appropriations are practically $9,000,000,000. We increased taxes from $1,000,000,000, as they were a few years ago, to $5,669,000,000, and expenditures from the

amount which I have indicated to approximately $9,000,000,000 in 1939, and $9,000,000,000 in 1940, with deficits in 1939 of nearly $4,000,000,000, and in 1940, in my opinion, in excess of that amount.

Mr. President, one of the more unfortunate aspects of the Government embarking upon a program of this character is the fact that once inaugurated it is difficult, if not impossible, to stop. I now make the prediction, Mr. President, that we cannot stop, or will not stop, the spending program until, as I have indicated, we reach the dead line, beyond which will be impairment of national credit, if not insolvency.

It takes no argument to show that a person cannot receive something for nothing, but must work for that which he receives. The so-called emergency appropriations and the continued demand for them are unhappy evidences of the truth of this statement. The emergency appropriations for relief since 1933 are as follows:

For farm aid, we started in 1933 with an appropriation of $84,000,000 plus. The appropriation was increased right along until 1938, when it was $531,000,000.

I ask unanimous consent to have printed in the RECORD at this point the entire table from which I am reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

FARM AID	
1933	$84,239,397
1934	865,879,718
1935	870,491,921
1936	699,584,331
1937	580,018,608
1938	531,566,500
CIVILIAN CONSERVATION CORPS	
1934	$331,940,351
1935	435,508,643
1936	486,281,193
1937	385,807,729
1938	323,332,547
RELIEF	
1933	$37,910,142
1934	1,512,483,728
1935	1,906,230,830
1936	499,150,631
1937	13,174,236
1938	4,593,654
PUBLIC WORKS	
1934	$642,432,350
1935	1,020,411,840
1936	2,092,069,806
1937	2,639,373,388
1938	1,814,950,939
HOME OWNERS' AID	
1933	$43,970,000
1934	194,030,031
1935	103,554,093
1936	214,012,369
1937	297,856,350
1938	239,566,247
MISCELLANEOUS	
1933	$1,110,918,629
1934	735,648,775
1935	46,526,621
1936	24,692,828
1937	4,873
1938	7,149,006
TOTAL EMERGENCY APPROPRIATIONS	
1933	$1,277,038,168
1934	4,283,315,453
1935	4,247,339,007
1936	3,805,683,412
1937	3,916,235,236
1938	2,236,107,039

Mr. KING. Mr. President, the impossibility of cutting out so-called emergency spending is indicated by the cry that went up all over the country when the Congress voted to cut the W. P. A. appropriation in January by one hundred and fifty million. It was claimed, and accurately, that the cut would bring misery and misfortune to many. Of course, those receiving gratuities from the Government will suffer if they are taken away. No one doubts that to be so; but that suffering is to be considered in view of the evil which ultimately will result if we continue to travel along the road that leads to bankruptcy and chaos. An individual who cuts his standard of living in order to pay his debts is deprived of many things; he does not enjoy many of the things to which he has been accustomed; and similar deprivation must be faced by a government if it will heed the warning of nature's law of economics.

FEDERAL BUREAUS AND PERSONNEL

One of the factors commonly ascribed to the downfall of the great Roman Empire is the vast army of officials and employees of the government which marched in and out among the people, eating out their very livelihood. The personnel of a government that becomes predominantly administrative is of necessity staggering. It has already been stated that in New Zealand more than one-third of the population was dependent upon the government under their state socialistic plan.

Senators need not be reminded of the number of administrative agencies that have been created in our country—quasi judicial, and quasi legislative. More and more, the judicial functions are being transferred from the courts to other bodies. Legislative functions are devolved upon executive officials under the pretense that Congress is incapable of legislating upon the complicated problems of today. Each agency is clothed with the rule-making power—prescribing regulations for the future—an inherently legislative function.

The fate of Rome is a poignant warning, if only we would heed, and check this destructive tendency toward administrative government. The Romans enjoyed a highly developed system of legal jurisprudence, administered by independent tribunals—the praetors and the iudexes. Slowly, and over the course of centuries, the emperor usurped the prerogatives of the praetor. The iudex was dispensed with, and, beginning with the reign of Diocletian, the judicial power was completely in the hands of the emperor, and was exercised under him by administrative officers and through administrative procedure.

The Roman Senate followed the same course. During the republic it enacted the laws. In time the Emperor submitted legislation to the senate for consideration, then "must" legislation, and then gradually and without realization came the change—the mere reading of the Emperor's suggested legislation before the senate gave it the force of law. The senate, of course, was not needed further. It was not long after the Emperor had control of all power—executive, legislative, and judicial—that the Romans lost their liberties, and not long thereafter the great Empire fell prey to invading tribes.

What of our own country? Are we immune to the inexorable laws of nature? Are we not intelligent enough to read from the pages of history the lessons that are there to guide us? The fathers, in founding this Republic, gave deep thought to the plight that had overtaken previous nations and attempted to safeguard theirs from the causes which commonly had led to disaster. Today, when the theory of government is being changed in so many lands—with consequent loss of civil rights—and when our own Government is rapidly approaching the pitfalls to guard against which our Constitution was adopted, it is regrettable that little thought is given to the causes that brought about the downfall of other nations.

What are the facts? The need for last year's Government reorganization bill lay in the fact that, according to the majority report, there were 133 distinct agencies and bureaus. It was stated that 13 different agencies of the Government were engaged in the map-making business. There are 10 major executive departments; the Civil Service Commission lists 48 independent establishments; and if every bureau and division in every department is counted, the figure is in the hundreds. The Congressional Directory lists some 185 different divisions, boards, agencies, and bureaus.

As an inevitable result of our vast bureaucracy, we have an army of persons working for the Government today.

On December 31, 1938, there were 5,351,749 persons upon the Federal pay roll. This does not include the vast numbers that depend upon the Government in the form of pen-

sions, old-age insurance, and so forth. In other words, excluding pension receivers, nearly one-eighth of the gainfully employed were paid by the Government from taxes which it collected from those engaged in productive activities, or paid by borrowing from the people or by creating deficits which call for the issuance of bonds.

The figures, except as otherwise specified, are of December 31, 1938, and, I may say, that I obtained these figures from the Government records.

I have a table here showing the classification of the 5,351,749 on the pay rolls. Mr. President, may I insert it in the RECORD without taking the time to read it?

The PRESIDING OFFICER. Without objection, the table will be printed in the RECORD.

The table referred to is as follows:

1. Office of the President	45
2. The 10 executive departments	754,645
3. Independent establishments	162,613
4. Legislative branch of the Government	5,145
5. Judicial branch of the Government	2,271
6. War Department, total officers	13,436
7. War Department, total enlisted men	173,127
8. Navy Department,[1] total officers	10,151
9. Navy Department,[1] total enlisted men	110,252
10. Marine Corps, total officers	1,358
11. Marine Corps, total enlisted men	17,546
12. Coast Guard,[2] total officers	1,201
13. Coast Guard,[2] total enlisted men	8,881
14. C. C. C., enrollees and officers	269,020
15. N. Y. A. (student-aid program)	368,921
16. N. Y. A. (works program)	239,627
17. Works Progress Administration[3]	3,213,510
Total	5,351,749

[1] As of Feb. 1, 1939.
[2] As of June 30, 1938.
[3] As of week ending Nov. 26, 1938.

Mr. KING. In other words, the total Federal employees may be classified as follows:

Executive, legislative, judicial, and administrative	924,719
National defense	335,952
C. C. C. and N. Y. A.	877,568
W. P. A.	3,213,510
Total	5,351,749

Mr. KING. The astounding number of persons employed in our vast bureaucracy presents a discouraging picture. They are not engaged in productive activities. They do not create national wealth or national income. They do not produce the goods that are essential to a recovery of prosperity. The number in each particular agency is inconceivable.

Mr. President, I have here as an exhibit a list of the civil employees in the 10 executive departments and in the office of the President as of December 1938, the regular force account and works program indicating, as I have said, more than 5,000,000.

I ask that this exhibit be inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection, the exhibit will be inserted in the RECORD.

The matter referred to is as follows:

I. Civil employees in the 10 executive departments and in the office of the President, as of December 1938

	Regular	Force account[1]	Works program	Total
Office of the President	45			45
Executive departments:				
State	4,973	714	5	5,692
Treasury	58,407	222	9,843	68,472
War	65,754	35,134	529	101,417
Justice	8,628		349	8,977
Post Office	344,301			344,301
Navy	44,301	31,352	225	75,878
Interior	34,548	9,566	1,885	45,999
Agriculture	65,558	2,365	14,917	82,840
Commerce	13,125	1,209	335	14,669
Labor	5,564		836	6,400
Total, office of the President and executive departments	645,204	80,562	28,924	754,690

[1] "Force account" are persons employed directly by the Federal Government on construction projects, such as building, naval vessel, or road construction.

Mr. KING. I have here a list of the civil employees of 48 independent establishments as of December 31, 1938. I ask to have those inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection, the list will be printed in the RECORD.

The list referred to is as follows:

II. Civil employees in 48 independent establishments as of December 1938

	Regular	Force account	Works program	Total
Alley Dwelling Authority	19			19
American Battle Monuments Commission	87			87
Board of Governors, Federal Reserve System	416			416
Board of Tax Appeals	127			127
Central Statistical Board	39			39
Civil Aeronautics Authority	3,379	110	71	3,560
Civil Service Commission	1,508			1,508
Civilian Conservation Corps (Director's office)	68			68
Commodity Credit Corporation	171			171
Electric Home and Farm Authority	130			130
Employees' Compensation Commission	508			508
Export-Import Bank	13			13
Farm Credit Administration	3,301			3,301
Federal Communications Commission	602			602
Federal Deposit Insurance Corporation	938			938
Federal Emergency Administration of Public Works	8,970			8,970
Federal Home Loan Bank Board	336			336
Federal Housing Administration	4,523			4,523
Federal Power Commission	565			565
Federal Savings & Loan Insurance Corporation	42			42
Federal Trade Commission	660			660
General Accounting Office	2,298		2,437	4,735
Golden Gate International Exposition Commission	23			23
Government Printing Office	5,540			5,540
Home Owners' Loan Corporation	11,545			11,545
Interstate Commerce Commission	2,454			2,454
Maritime Commission	1,224	119		1,343
Maritime Labor Board	18			18
National Advisory Commission for Aeronautics	500	5		505
National Archives	344			344
National Capital Park and Planning Commission	23			23
National Emergency Council			316	316
National Labor Relations Board	766			766
National Mediation Board	71			71
National Resources Committee			198	198
New York World's Fair Commission	20			20
Panama Canal	10,375	483		10,858
Railroad Administration	1			1
Railroad Retirement Board	1,275			1,275
Reconstruction Finance Corporation	3,846			3,846
Rural Electrification Administration	690			690
Securities and Exchange Commission	1,436			1,436
Smithsonian Institution	467			467
Social Security Board	8,878			8,878
Tariff Commission	302			302
Tennessee Valley Authority	3,476	10,774		14,250
Veterans' Administration	35,342	1,065	11	36,418
Works Progress Administration			29,648	29,648
Total, 48 independent establishments	117,376	12,556	32,681	162,613

GRAND TOTAL EXECUTIVE DEPARTMENTS AND 48 INDEPENDENT ESTABLISHMENTS

President's office and executive departments	645,204	80,562	28,924	754,690
48 independent establishments	117,376	12,556	32,681	162,613
Grand total	762,580	93,118	61,605	917,303

Total pay roll for the 917,303 persons employed in the executive departments and 48 independent establishments during month of December 1938 was $141,924,084. This is the pay roll for 1 month.

Mr. KING. I have here a small list, which is very gratifying, of the employees of the legislative branch of the Federal Government, including the Library of Congress and the Botanic Gardens as of December 31, 1938, showing the number to be 5,145. The number of employees in the judicial branch of the Federal Government as of December 31, 1938, was only 2,271. The judicial branch of the Government sets an example of economy that other departments might well follow.

Mr. President, I have before me a tabulation of personnel under the heading "National Defense," including the War Department, the Navy Department, the Marine Corps, and the

Coast Guard, showing a total of 335,952. I ask that that be inserted in the RECORD without reading.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

National defense

(Figures on civilian and administrative personnel are included in the figures for the executive departments and do not appear below)

War Department (as of Dec. 31, 1938):	
Commissioned officers	12,662
Warrant officers	774
Total officers	13,436
Enlisted men	164,249
Philippine Scouts	6,377
Nurses	683
West Point cadets	1,818
Total enlisted men	173,127
Total War Department officers and enlisted men	186,563
Navy Department (as of Feb. 1, 1939):	
Line officers	6,447
Staff officers	2,105
Commissioned warrant officers	1,008
Warrant officers	591
Total officers	10,151
Enlisted men	107,962
Annapolis midshipmen	2,290
Total enlisted men	110,252
Total Navy Department officers and enlisted men	120,403
Marine Corps (as of Dec. 31, 1938):	
Commissioned officers	1,214
Chief warrant officers	91
Warrant officers	53
Total officers	1,358
Enlisted men	17,546
Total Marine Corps officers and enlisted men	18,904
Coast Guard (as of June 30, 1938):	
Commissioned officers	524
Chief warrant officers	389
Regular warrant officers	153
Temporary warrant officers	135
Total officers	1,201
Enlisted men	8,803
Cadets	78
Total enlisted men and cadets	8,881
Total Coast Guard officers and enlisted men	10,082
Total of all officers, enlisted men, and cadets of the War and Navy Departments, the Marine Corps, and the Coast Guard	335,952

Mr. KING. I also have a tabulation showing employees under the Civilian Conservation Corps, the National Youth Administration, and the Works Progress Administration, which I ask to have printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Civilian Conservation Corps, as of Dec. 31, 1938

C. C. C. enrollees in United States		252,521
C. C. C. Indian enrollees		7,830
C. C. C. enrollees in Territories:		
Alaska	742	
Hawaii	887	
Puerto Rico	1,724	
Virgin Islands	381	
		3,734
Total enrollees		264,085
Reserve officers and warrant officers working with C. C. C.		4,935
Total, C. C. C. enrollees and officers		269,020

(NOTE.—The C. C. C. administrative personnel, numbering 31,847, is included with the personnel of the executive departments to which the workers are assigned and are not counted above. Also, the figure for enrollees is unusually low, since December 31, 1938, was the end of a discharge period. The total enrollees in continental United States, excluding the Indians, as of January 31, 1939, was 292,971, or an increase of more than 40,000 during the month of January.)

National Youth Administration, as of Dec. 31, 1938

Employed on the student-aid program	368,921
Employed on N. Y. A. works program	239,627
Total employed on N. Y. A. projects	608,548

The pay roll for the above N. Y. A. employees for month of December 1938 was: Student aid, $2,395,855; and works program, $4,395,682; or a total of $6,791,537.

WORKS PROGRESS ADMINISTRATION

Number of persons employed on W. P. A. operated projects, by major types of projects, in continental United States, for week ending Nov. 26, 1938, 3,213,510

Highways, roads, and streets	1,512,330
Public buildings	278,873
Parks and other recreation	233,215
Conservation	126,618
Sewer systems and other utilities	253,979
Airports and other transportation	51,224
"White collar"	352,194
Sewing and other goods	263,477
Sanitation and health	87,651
Miscellaneous	53,949

Mr. KING. Of course, in our—I was about to say hysteria, but I will not use that expression—in our great concern over the situation in Europe we cannot tell what military demands will be made and the number of persons who will be required in the War Department, the Navy Department, the Coast Guard, in the Aviation Service, and in other branches of the Government which fall within the category of national defense. Undoubtedly there will be a large increase, which will absorb perhaps the $2,000,000,000 and more which we will appropriate for so-called national defense before the adjournment of Congress. I make the prediction without any fear that my prediction will not be verified that our appropriations for the Army and the Navy and for all other branches falling within the category of national defense will exceed $2,500,000,000 before the Congress adjourns.

The question arises, Where will we obtain the $10,000,000,000 we will appropriate, and what provisions will be made to meet the authorizations which will be $4,000,000,000 or $5,000,000,000 more? I have indicated—and I apologize for repeating—it seems to me we are on the road to national bankruptcy. We must change our policy. Spending is too great; taxes are too heavy; and when we increase taxes, as we probably will before adjournment, tax resistance will be encountered. That situation ought to be an admonition to the Congress to reduce expenditures and pursue a course that within a reasonable time will lift the burden of taxation from the people and place the Government upon the highway leading to a balanced Budget.

Mr. CAPPER. Mr. President, I am in favor of economy in government. I am very much in favor of reductions in Government expenditures, but I am not in favor of making these reductions entirely at the expense of agriculture. Congress is appropriating lavishly for every other purpose. I do not propose to see the farmer ruined in the name of an alleged program of economy which proposes to economize only at the expense of agriculture. So I intend to support the amendment providing $225,000,000 for parity payments—payments which have been promised by Congress in the Agricultural Adjustment Act.

I suppose I could spend several hours in telling you of the conditions affecting agriculture in this Nation today, but I do not believe that is necessary. It may be that a few figures by themselves will give you the picture.

Most of our national farm legislation to date has been based on attempting to regain and then retain the relationship between agriculture and industry which prevailed during the period 1909–14.

The Bureau of Agricultural Economics of the Department of Agriculture publishes monthly a bulletin entitled "The Agricultural Situation." The current issue of this bulletin gives the following information as to the farm price situation in relation to industry and labor:

Industrial wages in February of this year were 213 percent of the 1909–14 level.

Wholesale prices of all commodities were 112 percent of the 1909–14 level.

Taxes paid by farmers are 161 percent of the amount they paid in 1909–14.

Remember, Mr. President, that these figures represent how much more the farmer has to pay for things today. The wages of labor, for example, go into what he pays. So do taxes.

Now, let us look at the other side of the picture. Let us see the prices received by farmers for their products. For all grains the average farm price in March of this year was 66 percent of 1909–14 prices. Cotton and cottonseed prices were 71 percent. These are the commodities which would receive parity payments from the $225,000,000 proposed in this measure. These farmers are receiving from 66 to 71 percent of the prices they received in 1909–14. They are paying 120 percent of the prices they paid in 1909–14.

I believe that is the picture.

Last year the Congress passed the Agricultural Adjustment Act of 1938. Whether or not that measure represents the best that Government can do to help solve the farm problem is not the question that is before us. We passed that act. It includes a provision that whenever farm prices are below 75 percent of parity, the Federal Government will, in part at least, make up the difference through adjustment, or so-called parity payments.

Mr. President, those conditions prevail today. Under present price conditions producers of the five commodities named in the Agricultural Adjustment Act of 1938 will fall short this year nearly $1,000,000,000 of parity income, according to my best information.

Mr. President, it seems to me we have before us a very plain and simple proposition. Congress has said to the producers of these commodities, "If you will comply with the national farm program, and the prices received are sufficiently below parity, the Government will make up part at least of the difference through adjustment payments."

Prices of these commodities are so much below parity today that it would take $1,000,000,000 to make up the entire difference. It seems to me there is no excuse for the Senate rejecting an appropriation of less than one-fourth that difference—the $225,000,000 provided in the committee amendment. Congress ought to live up to the contract at least to that extent.

So much for the law and the facts in the case. Under the law and the facts Congress owes it to cooperating farmers to make provision for adjustment or parity payments.

But there also is the human element. Now, if ever, the farmers of my part of the country need Government assistance if they are to survive. The plight of the small farmer is especially pitiful. This appropriation will help him to some extent, though not as much as I should like; but at least he will get that much. So I hope to see this bill receive the approval of the Senate.

Mr. VANDENBERG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark, Idaho	Hayden	Minton
Andrews	Clark, Mo.	Herring	Murray
Ashurst	Connally	Hill	Norris
Austin	Danaher	Holman	Nye
Bailey	Davis	Holt	O'Mahoney
Bankhead	Donahey	Hughes	Overton
Barbour	Downey	Johnson, Calif.	Pepper
Barkley	Ellender	King	Pittman
Bilbo	Frazier	La Follette	Radcliffe
Bone	George	Lee	Reed
Borah	Gibson	Logan	Reynolds
Bridges	Gillette	Lucas	Russell
Bulow	Glass	Lundeen	Schwartz
Burke	Green	McCarran	Schwellenbach
Byrd	Guffey	McKellar	Sheppard
Byrnes	Gurney	McNary	Shipstead
Capper	Hale	Maloney	Slattery
Caraway	Harrison	Mead	Smathers
Chavez	Hatch	Miller	Stewart
Taft	Townsend	Vandenberg	Wheeler
Thomas, Okla.	Truman	Wagner	
Thomas, Utah	Tydings	Walsh	

The PRESIDING OFFICER (Mr. CHAVEZ in the chair). Eighty-six Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment reported by the committee, beginning on page 50, line 24.

The amendment was agreed to.

The next amendment was, on page 51, line 3, before the word "of", to strike out "$18,746,979" and insert "$20,972,285", and in line 4, after the word "exceed", to strike out "$59,528" and insert "$62,328", so as to read:

Total, Forest Service, $20,972,285, of which amount not to exceed $62,328 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia, and, in addition thereto, there is authorized for expenditure from funds provided for carrying out the provisions of the Federal Highway Act of November 9, 1921 (23 U. S. C. 21, 23), not to exceed $9,755 for the purchase of motor-propelled passenger-carrying vehicles for use by the Forest Service in the construction and maintenance of national-forest roads.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Agricultural Chemistry and Engineering, salaries and expenses", on page 52, line 24, after the word "analysis", to strike out "$407,500" and insert "$411,500", and in line 25, after the word "exceed", to strike out "$15,000" and insert "$19,000", so as to read:

Agricultural chemical investigations: For conducting the investigations contemplated by the act of May 15, 1862 (5 U. S. C. 511, 512), relating to the application of chemistry to agriculture; for the biological, chemical, physical, microscopical, and technological investigation of foods, feeds, drugs, plant and animal products, and substances used in the manufacture thereof; for investigations of the physiological effects and for the pharmacological testing of such products and of insecticides; for the investigation and development of methods for the manufacture of sugars, sugar sirups, and starches and the utilization of new agricultural materials for such purposes; for the technological investigation of the utilization of fruits and vegetables and for frozen pack investigations; for the investigation of chemicals for the control of noxious weeds and plants; and to cooperate with associations and scientific societies in the development of methods of analysis, $411,500, of which amount not to exceed $19,000 shall be available for the construction and equipment of an addition to the United States Citrus Products Laboratory, Winter Haven, Fla.

The amendment was agreed to.

The next amendment was, on page 54, line 4, after the word "and", to insert "drainage and"; and line 18, after the word "reports", to strike out "$339,469" and insert "$359,469", so as to read:

Agricultural engineering investigations: For investigations, experiments, and demonstrations involving the application of engineering principles to agriculture for the investigation, development, experimental demonstration, and application of methods for the prevention and control of dust explosions and fires during the harvesting, handling, milling, processing, fumigating, and storing of agricultural products, and of other dust explosions and resulting fires not otherwise provided for, including fires in grain mills and elevators, cotton gins, cotton-oil mills, and other structures; the heating, charring, and ignition of agricultural products; fires on farms and in rural communities and other explosions and fires in connection with farm and agricultural operations; for investigating and reporting upon the different kinds of farm power and appliances; upon farm domestic water supply and drainage and sewage disposal; upon the design and construction of farm buildings and their appurtenances and of buildings for processing and storing farm products; upon farm power and mechanical farm equipment and rural electrification; upon the engineering problems relating to the processing, transportation, and storage of perishable and other agricultural products; and upon the engineering problems involved in adapting physical characteristics of farm land to the use of modern farm machinery; for investigations of cotton ginning under the act approved April 19, 1930 (7 U. S. Co. 424, 425); for giving expert advice and assistance in agricultural and chemical engineering; for collating, reporting, and illustrating the results of investigations and preparing, publishing, and distributing bulletins, plans, and reports, $359,469.

The amendment was agreed to.

The next amendment was, on page 55, line 2, after "(5 U. S. C. 556b)", to strike out "$79,400" and insert "$100,000", so as to read:

Naval-stores investigations: For the investigation of naval stores (turpentine and rosin) and their components; the investigation and

experimental demonstration of improved equipment, methods, or processes of preparing naval stores; the weighing, storing, handling, transportation, and utilization of naval stores; and for the assembling and compilation of data on production, distribution, and consumption of turpentine and rosin, pursuant to the act of August 15, 1935 (5 U. S. C. 556b), $100,000.

The amendment was agreed to.

The next amendment was, on page 55, line 6, after the word "use", to strike out "$200,000" and insert "$263,800", so as to read:

Fertilizer investigations: For investigations within the United States of fertilizers, fertilizer ingredients, including phosphoric acid and potash, and other soil amendments and their suitability for agricultural use, $263,800.

The amendment was agreed to.

The next amendment was, on page 55, line 8, before the word "of", to strike out "$1,330,369" and insert "$1,438,769"; and in line 9, after the word "exceed", to strike out "$875,000" and insert "$922,826", so as to read:

Total, salaries and expenses, Bureau of Agricultural Chemistry and Engineering, $1,438,769, of which amount not to exceed $922,823 may be expended for personal services in the District of Columbia, and not to exceed $3,725 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Entomology and Plant Quarantine, salaries and expenses", on page 56, line 20, after the word "nuts", to strike out "$378,600" and insert "$428,600", so as to read:

Fruit insects: For insects affecting fruits, grapes, and nuts, $428,600.

The amendment was agreed to.

The next amendment was, on page 56, after line 22, to strike out:

Sweetpotato weevil: For the determination of such methods of control for sweetpotato weevils as may be necessary, $75,000: *Provided*, That no part of this appropriation shall be used to pay the cost or value of farm animals, farm crops, or other property injured or destroyed.

And in lieu thereof to insert the following:

Sweetpotato weevil control: For the determination and application of such methods of control for sweetpotato weevils as, in the judgment of the Secretary of Agriculture, may be necessary, $75,000: *Provided*, That, in the discretion of the Secretary of Agriculture, no part of this appropriation shall be expended for the control of sweetpotato weevil in any State until such State has provided cooperation necessary to accomplish this purpose: *Provided further*, That no part of this appropriation shall be used to pay the cost or value of farm animals, farm crops, or other property injured or destroyed.

The amendment was agreed to.

The next amendment was, on page 57, after line 12, to insert:

Mexican fruitfly control: For the control and prevention of spread of the Mexican fruitfly, including necessary surveys and control operations in Mexico in cooperation with the Mexican Government or local Mexican authorities, $160,460.

The amendment was agreed to.

The next amendment was, on page 57, after line 16, to insert:

Citrus canker eradition: For determining and applying such methods of eradication or control of the disease of citrus trees known as "citrus canker" as in the judgment of the Secretary of Agriculture may be necessary, including cooperation with such authorities of the States concerned, organizations of growers, or individuals, as he may deem necessary to accomplish such purposes, $13,485: *Provided*, That no part of the money herein appropriated shall be used to pay the cost or value of trees or other property injured or destroyed.

The amendment was agreed to.

The next amendment was, on page 58, after line 2, to insert:

Gypsy and brown-tail moth control: For the control and prevention of spread of the gypsy and brown-tail moths, $375,000.

The amendment was agreed to.

The next amendment was, on page 58, after line 5, to insert:

Dutch elm dicease eradication: For determining and applying methods of eradication, control, and prevention of spread of the disease of elm trees known as "Dutch elm disease" and of a virus disease of elm trees prevalent in the Ohio Valley, $500,000: *Provided*, That, in the discretion of the Secretary of Agriculture, no expenditures from this appropriation shall be made for these purposes until a sum or sums at least equal to such expenditures shall have been appropriated, subscribed, or contributed by State, county, or local authorities, or by individuals, or organizations concerned: *Provided further*, That no part of this appropriation shall be used to pay the cost or value of trees or other property injured or destroyed.

The amendment was agreed to.

The next amendment was, on page 59, line 19, after the word "shrubs", to strike out "$200,000" and insert "$253,100", so as to read:

Forest insects: For insects affecting forests and forest products, under section 4 of the act approved May 22, 1928 (16 U. S. C. 581c), entitled "An act to insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use for timber growing and other purposes of forest lands in the United States, including farm wood lots and those abandoned areas not suitable for agricultural production, and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture, through research in reforestation, timber growing, protection, utilization, forest economics and related subjects," and for insects affecting ornamental trees and shrubs, $253,100.

The amendment was agreed to.

The next amendment was, on page 60, line 25, after the word "purposes", to strike out "$100,000" and insert "$200,000", so as to read:

Barberry eradication: For the eradication of the common barberry and for applying such other methods of eradication, control, and prevention of spread of cereal rusts as in the judgment of the Secretary of Agriculture may be necessary to accomplish such purposes, $200,000.

The amendment was agreed to.

The next amendment was, on page 61, line 16, after the word "authorities", to strike out "$446,800" and insert "$1,366,800", so as to read:

Pink bollworm control: For the control and prevention of spread of the pink bollworm, including the establishment of such cotton-free areas as may be necessary to stamp out any infestation, and for necessary surveys and control operations in Mexico in cooperation with the Mexican Government or local Mexican authorities, $1,366,800.

Mr. VANDENBERG. Mr. President, may I have the attention of the chairman of the subcommittee? The item in line 16, page 61, seems to indicate that the Senate committee has multiplied the House figure about three times. Will the Senator make an explanation of that rather amazing increase?

Mr. RUSSELL. Mr. President, recently there has been discovered in the Rio Grande Valley in Texas a considerable area infested by the new insect pest known as the pink bollworm. The insect at present is confined to a relatively small area. The authorities in charge of the Bureau of Entomology and Plant Quarantine believe that if they are allowed the amount of money carried in the pending bill, the pest can be entirely eradicated. Negotiations are in progress with the Mexican Government looking to the establishment of a 50-mile zone on each side of the river which would prevent the insect coming back into our country.

The Senator from Michigan doubtless is familiar with the ravages of what is known as the boll weevil, which took an enormous economic toll of the South. It has been said that perhaps that would have disposed of the cotton surplus; but the unfortunate part of the matter is that the weevil did not attack the cotton plant equally over the entire Cotton Belt. It would come into a certain area, destroy all of the crop there, and thereby impoverish the farmers in the area where the insect had come, but would not affect the cotton being grown in other areas.

Dr. Strong, the head of the Bureau of Entomology and Plant Quarantine, stated that in his opinion the $920,000 increase would enable the Department to eradicate this pest. There was a Budget estimate for half of this amount, $460,000; so the report of the committee exceeds the Budget estimate for this item by only that amount, $460,000.

It is good economy for the Government to attack these insects comprehensively when they are in a very small area. For example, when the Japanese beetle first was found in this country, it covered only a little plot of land in New Jersey, a plot less than 7 acres in extent. The Government could have purchased that land, it could have been burned over and had everything on it destroyed for about one-twentieth of the amount we have appropriated from year to year in undertaking to combat the Japanese beetle all over the country, and in addition there would have been saved the huge sums which have been lost by the fruit people and by the truck producers of the country due to the ravages of the insect.

The committee decided that it would be better to attempt to eliminate the pink bollworm all at one time, as the experts whom we pay to advise us on these matters suggested we do, rather than to let it spread all over the entire belt, and to have the Government compelled to appropriate millions of dollars to carry on a more far-flung campaign over a long number of years in an effort to eliminate this pest, which is just as disastrous or more injurious than was the Mexican boll weevil.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 61, line 16.

The amendment was agreed to.

The next amendment was, on page 61, line 18, to strike out "$63,000" and insert "$83,000", so as to read:

Bee culture: For bee culture and apiary management, $83,000.

The amendment was agreed to.

The next amendment was, on page 61, after line 18, to insert:

Thurberia weevil control: For the control and prevention of spread of the Thurberia weevil, $2,808.

The amendment was agreed to.

The next amendment was, on page 61, line 22, after the word "animals", to strike out "$181,500" and insert "$191,100", so as to read:

Insects affecting man and animals: For insects affecting man, household possessions, and animals, $191,100.

The amendment was agreed to.

The next amendment was, on page 62, line 4, after the word "control", to strike out "$149,790" and insert "$159,790", so as to read:

Insect-pest survey and identification: For the identification and classification of insects, including taxonomic, morphological, and related phases of insect-pest control and the maintenance of an insect-pest survey for the collection and dissemination of information to Federal, State, and other agencies concerned with insect-pest control, $159,790.

The amendment was agreed to.

The next amendment was, on page 62, line 16, after the word "control", to strike out "$62,518" and insert "$72,518", so as to read:

Control investigations: For developing equipment or apparatus to aid in enforcing plant quarantines, eradication and control of plant pests, determining methods of disinfecting plants and plant products to eliminate injurious pests, determining the toxicity of insecticides, and related phases of insect-pest control, $72,518.

The amendment was agreed to.

The next amendment was, on page 62, line 21, after the word "fungicides", to strike out "$129,984" and insert "$140,000", so as to read:

Insecticide and fungicide investigations: For the investigation and development of methods of manufacturing insecticides and fungicides, and for investigating chemical problems relating to the composition, action, and application of insecticides and fungicides, $140,000.

The amendment was agreed to.

The next amendment was, on page 63, line 13, after the name "Mexico", to strike out "$650,000" and insert "$680,000", so as to read:

Foreign plant quarantines: For enforcement of foreign plant quarantines, at the port of entry and port of export, and to prevent the movement of cotton and cottonseed from Mexico into the United States, including the regulation of the entry into the United States of railway cars and other vehicles, and freight, express, baggage, or other materials from Mexico, and the inspection, cleaning, and disinfection thereof, including construction and repair of necessary buildings, plants, and equipment, for the fumigation, disinfection, or cleaning of products, railway cars, or other vehicles entering the United States from Mexico, $680,000:

The amendment was agreed to.

The next amendment was, on page 64, after line 4, to insert:

Control of incipient and emergency outbreaks of insect pests and plant diseases: Not to exceed $400,000 of the funds appropriated under this head in the First Deficiency Appropriation Act, fiscal year 1939 (Public, No. 7, 76th Cong.), approved March 15, 1939, shall remain available until June 30, 1940.

The amendment was agreed to.

The next amendment was, on page 64, after line 10, to insert:

Control of incipient and emergency outbreaks of insect pests and plant diseases: For an additional amount, fiscal year 1939, to be immediately available and to remain available until December 31, 1939, for carrying out the purposes and provisions of, and for expenditures authorized under, the joint resolution entitled "Joint resolution making funds available for the control of incipient or emergency outbreaks of insect pests or plant diseases, including grasshoppers, Mormon crickets, and chinch bugs", approved April 6, 1937, as amended, $2,417,000.

The amendment was agreed to.

The next amendment was, on page 64, line 22, before the word "of", to strike out "$4,967,401" and insert "$9,126,425"; in line 23, after the word "exceed", to strike out "$867,010" and insert "$889,286"; and in line 25, before the word "shall", to strike out "$33,900" and insert "$42,375", so as to read:

Total salaries and expenses, Bureau of Entomology and Plant Quarantine, $9,126,425, of which amount not to exceed $889,286 may be expended for personal services in the District of Columbia and not to exceed $42,375 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Biological Survey, salaries and expenses", on page 66, at the end of line 25, to strike out "$650,000" and insert "$750,000", so as to read:

Control of predatory animals and injurious rodents: For investigations, demonstrations, and cooperation in destroying animals injurious to agriculture, horticulture, forestry, animal husbandry, and wild game, as authorized by the act of March 2, 1931 (7 U. S. C. 426–426b); and in protecting stock and other domestic animals through the suppression of rabies and other diseases in predatory wild animals; and for construction, repairs, additions, and installations in and about the grounds and buildings of the game-management supply depot and laboratory at Pocatello, Idaho, including purchase, transportation, and handling of supplies and materials for distribution from said depot to other projects, in accordance with the provisions of the act approved June 24, 1936 (16 U. S. C. 667), $750,000.

The amendment was agreed to.

The next amendment was, on page 68, line 16, after the word "roads", to insert "including the purchase of necessary materials to be used in conjunction with Works Progress Administration labor in improving roads in the Wichita Mountains Wildlife Refuge, not exceeding $30,000,"; and on page 69, line 5, after the word "Refuge", to strike out $600,000" and insert "$680,000", so as to read:

Maintenance of mammal and bird reservations: For the maintenance of the Montana National Bison Range, the Upper Mississippi River Wildlife Refuge, the Bear River Migratory Bird Refuge, the Wichita Mountains Wildlife Refuge, and other reservations, and for the maintenance of game introduced into suitable localities on public lands, under supervision of the Biological Survey, including construction of fencing, wardens' quarters, shelters for animals, landings, roads, including the purchase of necessary materials to be used in conjunction with Works Progress Administration labor in improving roads in the Wichita Mountains Wildlife Refuge, not exceeding $30,000, trails, bridges, ditches, telephone lines, rockwork, bulkheads, and other improvements necessary for the economical administration and protection of the reservation; for the enforcement of section 84 of the act approved March 4, 1909 (18 U. S. C. 145), entitled "An act to codify, revise, and amend the

penal laws of the United States," and acts amendatory thereto, and section 10 of the Migratory Bird Conservation Act of February 18, 1929 (16 U. S. C. 715i); for the purchase, capture, and transportation of game for national reservations; and for the maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge, $680,000.

The amendment was agreed to.

The next amendment was, on page 69, line 22, after the word "expenses", to strike out "$2,288,691" and insert "$2,468,691", so as to read:

In all, salaries and expenses, $2,468,691.

The amendment was agreed to.

The next amendment was, on page 69, line 23, after the name "Mississippi", to insert "River", so as to make the subhead read: "Upper Mississippi River Wildlife Refuge."

The amendment was agreed to.

The next amendment was, under the subhead "Migratory bird conservation fund", on page 70, line 9, after the word "funds", to insert "for the acquisition of areas for use as migratory-bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas", so as to read:

For carrying into effect the provisions of section 4 of the act entitled "An act to supplement and support the Migratory Bird Conservation Act by providing funds for the acquisition of areas for use as migratory-bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas, for the protection of certain migratory birds, for the enforcement of the Migratory Bird Treaty Act and regulations thereunder, and for other purposes", approved March 16, 1934, as amended by an act entitled "An act to amend the Migratory Bird Hunting Stamp Act of March 16, 1934, and certain other acts relating to game and other wildlife, administered by the Department of Agriculture, and for other purposes", approved June 15, 1935 (16 U. S. C. 718–718h), an amount equal to the sum received during the fiscal year 1940 from the proceeds from the sale of stamps, to be warranted monthly; and in addition thereto an amount equal to the unobligated balance on June 30, 1939, of the total of the proceeds received from the sale of stamps prior to July 1, 1939:

The amendment was agreed to.

The next amendment was, under the subhead "Federal Aid in Wildlife Restoration", on page 71, line 11, before the colon and the word "*Provided*", to strike out "$1,500,000" and insert "$2,000,000", so as to read:

For carrying out the provisions of the act entitled "An act to provide that the United States shall aid the States in wildlife restoration projects, and for other purposes", approved September 2, 1937 (16 U. S. C. 669–669j), $2,000,000:

The amendment was agreed to.

The next amendment was, on page 71, line 14, after the word "Survey", to strike out "$3,973,691" and insert "$4,653,691", and in line 15, after the word "exceed", to strike out "$655,040" and insert "$711,610", so as to read:

Total, Bureau of Biological Survey, $4,653,691, of which amount not to exceed $711,610 may be expended for personal services in the District of Columbia, and not to exceed $72,100 shall be available for the purchase of motor-propelled passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Public Roads, elimination of grade crossings", on page 75, line 11, before the word "authorized", to strike out "the amount" and insert "part of the $50,000,000", so as to read:

For the elimination of hazards to life at railroad grade crossings, including the separation or protection of grades at crossings, the reconstruction of existing railroad grade-crossing structures, and the relocation of highways to eliminate grade crossings, $40,000,000, to be immediately available and to remain available until expended, which sum is part of the $50,000,000 authorized to be appropriated for the fiscal year 1939 by section 8 of the act approved June 16, 1936 (49 Stat. 1521).

The amendment was agreed to.

The next amendment was, under the heading "Agricultural Marketing Service, salaries and expenses", on page 77, line 25, after the word "world", to strike out "$418,970" and insert "$443,970", so as to read:

Marketing farm products: For acquiring and diffusing among the people of the United States useful information relative to the standardization, classification, grading, preparation for market, handling, and marketing of farm and food products, including the demonstration and promotion of the use of uniform standards of classification of American farm and food products throughout the world, $443,970.

The amendment was agreed to.

The next amendment was, on page 78, line 17, before the colon and the word "*Provided*", to strike out "$642,799" and insert "$757,510"; and in line 21, after the word "cotton", to strike out the colon and "*Provided further*, That estimates of apple production shall be confined to the commercial crop", so as to read:

Crop and livestock estimates: For collecting, compiling, abstracting, analyzing, summarizing, interpreting, and publishing data relating to agriculture, including crop and livestock estimates, acreage, yield, grades, staples of cotton, stocks, and value of farm crops and numbers, grades, and value of livestock and livestock products on farms, in cooperation with the Extension Service and other Federal, State, and local agencies, and for the collection and publication of statistics of peanuts as provided by the act approved June 24, 1936, as amended May 12, 1938 (7 U. S. C. 951–957), $757,510: *Provided*, That no part of the funds herein appropriated shall be available for any expense incident to ascertaining, collating, or publishing a report stating the intention of farmers as to the acreage to be planted in cotton.

The amendment was agreed to.

The next amendment was, on page 79, line 19, after the word "contained", to strike out "$450,000" and insert "$500,000", so as to read:

Market inspection of farm products: For enabling the Secretary of Agriculture, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, boards of trade, chambers of commerce, or other associations of businessmen or trade organizations, and persons or corporations engaged in the production, transportation, marketing, and distribution of farm and food products, whether operating in one or more jurisdictions, to investigate and certify to shippers and other interested parties the class, quality, and condition of cotton, tobacco, fruits, and vegetables, whether raw, dried, or canned, poultry, butter, hay, and other perishable farm products when offered for interstate shipment or when received at such important central markets as the Secretary of Agriculture may from time to time designate, or at points which may be conveniently reached therefrom, under such rules and regulations as he may prescribe, including payment of such fees as will be reasonable and as nearly as may be to cover the cost for the service rendered: *Provided*, That certificates issued by the authorized agents of the Department shall be received in all courts of the United States as prima facie evidence of the truth of the statements therein contained, $500,000.

The amendment was agreed to.

The next amendment was, on page 80, line 20, after the word "products", to strike out "$1,122,302" and insert "$1,160,000", so as to read:

Market news service: For collecting, publishing, and distributing, by telegraph, mail, or otherwise, timely information on the market supply and demand, commercial movement, location, disposition, quality, condition, and market prices of livestock, meats, fish, and animal products, dairy and poultry products, fruits and vegetables, peanuts and their products, grain, hay, feeds, cottonseed, and seeds, and other agricultural products, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, and persons engaged in the production, transportation, marketing, and distribution of farm and food products, $1,160,000.

The amendment was agreed to.

The next amendment was, on page 81, line 8, after "(7 U. S. C. 491–497)", to strike out "$149,628" and insert "$160,000", so as to read:

Perishable Agricultural Commodities and Produce Agency Acts: To enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce", as amended (7 U. S. C. 499a–499r), and the act entitled "An act to prevent the destruction or dumping, without good and sufficient cause therefor, of farm produce received in interstate commerce by commission merchants and others and to require them truly and correctly to account for all farm produce received by them", approved March 3, 1927 (7 U. S. C. 491–497), $160,000.

The amendment was agreed to.

The next amendment was, on page 81, at the end of line 19, to strike out "$17,000" and insert "$22,000", so as to read:

Standard container acts: To enable the Secretary of Agriculture to carry into effect the act entitled "An act to fix standards for Climax baskets for grapes and other fruits and vegetables, and to

fix standards for baskets and other containers for small fruits, berries, and vegetables, and for other purposes," approved August 31, 1916 (15 U. S. C. 251–256), the act entitled "An act to fix standards for hampers, round stave baskets, and splint baskets for fruits and vegetables, and for other purposes," approved May 21, 1928 (15 U. S. C. 257–257i), $22,000.

The amendment was agreed to.

The next amendment was, on page 82, line 4, after the numerals "471" to strike out "476e" and insert "476"; and in line 5, to strike out "$460,000" and insert "$480,000", so as to read:

Cotton Quality Statistics and Classing Acts: To enable the Secretary of Agriculture to carry into effect the act entitled "An act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton," approved March 3, 1927, as amended by the act entitled "An act authorizing the Secretary of Agriculture to provide for the classification of cotton, to furnish information on market supply, demand, location, condition, and market prices for cotton, and for other purposes," approved April 13, 1937 (7 U. S. C. 471–476), $480,000.

The amendment was agreed to.

The next amendment was, on page 82, line 20, to strike out "$491,900" and insert "$507,000", so as to read:

United States Cotton Futures and United States Cotton Standards Acts: To enable the Secretary of Agriculture to carry into effect the provisions of the United States Cotton Futures Act, as amended March 4, 1919 (26 U. S. C. 1090–1106), and to carry into effect the provisions of the United States Cotton Standards Act, approved March 4, 1923 (7 U. S. C. 51–65), including such means as may be necessary for effectuating agreements heretofore or hereafter made with cotton associations, cotton exchanges, and other cotton organizations in foreign countries, for the adoption, use, and observance of universal standards of cotton classification, for the arbitration or settlement of disputes with respect thereto, and for the preparation, distribution, inspection, and protection of the practical forms or copies thereof under such agreements, $507,000.

The amendment was agreed to.

The next amendment was, on page 82, line 23, after the word "Act", to strike out "$723,941" and insert "$760,000", so as to read:

United States Grain Standards Act: To enable the Secretary of Agriculture to carry into effect the provisions of the United States Grain Standards Act, $760,000.

The amendment was agreed to.

The next amendment was, on page 83, line 3, after the word "Act", to strike out "$391,700" and insert "$425,000", so as to read:

United States Warehouse Act: To enable the Secretary of Agriculture to carry into effect the provisions of the United States Warehouse Act, $425,000.

The amendment was agreed to.

The next amendment was, on page 84, line 2, after "218–218d)", to strike out "$300,000" and insert "$381,879", so as to read:

Packers and Stockyards Act: For carrying out the provisions of the Packers and Stockyards Act, approved August 15, 1921 (7 U. S. C. 181–229), as amended by the act of August 14, 1935 (7 U. S. C. 218–218d), $381,879.

The amendment was agreed to.

The next amendment was, on page 84, line 25, before the word "of", to strike out "$5,767,526" and insert "$6,274,145"; and on page 85, line 1, after the word "exceed", to strike out "$1,479,000" and insert "$1,585,783", so as to read:

Total, salaries and expenses, Agricultural Marketing Service, $6,274,145, of which amount not to exceed $1,585,783 may be expended for personal services in the District of Columbia, and not to exceed $40,100 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Food and Drug Administration, salaries and expenses", on page 87, line 16, after the word "therein", to strike out "$2,288,380" and insert "$2,455,000", so as to read:

Enforcement of the Federal Food, Drug, and Cosmetic Act: For enabling the Secretary of Agriculture to carry into effect the provisions of the act of June 25, 1938 (21 U. S. C. 301–392), entitled "An act to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes"; to cooperate with associations and scientific societies in the revision of the United States Pharmacopoeia and development of methods of analysis, and for investigating the character of the chemical and physical tests which are applied to American food products in foreign countries, and for inspecting the same before shipment when desired by the shippers or owners of these products intended for countries where chemical and physical tests are required before the said products are allowed to be sold therein, $2,455,000.

The amendment was agreed to.

The next amendment was, on page 87, after line 17, to insert:

Enforcement of the Tea Importation Act: For enabling the Secretary of Agriculture to carry into effect the provisions of the act approved March 2, 1897 (21 U. S. C. 41–50), entitled "An act to prevent the importation of impure and unwholesome tea", as amended, including payment of compensation and expenses of the members of the Board appointed under section 2 of the act and all other necessary officers and employees, $40,094.

The amendment was agreed to.

The next amendment was, on page 88, line 10, after the word "purposes" and the quotation mark, to strike out "$183,180" and insert "$208,180", so as to read:

Enforcement of the Insecticide Act: For enabling the Secretary of Agriculture to carry into effect the provisions of the act of April 26, 1910 (7 U. S. C. 121–134), entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded paris greens, lead arsenates, other insecticides, and also fungicides, and for regulating traffic therein, and for other purposes", $208,180.

The amendment was agreed to.

The next amendment was, on page 89, line 18, before the word "of", to strike out "$2,701,044" and insert "$2,932,758"; in line 19, after the word "exceed", to strike out "$822,158" and insert "$827,018"; and in line 21, before the word "shall", to strike out "$27,375" and insert "$35,625", so as to read:

Total salaries and expenses, Food and Drug Administration, $2,932,758, of which amount not to exceed $827,018 may be expended for personal services in the District of Columbia, and not to exceed $35,625 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Soil Conservation Service, salaries and expenses", on page 92, line 1, after the word "emergency", to strike out "or other", so as to read:

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of the Chief of the Soil Conservation Service and other personal services in the District of Columbia, $552,050: *Provided*, That no part of the money appropriated in this paragraph shall be available for expenditures if any emergency appropriations are made available for administrative expenses in administering the funds provided in regular appropriations to the Soil Conservation Service.

The amendment was agreed to.

The next amendment was, on page 92, after line 21, to insert:

Emergency erosion control, Everglades region, Florida: For research and demonstration work in soil conservation control measures, including fire control and irrigation construction work to eliminate fire hazards, in the Everglades region of Florida, $75,000: *Provided*, That no expenditures shall be made for these purposes until a sum at least equal to such expenditures shall have been made available by the State of Florida for the same purposes.

The amendment was agreed to.

The next amendment was, on page 93, line 6, before the word "of," to strike out "$23,645,584" and insert "$23,720,584", and in line 11, after the name "District of Columbia", to strike out the colon and "*Provided*, That of the funds made available in this paragraph, not exceeding $500,000 shall be available for general administrative expenses in the District of Columbia and not exceeding $1,300,000 of such funds may be expended in the District of Columbia for personal services in connection with research and investigation, cooperative relations and planning, map reproduction, and technical supervisory and inspectional activities", so as to read:

Total salaries and expenses, Soil Conservation Service, $23,720,584, of which not to exceed $1,734,636 may be expended for personal services in the District of Columbia, and not to exceed $100,000

shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Conservation and use of agricultural land resources, Department of Agriculture", on page 94, line 21, after the numerals "1938", to strike out the comma and "and not to exceed $3,200,000 shall be available under the provisions of section 202 (a) to 202 (c), inclusive, of said act, including research on food products of farm commodities," so as to read:

To enable the Secretary of Agriculture to carry into effect the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936 (16 U. S. C. 590g–590q), and the provisions of the Agricultural Adjustment Act of 1938 (52 Stat. 31–70) (except the making of payments pursuant to sections 303 and 381 and the provisions of titles IV and V), including the employment of persons and means in the District of Columbia and elsewhere; rent in the District of Columbia; not to exceed $50,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; purchase of lawbooks, books of reference, periodicals, and newspapers, $429,560,000, together with not to exceed $70,000,000 of the unobligated balance of the appropriation made under this head by the Department of Agriculture Appropriation Act for the fiscal year 1938, in all, not to exceed $499,560,000, to remain available until June 30, 1941, for compliances under said Act of February 29, 1936, as amended, pursuant to the provisions of the 1939 programs carried out during the period October 1, 1938, to December 31, 1939, inclusive: *Provided*, That no part of such amount shall be available for carrying out the provisions of section 202 (f) of the Agricultural Adjustment Act of 1938.

The amendment was agreed to.

The next amendment was, on page 96, after line 12, to insert:

PARITY PAYMENTS

To enable the Secretary of Agriculture to make parity payments to producers of wheat, cotton, corn (in the commercial corn-producing area), rice, and tobacco pursuant to the provisions of section 303 of the Agricultural Adjustment Act of 1938, $225,000,000: *Provided, however*, That in expending the appropriation in this paragraph the rate of payment with respect to any commodity shall not exceed the amount by which the average farm price of the commodity is less than 75 percent of the parity price: *Provided further*, That such payments with respect to any such commodity shall be made with respect to a farm only in the event that the acreage planted to the commodity for harvest on the farm in 1940 is not in excess of the farm acreage allotment established for the commodity under the agricultural conservation program.

Mr. LUCAS. Mr. President, in the belief that a few plain words and some fundamental logic might conceivably be of benefit at this time, I wish to discuss briefly, during this deliberation over America's agricultural problem and the debate concerning what course should be followed by the Congress, some events which have occurred behind the scenes in recent weeks and which have had a profound effect in the shaping of the proposed legislation.

In the first place, it has been apparent for at least the last 20 years that until some basis of prosperity is restored to agriculture and to the purchasing power of the American farmer there can be no prosperity for industry or commerce. In other words, the welfare of our entire Nation rests upon and is firmly linked with the welfare of agriculture. Note that I do not say, nor would I ever contend, that agriculture should be given preferential treatment. My argument is only that one major phase of our national economy cannot be neglected, or the entire economic structure will be weakened.

A few nights ago, in a radio address during which I discussd this problem with three of my distinguished colleagues, I drew a word picture which I think it is pertinent to repeat at this time.

What a lovely scene is unfolded before our eyes when we think of golden fields of wheat waving restlessly under a summer sun, and of lowing herds of dairy cattle grazing peacefully in the North Central and New England States, and of tassel-topped stalks of corn towering above the prairie land of my own Illinois and of other parts of the Middle West, and of seemingly endless rows of cotton in the South.

My comment was that this was a pleasant, pastoral scene to contemplate in an abstract sort of way. But I pointed out that there was a discordant note in this lovely picture. Behind those scenes of bounteous abundance and pastoral contentment and apparently inexhaustible fertility lies something ominous and disturbing.

The ugly, blunt economic fact is that the wheat which waves so beautifully in the summer sun is translated into an unpleasant reality of overabundance and low prices, and the farmer who grows it has difficulty in maintaining a balanced economy. The milk and cheese and butter which are produced from herds of dairy cattle flow into the market in such tremendous quantities that today we have an unmarketable surplus, and the dairy farmer is faced with actual want. Likewise there is tragedy in the overproduction of cotton, and economic danger in the high yields of corn.

Until some genius, statesman, or economist rectifies the flaw in our system of distribution there will ever be a necessity for agricultural legislation which controls the chronic surpluses of our basic commodities. And until domestic consumption increases and export sales are steadied so that the farmer may receive a fair return, there will be a necessity for remedial legislation which will enable him to keep on farming.

We are dealing with the world as it is and not the world as we would like to have it. Therefore, we must face facts as they are; and the facts are that the men who produce not only our corn and cotton and wheat and rice and tobacco, but the farmers who produce our dairy products, our fruits, and vegetables, and the thousand and one other component parts of American agriculture, are direly in need of financial aid at the present time to tide them over during this period of unsettled world and domestic conditions.

Those of us who come from States and from districts largely agricultural are only too well aware of conditions that now exist on the farm. It is not my purpose to be a prophet of gloom. I would be the last to attempt to declare that the problems of the American farmer are not possible of solution. It is my firm conviction that under the Agricultural Adjustment Act of 1938—strengthened as it was by the recent Supreme Court decision—we have made greater strides toward an eventual solution of the farm problem than has been made heretofore in the history of our Nation.

Nevertheless, a vast and complicated problem still lies before us, and it is to that we must turn our immediate attention. The Supreme Court recently dispelled the cloud of fear under which those interested in the farm problem have labored during the past decade, yet it is obvious that emergency farm legislation will be necessary for some years to come.

I call the attention of the Senate to this particular point that during the last 20 years farm legislation has been before Congress in one form or another. Senators will recall that farm legislation advocated by both Democrats and Republicans in a nonpartisan way in years gone by upon three different occasions met the fate of a Presidential veto, and that during the early part of the present administration we found farm legislation, created and passed under the present administration, crippled temporarily at least by the Supreme Court decision in the A. A. A. case, the Supreme Court holding in that case that agriculture was a local rather than a national problem. So during all these years the farmer has been operating under a cloud of fear, a little here and a little there, wondering just what the executive or the judicial branch of the Government might do to this piece of legislation or that in the event we should pass it. I say that today we are on firmer ground from the standpoint of legislation than we have ever been before because of the recent Supreme Court decision, realizing that this decision will be helpful to the farmer in the future from the standpoint of legislation, yet it is not a panacea for the evils which exist, and emergency legislation is necessary now and will be necessary for a good many years to come.

Having had some experience as a member of the Agricultural Committee of the House of Representatives I was naturally interested in the bill when it was before the House. I saw many items stricken from the bill, because there was no unified program for all agriculture.

With that thought in mind I took somewhat the initiative in the Senate by calling a group of Senators from the Western and Midwestern States into conference to discuss the various aspects of the farm problem, not from the standpoint of any particular section or any particular commodity, but from the standpoint of a unified broad-scale program for all agriculture throughout America. After conferences with a number of distinguished Senators from the North and the West, representing dairying, wheat, and corn districts, it was the consensus of that group that some sort of farm parity and export subsidy payments must be appropriated during this session of Congress to aid the farmer in his problems.

It further was the opinion of the group that unless some bill was introduced which placed all phases of agriculture under a single protective measure, affecting all agricultural commodities and all sections of the Nation alike, that the chances for passage of any farm legislation at this session of the Congress would be slim indeed.

A subcommittee was appointed by the group, consisting of myself, as chairman, the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Missouri [Mr. CLARK] as members, to meet with a similar group of Senators from the cotton South in an attempt to agree upon some sort of unified legislation. The primary objective of both groups was to bring an understanding of agricultural needs to all Members of the Senate and to agricultural leaders in the House so that the program would not be jeopardized by lack of information or sectional prejudice.

This series of conferences resulted in two proposals being placed before the agricultural subcommittee of the Senate Appropriations Committee. The sum of $250,000,000 was established for farm parity payments, while a figure of $150,000,000 was tentatively set for addition to the customs receipts for export subsidy and domestic aid to farmers in a multitude of occupations.

Among both groups there were those who thought that the figures thus tentatively set were perhaps too great. It was agreed, however, to throw both proposals before the agricultural subcommittee and to await the holding of hearings and the giving of testimony by experts in agricultural economics before any commitments were made as to what sums might merit support. Senators are all aware of what happened, as the bills are now before us for debate. The final figure for farm parity came out as $225,000,000, while the subcommittee reported out $113,000,000 for financial aid to section 32 of the Agricultural Adjustment Act of 1938.

I now wish to digress for a moment and go back to something that transpired in the Senate a few days ago while I was absent, when the distinguished Senator from Wisconsin [Mr. WILEY] made some remarks upon the floor of the Senate which I deem it advisable just briefly to answer, because in these remarks it seems to me there is some intimation that the good faith on the part of those who are involved in this matter is somewhat questioned. I asked the Senator from Wisconsin [Mr. WILEY] to be present today in the Senate Chamber, but I understand he is out of the city and cannot be on the floor.

In his remarks on May 2, page 5026 of the CONGRESSIONAL RECORD, among other things—and I would not discuss the entire speech and attempt to analyze it if it were not for a remark or two that the Senator made in connection with the farm program—the Senator from Wisconsin said:

> It is very easy for us to forget that the $60,000,000,000 American farm investment totters on the brink of financial annihilation. In Washington it is perilously simple for us to ignore the gaunt tanned man who swaps his toil in a losing barter, in which his rightful wage is lost in the shifting sands of commodity price levels.
>
> In Washington it is too easy and too politic for us to become so engrossed in conciliating various pressure groups that we lose sight of the great basic industry of the country.

The distinguished Senator further said:

> In Washington it is sometimes too expedient to play the farm interest "against the middle"; to stall one bill while another is introduced; to consider one isolated, completely unintegrated part of a program, independent from a coordinated program; and to stir the cauldron of farm cross-interest for political purposes rather than to settle the problem.

If the Senator from Wisconsin [Mr. WILEY] has a solution of the farm problem he should present that solution to the United States Senate. I do not know of any bill that has been introduced by him since he has been in the Senate which seeks to solve the greatest problem of all before the United States Senate or in the House at the present time.

So far as stirring the cauldron for political purposes, if anyone will read the Senator's speech and not reach the conclusion that the Senator from Wisconsin was making a political speech for that very purpose, then he would reach a different conclusion from that reached by the senior Senator from Illinois.

The Senator from Wisconsin further said in his speech:

> Several months ago, because every sector of our farm group had individual bills introduced, I suggested the need of a coordinated bill wherein every farm section would be represented. Nothing came of that suggestion.

If the Senator wanted to carry out the suggestion that he made to someone, prudence dictated that he introduce a bill to that effect. He is a member of the Committee on Agriculture and Forestry. Hearings could have been held upon this all-unified, so-called coordinated bill that he told someone, somewhere, at some time, something about.

The Senator further said:

> Nothing came of that suggestion, so on the 28th of March I introduced an amendment to House bill 5269, calling for an appropriation of $100,000,000, $50,000,000 of which was to be used under section 32 of the A. A. A. Act to buy surplus butter.

He says, after his bill was introduced:

> A conference was called, and some of the dairy and wheat farmers met in the office of the Senator from Illinois [Mr. LUCAS]. In view of the fact that there has been some talk among Senators as to what went on, I am glad to state that the purpose of the meeting apparently was to see if a coordinated bill could not be worked out. As a result—

I want to assure the Senator his bill had nothing to do with the calling of the conference.

The Senator further says:

> The Senator from Illinois was appointed chairman of a subcommittee, and he appointed the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Idaho [Mr. CLARK] as members of the subcommittee.

In this he confused Senator CLARK of Idaho with Senator CLARK of Missouri.

He further states in the speech that he made in May:

> I want to say that when meetings were held by it, apparently the subcommittee was to report back to the general committee. We have had no report so far as I know.

And he also stated in that speech that no Republican was appointed upon this particular committee.

Mr. President, when the committee was appointed, and when those from the Wheat, the Dairy, and the Corn Belts were called to the office of the senior Senator from Illinois, there was no thought of Democratic or Republican politics in connection with the unified, so-called broad program for all agriculture. There was only one thought in the mind of every man who was there, whether he was a Democrat, Progressive, or Republican, and that was, What can we do best at this particular time to aid the desperate situation in which agriculture finds itself at this very hour?

So far as reporting back to the Members who were present originally, and who represented the States in the North and the West, I think the Senator from Wisconsin [Mr. WILEY] is probably the only one who will say that we did not have at least two subsequent meetings, at which what was done by the Senator from Missouri [Mr. CLARK], the Senator from Wisconsin [Mr. LA FOLLETTE], and myself was reported in detail to the other Members, and they were asked for instructions as to what we should do further in connection with attempting to agree with the Senators from the South who represented the great Cotton Belt.

In conclusion upon that point, I will say that the Senator was wholly unfair in making the insinuation which he did that he was not being let in on the program. He was invited to every meeting along with all other Senators. He is the only one who has complained. In selecting the committee of three, I conferred with Senators of long experience and finally

I asked the Senator from Wisconsin [Mr. LA FOLLETTE] to be one of the members, because I thought he knew something about the dairy situation in his section of the country. I know that he has been in the Senate for a long time. The Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Missouri [Mr. CLARK], and myself, without any thought of partisan politics whatsoever, attempted to work out a program which would satisfy the great majority of the Members of the Senate, in order that a bill having the full support of the great majority of the Members of the United States Senate might go back to the House of Representatives.

Leaving that question for a moment, I wish to discuss briefly for the RECORD what I understand the parity feature payment really does for the basic commodities which it affects. It will be recalled that last year a similar bill was passed by the Congress of the United States providing that the sum of $212,000,000 should be used as parity payments. That bill provided that one-half the sum was to be distributed under section 303 of the Agricultural Adjustment Act, and one-half under section 501 of the Price Adjustment Act of 1938. It was the unanimous thought of those meeting in the group that whatever appropriation was made at this particular time for parity payments, the distribution following the appropriation should be made upon the same basis as it was made last year.

At this point I should like to direct the attention of the Members of the Senate to what happened in the House of Representatives when a similar bill was being considered a few weeks ago. The very same language of the present act was introduced as an amendment to the present bill by a distinguished Member of the House, Mr. CANNON of Missouri. On a point of order it was held to be legislation upon an appropriation bill, and Mr. CANNON of Missouri conceded the point of order. Following that, he then offered the same amendment which has been offered by the Senator from Georgia [Mr. RUSSELL] and his committee, and no point of order was made against it, although the amendment was defeated by the House on a yea-and-nay vote.

I merely mention that fact for the reason that it makes a difference, on the question of payments, as to whether distribution is made strictly under section 303 of the Agricultural Adjustment Act or whether one-half the amount be distributed under section 303 of the Agricultural Adjustment Act and one-half under section 501 of the Price Adjustment Act of 1938. I wish to put these figures into the RECORD so that if any people in the Corn Belt district of Illinois read my statement they will understand why it was impossible to use the same language in this bill as was used last year. However, the payments are practically the same, to all intents and purposes. For example, I have taken $212,000,000, which was appropriated last year, and have had the Agricultural Department tell me what amount of the $212,000,000 went in parity payments to producers of the five basic commodities.

Last year the actual amount received by corn producers in the commercial corn-producing area was $61,613,000. Cotton producers received $84,578,000; wheat producers received $64,113,000; rice producers $1,696,000; and tobacco producers nothing, because tobacco was bringing very nearly parity prices.

If the present formula should become law, in the distribution of the $212,000,000—and I use $212,000,000 merely because it is elemental and the change can be easily understood—under the parity payments, wheat would suffer more than any other commodity. I think the wheat farmer is entitled to know just how the amount would be broken down by the Agricultural Department. That is the reason why I am making this explanation at this particular time. Corn producers would receive $64,143,000, which is about $3,000,000 more than they received last year. Cotton producers would receive $88,000,000, which is about three and a half million dollars more than they received last year. Wheat producers would receive $57,447,000, which is about $6,500,000 less than the wheat producers received last year. Rice producers would receive $2,307,000, making a total of $212,000,000.

Mr. FRAZIER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GURNEY in the chair). Does the Senator from Illinois yield to the Senator from North Dakota?

Mr. LUCAS. I yield to the Senator from North Dakota.

Mr. FRAZIER. As I understood the figures, wheat producers would receive a little less than they received last year.

Mr. LUCAS. Wheat producers would receive a little less than they received last year, under the break-down of the Agricultural Department, when we consider the $212,000,000. Perhaps they will not receive less, but figuring it on the basis of $212,000,000, which we had last year, they would receive less.

Mr. FRAZIER. The trouble last year was that the loan value was practically the same as the price of wheat last fall. With the parity payments and the loan value, wheat producers are still far below their so-called parity price. The parity price is generally conceded to be below the cost of production. The trouble is that the appropriation is altogether too small. If the farmer is to make a profit or receive any income, he must receive at least the parity price, or in excess of the parity price. If he does not make a profit, he will go broke. So it seems to me that the appropriation should be higher than it is by a considerable amount.

Mr. LUCAS. I appreciate the force of the remarks of the distinguished Senator from North Dakota. However, the question of cost was considered in the program, and while it is absolutely desirable from the standpoint of every basic commodity that ultimately we reach a parity payment for all commodities, I should like to direct the attention of the Senator from North Dakota to the fact that the wheat farmer is in a very little different position from that of other farmers so far as what he is receiving at the present time is concerned, as compared with the parity price. In my section there are wheat farmers as well as corn farmers. However, corn is selling today at 44 cents a bushel, which is 55 percent of parity. Cotton is selling at 8.3 cents per pound, which is 53 percent of parity. Wheat is selling at 56.7 cents a bushel, which is 51 percent of parity. Rice is selling at 63 cents a bushel, which is 62 percent of parity.

There is not a great discrepancy between those four basic commodities, and especially between wheat and corn and cotton. As of March 1939 there is only a 4-percent difference between the market prices and the parity prices of those products.

Mr. FRAZIER. Mr. President, will the Senator again yield?

Mr. LUCAS. I yield.

Mr. FRAZIER. I think, though, the Senator will agree that corn received considerably better consideration than did wheat or even cotton in regard to loans on those commodities last year.

Mr. LUCAS. I would not agree to that, and I will tell the Senator why. True it is, we got 56 cents a bushel for corn this year; but the great trouble with so many Senators, as with many other persons, is they forget that 85 percent of the corn raised in the corn commercial-producing area in this country is fed to cattle and hogs. From the one and a half billion bushels raised in the corn commercial-producing area there is just a little over 200,000,000 bushels of corn under seal at the present time. Of course, for this corn in the crib the owner obtained 56 cents per bushel plus the adjustment price.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. SHIPSTEAD. How much more is to be paid this year in the form of subsidies than was paid under the bill of last year?

Mr. LUCAS. In last year's bill we paid in parity payments $212,000,000. This year we have increased the amount to $225,000,000, and in a moment or two I am going to submit figures showing about what that will produce in the way of parity payments for the different commodities.

Mr. SHIPSTEAD. I mean all payments, including the conservation payments—the total subsidies.

Mr. LUCAS. Of course, last year, I will say to the Senator from Minnesota, we appropriated $500,000,000 for soil-conservation payments. It is my understanding that we only expended approximately $300,000,000 of that $500,000,000 on soil-conservation payments. In other words, while we appropriated $500,000,000, the farmers only obtained some $300,000,000 from the Department. Thereby we saved $200,000,000 under the soil-conservation program of last year. That is one of the reasons why the Senator from Illinois is willing to do what he is doing in connection with the appropriations covered by the pending bill. I realize that is an increase for the farmer, but I also realize that, while we appropriated half a billion dollars last year, we actually paid out to the farmer only $300,000,000, thereby saving $200,000,000.

Mr. SHIPSTEAD. Are the $200,000,000 in the Treasury?

Mr. LUCAS. No. As I understand it, that amount lapses.

Mr. SHIPSTEAD. What was the total expenditure, then, for subsidies—$300,000,000 and $212,000,000, or $512,000,000 in all? Was that it?

Mr. LUCAS. I think that is practically all. Insofar as the parity payments feature is concerned, and insofar as the payments made to cooperating farmers under the Soil Conservation and Domestic Allotment Act, we paid out just $512,000,000 last year. How much these other items that we are discussing here today total on recapitulation of the whole, I cannot tell the Senator.

Mr. SHIPSTEAD. Does the Senator mean the total this year?

Mr. LUCAS. No; I mean last year.

Mr. SHIPSTEAD. Do the two items make the total of $512,000,000? Was there any other subsidy paid last year?

Mr. LUCAS. I cannot tell the Senator, but I do not think so.

Mr. SHIPSTEAD. We paid in subsidies last year 34 percent more than we paid in 1937, according to the records I have, and yet the farmers had 11 percent less income than they had in 1937 on the basis of present prices and benefits and conservation payments. Can the committee give us an estimate as to what the total income of the farmer will be this year, based on present prices?

Mr. LUCAS. No; I have no figures at hand, I will say to the Senator, which would enable me to answer that question?

Mr. SHIPSTEAD. I believe the record shows that in 1937 the farmers of the United States got $3,000,000,000 less than they were entitled to under the theory of benefit and parity payments.

Mr. LUCAS. I cannot agree with the Senator as to that; I do not think it was $3,000,000,000; it may be so; but we are going just a little far afield of the question I had in mind, and I would not care to be drawn into a debate of that kind.

Mr. SHIPSTEAD. I am asking the question for the purpose of estimating, if we can, what will be the condition of the farmer at the end of this crop year when he shall have marketed his crops.

Mr. LUCAS. Of course the Senator's guess is, perhaps, just as good as mine, but I will say to the Senator from Minnesota that unless we enact this proposed legislation the condition of the farmer will be much worse in the final analysis. Whether or not there ought to be more legislation for him is something that I am not going to discuss here today. I know that there are other farm bills pending at the present time; certain phases of those bills have some merit, indeed, much merit; but that is a separate proposition that should come up later. However, so far as the Senator from Illinois is concerned, I want to see the Triple A have a fair chance before it is repealed or before some other farm act takes its place. Those who advocate today the repeal of the Triple A—and some are doing it now in speeches throughout the country—are going to meet a serious challenge at the hands of some of the best agricultural minds of the country unless they can give them a constructive program as a substitute for the Triple A and not merely words or platitudes for selfish and political reasons. The Triple A has only been on the statute books since February a year ago, and last year in my State only 50 percent of the farmers cooperated. I am happy to say to the Senate and especially to the Senator from Minnesota, who has brought up this discussion, that in Illinois this year at least 85 percent or perhaps 90 percent of the farmers are cooperating with the Triple A. On May 1 approximately 170,000 farmers in my State had signed up with the program, indicating that at least they have given the Triple A very close and serious consideration. I undertake to say that the farm program is not so unpopular as many people ask us to believe it to be. It is not perfect, by any means; but it is a good start.

Mr. SHIPSTEAD. Mr. President, will the Senator yield further?

Mr. LUCAS. I am glad to yield to the Senator from Minnesota.

Mr. SHIPSTEAD. I was not criticizing the Senator from Illinois.

Mr. LUCAS. I know the Senator was not.

Mr. SHIPSTEAD. I asked the questions for information, because I am anxious to know if we can have some hope that the farmer will be better off at the end of this year than he has been at the end of every other year since 1929?

Mr. LUCAS. Of course, legislation alone is not going to tell the story for the farmer. Many things can happen and many things have happened in the past because, in my opinion, of the lack of proper legislation.

What is the cause of the cotton situation today? Back in 1934 the Supreme Court, in my humble opinion, tortured the Constitution in order to invalidate the first farm program under this administration. For 2 years thereafter we had no control. I am one of those who believe we must control chronic surpluses of the basic commodities of this country until some genius, some statesman, some economist comes along and finds a method of distribution. It irks me to say that we ought to control the acreage of corn and wheat and cotton when I see so many people suffering in this country, but, as a farm owner in Illinois and one who has been vitally interested in this program since I was a boy, I saw in 1932 ruin and misery and suffering and sorrow brought to thousands upon thousands of farmers in my State because of chronic surpluses. The Triple A, in my opinion, was the answer, and just as it was doing constructive work for the farmers of America and constructive work for society as a whole it was invalidated by the Supreme Court, and then for 2 years we had just the soil-conservation program, with no control. That is when the cottcn South produced so many bales of cotton; that is when 80,000,000 acres were planted to wheat in Kansas, as well as in my own State and other States, and drove wheat down to the price where it then was. I am a firm believer in proper control. I am honest in my adherence to that philosophy. I may be wrong, but no one yet, either in the Senate or House, has convinced me that the program of control is wrong.

Mr. President, I move on just a little further in the discussion. I want to put into the RECORD another set of figures dealing with the same $212,000,000. This set of figures is based on an estimate of production and prices that may or may not happen. In other words, using the 1938 production for cotton, corn, rice, and tobacco and the 1938 season average prices through July 31, 1939, for rice and tobacco, a wheat production of 750,000,000 bushels, cotton priced at 8 cents a pound, a wheat price of 60 cents per bushel, a corn price of 40 cents per bushel, and taking $225,000,000 in this example as an illustration of what might happen in the way of more or less income from such an amount in the event the price of any of these commodities rose and fell, I am taking cotton at a price that will bring $86,818,000; taking corn at a price that will bring $75,000,000; wheat, $58,000,000; rice, $2,000,000, and tobacco, $1,501,000.

Assuming for the sake of argument that corn selling at 40 cents a bushel produces $75,834,000 under the parity payment feature, if corn is selling at 50 cents a bushel instead of getting $75,834,000 the corn farmer will get only $59,206,000, and the difference between $75,834,000 and $59,206,000 will be distributed throughout the other basic commodities, and they will advance. Cotton will go from $86,000,000 to $96,000,000; wheat, from $58,000,000 to $65,000,000; rice, from $2,194,000 to $2,438,000, and tobacco from $1,500,000 to $1,600,000.

In the event corn is selling for 55 cents a bushel, corn will further take a decrease on parity payments of $10,000,000, which will give corn $49,000,000 under the program, and give cotton $102,000,000; wheat, $69,000,000; rice, $2,500,000, and tobacco, $1,700,000. Any other commodity that either falls or rises in price will be reflected in the same manner as the example I have given of corn; and in the event corn reaches 60 cents a bushel the corn farmer and the corn commercial producing area will not get a single dime of the $225,000,000, because the farmer will be getting 75 percent of the parity price, and the other commodities which have not reached 75 percent will get the benefit of the amount corn did not get because of its market price. If all commodities should reach 75 percent of parity the program would cost the Government nothing.

Mr. President, I ask unanimous consent to place these two tables i nthe RECORD as a part of my remarks, in order that I may give the Senate the benefit of them.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Distribution of $212,000,000 based on 1938 production and prices

	Actual distribution under the Price Adjustment Act of 1938	Distribution that would have been made under Price Adjustment Act of 1938 if that act had provided for using sec. 303 alone instead of secs. 104 and 303
Corn, commercial	$61,613,000	$64,143,000
Cotton	84,578,000	88,040,000
Wheat	64,113,000	57,447,000
Rice	1,696,000	2,370,000
Tobacco	0	0
Total	212,000,000	212,000,000

Distribution of $225,000,000 among basic commodities under sec. 303

[Based on assumed production and prices as described below]

Commodity	A	B	C
Cotton	$86,818,000	$96,494,000	$102,190,000
Corn, commercial	75,834,000	59,206,000	49,421,000
Wheat	58,653,000	65,192,000	69,039,000
Rice	2,194,000	2,438,000	2,581,000
Tobacco	1,501,000	1,670,000	1,769,000
Total	225,000,000	225,000,000	225,000,000

A: Using 1938 production for cotton, corn, rice, and tobacco and 1938 season average prices through Jan. 31, 1939, for rice and tobacco; wheat production 750,000,000 bushels; cotton price 8 cents per pound; wheat price 60 cents per bushel; corn price 40 cents per bushel.

B: Same as A except corn price at 50 cents per bushel.

C: Same as A except corn price at 55 cents per bushel.

NOTE.—With 75 percent of parity as a maximum limitation and tobacco prices as high as in 1938, the funds shown above for tobacco would be redistributed to the other commodity, or commodities, for which 1939 prices are the lowest in relation to parity.

Mr. LUCAS. Mr. President, I now desire to discuss, just briefly, the $113,000,000 which I hope will be appropriated by the Senate, which under the language of the pending bill is to be distributed under the provisions of section 32 of the Agricultural Adjustment Act.

There is a very good reason for this additional appropriation. In fact, there are a number of reasons; but No. 1 is that the customs receipts coming in under section 32, under the 30-percent clause, are the lowest that they have been for many, many years. I am advised that all we shall get from customs receipts to use under section 32 this year is around $90,000,000, and if this bill passes and we appropriate another $113,000,000 the Agricultural Department will have a total of $203,000,000 to allocate under section 32.

I have here a rough guess as to how that amount will be broken down. This is based upon the testimony which was given before the committee, as well as some statements which were made before the committee consisting of the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Missouri [Mr. CLARK], and myself. There is nothing binding about this estimate, but I thought the Senate and the country should know in close proximity what each particular commodity probably would get.

Under section 32 no commodity could get more than 25 percent of the total amount that comes from the customs receipts and the total amount that is appropriated under this bill. Therefore, dairy products, for instance, under the domestic-consumption phase of the problem, would receive perhaps $50,000,000; meats, primarily hogs, would get around $18,000,000; poultry and eggs would get around $6,000,000; fruits and vegetables would get around $35,000,000; making a total of $109,000,000. Under the export-subsidy theory of section 32, cotton would get around $50,000,000; wheat around $26,000,000; lard around $16,000,000; and pecans and walnuts around $2,000,000; making a grand total of $203,000,000. There might be a slight change here or there; but that break-down is close to being correct, if I correctly analyze the testimony, and take it into consideration with the statements which have been heretofore made to the committee.

Mr. President, in conclusion, no one realizes better than I that a tremendous sum of money is involved in this appropriation; and yet day after day I have seen the Appropriations Committee come in with this bill or that, calling for billions upon billions of dollars for practically every conceivable thing in this country.

We voted billions for national defense, and I went along with that program and was glad to do it. No one ever raised the question as to where the money was coming from to pay the billions of dollars. As a Member of the House of Representatives, I voted for every dollar that was ever requested for every W. P. A. appropriation year after year, and I voted for some appropriations in the Senate this year; and yet because I dared vote against an additional $150,000,000 in the original vote on W. P. A., I have been considered by some persons out in my section of the country as one who has no heart; as an individual who was attempting to trample down into the dust the rights of those who may be suffering for want of the necessities of life.

It is a strange thing how quickly people forget. It is a strange thing that no one ever thought of all the money I had voted for up to that time and said, "Well, LUCAS deserves just a little consideration at least for going along on all of those appropriations"; but that one thing stands out in the minds of those who want more and more all the time.

Yes, this is a large appropriation; and the question is frequently asked upon the floor of the Senate and in the lobbies, "Where are we going with all of these appropriations? When are we to stop, if ever?" I am frank to say that I have not the answer, and I do not know whether any Senator upon the floor has an answer. Sometimes, as we deliberate over the boxcar figures involved in appropriations in the Senate, I find that it does me good to hark back to the days when one dollar—one three hundred and thirty-eight millionth part of the sum involved in this bill—represented to me perhaps several hours of back-breaking toil and represented also food and sustenance for several days.

So when we discuss these sums with strings of zeros stretching out ad infinitum I try to remember two fundamental principles which, to my knowledge, have not been repealed. Admitting my shortcomings as an economist—I scarcely ever agree with the economists, because they cannot agree among themselves—but, admitting my shortcomings as an economist, the first is that a dollar is not a figment of the imagination nor something that can be wished into existence; it must be created through labor or productivity or natural wealth. The second is that you cannot spend what you do not have, at least not after your creditors catch up with you.

Easy, indeed, would it be, and perhaps expedient, to say to the farmers of America, "Here is the money we have appropriated for you to aid you in your present troubles. Just come and get it, and don't worry about a thing." My approach is slightly different. While I do not desire to be unpleasant, I must remind the farmers of America that this money is being appropriated in their behalf, but that in some way, somehow, a method must be found of raising it. Therefore, at the earliest opportunity, if this bill becomes a law, I may introduce a measure which will provide for a means of financing this appropriation.

The tax collector is never a popular fellow, but I believe the time has come when it must be impressed upon the persons who are the recipients of Federal munificence that the appropriations which are voted in their behalf are not just manufactured out of thin air. I believe that the same principle which I learned in my youth as an individual, that you cannot spend what you do not have or what you have not a reasonable expectancy of getting, applies equally well to corporations and to governments and to individuals.

It is not that I believe that the farmer is not fully as deserving of Federal aid as are the destitute and hungry residents of the cities and industrial centers. Certainly, too, the importance of American agriculture in our economic system justifies appropriating funds for the American farmer just as funds have been appropriated for the aid of industry and commerce.

But if, after having lived among farm folk all my life, I am any judge of the temper of agricultural thought, the American farmer does not seek, and would not want, a so-called hand-out. As a class, he is jealous of his economic and social integrity, and all he asks is for temporary aid to pull him through a situation that was not of his making.

Finally, I think the proposed legislation will go far to avert more drastic, and perhaps less feasible, measures which might be hatched and nurtured unless the economic needs of the American farmer are at least partially satisfied at this particular time. As between the alternatives of ignoring the farm problem completely or following some visionary course which might prove economically disastrous, I prefer to follow this sound middle pathway, which I believe to be just and well considered.

My plea is to pass these proposed appropriations so that, aided by the legislative machinery which already has been set up in his behalf, the American farmer may work out his own salvation, under the necessary protection of crop control, and with as few other restrictions as are compatible with sound economic sense.

It is not a question, gentlemen, which can be determined if partisan or sectional considerations are allowed to creep into the debates. The broad scope of American agriculture provides a huge, all-inclusive panorama of complicated problems and needs and, as I see our duty here today, it is to vote these funds so that agriculture may move forward with, and neither retard nor be retarded by, labor and industry and government.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 97, after line 4, to insert:

DISPOSAL OF SURPLUS COMMODITIES

To enable the Secretary of Agriculture to further carry out the provisions of section 32, as amended, of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935, and subject to all provisions of law relating to the expenditure of funds appropriated by such section, $113,000,000. Such sum shall be immediately available and shall be in addition to, and not in substitution for, other appropriations made by such section or for the purpose of such section: *Provided*, That not in excess of 25 percent of the funds herein made available may be devoted to any one agricultural commodity.

Mr. ADAMS. Mr. President, I wish to inquire of the Senator from Georgia whether or not I received a correct impression as to this matter earlier in the day. The pending amendment provides an appropriation for the disposal of surplus commodities of $113,000,000. I understand that for this same purpose there is available 30 percent of the customs revenues under the provisions of section 32 of the Agricultural Adjustment Act. A year ago section 32 produced $144,000,000, and it is anticipated that this year it will produce only $90,000,000. Last year there was no appropriation for this purpose other than the money provided by section 32. Am I correct?

Mr. RUSSELL. The understanding of the Senator from Colorado is correct. It might be stated that this is the first time Congress has considered an appropriation of any amount over and above the 30 percent that is permanently allocated from the customs receipts. Of course, the allocation does not run with the fiscal year, it runs with the calendar year, so at the time this matter is under consideration Congress knows the amount which will be available under the permanent legislation which makes this allocation. The calendar year from January 1 to December 31 is used in determining the amount which will be available for expenditure under section 32. Therefore we know now that the sum will be approximately $90,000,000 in round figures.

Mr. ADAMS. Last year the $144,000,000 was adequate for these purposes?

Mr. RUSSELL. I will not say it was wholly adequate, but no great harm has resulted from lack of funds.

Mr. ADAMS. So that if the same demand existed this year, and the $144,000,000 were substantially just enough, there would be a shortage of $54,000,000 this year, and the necessity of equalizing?

Mr. RUSSELL. It would require an appropriation of $54,000,000 to bring the section 32 funds up to the exact amount available during the current year. However, the Department pointed out that there would be more demand for section 32 funds in the coming fiscal year than has been made upon them for the current fiscal year.

Mr. ADAMS. Of course, there are almost always endless demands. Every group of producers, when the price of their commodity declines, is anxious to have the Surplus Commodities Corporation take over the surplus in order to reduce the amount on the market. That is a normal situation. I have seen it in my own State and elsewhere.

The point I was reaching was that it seems that under conditions this year, which are certainly no less favorable than the conditions of last year, we are providing $59,000,000 more than was available last year. Why could we not reduce the $113,000,000 to the amount which would equalize last year's situation and make the appropriation $59,000,000 instead of $113,000,000?

Mr. RUSSELL. Mr. President, several reasons were assigned by the witnesses who appeared before the subcommittee as to why adding the amount of $59,000,000, making a total of $144,000,000 available under section 32, would not be adequate.

This year the Department has had in operation what was known as a wheat export program, whereby 100,000,000 bushels of wheat have been shipped abroad and subsidized out of Department of Agriculture funds. Those funds were taken from the soil-conservation appropriation, approximately $23,000,000 from the soil-conservation program appropriation. This year, due to the fact that the percentage of cooperators under the soil-conservation program has increased tremendously, there will be no funds available from the soil-conservation funds. There was another item of some $4,000,000 which had been used from soil-conservation funds for carrying on a peanut program, which will not be available this year, thereby making it necessary to finance the peanut program from section 32 funds.

Perhaps overshadowing those two items, which make about $25,000,000 of funds which will be added to the expenditures under section 32, there is a situation of extreme gravity in the dairy industry. I am not sure that I thoroughly understand all of the details of the dairy program, but a large amount of money has been loaned by the Commodity Credit Corporation on butter, and that butter is now in storage.

The section 32 funds, up until the time they were exhausted, were used to purchase this butter and distribute it among those on the relief rolls. Section 32 funds having become exhausted, the Department estimates that it will require something like $15,000,000 between now and the beginning of the next fiscal year to clear up the butter situation.

Mr. ADAMS. That is, for one agency of the Government to buy it from another agency of the Government?

Mr. RUSSELL. No; because the Commodity Credit Corporation makes loans to cooperatives. They borrow on the butter, and another bureau of the Department of Agriculture, the Federal Surplus Commodities Corporation, purchases it from the cooperators, who are holding it under a Government loan. It is not a direct purchase from another agency of government.

I am sure that the diligent Senator from Colorado, with his usual care, has examined the hearings. He will find in them that the Surplus Commodity Corporation has pointed out that a very critical situation will exist in the poultry industry, both as regards the marketing of poultry and of eggs. In addition, a considerable surplus in lard is anticipated for the coming year, and that it is proposed to inaugurate an export program on a small amount of lard for which money is not available, and will not be available unless the funds applied to section 32 are increased.

In addition to that, if a cotton export subsidy program is adopted, additional funds will be required to carry on that program. If the comprehensive program outlined by the Department of Agriculture is to go into effect $113,000,000, in addition to the $90,000,000 permanently allocated, is necessary. The Department felt that it would need that much to reach all of these phases of agriculture, many of which are not covered by the Agricultural Adjustment Act.

The situation in the fruit and vegetable production is very unfavorable. It was anticipated it would be necessary to buy a considerable amount of apples and grapefruit and oranges to avoid a glut in the market and disastrous prices to the producer.

Mr. ADAMS. Mr. President, the Senator then feels that the Department of Agriculture has imposed upon it the duty to say that wherever there is a surplus of any agricultural product the Government should step in and take the surplus off the market?

Mr. RUSSELL. I would not go that far, but I would say that there is a very definite obligation on the Congress of the United States to endeavor to protect, as far as possible, the prices received by the producers of any kind of agricultural commodity in the United States.

Mr. ADAMS. Would the Senator go so far on the other side as to say that whenever there is a shortage in commodities so that the consumer is forced to pay more than a reasonable price that the Government should step in and see that the prices are brought down to a reasonable level?

Mr. RUSSELL. The Senator from Colorado is getting out in rather deep water. I do not know how the Government could embark on any such program under normal circumstances. If I recall correctly, during the period of the World War, however, the Government did undertake to establish a level above which prices for wheat, corn, and other agricultural products should not mount.

Mr. ADAMS. I am not speaking entirely off the book, because there is one agricultural product which is raised in the State of the Senator from Louisiana and the State of the Senator from Colorado with respect to which Congress, through the activities of the Secretary of Agriculture, is endeavoring to keep the price down. I refer to sugar. Congress has placed in the hands of the Secretary of Agriculture a power which he has exercised with great liberality—to keep the price down for the benefit of the consumer. So when I make the inquiry, I wonder why the same power and the same objective might not be instituted in connection with other products which the consumer has to purchase.

Mr. RUSSELL. When Senators representing the sugar-producing regions stated to the Senate that that was the case the Senate immediately, forthwith, passed a bill to remedy the situation and to protect the American producer. The pending bill seeks the same objective—to protect the American producer of agricultural commodities against disastrously low prices. When the Senate has done all within its power to aid the American farmer, we have discharged our responsibility.

Mr. ADAMS. In view of the Senator's explanation I will not offer the amendment I had in mind to offer.

Mr. LEE. Mr. President, I should like to ask a question of the chairman of the subcommittee. Will the $113,000,000 be the fund from which the Department of Agriculture would furnish groceries under the provisions for the stamp method of providing lower-price commodities to people on the relief rolls?

Mr. RUSSELL. It will be. That will be the source from which that program will be financed. The Senator from Oklahoma understands, of course, that during the coming year we do not propose to try out that program except on an experimental basis.

Mr. LEE. I understand that. I should like somewhere to amend the plan so that all those who are certified for relief can enjoy it, as well as those who are actually on the rolls. For instance, in Oklahoma we have 30,000 persons who are certified for the relief rolls, but not enough money to employ them. We have only enough to employ 65,000 persons. There are 30,000 who are certified as being in a similar condition as the 65,000. The 65,000 get jobs, but the 30,000 do not get jobs nor the stamps. I am wondering if there is a place in the bill where we could provide that all those who are certified for relief could enjoy this lower price.

Mr. ADAMS. Mr. President, may I interrupt at that point?

Mr. RUSSELL. Yes.

Mr. ADAMS. I think perhaps there is a little confusion in the mind of the Senator from Oklahoma, if I understood him correctly. As I understand, the surplus commodities are not given to those on Federal relief rolls. They are given to the States. They are distributed by the States to those who are upon the direct relief rolls. The direct relief rolls may include a part or all those to whom the Senator from Oklahoma refers as certified, but not upon the Federal rolls. The Federal roll is made up of those who are receiving the security wage. The surplus commodities are given to the State for distribution to those to whom it extends direct relief, which may be the unemployable, it may be the disabled, or may be those who are employable but not able to get employment.

Mr. LEE. That is correct. I thank the Senator from Colorado. The point I had in mind, however, is the experiment the Department is making with different colored stamps. "All I know is what I read in the papers." In the papers it said that those on relief would be given these stamps, which would exclude those who have been certified for relief but not been put on relief. As this experiment is carried out I should like to see it extended to include those who have been certified for relief, because they need it worse than those who get the jobs and also the tickets.

Mr. RUSSELL. Mr. President, in the proposed plan I do not think there is any discrimination against a man who is certified for relief and who is unable to get upon the W. P. A. rolls. Of course, that is not a matter upon which we can legislate in the pending bill. But if I understand the stamp program, it will not necessarily interfere with the distribution of surplus commodities. It merely means that when those who are on the relief rolls are paid, if they will accept their compensation in stamps they will receive more payment in stamps than they would in money. That is done to encourage the consumption of those surplus commodities. But in the meanwhile, where purchases have been made, those commodities will be distributed as they have been heretofore.

Of course, it will be very unfair to the man who is on direct relief and unable to get on the W. P. A. rolls to deny him any benefits in the distribution of surplus commodities, merely because he has no stamps, and if the Department of Agriculture has not given any attention to that phase of

the program it certainly should do so at the very earliest date; otherwise there would be a very unfair discrimination against the man on direct relief. He would be denied not only an opportunity to work on the W. P. A. but would be denied sharing in the distribution of these surplus commodities.

Mr. ADAMS. I think there is one thing regarding the surplus commodities which is a little difficult to work out. There may be a surplus of onions raised in a valley in a State, and the Surplus Commodities Corporation then has on hand a great supply of onions. It may be the only surplus, so those on relief there are supplied with onions. In California the surplus may be prunes. In Florida and in the South there may be a great surplus of grapefruit, as we had one year. In other words, there is a difficulty in the matter of distribution of surplus commodities, because in one place it is one particular commodity and in another place another commodity. I assume that the Surplus Commodity Corporation endeavors to work it out, but I do not know what the answer is.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 96, line 14.

The amendment was agreed to.

The next amendment was, under the heading "Farm Tenant Act, farm tenancy", on page 99, line 14, after the word "Act", to strike out "$24,984,500" and insert "$49,984,500", and in line 15, before the word "together", to insert "reimbursable", so as to read:

To enable the Secretary of Agriculture to carry out the provisions of title I of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937 (7 U. S. C. 1000–1006), including the employment of persons and means in the District of Columbia, and elsewhere, exclusive of printing and binding, as authorized by said act, $49,984,500 reimbursable, together with the unexpended balance of the appropriation made under said act for the fiscal year 1939.

The amendment was agreed to.

The next amendment was, on page 100, after line 10, to insert:

Total, Farm Tenant Act, $56,950,230.

The amendment was agreed to.

The next amendment was, under the heading "Water facilities, arid and semiarid areas," on page 100, line 23, after the word "elsewhere," to strike out "$250,000" and insert "$500,000," so as to read:

To enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act to promote conservation in the arid and semiarid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes," approved August 28, 1937 (16 U. S. C. 590r–590x), including the employment of persons and means in the District of Columbia and elsewhere; printing and binding; the purchase, exchange, operation, and maintenance of passenger-carrying vehicles; and rent in the District of Columbia and elsewhere, $500,000, of which not to exceed $25,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the heading "Beltsville Research Center," on page 101, line 13, after the word "expenses," to strike out "$85,000" and insert "$90,000," so as to read:

For general administrative purposes, including maintenance, operation, repairs, and other expenses, $90,000; and, in addition thereto, this appropriation may be augmented, by transfer of funds or by reimbursement, from applicable appropriations, to cover the cost, including handling and other related charges, of services and supplies, equipment and materials furnished, stores of which may be maintained at the center, and to cover the cost of building construction, alteration, and repair performed by the center in carrying out the purposes of such applicable appropriations and the applicable appropriations may also be charged their proportionate share of the necessary general expenses of the center not covered by this appropriation.

The amendment was agreed to.

The next amendment was, under the heading "Cooperative farm forestry", on page 102, line 10, after the word "improvements", to strike out "$300,000" and insert "$400,000", so as to read:

To enable the Secretary of Agriculture to carry into effect the provisions of the Cooperative Farm Forestry Act, approved May 18, 1937 (16 U. S. C. 568b), including the employment of persons and means in the District of Columbia and elsewhere; printing and binding; not to exceed $7,700 for the purchase of passenger-carrying vehicles; the purchase of reference books and technical journals; not to exceed $20,000 for the construction or purchase of necessary buildings, and other improvements, $400,000.

The amendment was agreed to.

The next amendment was, under the heading "Forest roads and trails", on page 102, line 24, after the name "District of Columbia", to strike out "$10,000,000" and insert "$14,000,000"; on page 103, line 2, before the word "Stat.", to insert "49"; in line 3, before the word "of", to strike out "$3,000,000" and insert "$7,000,000"; in line 7, after the word "rental", to insert a comma and "purchase, or construction"; and in line 10, after the word "maintenance", to insert a comma and "but the total cost of any such building purchased or constructed under this authorization shall not exceed $7,500", so as to read:

For carrying out the provisions of section 23 of the Federal Highway Act approved November 9, 1921 (23 U. S. C. 23), including not to exceed $59,500 for departmental personal services in the District of Columbia, $14,000,000, which sum consists of the balance of the amount authorized to be appropriated for the fiscal year 1939 by the act approved June 16, 1936 (49 Stat. 1520), and $7,000,000 of the amount authorized to be appropriated for the fiscal year 1940 by the act approved June 8, 1938 (52 Stat. 635), to be immediately available and to remain available until expended: *Provided*, That this appropriation shall be available for the rental, purchase, or construction of buildings necessary for the storage of equipment and supplies used for road and trail construction and maintenance, but the total cost of any such building purchased or constructed under this authorization shall not exceed $7,500.

The amendment was agreed to.

The next amendment was, under the heading "Title II—Farm Credit Administration, salaries and expenses", on page 107, line 23, before the word "together", to strike out "$3,600,000" and insert "$3,700,000", so as to read:

For salaries and expenses of the Farm Credit Administration in the District of Columbia and the field; traveling expenses of officers and employees including not to exceed $5,000 for travel incurred under proper authority attending meetings or conventions of members of organizations at which matters of importance to the work of the Farm Credit Administration are to be discussed or transacted; printing and binding; contingent and miscellaneous expenses, including law books, books of reference, and not to exceed $1,000 for periodicals, newspapers, and maps; contract stenographic reporting services, and expert services for the preparation of amortization tables; library membership fees or dues in organizations which issue publications to members only or to members at a lower price than to others, payment for which may be made in advance; purchase of manuscripts, data, and special reports by personal service without regard to the provisions of any other act; procurement of supplies and services without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) when the aggregate amount involved does not exceed $50; purchase (including one at not to exceed $1,500), exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles and motortrucks to be used only for official purposes; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; garage rental in the District of Columbia and elsewhere; payment of actual transportation expenses and not to exceed $10 per diem in lieu of subsistence and other expenses of persons serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the Farm Credit Administration; employment of persons, firms, and others for the performance of special services, including legal services, and other miscellaneous expenses; necessary administrative expenses in connection with the making of loans under the provisions of the act of January 29, 1937 (50 Stat. 5), and the collection of moneys due the United States on account of loans made under the provisions of the acts of March 3, 1921 (41 Stat. 1347), March 20, 1922 (42 Stat. 467), April 26, 1924 (43 Stat. 110), February 28, 1927 (44 Stat. 1251), February 25, 1929 (45 Stat. 1306), as amended May 17, 1929 (46 Stat. 3), March 3, 1930 (46 Stat. 78, 79), December 20, 1930 (46 Stat. 1022), February 14, 1931 (46 Stat. 1160), and February 23, 1931 (46 Stat. 1276); January 22, 1932 (47 Stat. 5), February 4, 1933 (47 Stat. 795), March 4, 1933 (47 Stat. 1517), February 23, 1934 (48 Stat. 354), March 10, 1934 (48 Stat. 402), June 19, 1934 (48 Stat. 1021), February 20, 1935 (49 Stat. 28), March 21, 1935 (49 Stat. 49), April 8, 1935 (49 Stat. 115), January 29, 1937 (50 Stat. 5), February 9, 1937 (50 Stat. 8, 11), February 4, 1938 (52 Stat. 26), and Executive Order No. 7305, dated February 28, 1936; examination of corporations, banks, associations, credit unions, and institutions operated, supervised, or regulated by the Farm Credit Administration: *Provided*, That the expenses and salaries of employees engaged in such examinations shall be assessed against the said corporations, banks, or institutions in accordance with the provisions of existing laws; in all, $3,700,000, together with not to exceed $3,950,000

from the funds made available to the Farm Credit Administration under the acts of January 29, 1937 (50 Stat. 5), February 9, 1937 (50 Stat. 8, 11), and February 4, 1938 (52 Stat. 26).

The amendment was agreed to.

That concludes the committee amendments.

Mr. RUSSELL. I desire to offer from the floor a legislative amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. On page 108, line 15, before the period, it is proposed to insert a colon and the following: "*Provided*, That no employee of the United States on whose certificate or approval loans under said act of January 29, 1937, as amended, or other acts of the same general character, are or have been made, shall be held personally liable for any loss or deficiency occasioned by the fraud or misrepresentation of applicants or borrowers, if the Governor of the Farm Credit Administration shall determine that such employee has exercised reasonable care in the circumstances, and has complied with the regulations of the Farm Credit Administration in executing such certificate or giving such approval."

Mr. RUSSELL. Mr. President, this amendment grew out of a ruling by the Comptroller General that a representative of the Crop Production Loan Agency, commonly called the Seed Loan Agency, was personally liable for any fraud or misrepresentation on the part of the borrower. We are familiar with the set-up of the Crop Production Loan Agency. A local committee in each county passes on the loans. The representative of the Farm Credit Administration merely handles the mechanics of making the loan after it has been approved by the local committee. The Comptroller General's ruling would make the representative of the Government liable for fraud or misrepresentation on the part of a borrower whom the agent had never seen. The Farm Credit Administration has asked to have this language inserted, which leaves to the determination of the Governor of the Farm Credit Administration the question whether or not the agent of the Government should be held liable in cases of fraud on the part of the borrower.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. RUSSELL] on behalf of the committee.

The amendment was agreed to.

Mr. RUSSELL. Mr. President, that concludes all the amendments which have been approved by the committee, or which the committee has requested me to offer from the floor. If the Senator from Kentucky [Mr. BARKLEY] has no objection, I suggest that the remainder of the bill might go over until tomorrow. Many other amendments remain to be offered from the floor.

Mr. BARKLEY. That is agreeable.

Mr. RUSSELL. I thank the Senator.

PARITY PRICES AND PARITY INCOME—ADDRESS BY REPRESENTATIVE CANNON OF MISSOURI

Mr. BANKHEAD. Mr. President, one of the best statements I have heard or read on the subject of parity—parity prices and parity income—was recently made by Representative CLARENCE CANNON, of Missouri, in a radio address delivered on April 8, last. Mr. CANNON is the ranking majority member of the House Committee on Appropriations and is chairman of the Subcommittee on Appropriations for the Department of Agriculture.

I ask unanimous consent that the address be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

When in the closing days of the Fifty-fifth Congress it was announced that for the first time in the history of the United States appropriations for all departments of the Government for 2 years had reached a grand total of a billion dollars, head lines flashed the news from coast to coast and editorials in every metropolitan newspaper in the Nation commented apprehensively on a billion-dollar Congress.

This session of Congress the Committee on Appropriations reported out a bill carrying an appropriation in excess of a billion dollars for 1 year only and for one department of the Government alone—the Department of Agriculture. And the newspapers had very little to say about it.

A billion dollars for agriculture, but perhaps that is the explanation of the lack of editorial interest. For when you come to examine this long bill with its hundreds of items and millions of dollars you discover that the term "agricultural appropriation bill" is largely a misnomer and highly misleading and that while it is known as the agricultural appropriation bill, as a matter of fact a large part of the money it appropriates is for other than agricultural purposes.

For example, the bill carries $6,000,000 for the Weather Bureau, of only incidental service to agriculture, and now maintained chiefly for the benefit of the civil and military air service. Seven million dollars for the eradication of tuberculosis and kindred stock diseases, primarily for the protection of the health of consumers; $5,000,000 for meat inspection, a service for the exclusive benefit of the packers and middlemen, through its guaranty of quality and wholesomeness to the general public. Approximately $20,000,000 for the forestry service, not even a branch of agriculture, consumed principally in the protection and development of national forests and national resources. Four million dollars for the Bureau of Biological Survey, the conservation of wildlife, a national interest, demand for which comes in greater volume and insistence from the city than the country. Nearly $200,000,000 for the Bureau of Public Roads, a most laudable activity, but one in which the farmer is no more interested than any other citizen—in fact, out of this amount a wholly inadequate sum is provided for farm-to-market roads—connecting the farm with the great system of interurban highways for which most of this money is spent. Two and a half million dollars for the Food and Drug Administration which deals with food as it leaves the processors and not as it leaves the farm, and with cosmetics, etc., of secondary importance on the farm, and at most of no more benefit to the farmer than to any other industry. Ten million dollars for forest roads and trails, spent largely in the national forests and of practically no agricultural benefit whatever. And similar items throughout the bill—too numerous to mention.

So, when prompted to comment on the size of the agricultural appropriation bill, and the amount it carries, it is well to remember, that a large part of it is far from being agricultural, and is to be charged, neither to the farmer nor the farm.

But such items serve to make the bill, already of surpassing importance, probably the most widely discussed of all the supply bills, affecting directly and immediately every congressional district, directly or indirectly every interest and industry in the Nation, urban and rural, field and factory, farm and city.

In this connection, there is sometimes a tendency to confuse the jurisdiction and functions of two great committees of the House, the Committee on Agriculture, a legislative committee which cannot report appropriations, and the Committee on Appropriations, exclusively an appropriating committee which cannot report legislation. In other words, the Committee on Agriculture writes the farm laws, establishes the farm programs. And the Committee on Appropriations furnishes the money to operate those laws and put these farm programs into effect. Without money to run them farm programs are like guns without ammunition or automobiles without gas. And the Committee on Appropriations, in the agricultural appropriation bill, furnishes the ammunition and the gas, supplies the money, to make the mare go.

Let us take a concrete instance. The Seventy-fifth Congress passed the Farm Act of 1938, directing that the farmers of the country be paid parity prices for their products. But the law meant nothing—and the farmer's prices were not affected—until the Committee on Appropriations put through an appropriation providing the money to make the law operative.

What is a parity price? I suppose so much has been written and said about parity prices, and there has been such exhaustive debate in Congress on farm parity for the last 20 years, that everybody understands that a parity price for wheat, corn, cotton, eggs, and other farm products is a price which will make the farmer's wheat, corn, cotton, and eggs today buy as much as the same wheat, corn, cotton, and eggs would have bought before the war.

Everybody will remember that before the war the price of farm products and the price of manufactured products, wages for farm labor and wages for union labor were fairly adjusted, and, under the price schedules of that day, agriculture was on a plane of economic equality with labor and industry. Then came the war, and all prices advanced Farm prices went up. Industrial prices went up. Wage scales went up, went up together, to the highest peak in the economic history of the country. And everybody was satisfied, everybody had purchasing power, everybody had enough and to spare, everybody was prosperous—on the farm and in the city.

But with the close of the war a surprising thing happened, a thing as unfair and unjust and inequitable as it was surprising. The bottom fell out of farm prices, while the prices of everything the farmer had to buy remained at wartime levels. Hogs fell from $28 to $2. Wheat went down from $2.40 to 30 cents. Eggs dropped from 60 cents to 8 cents. And everything else in proportion. Now, that would not have been so bad if the price of everything that went up with farm prices had come down with farm prices. But, incredible as it may seem, while agriculture was falling labor and industry not only maintained wartile levels but advanced, until today it costs more to ship 45-cent corn than it cost to ship $1.50 corn in 1920, costs more to ship 9-cent cotton than it cost to ship

35-cent cotton during the war, takes more to buy a binder to cut 60-cent wheat than it took to buy a binder to cut $2.40 wheat. And today, when pork is $7 and eggs are 20 cents, the union wage scale is higher than when pork was $28 and eggs were 60 cents. Do our friends who wear cotton clothing and who eat ham and eggs approve of that discrepancy?

Now, do not misunderstand us. The farmer does not object to increases in either wages or prices. The farmer believes in high wages and high prices. But he submits to all fair-minded Americans that if he pays high wages for the products of labor and high prices for the output of industry he is entitled to an honest wage for his labor and a fair price for his products. That is what a parity is—as fair a price for what the farmer sells as the farmer must pay for what he buys.

And the justice of that contention is so obvious that all political parties have promised parity in their national platforms. And the Seventy-fifth Congress at last wrote into law a provision to pay parity prices.

But such laws are of no effect until money is provided to make them operative. They are, as has been said, like guns without ammunition or automobiles without gas. So the Committee on Appropriations last year provided $212,000,000 and this year reported out $250,000,000 for parity prices. These amounts are not sufficient to give the farmer full parity, but they are steps in the right direction.

From the $212,000,000 appropriated last year the farmers of the Nation will receive 11 cents a bushel more for wheat than they have already been paid, 6 cents a bushel more for corn, and nearly 2 cents a pound more for cotton on their 1938 crop, payable this coming September and October. And if the $250,000,000 appropriation is made they will receive as much or more for their 1939 crop, payable in 1940. We had a hard fight on parity in the House and lost by a vote of 191 to 204. Six votes would have changed it. But if the Senate adds it to the bill—and the country supports us—we have enough votes to pass it when it comes back to the House in conference, and to spare.

And industry and labor will profit as well as agriculture. The day these checks reach the farm the cash registers will begin to ring in every business in the community, orders will start flowing to the factories, and labor will be called back on the job. On the other hand, by inverse ratio, when farm prices fall, farm buying power drops, factories close, and labor is out of a job. Agriculture and labor and industry are all in the same boat. We must sink or swim together.

And let it never be forgotten that when hogs were $28 and eggs were 60 cents, there was not a single hungry child in America; and when hogs were $2 and eggs were 8 cents, famine stalked like a grim specter through alley and lane, and bread lines formed and soup kitchens opened in every city in the Nation.

My friends, farm parity means business parity. A square deal for agriculture is a square deal for labor and industry. And inevitably, irrevocably, inexorably farm prosperity is national prosperity.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. GURNEY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received see the end of Senate proceedings.)

CONFIRMATION OF NOMINATIONS OF GRADUATING MIDSHIPMEN

Mr. WALSH. Mr. President, the President of the United States today sent to the Senate the nominations of the members of the graduating class at the Naval Academy to be ensigns in the Navy. Since the list of nominations, if printed in the RECORD, would require three full pages, and would have to appear twice in the RECORD and once in the calendar, while if the Senate confirms the nominations now they will appear once in the RECORD as having been confirmed, as a formal matter I ask unanimous consent that the nominations of the midshipmen of the graduating class at the Naval Academy to be ensigns in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and the nominations are confirmed en bloc.

EXECUTIVE REPORTS OF THE COMMITTEE ON THE JUDICIARY

Mr. DANAHER (for Mr. CONNALLY), from the Committee on the Judiciary, reported favorably the nomination of Stephen J. Doyle, of North Dakota, to be United States marshal for the district of North Dakota.

Mr. HUGHES, from the Committee on the Judiciary, reported favorably the nomination of George L. Grobe, of New York, to be United States attorney for the western district of New York.

Mr. HATCH, from the Committee on the Judiciary, reported favorably the nomination of John G. Utterback, of Maine, to be United States marshal for the district of Maine.

Mr. MILLER, from the Committee on the Judiciary, reported favorably the nomination of Harry J. Lemley, of Arkansas, to be United States district judge for the eastern and western districts of Arkansas, to fill a position created by the act of Congress of May 31, 1938.

Mr. KING, from the Committee on the Judiciary, reported favorably the following nominations:

Simon Hellenthal to be United States district judge, division No. 3, District of Alaska; and

Charles J. Clasby, of Alaska, to be United States attorney, division No. 2, District of Alaska.

Mr. LOGAN, from the Committee on the Judiciary, reported favorably the following nominations:

Loomis E. Cranor to be United States marshal for the western district of Kentucky;

Eli H. Brown, 3d, of Kentucky, to be United States attorney for the western district of Kentucky, vice Bunk Gardner, resigned; and

John M. Moore, of Kentucky, to be United States marshal for the eastern district of Kentucky.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

TENNESSEE VALLEY AUTHORITY

The legislative clerk read the nomination of Harcourt Alexander Morgan to be a member of the Board of Directors of the Tennessee Valley Authority.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTER

The legislative clerk read the nomination of Sarah Brown to be postmaster at Lorman, Miss.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That completes the calendar.

THE JUDICIARY—HARRY J. LEMLEY

Mr. MILLER. Mr. President, the Committee on the Judiciary has favorably reported the nomination of Harry J. Lemley to be United States district judge for the eastern and western districts of Arkansas. I ask unanimous consent that his nomination be now confirmed.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination?

Mr. MCNARY. I have no objection.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

MINISTER TO CANADA—DANIEL C. ROPER

Mr. PITTMAN. Mr. President, the Committee on Foreign Relations has favorably reported the nomination of Mr. Daniel C. Roper to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Canada. I ask unanimous consent that the nomination be now confirmed.

Mr. MCNARY. Mr. President, is the request for immediate consideration of the nomination of Mr. Roper to be Minister to Canada?

Mr. PITTMAN. Yes.

Mr. MCNARY. I have conferred with the majority leader [Mr. BARKLEY] and the chairman of the Foreign Relations Committee [Mr. PITTMAN], and, under the circumstances, I have no objection to the present consideration of the nomination.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. PITTMAN. I ask unanimous consent that the President be notified.

The PRESIDING OFFICER. Without objection, the President will be notified.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 51 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 9, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 8, 1939

TREASURY DEPARTMENT

Edward H. Foley, Jr., of New York, to be General Counsel for the Department of the Treasury, to fill an existing vacancy.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONELS

Lt. Col. Kenneth Bailey Harmon, Ordnance Department, from May 1, 1939.

Lt. Col. Ernest Joseph Dawley, Field Artillery, from May 1, 1939.

Lt. Col. Herbert O'Leary, Ordnance Department, from May 1, 1939.

Lt. Col. Harry Dwight Chamberlin, Cavalry, from May 1, 1939.

TO BE LIEUTENANT COLONELS

Maj. Sevier Rains Tupper, Infantry, from May 1, 1939.

Maj. Frank Royse, Field Artillery, from May 1, 1939.

Maj. Laurence Fielding Stone, Air Corps (temporary lieutenant colonel, Air Corps), from May 1, 1939.

Maj. Irving Carrington Avery, Infantry, from May 1, 1939.

TO BE MAJORS

Capt. Francis Valentine FitzGerald, Quartermaster Corps, from May 1, 1939.

Capt. Charles Summers Miller, Cavalry, from May 1, 1939.

Capt. Thomas James Chrisman, Infantry, from May 1, 1939.

Capt. Benjamin Harrison Graban, Finance Department, from May 1, 1939.

Capt. Arthur Ross Nichols, Infantry, from May 1, 1939.

Capt. Bernice Musgrove McFadyen, Infantry, from May 1, 1939.

Capt. Logan Woods Boyd, Infantry, from May 1, 1939.

Capt. Ulysses Grant Jones, Air Corps (temporary major, Air Corps), from May 1, 1939.

Capt. George Stainback Deaderick, Quartermaster Corps, from May 1, 1939.

PROMOTIONS IN THE NAVY

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of July 1938:

George K. Weber
Harry W. vonHasseln

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of August 1938:

Robert R. Ferguson
Harold A. Turner
Harry J. Hansen

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of September 1938:

Rossmore D. Lyon	George L. Compo
Thomas A. Gray	Valentine H. Schaeffer

The following-named lieutenant commanders to be commanders in the Navy, to rank from the date stated opposite their names:

Robert P. Briscoe, October 1, 1938.
Cuthbert A. Griffiths, November 24, 1938.
Morton T. Seligman, December 1, 1938.
William D. Sample, January 1, 1939.
Richard B. Tuggle, January 1, 1939.

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 13th day of February, 1939:

Ralph W. Hungerford	Robert L. Boller
Charles B. Hunt	James J. Hughes

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the 13th day of February 1939:

Frederick R. Furth	Henry C. Daniel
Harold B. Miller	Sherman E. Burroughs, Jr.
William B. Bailey	

Lt. (Jr. Gr.) Robert A. Theobald, Jr., to be a lieutenant in the Navy, to rank from the 1st day of May 1939.

Ensign Paul D. Ellis, Jr., to be a lieutenant (junior grade) in the Navy, to rank from the 29th day of May 1937.

The following-named ensigns to be lieutenants (junior grade) in the Navy, to rank from the 4th day of June 1939:

Gould Hunter
Parker L. Folsom
Charles M. Holcombe

Lt. Comdr. Beverley R. Harrison, Jr., to be a lieutenant commander in the Navy, to rank from the 1st day of July 1938, to correct the date of rank as previously nominated and confirmed.

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, to rank from the 13th day of February 1939:

Joseph E. Wolowsky
James B. Ricketts
Alfred P. Randolph

Machinist Charles F. Foster to be a chief machinist in the Navy, to rank with but after ensign, from the 18th day of March 1939.

The following-named ensigns to be lieutenants (junior grade) in the Navy, to rank from the 4th day of June 1939:

John H. Turner
Jud F. Yoho, Jr.

APPOINTMENTS IN THE NAVY

The following-named midshipmen to be ensigns in the Navy, to rank from the 1st day of June 1939:

James L. Abbott, Jr.	Winfred E. Berg
Edward Ackerman	Max A. Berns, Jr.
Dudley H. Adams	James C. Bidwell
Henry P. Adams	David S. Bill, Jr.
Paul G. Adams, Jr.	John R. Blackburn
William D. Adams	Frank Blaha
Howard P. Ady, Jr.	Edward C. Blonts, Jr.
William T. Alford	Sigmund A. Bobczynski
Nelson J. Allen	Emmett P. Bonner
Neal Almgren	William D. Bonvillian
Fernald P. Anderson	Karl F. Border
John B. Anderson	Robert L. Border
Marlin D. C. Apple	Henry J. Brantingham
John L. Arrington, 2d	Roy E. Breen, Jr.
Nathan F. Asher	William W. Brehm
George M. K. Baker, Jr.	Jack E. Brenner
John B. Balch	Robert Brent
Carl J. Ballinger, Jr.	Donald C. Brewington
William R. Ballou, Jr.	Robert M. Brownlie
James R. Banks	Jerome J. Bruckel
Albert R. Barbee, Jr.	David G. Bryce
Robert C. Barnes	Russell H. Buckley
Richard F. Barry, Jr.	Fred M. Bush, Jr.
Daniel S. Baughman, Jr.	Sam J. Caldwell, Jr.
Edward L. Beach, Jr.	John V. Cameron
John G. Beard, Jr.	William J. Carey, Jr.
Clarence W. Becker	Earl E. Carlsten
Clarence E. Bell, Jr.	Daniel J. Garrison
Thomas H. Bell	Hubert E. Carter
Wendell W. Bemis	Charles M. Cassel, Jr.
Herbert E. Benham	Herbert A. Cassidy, Jr.
Rafael C. Benitez	Joseph W. Castello
Norman Bennett	George B. Cattermole
Thomas M. Bennett	John M. Cease

Charles R. Chandler
Kenan C. Childers, Jr.
Arthur B. Chilton, Jr.
Donald McR. Chisholm
Charles R. Clark, Jr.
Robert W. Clark
Fredric "B" Clarke
Jesse S. Claypoole, Jr.
James P. Coleman
Samuel L. Collins
Almer P. Colvin
Emmett M. Compton
Davis Cone
Robert W. Conrad
Franklin E. Cook, Jr.
Byron E. Cooke
Lemuel D. Cooke
Francis T. Cooper, Jr.
Frederic W. Corle
Frank J. Coulter
Earle F. Craig
Norton E. Croft
Partee W. Crouch, Jr.
John H. Crowe
Frank M. Culpepper
Charles W. Cushman
Robertson C. Dailey
Charles A. Dancy, Jr.
James A. Dare
Edward L. Dashiell, Jr.
Robert H. Dasteel
Harry E. Davey, Jr.
Edmonds David
Landon L. Davis, Jr.
Warren J. Davis, Jr.
William S. Dawson
Donald C. Deane
Robert F. Deibel, Jr.
Russell C. Dell
William R. DeLoach, Jr.
William Denton, Jr.
Vincent P. dePoix
Irving D. Dewey
Robert C. Dexter, Jr.
Paul A. Dimberg
John R. Dinsmore
John W. Dolan, Jr.
Norman W. Doudiet
Walter L. Douglas, Jr.
Richard L. Downing
Andrew R. Drea
Richard J. Dressling
John B. Dudley
George C. Duncan
James M. Dunford
Ernest H. Dunlap, Jr.
John E. Dunn
William R. Dunne
William R. Durrett
Robert J. Duryea
Thomas R. Eddy
James H. Elsom
John K. Estes
Robert C. Evins
Richard T. Fahy
Iler J. Fairchild, Jr.
Eugene G. Fairfax
Frederic C. Fallon
William B. Fargo
Harold E. Felix
Martinianeau Felix
John A. Fidel
Arthur M. Fields, Jr.
Chester H. Fink
Arthur F. Fischer, Jr.
Benhardt B. Fischer
Ellis J. Fisher
John C. Fisher
Francis J. Fitzpatrick
Edward J. Foote
George W. Forbes, Jr.
Blake S. Forrest
Murray B. Frazee, Jr.
Andrew J. Frosch
Donald Furlong
Saxe P. Gantz
Andrew J. Gardner
Tom J. Gary
Robert W. Gavin
Harold W. Gehman
Lawrence R. Geis
William W. Gentry
Calvin S. George, Jr.
Bernard J. Germershausen
George D. Ghesquiere
Edward I. Gibson
Paul W. Gill
Robert C. Gillette
Morris D. Gilmore, Jr.
James G. Glaes
Paul E. Glenn
Claude L. Goodman, Jr.
William F. Goodrum
Lee D. Goolsby
John M. Gore
George Gould
Richard K. Gould
Edward T. Grace
Edgar D. Grady
Selwyn H. Graham, Jr.
Robert R. Green
Howard J. Greene
Francis B. Grubb
John B. Guerry, Jr.
Robert P. Guiler, 3d
Robert A. Gulick, Jr.
Robert L. Gurnee
Andrew B. Hamm
Jack D. Harby
Ira S. Hardman, Jr.
Donald J. Hardy
Neil E. Harkleroad
Joseph F. Harmon
John D. Harper, Jr.
Edwin L. Harris, Jr.
Leroy E. Harris
Noble C. Harris, Jr.
Arthur G. Harrison
Thomas C. Hart
Harry L. Harty, Jr.
William G. Hawthorne, Jr.
Eugene F. Hayward
Harry D. Helfrich, Jr.
Richard L. Helm
Charles N. G. Hendrix
Eugene B. Henry, Jr.
Wayne Herkness, 2d
Elmore F. Higgins, Jr.
Alfred H. Higgs
James McC. Hill
Stanley E. Hindman
James M. Hingson
John D. P. Hodapp, Jr.
Edmond A. Hoggard
Cleon J. Holden
Paul A. Holmberg
Charles Holovak
Edward R. Holt, Jr.
Valentine G. Holzapfel
Frederic A. Hooper
Posey A. Hooper
Jack W. Hough
Willard Y. Howell
John B. Howland
William W. Huffman
Joseph W. Hughes
Overton D. Hughlett
Warren L. Hunt
Wilbur H. Hunter, Jr.
William C. Hushing
Kenneth B. Hysong
Nathaniel W. James, 3d
Benjamin C. Jarvis
Richard P. Jeffrey
Charles W. Jenkins
Stephen L. Johnson
Dave Johnston, Jr.
James F. B. Johnston
Means Johnston, Jr.
John C. Jolly
Thomas D. Keegan
William J. Keim
Stanley W. Kerkering
Macgregor Kilpatrick
Loren H. Kiser
Fred W. Kittler
Raymond P. Kline
Eugene V. Knox
Frank H. Kolb, Jr.
Kenneth L. Kollmyer
Emil F. Korb
William G. Kornahrens
Charles J. Kovaleski
Paul T. Krez
Herbert Kriloff
William E. Kuntz
Chester J. Kurzawa
William R. Laird, Jr.
Robert V. Laney
Harold C. Lank
George J. Largess
Harvey L. Lasell
Clement T. Latimer
John C. Lawrence
Robert E. Lawrence
James J. LeClare
Charles F. Leigh
Orville O. Liebschner
Elbert C. Lindon
Joseph D. Linehan
Henry F. Lloyd
Richard W. Lombard
Paul E. Loustaunau
Lawrence Lovig, Jr.
Marcus L. Lowe, Jr.
James J. Madison
John W. Magee
Jack A. Mahony, Jr.
Samuel J. Major
William J. Manning
Lincoln Marcy
William B. Martin
Wilbur J. Mason
Robert L. Mastin
John C. Mathews
Edward D. Mattson
James L. May
James A. McAllister
Charles DeW. McCall
John C. McCarthy
James W. McConnaughhay
Montrose G. McCormick
Jesse W. McCoy
James W. McCrocklin
George T. McDaniel, Jr.
Richard S. McElroy, Jr.
Harry W. McElwain
Walter A. McGuinness
William E. McGuirk, Jr.
Corwin G. Mendenhall, Jr.
Robert G. Merritt
John J. A. Michel
Edward Micka
Charles K. Miller
Frank D. Miller
Harold C. Miller
Jim D. Miller
John F. Miller, Jr.
Stuart O. Miller
Walter B. Miller
John H. Millington
Drury K. Mitchell, Jr.
Floyd E. Moan
George E. Moore, 2d
Waller C. Moore, Jr.
Harvey S. Moredock, Jr.
John S. Moyer
Roman V. Mrozinski
John C. K. Muhlenberg
John J. Munson
Hubert T. Murphy
Thomas W. Murphy
Charles D. Nace
Albert G. Neal
Richard B. Neal
Dwight O. Ness
George "W" Netts
Rowland F. Nicolai
Gerald S. Norton
Marvin D. Norton, Jr.
Harvey R. Nylund
Reginald F. Ockley, Jr.
Edward Olcott
James C. Oldfield
Donald J. O'Meara
Denis E. O'Neil, Jr.
John T. T. O'Neill
Stephen C. O'Rourke
Rexford J. Ostrom
Allyn B. Ostroski
Robert E. Paige
Roger W. Paine, Jr.
George R. Palus
John E. Parks
Clyde H. Parmelee
Gaylord S. Parrett
DeWitt McD. Patterson
Oliver H. Payne
John C. Pennell
Reuben N. Perley, Jr.
Frank C. Perry
Carl F. Pfeifer
Richard W. Phillips
Canterbury B. Pierce
Chester F. Pinkerton
William L. Poindexter
David H. Pope
Lucien C. Powell, Jr.
Richard T. Pratt
Edward M. Price
John B. Pye
Ivan D. Quillin
John F. Quinn, Jr.
Frederick M. Radel
Robert Raleigh
Frank M. Ralston
James D. Ramage
Clay H. Raney
Ralph W. Rawson
Henry G. Reaves, Jr.

Edwin G. Reed, Jr.
Allen B. Register
Lenard O. Reichel
John M. Reigart
James D. Reilly
William M. Reindollar
Herbert D. Remington
John N. Renfro
Luther S. Reynolds
William M. Ringness
John B. Ritch, Jr.
Richard E. Robb
James McI. Robertson
Leslie S. Robinson
Richard W. Robinson
Louis H. Roddis, Jr.
George V. Rogers
Grant H. Rogers
Paul C. Rooney
Joseph C. Roper
Clayton Ross, Jr.
Eli B. Roth
Thomas J. Rudden, Jr.
William J. Ruhe
Augustus J. Rush
Frederick N. Russell
Edward F. Rye
John W. Salvage
Onofrio F. Salvia
Hugh B. Sanders, Jr.
William L. Savidge
William T. Sawyer
Paul R. Schratz
Ernest F. Schreiter
Roland W. Schumann, Jr.
Ernest L. Schwab, Jr.
George W. Scott, Jr.
William H. Seed
John P. Seifert
Edward H. Seiler, Jr.
Harry A. Seymour
Preston N. Shamer
George F. Sharp
John A. Sharpe, Jr.
John E. Shepherd, 3d
William M. Shifflette
Gene T. Shirley
Norman S. Short
Peter Shumway
Theodore C. Siegmund
George C. Simmons, Jr.
George S. Simmons, 3d
Eugene H. Simpson
Robert J. Slagle
Gustav A. Smeja
Chester W. Smith
George R. Smith
Gordon W. Smith
James H. Smith, Jr.
Robert H. Smith
William H. Snyder
Louis P. Spear
Herman Spector
John C. Spencer
John F. Splain
Charles R. Stapler
Will P. Starnes
Robert R. Startzell
Egil T. Steen
William V. Stevenson
Walter K. Stow, Jr.
John G. Street
Albert R. Strow
Robert R. Stuart, Jr.
Ronald F. Stultz
Tom S. Sutherland
Richard M. Swensson
Douglas N. Syverson
Frederick L. Taeusch
Donald F. Taugher
Charles S. Thomas, Jr.
Howard A. Thompson
Ralph S. Thompson
William L. Thompson
Alfred J. Toulon, Jr.
Robert J. Trauger
Robert C. Truax
Frederick B. Tucker
Houston C. Tucker, Jr.
Richard McC. Tunnell
Marshall E. Turnbaugh
Theodore M. Ustick
Vadym V. Utgoff
William J. Valentine
Jacob J. Vandergrift, Jr.
Karl S. Van Meter
Frank W. Vannoy
Lloyd R. Vasey
Frederic Vieweg, Jr.
Curtis F. Vossler
Alexander S. Wadsworth, 3d
Robert F. Wadsworth
Alton L. C. Waldron
Thomas J. Walker, 3d
William J. Walker
Lester S. Wall, Jr.
Alfred B. Wallace
Daniel J. Wallace, Jr.
James B. Wallace
John R. Wallingford
Elmer S. Waring, Jr.
Rex W. Warner
David W. Watkins, Jr.
James G. Watson
John C. Weatherwax
Francis B. Weiler
John P. Weinel
Daniel K. Weitzenfeld
Francis M. Welch
Harold A. Wells
Joseph M. West
Norman W. White
Robert S. Whitman, Jr.
John B. Williams, Jr.
William H. Williams
Thomas C. Williamson
Wilbur S. Wills, Jr.
John V. Wilson
Gustave A. Wolf
Robert B. Wood
Wilson G. Wright, 3d
Allan G. Wussow
William K. Yarnall
Jack C. Young
Raphael A. Zoeller
John R. Zullinger

CONFIRMATIONS

Executive nominations confirmed by the Senate May 8, 1939

DIPLOMATIC AND FOREIGN SERVICE

Daniel C. Roper to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Canada.

TENNESSEE VALLEY AUTHORITY

Harcourt Alexander Morgan to be a member of the Board of Directors of the Tennessee Valley Authority.

UNITED STATES DISTRICT JUDGE

Harry J. Lemley to be United States district judge for the eastern and western districts of Arkansas.

APPOINTMENTS IN THE NAVY

NOTE.—For the entire list of midshipmen this day nominated to be ensigns in the Navy, to rank from the 1st day of June 1939, all of whom were today confirmed, see CONGRESSIONAL RECORD under the caption "Appointments in the Navy."

POSTMASTER

MISSISSIPPI

Sarah Brown, Lorman.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 8, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

This is our Father's world; God reigns; let the earth be glad. O God, we look toward Thee as men look for the morning. Thou art our Sun; Thou art our Light; Thou art our Life; let us feel the heavenly touches of our blessed Saviour. No longer is there need for us to turn toward Jerusalem; our offering and our sacrifice are here. We pray Thee to clothe us with the garments of good will and poise; may we resolve to allow no man to degrade our souls by making us hate; remind us that the remedy against it is love. God, who commanded the light to shine out of darkness, hath shined in our hearts to give the light of the knowledge of the glory of God in the face of Jesus Christ, unto whom be eternal praises world without end. Amen.

The Journal of the proceedings of Friday, May 5, was read and approved.

EXTENSION OF REMARKS

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered at the University of Richmond last Friday by my colleague the gentleman from Virginia [Mr. DARDEN].

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mrs. O'DAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the Nassau Daily Review.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. NELSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. NELSON. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a brief statement by the agricultural director of extension in Missouri.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. NELSON. Mr. Speaker, today marks the silver jubilee of a great agricultural event. Twenty-five years ago today, May 8, 1914, Congress passed the Smith-Lever bill. In a speech here in the House of Representatives, June 1, 1920, and in which reference was made to agricultural legislation

under the first 7 years of the forward-looking administration of President Woodrow Wilson, I said:

Early in the period of the 7 good years, years of the well-favored kine and the seven ears of corn upon one stalk, rank and good, came the passage of the Agricultural Cooperative Extension Act of May 8, 1914. This act, frequently referred to as the Smith-Lever Act, represents the most important movement ever attempted in direct popular education along a given line. Providing as it does a method of itinerant agricultural teaching of home economics and agriculture, it is perhaps not too much to say of the Smith-Lever Act that it is the greatest single contribution to the cause of farming anywhere in the world.

Designed to help solve the problems of the farm as they developed in peacetimes, the Smith-Lever Act yet proved the most effective piece of war machinery in the entire Government when America threw her strength into the great struggle. Three days after war was declared Hon. David F. Houston, then Secretary of Agriculture and a Missourian, participated in a great conference in St. Louis, where there was worked out a far-reaching program of food production and conservation. So under this act, which represented agricultural preparedness, there were mobilized the tremendous resources which in the months that followed made of the farmer an effective fighting force second only to that on the front.

In the quarter century since May 8, 1914, great progress has been made. True, some mistakes have been made, made in leadership, personnel, and program, but never has there been a great pioneer movement that was perfect.

As a whole the history of agricultural extension is the story of work well done, and it is with pride that, as one whose life has largely been spent in the farm cause, including 10 years as assistant secretary of agriculture for Missouri, I call attention to the early work done there. Of this, Mr. J. W. Burch, present director of the agricultural extension service in Missouri, writes as follows, under date of May 5, 1939:

The Agricultural Extension Service, the largest system of adult education in the world, celebrates its twenty-fifth anniversary next Monday, May 8. On May 8, 1914, the Congress passed the Smith-Lever Act, giving official sanction to the plan whereby the Federal and State Governments cooperate with local people in planning, financing, and carrying on educational activities on the farms and in rural homes.

In Missouri 10 county "farm advisers" were at work prior to the passage of the Smith-Lever Act. The counties in which these men were employed, the dates on which their appointments with the university became effective, and the names of these first 10 county extension workers in Missouri are, as follows:

Cape Girardeau, August 1, 1912, C. M. McWilliams; Pettis, January 1, 1913, S. M. Jordan; Buchanan, March 1, 1913, F. W. Faurot; Johnson, March 7, 1913, C. M. Long; Dade, April 1, 1913, E. J. Rodekohr; Audrain, April 1, 1913, E. W. Rusk; Jackson, April 20, 1913, E. A. Ikenberry; Marion, April 21, 1913, H. H. Laude; Scott, September 13, 1913, H. B. Derr; Cooper, September 24, 1913, J. D. Wilson.

Just a month after the passage of the Smith-Lever bill the University of Missouri established the Missouri Agricultural Extension Service as an administrative organization within the College of Agriculture, and the first Federal appropriation for extension work in Missouri became available July 1, 1914, in the sum of $10,000 for the fiscal year beginning on that date.

Missouri's General Assembly first officially sanctioned the appropriation of State and county funds for the purpose of carrying on extension work under Federal, State, and local cooperation early in 1913 with an appropriation of $25,000 to be used during the succeeding biennium. At the same time county courts were authorized "to appropriate funds for a county farm adviser to act in cooperation with the Missouri College of Agriculture, in aiding and encouraging the agricultural development of the country."

Even prior to the passage of this law, the first county court appropriation for extension work had been made by the county court of Cape Girardeau County, which on June 15, 1912, in response to a petition signed by 1,000 persons, appropriated $1,500 a year for a period of 3 years. C. M. McWilliams was employed as county agent August 1, 1912, the first man to do extension work under a cooperative set-up involving county, State, and Federal funds.

Some months earlier (April 12, 1912) Pettis County, having organized a bureau of agriculture, employed S. M. Jordan as farm agent for the county. Cooperative relations between the Pettis County organization, the Missouri College of Agriculture, and the United States Department of Agriculture were established January 1, 1913.

The first step in the plan used from 1912 to 1914 was the organization of a county farm bureau, with supporting groups, to improve agricultural and home farm bureaus. D. H. Doane, first State leader of county agent work in Missouri, in his first annual report said: "The best results have been accomplished in these small organized groups. In these organizations farmers meet for the purpose of discussing subjects of local significance. Each farm adviser, with this type of organization behind him, has found it possible to carry his work to all parts of the county through the cooperation of local leaders who can be counted on for effective service in the cause of better farms and farm homes."

Anti-hog-cholera vaccination, poultry production, and egg marketing, the organization of cow-testing associations, and the holding of 1-week movable schools of home economics were the chief projects in which work was carried on.

Following the passage of the Smith-Lever Act in 1914, there was rapid expansion in the scope of extension teaching. Carroll, Butler, Knox, and St. Charles employed county agents during the year.

Women's home-economics extension clubs were organized in considerable numbers in 1915 and a list of 30 subjects was compiled in which special helps were available through the extension service.

By 1924 Missouri had 54 counties in which county-extension agents were employed and 10 in which home demonstration agents were at work, and 86 organized subject matter subprojects had been developed, including work planned for boys' and girls' cubs. Much assistance was given in organizing shipping associations and cooperative elevators and warehouses. More than 180,000 farm men and women in 1923 voluntarily joined with extension forces "to improve agricultural and home practices in rural America."

By the end of 1928, 458 women's neighborhood clubs had been organized, with an active membership of 8,169. By the end of 1927 boys' and girls' club work had been extended to 99 counties and 18,694 members were enrolled, but this number fell to 12,643 by 1929, to rise again through ensuing years to its present 26,573. Women's club membership in 1938 was 38,371. At the present time all counties of the State are served by county extension agents and there are 61 home-demonstration agents.

The farm people of Missouri appreciate the Extension Service and support its efforts wholeheartedly, as is attested by the fact that county and home demonstration agents last year had the cooperation of 45,007 local leaders in connection with the items of its ever-widening program.

Director Burch refers to S. M. Jordan—"Sam" to the thousands of farm folk in Missouri and other States who have heard him in his homey philosophy and helpful agricultural talks. It was under the agricultural experiment station law, which I was able to get through the Missouri State Legislature, when a member of that body, that Mr. Jordan, a few years later, pioneered in the work in Pettis County and afterward, under the changed system, served elsewhere in Missouri.

Today, with R. W. Brown as president of the Missouri Farm Bureau Federation, and with others closely cooperating with the College of Agriculture, of which Dr. M. F. Miller is dean, agricultural extension work in Missouri, where trained and earnest men and women are at work in the counties, is, despite the pressure of dozens of new duties which require much of the time and thought of the workers, making commendable progress.

So, Mr. Speaker, on this twenty-fifth anniversary of agricultural extension, I congratulate not only Missouri but the Nation.

EXTENSION OF REMARKS

Mr. BOEHNE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address delivered by Mr. Louis Ruthenburg, president of Servel, Inc., delivered before the congressional delegation from Indiana at the Indiana group meeting of the chamber of commerce last week.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. IZAC. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein two brief editorials on the P. W. A.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short paper on price levels by Mr. Fred A. Blethen, and my own comments thereon.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein two addresses delivered before the National Press Club on Friday last.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, in 1929 we collected from corporations $1,235,000,000 in taxes to defray expense of Government. In 1939 it is estimated we will collect from corporations in corporate income taxes $826,000,000 and in payroll taxes $1,198,175,000, making a total of $2,124,175,000, an increase of $889,000,000 in the taxes collected from corporations.

The greater part of this money in 1939 was collected for the purpose of paying old-age pensions in 1941, but we have spent the money. According to the Treasury statement of May 3, we are $2,970,000,000 in the red for this year and over $41,000,000,000 in debt. I ask you, where are you going to get the money to pay old-age pensions?

When 1941 rolls around, how will you pay old-age pensions with the money you are now collecting for that purpose? You are spending it now for Government operation, with the enormous sums being collected from these corporations, which amounted last year to $1,200,000,000. It is unbelievable to think that a government would so betray its people in letting them believe that the money would be available for pensions when it is spent now for the operation of the Government. A terrible travesty to justice. No greater misappropriation of funds could be made by any nation or any individuals or any corporation. When will it stop? O America, wake up and place men of responsibility in responsible positions of trust before it is too late.

[Here the gavel fell.]

COMMITTEE ON RIVERS AND HARBORS

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent that the Committee on Rivers and Harbors may be permitted to sit during the session of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including therein a short statement or announcement signed by myself and other Members of Congress and former Members of Congress.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by myself over the radio last Friday night.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SECCOMBE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address by the Honorable Frank T. Bow.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. EATON of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief editorial appearing in the Press-Telegram of Long Beach, Calif., on May 3, on the subject of peace.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point, dealing with problems of today.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. THORKELSON. Mr. Speaker, there is nothing new in governments, and anyone who believes that he has something better than the government we have had for the past 145 years will some day awaken to find himself a victim of his own folly. Socialism and socialistic governments are not new, nor their companions, poverty and strife. It is, however, unfortunate that these conditions exist in the United States, for it can only end in the destruction of our own Government as promulgated in the Constitution.

My discussion today is not to convince Members of the House who differ with me that they are wrong or that I am right, for no one recognizes better than I how futile such attempts at conversion might be. Neither is this discussion for the purpose of impressing the Members with their indifference to constitutional responsibility nor with their failure to protect the people's rights, for no one is more cognizant of congressional apathy to such responsibility than myself. My sole purpose for speaking today is to inform the people at home that Congress alone is responsible for changes which may end in the destruction of our Government.

It is, however, my desire to direct public attention upon those in the administration through whom the invisible government has found such powerful expression the past 7 years. These petty rulers have carried sufficient weight so that the majority in Congress in abject acquiescence and servitude to them have forgotten their greater duty to the people who elected them to office.

It is not too late to adjust or to correct the prevailing industrial collapse, nor is it too late to set the Federal Government right in its departure from constitutional principles. It is, however, important that Congress recognize danger now, for failure to provide sound and corrective measures is bound to terminate in complete collapse and centralize Federal control of industries and business under the supervision of our greatest enemy, a dictator in Washington. In order to bring about this transition in the Government it is only necessary that the present administration retain control, for the stage is set for a coup d'etat when convenient.

The greatest obstacle the administration is facing in its attempt for dictatorship is peace in Europe and peace at home. Peace in Europe will bring about an unfavorable trade balance to the United States, and peace at home will leave our military forces in their barracks. The greatest aid one could have who looks toward the chair of the dictator is mobilization or declaration of war, for this will allow Federal conscription and control of industries and wealth. This, in my opinion, is a cherished but unexpressed desire of someone whose greatest ambition is supreme dictatorial power.

The present reorganization and shifting of personnel in the many branches of the Federal Government is not to provide economy or decrease in Federal administrative cost. It is instead to place those who can be trusted by the administration in key positions so that they will not fail in the hour of need. This is a logical procedure and about the only one which may prove successful in conversion of government in the United States. It is, of course, a "long shot," in which the leaders of the movement take much for granted, yet it is possible if the people do not bestir themselves into action and save the Republic.

In the event we do not mobilize, the next procedure will be to appropriate sufficient money to assure the election in 1940. This may be accomplished, first, by allowing Federal monetary aid to industry, agriculture, and business for the sole purpose of wielding control of such industries and for regulation of prices on commodities, so that the money now in use will retain a reasonable purchasing value; second, to provide Federal works projects, so that the majority so employed will be reasonably satisfied with the wages they receive and with the commodities such wages will buy; third, to provide free or semifree medical and hospital aid for those most susceptible to such gift and appreciative of such aid; fourth, to provide public-health centers to advise and conduct health campaigns in public gatherings and in private

homes—not for the promotion of better health but for more votes in 1940.

To aid in this movement we may expect a deluge of subversive propaganda, which will spread dissension and class hatred among all social groups. Industries and business may expect to be flayed and skinned, their hides nailed to the wall to please those with socialism in their hearts instead of Americanism. We may expect further ingress in the field of private industry by the administration, directed by those in the Federal employ who subscribe to socialistic philosophy. Note, however, that the international bankers, brokers, and others engaged in certain special businesses are left unmolested and free to carry on. A true picture may be had when one observes those in the Federal employ, who although in minority outnumber those in the majority—not only in important positions but in comparative percentage as to population.

After 1940, if no corrective measures are adopted, we may expect national bankruptcy, repudiation of currency, and wild inflation. This, no doubt, will result in the complete collapse of the Government and internal strife. So, Mr. Speaker, as I said in the beginning of my discourse, those who follow the leaders instead of the Constitution and the wishes of the people become victims of their own folly.

The foregoing statements may appear exaggerated, yet I shall ask you not to be fooled, for governments are never destroyed by the majority, but are, instead, destroyed by a vindictive and selfish minority. Minorities have destroyed all free governments in the past, and whether you believe it or not, it might happen in the United States. Minorities with socialistic and communistic principles have bored within our Government for many years at the expense of a tolerant majority, for no other purpose except to create a haven of refuge for themselves and their kin. We have worked for them for a long time, and we should now begin to clean house and restore constitutional government in sincere respect to those who have preceded us and for the protection of those who are to follow us.

Subversive activities which are now threatening the security of our Nation have gained momentum since the World War and are still imprinted in the words, "Save the world for democracy." We did; and we have a democracy here today, the direct offspring of the seventeenth amendment, which was adopted in 1913 during President Wilson's administration. A democracy, as I have said before, cannot survive as such, for it is doomed to terminate in some form of totalitarian government, and we are well on the road toward such government if we fail to take action now. If I were to reply to criticism, I would feel free to say that every move which has been made by the head of the Democratic Party has been for no other purpose than for greater consolidation of power in Washington.

No expense has been spared to establish centralized Federal control, and this is particularly true in the field of publicity. Millions upon millions have been expended on all forms of printed matter, over the air, and in thousands of feet of film, and for what purpose? Only to sell the administration to the public, to the people, if you please, who are paying all the expenses for this ballyhoo. Are such procedures sensible or necessary? Of course not, for there is hardly anyone who is not aware that the Government is a miserable failure. This publicity campaign has often appeared to be a family prerogative, yet this is not entirely true, for many admirers have been allowed free expression up to the point where recognition may hurt their masters' popularity.

The important point to bear in mind is that all expenses for this publicity are not paid by the Federal Government, but are, instead, paid by the earnings of industries and business still solvent. This is not easy to laugh off, for we, the people, the underdogs, pay for all Government expenses, including all this publicity.

All activities have been conducted along dramatic lines such as displayed by the bank holiday in March 1933, or, in a lighter mood, when administration leaders advise the world in behavior. At any rate, all activities have gone hand in hand with good and bad showmanship, but do not forget the final drama is yet to be played.

The invisible government first showed its hand in 1933, when the Gold Reserve Act was enacted. The administration's determination to obtain totalitarian government is further evidenced in the control and ownership of the Nation's gold and in alinement with international monetary power. In this coalition the administration not only deprived the American people of secured savings but, in addition, deprived them of their constitutional right.

I often wonder if the people realize our insecurity or dependence upon those who control our monetary wealth. If the Federal Government confined us strictly to the value of our money, no one could leave the borders of the United States, because our money is devoid of negotiable value in foreign countries. Fortunately, our commodity money is still redeemable in gold credit when held by foreign governments.

Congress could correct this if its membership were composed of statesmen instead of tweedledees and tweedledums, which, if you please, were so labeled by the President himself. I marvel that my colleagues can go along with the President after such disparaging remarks.

During this period private industries have been forced to suspend and business to close its doors because of Federal competition in private industry. This competition is extremely unfair, because not even one of the many Federal corporations recently created has earned one cent in revenue, but, instead, relies upon appropriations by Congress. I only mention this to show that the Federal Government is not operating to aid business, but is, instead, bent upon the destruction of business.

Federal finance corporations which are operating on money appropriated by Congress are holding notes, securities, and mortgages for money loaned to farmers, home owners, and to some industries. It is only reasonable to assume that the recipients of these favors are to a certain extent obligated to the Government, and therefore restricted in free expression. This in itself leads to Federal control of the recipient.

In 1937, when the Supreme Court had denied the President favorable decisions on some of the administration's "pet" measures, he, to correct this, so as to receive more favorable treatment by the Court, accused its members of senile degeneracy and held that a cause for resignation. The people generally opposed this change, because they held that adherence to the Constitution is not a sign of senile degeneracy. The President's worry is now over, because he has appointed a sufficient number to the Supreme Court to assure little or no opposition to his measures.

At this time it is not my desire to discuss the duties of the Supreme Court, but it is well to bear in mind that such duties are definitely set forth in article III of the Constitution, and it is well for its members to acquaint themselves with article III. Personally I am not even sure that there is a copy of the Constitution in the white-marbled edifice on Capitol Hill. If there is, there is little evidence of it in some of the decisions.

The first attempt at reorganization failed, but it passed this Congress by overwhelming majority. The majority has now approved the first plan, which is for no other purpose than for greater Federal control. It can be seen from this that every move has been made with one purpose in mind, and that is for complete control of the Nation.

Every piece of legislation enacted by Congress deprives it of power and bestows greater power upon the President and his appointees. This in itself is clearly unconstitutional, but nothing can be done to stop it in the present Congress, for there are simply too many Members who blindly follow leaders who are not concerned with the Constitution.

I shall now quote a resolution published in one of our daily papers, which is well worth serious consideration because it might prove a boomerang:

Without dissent, the Senate Military Affairs Committee yesterday reported favorably to the Senate a bill granting the President authority to "draft" the Nation's wealth on a loan basis in time of war.

Sponsored by Senator LEE (Democrat), Oklahoma, the measure provides that the President could "draft the use of money according to ability to lend to the Government."

Under the measure the President would be authorized to take a "wealth census," and citizens would be required to purchase bonds on a percentage of their wealth in return for 50-year 1-per-cent-interest Treasury bonds.

If individuals could not put up cash, the Government would be authorized to accept their services, or their notes, secured by property.

In the case of net wealth of $1,000, but not in excess of $10,000, a person would be required to loan 5 percent of the excess. The scale is then graduated upward to where a person having $100,000,000 would be required to lend $64,456,950.

This is one of the most contemptible and stupid resolutions I have ever read. It is really not worthy of discussion, yet I cannot fail to call attention to this paragraph:

If individuals could not put up cash, the Government would be authorized to accept their services, or their notes, secured by property.

If anything like this should pass, it would place dictatorial power in the hands of the President, by which he may require those who have no cash to put up securities and sign notes, which, of course, leaves them open to foreclosure and loss of property, if they fail to meet their obligation. In view of this, I am constrained to believe that an attempt is now being made to involve us in internal strife, so that the Federal Government may assume control in furtherance of dictatorship.

Mr. Speaker, this is a brief compilation of factors which are gradually destroying our republican form of government and paving the road for the dictator. I realize it is useless to expect correction by the Members of the Seventy-sixth Congress, particularly when I review legislation now enacted. It is, indeed, deplorable that so few recognize their obligation "to preserve, to protect, and defend the Constitution of the United States." This is not only true of Congress but it also concerns the Supreme Court and the President, for all of us assume the same obligation. I now appeal to each and every State in the Union that they arouse themselves from the lethargy in which they have been enshrouded for many years and boldly come forth and declare themselves before it is too late. If the States and the people are interested in preserving the Union and constitutional government, it is necessary that they take steps now and recall such of their representatives who are incompatible to a republican form of government. The final and deciding power rests in the governments of the several States and in their citizens, and it is now time for them to act.

PEMISSION TO ADDRESS THE HOUSE

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, I take this time to bring to the attention of the House a memorial adopted by the Legislature of the State of Ohio, supporting a bill which I introduced in this Congress for the payment to Ohio of the sum of $1,388,160, which in all equity and honesty is due the State of Ohio from the Social Security Board by reason of the misunderstanding which kept the people of Ohio from getting the contribution they deserved from the Social Security Board. By reason of a misunderstanding between the Governor of Ohio and the Social Security Board, just before the election of 1938, the Board refused to come forward with its portion of the October installment. The Governor of Ohio, in order to provide the payments to the old-age pensioners, secured the funds by a transfer of money from one fund to another. To my mind, there was no satisfactory reason for the failure of the Board to pay its installment. Negotiations are still pending between the State authorities in Ohio and the Social Security Board. It is hoped that they can reach a satisfactory adjustment. Should they fail, this bill should be passed by Congress, for the claim is meritorious.

Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a copy of this resolution.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The resolution referred to follows:

Resolution memorializing Congress to adopt H. R. 5118, now pending, providing for the payment of old-age pension funds due the State of Ohio as the Federal Government's share under the provisions of the Social Security Act

Whereas there is now pending in the Congress of the United States H. R. No. 5118, providing for the payment to the State of Ohio of the Federal Government's quota of funds due this State for old-age pensions under the provisions of the Social Security Act; and

Whereas it is just and equitable that the Federal Government should meet its fixed quota of contributions to this State for old-age pensions in strict conformity to the spirit and letter of the Social Security Act: Therefore be it

Resolved, That the Congress of the United States should speedily adopt H. R. No. 5118, under the provisions of which the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury to the State of Ohio the sum of $1,338,160.93, being the amount of payments with respect to old-age assistance under title I of the Social Security Act for the month of October 1938, not paid on account of the refusal of the Social Security Board to certify such amount for payment to the State of Ohio; be it further

Resolved, That properly authenticated copies of the resolution be forwarded by the clerk of the house of representatives to the United States Senators and the Members of Congress from Ohio.

EXTENSION OF REMARKS

Mr. BOLLES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a copy of an editorial from the Worth Street Forecast, of New York, on British Textile Competition.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SPRINGER asked and was given permission to revise and extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. LORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LORD. Mr. Speaker, from time to time I am receiving letters from home workers, women in families who work in their homes at knitting and crocheting. They tell me that the wage-hour law prevents them from continuing their work. They have their home work to do and it would not be practical to keep a timekeeper in each home or a time clock to check in and out as they have a few minutes or a half hour to take up their knitting. Many are of such age that they cannot get work in a factory and could not stand the work if they could get the job. They want to be exempted from this legislation.

I have a letter here I received from Mrs. Jones, of South Valley, N. Y., and I ask unanimous consent that I may extend this letter in the RECORD as a part of my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The letter referred to follows:

SOUTH VALLEY, N. Y., *April 25, 1939.*

Mr. BERT LORD,
Washington, D. C.

Mr. LORD: Of course we women have nothing to do with affairs at Washington but I for one—speaking for several hundred about this small rural area—am going to speak my piece. You already know the wage-hour law is the minimum wage of 25 cents per hour; well, we housewives have been trying to keep our families off town charge by getting work such as hand crocheting and handsewn gloves and have been making from $8 to $20 per month. You understand this is done after our weekly washing and ironing and baking is done and most all of us have earned a washer, a dress, coat, and so forth, and we women are willing to work for less than 25 cents an hour. About a month ago the Labor Department (through the Wage Hour Division) sent lady investigators from house to house (costing an immense figure) asking information such as:

"How do you do, lady. I'm from the Labor Department, trying to get you more money for your glove work."

"Do you own your home?" "Yes."

"Do you farm it?" "Yes."

"What kind?" "Dairy."
"What's that?" "Cows."
"Hens?" "Yes."
"Do you raise oats, potatoes, corn?" "Yes."
"How much?" "Oh, hum! I can't recall."
"How much a month do you have off farm?" "Around $60 per month."
"Do you have any other income, and from where?" "This varies among our women folks."
"How much?"
"Any children?" "Yeh."
"How many?" "Two (up to eight anyway)."
"Have you paid your taxes?"

Now this is none of their business because they didn't ask how much it cost to keep those cows, how much did the corn cost to put in the silo, oats in the granary, potatoes in the cellar, or roofing and repair on our homes besides taxes. By this time you were told by them you didn't need glove work.

"How much do you get for gloves?" "Forty cents and 42 cents per pair."
"What do you do for that?" "Silk, hem, and make."
"Is thread furnished and needles too?" "Yes."
"How long does it take to do a pair?" "Well if I sit right down and keep working I can do a pair in 1½ hours, but can't really tell because I have housework between stitchings."
"Who do you get your work from?" "Mrs. Jones."
"Do you like her?"
"Does she owe you any money—and how much?" "Yeh! Maybe 84 cents to $2, and so forth."
"How long did it take you to earn it?" And I figure again.
"My! you are a fast worker. Good-bye."
And so on until she goes the rounds to every worker.

Now, in the first place, we housewives pay (or help pay) our own taxes, and see no reason why any person can tell us "You can't work unless you earn 25 cents an hour." A home worker is a good worker if they earn more than $200 a year, so I feel as if we should be exempted from the regular wage-hour law. I am the "Mrs." Jones who gives out the glove work, getting it already cut from Gloversville shops. Last year I had 75 workers. This year only 26 can really earn the 25 cents per hour on the price of gloves. Every farmer needs sympathy from the "big fellers" because being a farmer's wife, I can use every extra nickel to good advantage. I understand the hand-sewn gloves are going to Puerto Rico, where this wage-hour isn't a law; that they earn as low as 3 cents an hour, and where the social security tax and unemployment insurance isn't in effect. Would you personally advise me if Puerto Rico does carry those laws? We are charged 1 percent on all our wages, and when we get to be 65 (on social-security law) none of us can get a cent back because we haven't earned the required amount to get benefits, and just the same with unemployment insurance—no home worker in rural sections is eligible for benefits; "hain't" that something? So why should we be told how much we got to earn, even if we are willing to work for just what we can get?

You can use this letter anywhere if you care to help us ladies, and we will appreciate anything you may do. I do hope you'll read this letter and give it your personal attention, because we mean business and stand for—

Exemption from wage-hour law to all home workers earning $200 per year or less.

If I can be of any help personally, I would be glad to do so.

Thank you.

EDITH F. JONES.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to speak for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, in the morning Post is found this editorial headed "An Arbitrary Proposal."

The House heard a great deal of impassioned and excellent oratory in denunciation of the Hobbs bill before approving it by a huge majority vote on Friday. That measure provides for the detention of certain classes of undesirable aliens subject to deportation but unable to obtain passports from the countries whence they came.

Only a very small number of persons would be affected by enactment of this bill—probably 50 each year. Moreover, the aliens concerned are those who advocate forcible overthrow of the Government and persons who have been convicted of crimes involving moral turpitude, white slavery, or violation of the antinarcotic laws.

Certainly there are excellent reason for wishing to be rid of these former criminals and troublemakers. But there are even more compelling reasons for objecting to the methods of elimination provided in the Hobbs bill. The constitutionality of the suggested procedure is open to question. But even if no such issue arose, forcible and indeterminate detention of persons not being tried for crime would be an imitation of Nazi concentration camps.

It is quite likely that no very serious abuses would result from passage of the bill, since the Secretary of Labor would be given large discretionary powers to release detained aliens for good cause. Nevertheless, legislation of this type has dangerous implications. As Representative MURDOCK of Utah said: "If the criminal may be condemned without a trial today, perhaps tomorrow the innocent man may be condemned." Similarly, if we condone the imprisonment of aliens, not as punishment for crime but because we wish to be rid of them, may we not find excuses for detaining undesirable groups of our own citizens?

The troubled state of the world is largely responsible for the presence in this country of aliens who have no homeland to which they can return. It is a situation which prevents the effective enforcement of our deportation laws and creates serious problems for the authorities. However, aliens who break our laws are punishable for the specific offenses they commit. Under the American system of government no man is subject to imprisonment merely because his past record makes him suspect.

Suppdrters of the Hobbs bill contend that it merely provides for a civil procedure and has nothing to do with crime and punishment. But since detention might continue indefinitely, it cannot be justified as merely incidental to deportation proceedings. This bill has been justly denounced as un-American and undemocratic—a negation of the policies and principles which we associate with liberal political institutions.

The editor may denounce this bill as un-American, as he does; he may denounce it as undemocratic, as he does. He may denounce it as a denial of those policies and principles which we associate with liberal political institutions, as he does.

If he had read the report which accompanied the bill, he would have learned that it applies to those criminal aliens, some of whom are prostitutes and some of whom are procurers, some of whom are purveyors of narcotics, who are in this country; who are criminals who cannot, because their native lands refuse to receive them, be deported to those lands.

Just what course would the writer of this editorial advise that America take with these alien criminals? Is it his suggestion—and apparently it is—that they be permitted to circulate freely among the decent citizens of our land and there ply their avocation? Just how many of these prostitutes and procurers, these sellers of narcotics, does he desire to harbor in his neighborhood, in his home?

Let me repeat, just what would he do with them?

One of the pastimes of editorial writers is the finding of fault with congressional enactments, but seldom do they point out a definite solution of any of the troubles which confront us as lawmakers.

Here is an opportunity for the editorial writer of the Post to make a suggestion, a practical suggestion, a suggestion which is in accord with American policy and which at the same time will protect our own people and solve this very perplexing problem which now confronts us.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, it was the plan to take up tomorrow the bill making appropriations for nonmilitary activities. I am informed that the committee cannot have its work printed by that time and therefore the bill will have to go over.

I have just conferred with the chairman of the Committee on Rivers and Harbors, which has the call on Wednesday. They will not be ready at that time and it is agreeable to the chairman of the committee that follows the Rivers and Harbors Committee on the call of the calendar, for the business on the calendar for this week to be dispensed with.

So I ask unanimous consent, Mr. Speaker, that the business in order on Wednesday next may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. I may say, Mr. Speaker, in lieu of that, the nonmilitary appropriations bill will be in the House on Wednesday.

This leaves us without any program for tomorrow and all the orators who desire to be heard may get unanimous consent to speak on that day.

PERMISSION TO ADDRESS THE HOUSE

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that on tomorrow, immediately following the remarks of the gentleman from New York [Mr. DICKSTEIN], I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS of Ohio. I would like to announce that I shall not speak on the subject you might expect, as I am to follow the gentleman, Mr. DICKSTEIN, but rather on the subject of the T. V. A.

Mr. MASON. Mr. Speaker, I ask unanimous consent that after the legislative business for tomorrow has been disposed of, and after previous special orders have been concluded, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DISTRICT OF COLUMBIA DAY

The SPEAKER. This is District of Columbia day, and the Chair recognizes the gentleman from West Virginia [Mr. RANDOLPH].

MILK INVESTIGATION

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent that the subcommittee handling the investigation of milk in the District of Columbia be allowed to sit during the session of the House this afternoon.

The SPEAKER. Is there objection?

There was no objection.

OPERATION OF CERTAIN GOVERNMENT-OWNED VEHICLES IN DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 5987) to amend the District of Columbia Traffic Act of 1925 (43 Stat. 1119), and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That subdivision (e) of section 7 of the District of Columbia Traffic Act, approved March 3, 1925 (43 Stat. 1119), is amended by changing the period to a colon after the words "under the provisions of this act" and adding the following: "*Provided*, That operators of Federal Government-owned vehicles stationed outside of the District of Columbia shall not be required to have or obtain the operators' permits referred to above while operating such vehicles within the limits of the District of Columbia on transient or temporary official business of the Federal Government."

The SPEAKER. Is there objection to the request of the gentleman from West Virginia that the bill be considered in the House as in Committee of the Whole?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, a number of Federal agencies are just outside the District of Columbia, and their activities at certain times require the use of cars going in and out of the District. This bill simply permits the drivers of those vehicles to operate such vehicles without obtaining a District permit.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNDERGROUND CONDUIT, DOCTORS' HOSPITAL, DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 5801) to grant permission for the construction, maintenance, and use of a certain underground conduit for electrical lines in the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from West Virginia calls up the bill H. R. 5801 and asks unanimous consent that it be considered in the House as in Committee of the Whole. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are hereby authorized and directed to grant permission to the Doctors' Hospital, Inc., its successors and assigns, to lay down, construct, maintain, and use an underground conduit for electrical lines in the city of Washington, in the District of Columbia, from the building located at and known as 1815 Eye Street NW., directly south to the building located at and known as 1816 Eye Street NW.

SEC. 2. That all the construction and use provided for herein shall be under such regulations and rentals as the Commissioners of the District of Columbia may make and establish in connection therewith and all plans and specifications for such construction shall be subject to their approval. The Commissioners of the District of Columbia shall have full authority to designate the location and to cause such repairs or relocation of such conduit as the public necessity may require, any such repairs or relocation to be at the expense of the Doctors' Hospital, Inc., its successors or assigns.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, this measure merely grants authority for the construction of an underground conduit for electrical lines between 1815 and 1816 Eye Street, Washington, the two buildings to be occupied by the Doctors' Hospital, Inc.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BENEFIT ASSESSMENTS FROM CONDEMNATION PROCEEDINGS

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 4745) relating to benefit assessments from condemnation proceedings for the opening, extension, widening, or straightening of alleys or minor streets, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from West Virginia calls up the bill H. R. 4745, and asks unanimous consent that it be considered in the House as in Committee of the Whole. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That in all condemnation proceedings instituted by the Commissioners of the District of Columbia in accordance with the provisions of sections 1608 to 1610 of the Code of Law for the District of Columbia for the acquisition of land for the opening, extension, widening, or straightening of alleys or minor streets, all or any part of the entire amount found to be due and awarded by the jury in said proceedings as damages for, and in respect of, the land condemned, plus all or any part of the costs and expenses of said proceedings, may be assessed by the jury as benefits: *Provided, however*, That if the total amount of damages awarded by the jury in any such proceedings, plus the costs and expenses of said proceedings, be in excess of the total amount of benefits, it shall be optional with the Commissioners of the District of Columbia to abide by the verdict of the jury, or, at any time before the final ratification and confirmation of the verdict, to enter a voluntary dismissal of the cause: *Provided, further*, That if the total amount of damages awarded by the jury in any such proceedings, plus the costs and expenses of said proceedings, be in excess of the total amount of the assessment for benefits, any such excess in any verdict for the acquisition of land for minor streets or alleys shall be paid out of the appropriation available for the payment of damages awarded and costs incurred under said verdict.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, this bill relates to condemnation proceedings in the District of Columbia. Under existing law it is necessary that damages be awarded, plus all costs and expenses to be assessed by the jury as benefits. Under this measure benefits would continue to be assessed but it would not be necessary for the benefits to equal the damages plus the costs and expenses. The bill has the approval of the Commissioners and of the Bureau of the Budget.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CHARLOTTE E. HUNTER

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 5516) for the relief of Charlotte E. Hunter.

The SPEAKER. The gentleman from West Virginia calls up the bill H. R. 5516, which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved January 15, 1920, as amended, the Commissioners of the District of Columbia are hereby authorized and directed to place on the retirement list of teachers retired under the provisions of such act the name of Charlotte E. Hunter, formerly a teacher in the public schools of the District of Columbia, and to pay, out of the fund established by such act, to the said Charlotte E. Hunter an annuity computed as provided in such act, as amended; and the said Charlotte E. Hunter shall be accredited with and entitled to count, for such purposes, in addition to all other periods of service to which she may be lawfully entitled, the period of her employment as such school teacher from February 5, 1895, to April 12, 1919, both dates inclusive. Payment of such annuity shall begin from the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF PISTOLS, ETC., IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 4653) to amend an act entitled "An act to control the possession, sale, transfer, and use of pistols and other dangerous weapons in the District of Columbia, to provide penalties, to prescribe rules of evidence, and for other purposes," approved July 8, 1932, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from West Virginia calls up the bill H. R. 4653, which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of Congress entitled "An act to control the possession, sale, transfer, and use of pistols and other dangerous weapons in the District of Columbia, to provide penalties, to prescribe rules of evidence, and for other purposes," approved July 8, 1932, be, and the same is hereby, amended to read as follows:

"SEC. 2. If any person shall commit a crime of violence in the District of Columbia when armed with or having readily available any firearm, knife, razor, or other dangerous weapon of any kind, he shall, for a first conviction for a crime so committed, in addition to the punishment provided for the crime, be punished by imprisonment for a term of 5 years; and for a second or subsequent conviction for a crime of violence so committed, he shall, in addition to the punishment provided for the crime, be punished by imprisonment for a term of 10 years."

SEC. 2. Section 8 of said act of Congress, approved July 8, 1932, is hereby amended to read as follows:

"SEC. 8. Except in the case of sales to marshals, sheriffs, prison wardens, or their deputies, policemen, or other duly appointed law-enforcement officers, no seller shall within the District of Columbia deliver a pistol to the purchaser thereof, nor shall any purchaser accept the delivery of any pistol within the District of Columbia until such purchaser has secured from the major and superintendent of police for the District of Columbia a permit authorizing such purchaser to purchase said pistol, and when delivered said pistol shall be securely wrapped and shall be unloaded. At the time of applying for such permit the purchaser shall deliver to the major and superintendent of police a statement under oath in such form as the major and superintendent of police shall prescribe, containing the purchaser's full name, address, occupation, color, and place of birth, the seller's full name, address, and occupation, the caliber, make, model, and manufacturer's number of the pistol to be purchased, and a statement that the purchaser has never been convicted in the District of Columbia or elsewhere of a crime of violence. No permit shall be issued by the major and superintendent of police for the purchase of any pistol until he is satisfied that the purchaser is a suitable person to possess the same. No machine gun, sawed-off shotgun, or blackjack shall be sold to any person other than the persons designated in section 14 hereof as entitled to possess the same, and then only after permission to make such sale has been obtained from the superintendent of police of the District of Columbia. This section shall not apply to sales by wholesale to licensed dealers.

"Every person possessing a pistol in the District of Columbia at the time of the passage and approval of this act shall, within 60 days after the passage and approval of this act, present such pistol to the major and superintendent of police to be registered by the major and superintendent of police in a manner satisfactory to him. Every person purchasing or bringing into the District of Columbia a pistol after the passage and approval of this act shall, within 10 days after the purchase of such pistol or the bringing of such pistol into the District of Columbia, present the same to the major and superintendent of police to be registered by him as above provided. Every person possessing a pistol in the District of Columbia shall present the same to the major and superintendent of police for inspection and ballistic tests whenever called upon by said major and superintendent of police so to do."

SEC. 3. Section 11 of said act approved July 8, 1932, is hereby amended to read as follows:

"SEC. 11. No person shall, in applying for a license to purchase a pistol or to carry the same, and no person shall in purchasing a machine gun, sawed-off shotgun, or blackjack within the District of Columbia, give false information or offer false evidence of his identity."

With the following committee amendments:

Page 2, line 3, insert after the word "knife" the words "with a blade over 3 inches".

Page 2, lines 4 and 5, after the word "shall", in line 4, strike out the words "for a first conviction for a crime so committed."

Page 2, line 6, insert after the word "of" the words "not more than."

Page 2, line 7, strike out the words "and for a second or subsequent" and insert in lieu thereof the words "upon a second".

Page 2, line 10, strike out the words "10 years" and insert in lieu thereof "not more than 10 years; upon a third conviction for a crime of violence so committed he shall, in addition to the punishment provided for the crime, be punished by imprisonment for a term of not more than 15 years; upon a fourth or subsequent conviction for a crime of violence so committed he shall, in addition to the punishment provided for the crime, be punished by imprisonment for an additional period of not more than 30 years."

Mr. RANDOLPH. Mr. Speaker, I think it is due the membership of the House in connection with a measure of this kind to report that the Committee on the District of Columbia gave very careful consideration to the measure which was presented to us for consideration by our colleague the gentleman from Indiana [Mr. SCHULTE], a member of the committee. The bill requires the securing of a permit before a pistol can be purchased in the District of Columbia and requires the registering of all of the pistols that are already owned. The bill further makes mandatory a prison sentence for any person committing a crime of violence while armed with a dangerous weapon.

I move the previous question.

The previous question was ordered.

The SPEAKER. Without objection the committee amendments will be agreed to.

There was no objection; and the committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTABLISHMENT OF PROBATION SYSTEM FOR THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 4654) to amend an act entitled "An act for the establishment of a probation system for the District of Columbia," approved June 25, 1910, and ask for its immediate consideration.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of Congress entitled "An act for the establishment of a probation system for the District of Columbia," approved June 25, 1910, be, and the same hereby is, amended to read as follows:

"SEC. 2. That said District Court of the United States for the District of Columbia shall have power in any case, except those involving treason, homicide, rape, arson, kidnaping, violation of section 2 of the Firearms Act for the District of Columbia, approved July 8, 1932, or a second conviction of a felony, after conviction or after a plea of guilty of a felony or misdemeanor and after the imposition of a sentence thereon but before commitment, and the said police court shall have like power, after a conviction or a plea of guilty in any case of misdemeanor, to place the defendant upon probation: *Provided*, That it shall appear to the satisfaction of the court that the ends of justice and the best interests of the public as well as of the defendant would be subserved thereby, and may suspend the imposition or execution of the sentence, as the case may be, for such time and upon such terms as it may deem best and place the defendant in charge of a probation officer. The probationer shall be provided by the clerk of the court with a written statement of the terms and conditions of his probation at the time when he is placed thereon. He shall observe the rules prescribed for his conduct by the court and report to the probation officer as directed. No person shall be put on probation except with his or her consent."

The SPEAKER. This bill is on the House Calendar. Does the gentleman desire recognition?

Mr. RANDOLPH. Just for a moment, Mr. Speaker.

I may say to the membership, Mr. Speaker, that this is rather a companion measure to the one we have just passed. The bill prevents the placing on probation of those who have committed a crime of violence in the District of Columbia while armed, or having readily available a dangerous weapon.

I move the previous question.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RANDOLPH. Mr. Speaker, that concludes the bills which the Committee on the District of Columbia had to present this morning.

NATIONAL PRESS CLUB OUTING

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to proceed for one moment.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUDLOW. Mr. Speaker, as a former president of the National Press Club, I have been asked by my colleagues in the press gallery to announce that the National Press Club invites all Members of the House to attend its outing, to be held on the grounds of the Charles Town Jockey Club at Charles Town, W. Va., on next Saturday, May 13.

Many of you no doubt have heard of the elaborate program that has been arranged, including special trains to leave Union Station shortly after noon. Tickets may be obtained from the Sergeant at Arms of the House of Representatives. I am sure it will be a most enjoyable occasion, and I join in an expression of hope that as many Members will attend as possible.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. RANDOLPH. I just want to add to the announcement made by our colleague from Indiana that the outing is to be held at Charles Town, Jefferson County, W. Va., which is in the congressional district which I have the pleasure and the responsibility to represent. I can assure you that all Members who accompany the press to West Virginia on that day will be given a royal, wholehearted welcome.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. MAPES. Mr. Speaker, I ask unanimous consent that my colleague [Mr. HOFFMAN] may have permission to revise and extend his remarks in connection with the editorial which he received permission to insert in the RECORD earlier in the day.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXPLANATION

Mr. LELAND M. FORD. Mr. Speaker, I ask that I be recorded in favor of the Hobbs bill in connection with the detention camps, which was passed last Friday.

The SPEAKER. Is the gentleman seeking a correction of the RECORD?

Mr. LELAND M. FORD. No, sir. I want the RECORD to show that were I present I would have voted for the bill.

EXTENSION OF REMARKS

Mr. RICH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSON TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that on tomorrow, following other special orders heretofore entered, I may address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an editorial from the Portland Oregonian, by Mr. Calvert, which received the Pulitzer award in 1938; also an additional editorial from the same paper commenting thereon.

The SPEAKER. Is there objection?

There was no objection.

RECESS

The SPEAKER. In order that the House may, in a few moments, receive His Excellency the President of Nicaragua, under previous order of the House, the Speaker declares the House in recess subject to the call of the Chair.

At 12:30 o'clock p. m. the House stood in recess, subject to the call of the Speaker.

During the recess the following occurred:

The SPEAKER. The Chair appoints the acting chairman of the Committee on Foreign Affairs, the gentleman from New York [Mr. BLOOM], and the ranking minority member, the gentleman from New York [Mr. FISH], as a committee to escort our distinguished visitor to the rostrum.

The committee escorted into the Chamber, His Excellency General Anastasio Somoza, President of Nicaragua, accompanied by the following: Dr. Manuel Cordero Reyes, Minister of Foreign Affairs of Nicaragua; First Lt. Octavio Sacasa, aide; Second Lt. Pedro Nolasco Romero, aide; Col. Charles B. Elliott, American military aide to President Somoza; Capt. Ernest L. Gunther, American naval aide to President Somoza; the Honorable George T. Summerlin, the Chief of Protocol, Department of State; the Honorable León De Bayle, Minister of Nicaragua at Washington.

His Excellency the President of Nicaragua was escorted to the Speaker's rostrum by Mr. BLOOM and Mr. FISH, and took his seat at the left of the Speaker.

The SPEAKER. I have the honor of presenting to the Members of the House our distinguished guest, His Excellency General Anastasio Somoza, President of Nicaragua. [Applause, the Members rising.]

His Excellency the President of Nicaragua.

His Excellency the PRESIDENT OF NICARAGUA. Mr. Speaker and Members of the House of Representatives, permit me to express my extreme gratification over being present at this session of the House of Representatives of the United States, where I have been so warmly welcomed.

You may be assured that the people of Nicaragua will duly appreciate this act, which in itself demonstrates the existence of a robust international democracy among the nations of this hemisphere.

In fact, the conversations I have just had with President Roosevelt, in an atmosphere of perfect cordiality and frankness, and the reception accorded me today by both Houses of Congress, show the effective practice of the principles the American nations have enunciated on various occasions to guide their conduct in the development of their mutual relations.

Actually at this time we are offering the light of a consoling hope to a world in turmoil, for it is encouraging to witness the friendly meeting of the Chief Executives of two countries, so unequal in size and material resources, to discuss the coordination of their common interests on a basis of equity and reciprocal understanding. This can only be explained by a triumph of the principles of mutual respect and cooperation which constitute the one firm basis for peace, prosperity, and security among nations. [Applause.]

In the formation of this American spirit, not only human forces capable of making history have intervened, but also the inevitable influence of natural factors, such as the continuity of territory, its isolation by the two greatest oceans, and other factors which contribute to give the Americas the characteristics of a well-defined entity.

Under the influence of these forces and other contributory circumstances a certain consciousness of international solidarity became manifest when the American peoples began their struggle for independence and liberty. This found its

emotional and theoretical expression in the desires and principles formulated by just and far-sighted statesmen—desires and principles instinctively accepted by the people, later put into practice in the great events of our struggle for freedom.

As a consequence, no action, policy, or doctrine of the American peoples could be in the past, nor can be in the future, absolutely individualistic or isolating. In this sense the substance of your Monroe Doctrine is the binding of the security of the United States to that of the other American nations. It is true that you proclaimed this doctrine for your own protection, but it is also true that it has rendered meritorious service to your neighbors of the south. [Applause.]

It is undeniable that the lofty spirit which has guided inter-American relations, has at times been discouraged or ignored; but these episodes, natural in every important human process, have been transitory and do not diminish the nobility of the general picture of progress.

Outstanding in this picture are: The adoption by the American nations of a cooperative and liberal commercial policy; the acknowledgment, in existing treaties, of the principle of nonintervention; the recognition of the solidarity of the American states, made by the Resolution of Buenos Aires in 1936, and the Declaration of Lima in 1938; the determination to make this solidarity effective in defending the material and spiritual integrity of the Americas; and the declaration that inter-American cooperation is an indispensable condition for the maintenance of the aforementioned principles in this hemisphere.

When the panorama of such an international order is contemplated, pride on our part is fully justified.

The question now arises of discovering how can we perfect that order of relationship which is so essential and suitable to the needs of each and every one of our countries. Solidarity—which, in the Americas is a result of circumstances rather than an artificial creation—compels us to consider the misfortune of one of our nations as the misfortune of all. But solidarity also means that the material and spiritual well-being of each of us is of interest and of benefit to all. Active cooperation thus becomes the fruitful corollary of interdependence. It is therefore in an effective cooperation and not merely in the romantic expression of sentiments of solidarity that we should look for the practical sense and true value of pan-Americanism.

And now, may I take this opportunity to remind you that Nicaragua made a valuable contribution to the security of the Americas a long time ago. That was when she determined to share the advantages of her geographical configuration offering a transit route between both oceans, only in collaboration with the nations of this continent. [Applause.] It is fitting to note also that in the development of this policy of effective cooperation, Nicaragua—more than a quarter of a century ago—signed a treaty with the United States, for the purpose of ceding optional rights to the construction of an interoceanic canal across her territory; and for other objectives relating to your defense, which is likewise our own.

I hope that the importance of this contribution of Nicaragua to the security of the Americas will be duly considered and appreciated in a readjustment of our relations so that the benefits and advantages of the most valuable natural resource of my country—precisely the one that can exercise the greatest influence on her development and progress—may not be nullified. [Applause.]

The strongest basis for these hopes rests upon President Roosevelt's good-neighbor policy. Inspired by a profound sense of fitness, this policy not only embodies the elements proper to any honorable relationship but also the most effective means of solving, in peaceful and cordial collaboration, the great problems of common interest. And in its practical application, shows that our countries—whether they be large or small—can be considered today as an association of free nations, organized under a system that insures to each of them due attention to the needs of their existence and of their progress. If further proof were needed, my visit to this country, and the warm reception you have given me, supplies it. [Applause.]

These happy circumstances therefore lead us to believe that perhaps the high mission of the Americas is to offer to mankind an example of the feasibility of a life based on freedom and humanitarianism. Your Nation has already undertaken the leading role which belongs to you in this common task. Without forgetting that Nicaragua's material possibilities are limited, you may be sure that my country will omit no effort or sacrifice in order to contribute her share in the wide field of spiritual action. [Applause.]

And so, with my heart filled with confidence in the nobility of human destiny, let me salute, through their representatives, the people of this great Nation. [Applause, the Members rising.]

The SPEAKER. The Chair may say that His Excellency will stand in the Well of the House and will be delighted to meet the Members of the House of Representatives as they are presented by the gentleman from New York [Mr. BLOOM], the acting chairman of the Committee on Foreign Affairs.

His Excellency the President of Nicaragua stood in the Well of the House and was presented to the Members individually by Mr. BLOOM.

AFTER THE RECESS

The recess having expired, the House was called to order by the Speaker at 1:15 o'clock p. m.

PRINTING OF PROCEEDINGS

The SPEAKER. Without objection, the proceedings held during the recess will be printed in the RECORD.

There was no objection.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a resolution passed by the Legislature of Texas.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BARRY. Mr. Speaker, I ask unanimous consent to extend and revise my remarks in the RECORD and to include therein a speech by Mr. James A. Roe, the Democratic leader of Queens County, N. Y., on the future of the Democratic Party.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HILL asked and was given permission to extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent that on tomorrow, after the completion of the legislative program for the day and the other special orders, that I may address the House for 20 minutes on the subject The Only Way to Peace.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

NAVY DEPARTMENT APPROPRIATION BILL, 1940

Mr. SCRUGHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6149) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1940, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6149, the Navy Department appropriation bill, 1940, with Mr. Cox in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

STATE MARINE SCHOOLS, ACT OF MARCH 4, 1911

To reimburse the State of California, $25,000; the State of Massachusetts, $25,000; the State of New York, $25,000; and the State of Pennsylvania, $25,000, for expenses incurred in the maintenance and support of marine schools in such States as provided in the

act authorizing the establishment of marine schools, etc., approved March 4, 1911 (34 U. S. C. 1121), and for the maintenance and repair of the particular vessels loaned by the United States to the said States on the date of the approval of this act for use in connection with such State marine schools, $90,000, and no other vessels shall be furnished by or through the Navy Department; in all, $190,000.

Mr. McLEOD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the paragraph just read is the first of many we shall pass upon this afternoon in the consideration of this all time high annual naval appropriation bill. It provides for an expenditure of $770,473,241. In that amount is $254,204,712 for the shipbuilding program, under way and proposed. We are told that next year there will be needed for the shipbuilding program, not taking into account any new units to be laid down in the fiscal year 1941, $370,489,000. Think of it. That amount alone is more than was appropriated for the entire Navy in an annual appropriation bill over the period 1923 to 1935, both inclusive, with the exception of 1931, and the bill for that year carried $380,000,000 plus. But that is not all.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. McLEOD. I yield.

Mr. KNUTSON. I assume the gentleman attended all the hearings on this bill. Was the committee at any time told against whom we were arming?

Mr. McLEOD. We were not.

Mr. KNUTSON. We must be arming against the world, judging by the size of this bill and what is to follow.

Mr. McLEOD. I thank the gentleman for his observation and will discuss that point in just a moment.

This bill carries contractural authority, which will need to be met next year, amounting to $50,708,050. Therefore, what will the approval of this bill mean? It will mean laying the foundation for the next succeeding bill to carry the staggering total of $937,465,579; and mark you, that does not allow a single dollar for expansion in a single direction but shipbuilding, and in that direction only as to units hereto-fore laid down and to be laid down, under this bill, during 1940.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. McLEOD. I yield.

Mr. TABER. The gentleman means that if this bill is approved as presented, that next year's bill will be at least $937,000,000?

Mr. McLEOD. The gentleman is correct.

Mr. TABER. That is almost three times what it was in 1923.

Mr. McLEOD. The gentleman is correct.

Why should we now commit ourselves to such a program? Is there a threat to our security? What did Admiral Leahy say in response to my question as to whether or not the new shipbuilding program was influenced by conditions in Europe or other situations which dictated a better measure of preparation? This is what he said, on page 886 of the hearings:

The present building program of the United States is based upon the building programs of other naval powers and not upon the imminence of war in the near future.

Mr. Chairman, nobody will vote a dollar quicker than I for building up our land, sea, and air forces to dimensions which will assure our security, or for accelerating such expansion if the reasons for so doing are convincing. The record, however, is not convincing. The more one studies the record the more one is forced to the view that the administration does not anticipate our becoming involved in war; that it envisions no immediate threat to America or to the Americas.

In the first place, if war were considered to be imminent, would the administration be advocating building 45,000-ton battleships and other large units which will take many years to build? Owing to inadequate facilities the actual building of one of these battleships cannot be commenced for more than a year and it will take 5 years after that before it could take its place in the battle line. Does that sound like a need prevails for immediate preparation? If war were imminent, would we be clogging up our limited shipbuilding facilities with construction which we would have to abandon? Would we be tying up industry, skilled craftsmen, transportation facilities, and what not, in directions which would sorely hamper us should there be a call to arms? The answer is obvious. We would not.

I invite your attention to another consideration. The Navy is the first line of defense. Last year Congress increased the strength of the naval air arm from 2,050 to not less than 3,000 useful airplanes. Congress this year raised to 6,000 the airplane strength of the Army. Now get this: Estimates have been presented for the procurement of the Army's entire new quota, which will mean an annual expense of more than $200,000,000 to maintain, and what is the plan as to the Navy's new quota—the force supposed to contact the enemy first? On page 666 of our hearings, Admiral Cook says, "The procurement will be spread over a period of 5 years," meaning for Navy airplanes. Does that sound like war is thought to be imminent?

Consider then, if you please, the matter of personnel. It takes many months to train a raw recruit for duty aboard ship. It takes much time, as many of us here know by actual experience, to train a soldier for modern warfare. The Navy is supposed to afford some leeway for qualifying the gob. But what does this bill before you provide for? Except as to vessels on the Asiatic station and submarines, it provides for manning aircraft carriers with 90 percent of their full complements and all other vessels with approximately 85 percent. For Reserves of the seagoing branch you will not find in this bill provision for active duty training for a single man above the number currently provided for to be given such training, and yet it is to the Reserve force we should look for filling the gaps in the crews of vessels presently commissioned and for supplying crews for the many decommissioned vessels which would need to be placed in commission just as rapidly as they could be gotten ready.

What is the answer, gentlemen? Do not the facts I have presented raise a doubt in your minds that we are being stampeded into laying unnecessarily large burdens upon the present and generations to come upon the false premise of a war threat?

I maintain, Mr. Chairman, that if there be such a threat, this bill should be returned to the committee with instructions to provide for its shortcomings. On other other hand, if this be merely a part of a spending orgy, prompted by veiled influences, then I say let us lift the mask and go forward with our defense programs in an orderly and sensible way.

Mr. LAMBERTSON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it was said on the floor the other day in general debate on the Navy bill by two or three speakers that they were in favor of this bill because they were Americans. I am opposed to the bill and I am going to vote against it if I get a chance because I am just an American.

This is not a defense measure. We would not be spending this money if we were thinking only of protecting our own shores. I will not go into detail with reference to that because I want to speak of some other influences that present themselves at this time in connection with the passage of the pending bill. There are about 50 Members of the House on the floor and there will not be any more unless there is a roll call demanded, but, of course, there will be an effort to prevent that. Nobody is paying any attention to it. As a matter of fact, it passed out of the whole Appropriations Committee in about 20 minutes without a question being raised with reference to a single amendment. That is how we spend money under the color of national defense. These $93,000,000 battleships would not be voted by anybody on a referendum; however, there are two of them provided in this bill.

I want to emphasize one particular thing. Today another body is considering an agricultural appropriation bill, which

was raised about $400,000,000 over the amount provided by the House. It will be back here for our consideration shortly on certain conference items. W. P. A. hearings are being held to investigate the W. P. A. and how much money should be spent for next year. They are going to say this is the big spending week; if you can spend it for the Navy, you can spend it for the farmers, you can spend it for the W. P. A., you can spend it for anything. There is no defense left against wild spending when you appropriate $93,000,000 for a battleship and an unlimited Navy.

I want to emphasize this psychology. They will break us down in our efforts for economy in holding the farm bill down, the W. P. A. down, everything down, when, without any consideration, we pass a Navy bill providing for three-quarters of a billion dollars, which is not merely for national defense either.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, we are considering an appropriation bill this afternoon for the Navy providing for the sum of $770,473,241. When we do this we should make a comparison, it seems to me, with the amount appropriated for the Navy last year, which was approximately $576,000,000. In other words, the increase this year over the amount appropriated last year is something like $224,606,748. Next year it will increase two hundred and fifty million over this year and by 1945, at the rate we are going, the naval bill will run to the enormous sum of a billion and a half. In this appropriation bill there is included three and a half million dollars for the laying down of the keels of two great 45,000-ton battleships—the largest battleships afloat. It is reported that each of these battleships will cost $93,000,000. That is the statement by the chairman of the Subcommittee on Appropriations, but there are other members of the subcommittee who have made statements in the full Appropriations Committee to the effect that the cost of these battleships will run near $115,000,000 each.

May I ask some of the members of the subcommittee, if we make this appropriation for the laying down of these two keels, how much more will the naval appropriation be next year than this appropriation bill? How many more hundreds of millions of dollars will the Navy appropriation bill for 1941 be over and above what it is for 1940? Can anybody answer that question?

Mr. McLEOD. I will answer the question. It will be $938,000,000.

Mr. RICH. There is a member of the subcommittee who says that in 1941 the naval appropriation bill will be $938,000,000, which will increase the naval appropriations for that year practically $170,000,000 more than this year's appropriation—a great increase.

Mr. Chairman, we are just pyramiding and pyramiding each of our appropriation bills as they come before the Congress. There seems to be no concern among the leaders of Members of the Congress with reference to where we are going to get the money to pay the bill.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Chairman, if a tailor wants to make a suit of clothes for an individual, he will first take the measurements of that individual, then cut the cloth to fit. When a person wants to spend money he figures out how much he has to spend and then he only spends what he has. What do we do here in Congress? We come in here and appropriate, appropriate, and appropriate. There is no one here who cares a tinker's hoot where we are going to get the money to take care of these spendings, this enormous debt we are creating. Your children and my children and children yet unborn are going to have to pay for the foolishness this administration is heaping upon the heads of our future generations. Here we have men who are supposed to be intelligent, men of ability who do not have that degree of business-like aptitude to go ahead and try to figure out if it is possible for us to secure the funds before we make the appropriation.

The leaders of the Democratic Party have not made any attempt whatever to even come close to a balanced Budget. You have not heard any of them say a word about it at this session of this Congress. Why? Why do not they assume any responsibility to balance the income with the outgo?

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Is it the policy of the Committee on Appropriations to give every department that comes up here everything they ask for?

Mr. RICH. I will say that we have a lot of men on the Appropriations Committee who are honest and hard-working, and they try to cut down appropriations, but not the majority. I cannot blame all the men on the Appropriations Committee, but I do wish to say that the Appropriations Committee should not permit the various bureaus to have everything they want. It ought to be the desire of the Appropriations Committee to say, "Gentlemen, we do not have the money. You are not trying to raise the money, and we can only give you so much"; but we do not do that in the Appropriations Committee, I am sorry to say. I have not heard the chairman of the committee say one word about economy in appropriations during this session.

Mr. KNUTSON. It would seem that these "rubber stamp" Congresses are coming pretty high.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. MICHENER. The gentleman said a minute ago there is not a Member in the House who gives a tinker's hoot where the money is coming from. The gentleman is generally quite accurate and at times conservative. Does not the gentleman believe he has slightly overreached himself in that statement?

Mr. RICH. I will say that applies to the majority of the Members in power on the Democratic side who have positions of responsibility. I believe all the Members have some idea that they would like to have this country a solvent nation, but we do not put the teeth into it that we could, when we have these various departments of government with these bureaucrats who are intrenching themselves so they think they can get anything out of the Members of Congress because they are all good fellows. I am for national defense, but I am not for the great waste that is going on here in our Congress; it is appalling; it is just disastrous. We must have a little more backbone and not be so wishy-washy in making our disbursements to the various bureaus. [Applause.]

Mr. MILLER. What good will our Navy be to us, if we crash due to the wild spending of the past 6 years?

Mr. RICH. If we keep on for 6 years more as we have in our spending and creating our great national deficit, we will surely sink the country, and the Navy will sink with us, then what will it accomplish for our American people? Nothing but disaster. That is what is ahead of us unless we do differently than we have the past 6 years.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

Pay of naval personnel: For pay and allowances prescribed by law of officers on sea duty and other duty, and officers on waiting orders, pay $37,037,664, including not to exceed $1,887,045 for increased pay for making aerial flights, no part of which shall be available for increased pay for making aerial flights by more than five officers above the rank of captain, nor by nonflying officers or observers at rates in excess of those prescribed by law for the Army, which shall be the legal maximum rates as to such nonflying officers or observers; rental allowance, $7,698,476; subsistence allowance, $4,657,071; in all, $49,393,211; officers on the retired list, $9,801,590; for hire of quarters for officers serving with troops where there are no public quarters belonging to the Government, and where there are not sufficient quarters possessed by the United States to accommodate them, and hire of quarters for officers and enlisted men on sea duty at such times as they may be deprived of their quarters on board ship due to repairs or other conditions which may render them uninhabitable, $7,865; pay of enlisted men on the retired list,

$9,452,619; interest on deposits by men, $8,400; pay of petty officers (not to exceed an average of 9,044 chief petty officers, of which number those with a permanent appointment as chief petty officer shall not exceed an average of 7,900), seamen, landsmen, and apprentice seamen, including men in the engineer's force and men detailed for duty with the Bureau of Fisheries, enlisted men, men in trade schools, pay of enlisted men of the Hospital Corps, extra pay for men as authorized by law, and cash prizes (not to exceed $113,050) for men for excellence in gunnery, target practice, communication, and engineering competitions, $96,252,950; outfits for all enlisted men and apprentice seamen of the Navy on first enlistment, civilian clothing not to exceed $15 per man to men given discharges for bad conduct of undesirability or inaptitude, reimbursement in kind of clothing to persons in the Navy for losses in cases of marine or aircraft disasters or in the operation of water- or air-borne craft, and the authorized issue of clothing and equipment to the members of the Nurse Corps, $2,195,222; pay of enlisted men undergoing sentence of court martial, $35,445, and as many machinists as the President may from time to time deem necessary to appoint; pay and allowances of the Nurse Corps, including assistant superintendents, directors, and assistant directors—pay, $545,740; rental allowance, $38,400; subsistence allowance, $24,156; pay retired list, $315,333; in all, $923,629; rent of quarters for members of the Nurse Corps; pay and allowances of transferred and assigned men of the Fleet Naval Reserve, $15,144,575; reimbursement for losses of property as provided in the act approved October 6, 1917 (34 U. S. C. 981, 982), as amended by the act of March 3, 1927 (34 U. S. C. 983), $10,000; payment of 6 months' death gratuity, $230,039; in all, $183,455,545; and, except during war or national emergency declared by the President to exist, no part of such sum shall be available to pay active-duty pay and allowances to officers on the retired list, except 9 for assignments filed on September 30, 1937, 3 for duty with the Maritime Commission, and 1 additional, and except retired officers temporarily ordered to active duty as members of retiring and selection boards as authorized by law: *Provided*, That, except for the public quarters occupied by the Chief of Office of Naval Operations, the Superintendent of the Naval Academy, and the Commandant of the Marine Corps, and messes temporarily set up on shore for officers attached to seagoing vessels, to aviation units based on seagoing vessels including officers' messes at the fleet air bases, and to landing forces and expeditions, and in addition not to exceed 40 in number at such places as shall be designated by the Secretary of the Navy, no appropriation contained in this act shall be available for the pay, allowances, or other expenses of any enlisted man or civil employee performing service in the residence or quarters of an officer or officers on shore as a cook, waiter, or other work of a character performed by a household servant, but nothing herein shall be construed as preventing the voluntary employment in any such capacity of a retired enlisted man or a transferred member of the Fleet Naval Reserve without additional expense to the Government, nor the sale of meals to officers by general messes on shore as regulated by detailed instructions from the Navy Department.

Mr. SCRUGHAM. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. SCRUGHAM: On page 25, line 14, commencing with the word "except", strike out all matter down to the word "and", at the end of line 16 of such page, and insert in lieu thereof the following: "except eight for assignments filled on September 30, 1937, exclusive of the assignment at the naval mine depot, Yorktown, Va., three for duty exclusively with the Maritime Commission, two for duty exclusively on the naval petroleum reserves, and one for duty at the Naval Gun Factory, Washington, D. C."

Mr. SCRUGHAM. Mr. Chairman, the purpose of the amendment is to permit of the transfer of a retired officer from the naval mine depot to the Naval Gun Factory, and to permit of the employment of three retired officers with the Maritime Commission and two retired officers upon duty in connection with the naval petroleum reserves.

The committee amendment was agreed to.

Mr. EATON of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to call the attention of the chairman of the Subcommittee on Appropriations handling this bill to page 25, line 16, and to the words "and one additional." I understand that at the present time the Navy Department has nine retired Navy officers who are now on the active list on various assignments to certain committees and to other places.

In lines 15 and 16, three more retired Navy officers will be placed on active duty with the Maritime Commission, and the one additional officer, I am informed, is to be assigned as field representative in charge of the western area of the Navy Petroleum Division to take the place now held by Commander William G. Greenman, who goes to sea next month. The Navy Petroleum Division is now headed by Capt. Harry A. Stuart here in Washington.

I should like to read to the Committee about some of the activities of Commander Greenman, whose place this retired officer may take, and I read this article appearing in the Long Beach Independent of May 1, 1939. The heading is this: "Chamber Protests Navy Man's Nye Bill Stand."

The article goes on to state:

The aggressive activities of Commander William G. Greenman in advocating federalization of submerged oil lands of the Pacific coast, which were first called to public attention recently by the Independent, has brought a sharp protest from the local chamber of commerce.

In a resolution adopted last week by directors of the chamber an appeal is made to the Navy Department in Washington, urging that Commander Greenman be induced to cease his "political activity" in the matter.

Commander Greenman, Naval Reserve officer, is field representative in charge of the western area of the Navy Petroleum Division, under Capt. Harry A. Stuart.

Then I should like to read just a part of a letter received from Charles S. Henderson, who is chairman of the official committee of the city of Long Beach:

Hon. THOMAS M. EATON,
Member of Congress, Washington, D. C.

MY DEAR TOM: We are constantly being presented with reactions from the work of Commander William G. Greenman, whom we are informed is a representative of the Navy Department of the United States Government, and we cannot believe that his activities can be a part of the program of the Navy Department. We find that Mr. Greenman is spending a great portion of his time addressing various political organizations, as well as other groups, in an attempt to have them pass resolutions that we feel are detrimental to the interests of our city and our State.

Then I should like to read just a brief excerpt from the report of a meeting held in Sacramento, Calif., of the American Legion:

In presentation of the Navy Department's attitude on this important matter, Commander Tennyson went over the same grounds covered by Commander William G. Greenman—

These are the words I want you to get—

in whose official car he came to Sacramento.

Mr. Chairman, I wish to call your attention to these particular words, "by Commander William G. Greenman, in whose official car he came to Sacramento."

I ask you, Since when have Navy officers been permitted to ride all over the State of California for the purpose of lobbying at Legion conventions for or against any bill pending in Congress? I want to know whether when Commander Greenman goes to sea next month his successor is going to carry on the same political activities as did Greenman, his predecessor.

As I condemn the activities of this one Navy officer I wish to say I have the highest respect for Navy officers generally. As a former mayor of the city of Long Beach, Calif., I have met with many, many officers of the Navy from the commanders in chief down for the last 5 years. Without exception, these officers have made it a rule never to mix in city, county, or State affairs, and I ask you, Why should the Navy Department at this time permit Greenman or his successor to be an exception to this rule?

I am asking the members of the Appropriations Committee and the members of my own committee, the Committee on Naval Affairs, to use their influence with the Navy Department to see that such political activities on the part of a Navy officer such as the one to whom I have referred be stopped and stopped now. [Applause.]

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

PUBLIC WORKS, BUREAU OF YARDS AND DOCKS

For public works and public utilities, Bureau of Yards and Docks, $52,381,550, which, together with the unexpended balances of appropriations heretofore made under this head, shall be disbursed and accounted for in accordance with existing law and shall constitute one fund, which fund shall be available for the payment of obligations incurred under the provisions of sections 3 and 4 of the act approved April 25, 1939 (Public, No. 43, 76th Cong.), insofar as they relate to naval public works and utilities projects

and for part-time and intermittent employment by contract of scientists, technicists, and other personnel, and payment of travel expenses of members of the Naval Reserve ordered to active duty: *Provided*, That of the amount herein appropriated under this head $10,000,000 shall be immediately available: *Provided further*, That not to exceed 2½ percent of the aggregate amount available on July 1, 1939, shall be available for the employment of classified personal services in the Bureau of Yards and Docks and in the field service to be engaged upon such work and to be in addition to employees otherwise provided for: *Provided further*, That the Secretary of the Navy is authorized to commence, continue, or complete the construction of, or make provision for, by contract or otherwise, projects heretofore authorized and appropriated for under this head, and, in addition, the following-named public works and public utilities projects at a limit of cost not to exceed the amount stated for each project enumerated, respectively:

Mr. SCRUGHAM. Mr. Chairman, I offer three amendments, one relating to the paragraph just read and two relating to the next succeeding paragraph, but all relating to a single proposition, and I ask unanimous consent that they may be read and the three amendments considered together.

The CHAIRMAN. Is there objection to the request of the gentleman from Nevada?

There was no objection.

The Clerk read as follows:

Committee amendments offered by Mr. SCRUGHAM: On page 39, line 7, strike out "$52,381,550" and insert in lieu thereof "$55,328,550."

On page 40, line 13, after the words "Kaneohe Bay, Hawaii" insert the words "Midway Island, Johnston Island, Palmyra Island."

On page 40, line 18, strike out "$55,400,000" and insert in lieu thereof "$63,000,000."

The committee amendments were agreed to.

The Clerk read as follows:

Navy Yard, Norfolk, Va.: Storehouse and accessories for battleship materials and equipment, $225,000; subassembly building and accessories for new ship construction, $600,000; additional power generation and distribution for new ship construction, $1,025,000; railroad cars for handling shipbuilding materials, $80,000.

Mr. DARDEN. Mr. Chairman, I move to strike out the last word.

I listened with great interest several days ago to the general debate on this bill, which carries appropriations for the naval establishments of the United States.

My primary interest arose out of provisions being made for the navy yard located in Portsmouth, Va., and the naval operating base on Hampton Roads at Norfolk, Va.

As the Members of the House know, this area has since colonial days been the scene of naval operations. The great navy yard located on the Elizabeth River was started long before the Revolution. For many years it has been one of the most important bases of our fleet, and we now have there a great industrial establishment capable of serving our modern fleet.

The improvements provided for the yard in this bill are of great importance in that they are necessary to carry on the shipbuilding program which has been in progress at the yard since 1934. In that year it was our hope that we should by modest increases of our fleet be able to meet the needs of this arm of national defense. Unfortunately, such has not been the case, and we are faced today with the greatest naval building program ever undertaken by this country.

This program is necessary. We cannot do otherwise. We live today in an era of international anarchy, and only those will survive who are able to protect themselves. Tyranny and oppression stalk across the world. Only one thing can guarantee for the time being the safety of our people, and that is the ability of our armed forces to defend us. These forces must be strong—strong beyond the point of question—because weakness there means destruction for us.

Among other great improvements being authorized by this bill is the doubling in size of the area of the naval-operation base referred to earlier. This strategically located base was constructed on Hampton Roads before and during the World War. It was one of the first of our air stations. The work about to be done there will insure its adequacy and availability.

While, as I have said, my first interest lay in these items, I was, however, impressed with the observations of several of our friends on the other side of the House, who professed to be greatly alarmed by what they seem to feel to be a disposition of the administration to urge us along the path leading to war.

Such observations seem to me to be utterly without foundation. Nor are they, I fear, despite the protests of the speakers, unbiased and nonpartisan expressions.

On the contrary, this bill, with the huge sums carried by it, is being used as a means of calling into question the foreign policy of the country and the intentions of the President.

It is unfortunate that an attempt should be made, particularly at this time, to embarrass a Chief Executive whom I believe to be as genuinely concerned about preserving peace both here and abroad as any Member of this House.

The ships and other facilities carried in this bill are necessary for our own protection. The measure deserves our support on this alone.

It is, I think, most unwise to attempt to discredit it by inferring that it is in fact but part and parcel of a general scheme to involve us in Europe. Particularly is this true when we consider that the battleships here appropriated for will not be able to join the fleet for 5 years, and when 3 years will be required for the building and equipping of most of the other ships.

There is no indication that this administration is departing in the least from that course which is known to be the desire of the great majority of our people, namely, such a course as will tend to forward the cause of peace abroad and, if humanly possible, to guarantee peace as far as the United States is concerned.

From the beginning the President of the United States has devoted himself to this end, and I believe that the great majority of us, regardless of party lines, believe this to be the case.

An attempt here to make the country feel otherwise tends in no way to promote that confidence and security which all of us desire.

In the end the issue of peace or war will rest with the Congress of the United States. It is our obligation. It is a responsibility which we must bear.

The Clerk read as follows:

BUREAU OF AERONAUTICS

AVIATION, NAVY

For aviation, as follows: For navigational, photographic, aerological, radio, and miscellaneous equipment, including repairs thereto, for use with aircraft built or building on June 30, 1939, $1,500,000; for maintenance, repair, and operation of aircraft factory, air stations, fleet air bases, fleet and all other aviation activities, accident prevention, testing laboratories, overhauling of planes, technical periodicals, and the purchase for aviation purposes only of special clothing, wearing apparel, and special equipment, $24,900,000, including not to exceed $50,000 for the procurement of helium, which sum of $50,000 shall be transferred to and made available to the Bureau of Mines on July 1, 1939, in addition to which sum the Bureau of Mines may use for helium-plant operation in the fiscal year 1940 the unexpended balance of funds transferred to its for such operation in the fiscal year 1939, and the Bureau may lease, after competition, surplus metal cylinders acquired for use as helium containers; for continuing experiments and development work on all types of aircraft, including the payment of part-time or intermittent employment in the District of Columbia or elsewhere of such scientists and technicists as may be contracted for by the Secretary of the Navy, in his discretion, at a rate of pay not exceeding $20 per diem for any person so employed and payment of the travel expenses of such persons if they be members of the Naval Reserve ordered to active duty, $9,500,000; for new construction and procurement of aircraft and equipment, spare parts and accessories, $46,898,000, of which amount not to exceed $15,000,000 shall be available for the payment of obligations incurred under the contract authorization carried in the Navy Appropriation Act for the fiscal year 1939; for continuing the construction of a rigid airship as provided in the act approved May 17, 1938 (52 Stat. 401–403), $500,000, and the appropriation of $500,000 on account of such airship, contained in the Second Deficiency Appropriation Act, fiscal year 1938, is hereby continued available until June 30, 1940; in all, $83,298,000, and the money herein specifically appropriated for "Aviation" shall be disbursed and accounted for in accordance with existing law and shall constitute one fund: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed $1,966,500: *Provided further*, That in addition to the amount herein appropriated,

the Secretary of the Navy may, prior to July 1, 1941, enter into contracts for the production and purchase of new airplanes and their equipment, spare parts and accessories, to an amount not in excess of $20,000,000: *Provided further*, That the Secretary of the Treasury is authorized and directed, upon the request of the Secretary of the Navy, to transfer not to exceed in the aggregate $50,000 from this appropriation to the appropriations "Pay, subsistence, and transportation, Navy" and "Pay, Marine Corps" to cover authorized traveling expenses of officers and enlisted men in connection with flying new airplanes from contractor's works to assigned station or ship, including travel to contractor's works and return of personnel to stations of duty, and the amount so transferred shall be in addition to any limitations contained in the appropriations "Pay, subsistence, and transportation, Navy" and "Pay, Marine Corps": *Provided further*, That no part of this appropriation shall be used for the construction of a factory for the manufacture of airplanes: *Provided further*, That the Secretary of the Navy is hereby authorized to consider, ascertain, adjust, determine, and pay out of this appropriation the amounts due on claims for damages which have occurred or may occur to private property growing out of the operations of naval aircraft where such claim does not exceed the sum of $500.

Mr. HOBBS. Mr. Chairman, I ask unanimous consent to return to page 3 for the purpose of offering an amendment.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOBBS. Mr. Chairman, I ask unanimous consent that all of the amendments which relate to the same subject matter be considered at the same time.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOBBS. Mr. Chairman, I offer the following amendments, which I send to the desk.

The Clerk read as follows:

Amendments offered by Mr. HOBBS: Page 30, line 1, strike out "January 30, 1939" and insert "January 30, 1940"; page 30, line 2, strike out "4" and insert "3"; page 30, line 5, strike out "4" and insert "3"; page 30, line 7, strike out "4" and insert "3."

Mr. HOBBS. Mr. Chairman, during general debate on this bill the other day I informed the House that these amendments would be offered, and therefore I take it that most of you are familiar with the amendments and are more or less familiar with the arguments in favor of them.

For the last 4 years, to my certain knowledge, we have been considering reduction of the Naval Academy appointments from four to three. That is to say, each Representative, Senator, and Delegate now, during one quadrennium, has four appointments to Annapolis. This year there will go into the academy from this source 662 fine young boys, who have been selected as the best and most outstanding boys interested in that career. Yet, because of our legislation, we know before they go in that more than half of them will be kicked out in the prime of their youth and usefulness at about the age of 40 to 41 years, with no hope at that late date of being able to go back into civil life with any success. We know that we will have ordered spent upon each of them some $24,000 to $35,000 of the taxpayers' money, and we know that they will inevitably go out and go upon the retirement pay rolls, which have nearly doubled in the last 4 years. It is costing the taxpayers supporting this Government nearly $10,000,000 a year, and this year that amount will be exceeded for retirement pay for these comparatively young men whom we are forcing out of the Navy. I say that that is economically unjustifiable, and that that part is nothing compared with the detriment it is working in the morale of the manhood of the naval forces.

No man can be kicked out in the prime of his usefulness at 40 or 41 years of age and not have everlastingly upon him the stigma of disgrace because of being expelled, when any member of the selection board will tell you that the only reason in God's world that he is not selected for promotion is not because he is unfit but because there is no room at the top of the pyramid, so that inevitably they must go out. I submit to you as fair-minded American citizens, without passion or prejudice, that that is wrong.

The practice has been repeatedly condemned by the reports of your Committee on Appropriations. There is not a hearing before the Committee on Appropriations on this bill that does not speak in terms of condemnation of this foolish practice; and so I submit that these amendments, which are single in purpose, merely reducing the number of our appointees to Annapolis from four to three, should be adopted. It will have no effect this year. It will begin to take effect next year, and the saving of a half million dollars a year will be the least of all of the benefits.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. SCRUGHAM. Mr. Chairman, I rise in opposition to the amendment. I have deep respect for the opinions of the gentleman from Alabama [Mr. HOBBS] who is earnest and sincere in the proposal that he has set forth, that the adoption of his amendments would be of benefit to the Navy. Nevertheless, the figures I have give a somewhat different conclusion.

Decrease of the congressional appointments from four to three would affect the class entering this spring and graduating in 1943. Obviously a reduction from four to three appointments would preclude any appointment this spring being made by any Congressman or Senator unless he has more than one vacancy existing or accruing on the next graduation. This is because one vacancy would be used to take up the slack between the four and the three. Since by no means all of the Congressmen and Senators will, under existing law, have more than one vacancy it appears that the contemplated reduction will substantially reduce congressional appointments to the Naval Academy this year.

With regard to the strength of the Navy, the reduction contemplated would not, as stated, take effect until 1943. At that time, however, the Bureau of Navigation figures indicate there will be 7,750 regular line billets needed in the fleet and shore stations, without allowing for any increase in present figures for the shore stations. Under existing law it is estimated that there will be 7,050 officers on the active list available for these billets—a shortage of 700. If a modification of the law requiring the retention on active duty of all officers adjudged fitted is enacted, as carried in the pending personnel bill, H. R. 4929, the number of officers available will be increased to approximately 7,250, leaving a shortage still of 500.

The reduction of appointments from 4 to 3 would result in a reduction this year in the entering congressional group from 662 to 290, with the consequent reduction in 1943 of 220 officers—assuming 60 percent commissioned—for the line of the Navy and therefore would have the effect of increasing the above shortages to 920 and 720, respectively.

Similarly for each successive year beyond 1943 the reduction of appointments from 4 to 3 would result in approximately 100 less graduates available for commission, in a normal average of 450, and would thereby very materially retard the growth of the strength of the line of the Navy toward the needs of the fleet. These, for instance, increase from the 7,750 cited for 1943 to 7,925 in 1944 and 8,118 in 1945, but under conditions as can be at present foreseen do not increase substantially thereafter. It will be some years, however, before, with the 4 appointments, we can hope to reach this latter figure, possibly even well beyond 1950, and the reduction of appointments as contemplated will so far delay our attaining this figure that we may in fact never reach it.

Aside from the total strength of the Navy, however, the question of naval aviators is of particular importance. These are obtained from successive Naval Academy classes, and approximately 30 percent or slightly less may be expected from each class. Obviously, a reduction of 100 in the number of each graduating class will result in the loss of some 25 to 30 aviators who might otherwise be expected from each class, with an ultimate serious detriment to the efficiency of naval aviation. The actual pilots can be supplied, it is true, by additional aviation cadets, but the maintenance in naval aviation of a considerable number of Naval Academy graduates is obviously desirable.

For purposes of regularity of promotion, a standard basis for a number of appointments from year to year, to permit of regular graduating classes of approximately the same size, is highly desirable. Variation of appointments allowed

from year to year produces a much greater effect than would be assumed. For instance, it has just been indicated that a drop from 4 to 3 appointments will, by reason of the marked reduction for 1 year in congressional appointments, result in a reduction in the anticipated commissions from the graduating class of 220; that is, from a present expectation of 543 to 320. Similarly, an increase from 3 to 4 in the future, or to 5 in case it becomes necessary to make up accumulated deficiencies in the strength of the line of the Navy, would represent an overlarge class because of the sudden availability of the new appointments. In recent years the appointments to the academy have varied as follows: 1918–23, 5 appointments; 1924–27, 3; 1928–31, 4; 1932–34, 3; 1935 to date, 4; and the size of the classes have consequently changed from an extreme of 579 in 1927 to 173 in 1928. The promotion problems, the "humps," occasioned by these varying classes are most disadvantageous to the Navy, and the Department has in fact been willing to accept the slower rate of growth toward fulfilling the needs of the Navy, as indicated above on the 4-appointment basis, rather than to urge the 5-appointment basis, in order to stabilize for some years on the 4-appointment system and thus to produce a normal average graduating class from the Naval Academy and to avoid promotion humps in the future.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. Yes.

Mr. HOBBS. Do the figures which the gentleman has just given include the aviation cadets?

Mr. SCRUGHAM. Yes; they do.

Mr. LELAND M. FORD. Is it not true that that would give us a reserve of Reserve officers, finely trained men, who would be of great service to the country in time of war?

Mr. SCRUGHAM. Yes.

The CHAIRMAN. The question is on agreeing to the amendments offered by the gentleman from Alabama.

The question was taken, and the amendments were rejected.

Mr. VOORHIS of California. Mr. Chairman, I move to strike out the last word.

I do this for the purpose of asking some questions relative to lines 24 and 25, on page 45, and the first few lines on page 46, having to do with the construction of a rigid airship.

I notice in the report of the committee it says:

> The committee feels that new bids should be invited for a ship of this character or the project abandoned.

I certainly agree with the committee.

The first question I want to ask is whether the language of the bill will specifically and definitely require that new bids shall be called for?

Mr. SCRUGHAM. No; that is an administrative matter.

Mr. VOORHIS of California. Does the committee have any assurance that in the construction of this airship it really will be one in which American design and construction are required and followed?

Mr. SCRUGHAM. That is required under the law.

Mr. VOORHIS of California. I understand that, too, but when this was being debated a year ago in 1938, the gentleman from Rhode Island [Mr. O'CONNELL] made the following remarks:

> When I speak of American airships I refer to those which shall be designed and constructed by American engineers upon American engineering principles, and not to airships constructed with Government funds on the principle of German Zeppelins or airships built in Germany.

That seems clear enough as to the intent of Congress, and I want to be as careful as I can that we do not get another Zeppelin type ship. For I would like to point out that we have had some very serious experiences with ships of that type. We have had five ships of the ZRN type. The *Shenandoah,* one that was built in England, the *Los Angeles,* the *Akron,* and the *Macon.* Every one of those except the *Los Angeles* has been destroyed, broken in midair. The *Los Angeles* is grounded for obvious reasons. One hundred and thirty-five lives have been lost in these disasters. All of those ships are of the German Zeppelin design, and I want to be sure that we are not to build another ship like that. I want to be sure that real competitive bids are called for, and somebody besides the people who build ships of that character will have a chance to give us a ship of real American design and construction. I wonder, also, whether or not the same people who approved the designs for these five ships are still in that responsible position in the Navy Department. That is the only purpose in my asking for this time.

Mr. SCRUGHAM. The Naval Expansion Act, approved May 17, 1938, authorized the appropriation of $3,000,000 to be expended at the direction of the President for the construction of a rigid airship of American design and construction, the capacity not to exceed 3,000,000 cubic feet, either fabric or metal covering, to be used in training, experimental, and development purposes. I think that should answer the question.

Mr. VOORHIS of California. That is true, but I would like to have the gentleman's assurance, which will be entirely adequate for me, that there are going to be new bids called for on this airship, and that all bids will be fully considered.

Mr. SCRUGHAM. Well, that is an administrative matter. I have every confidence, however, that new bids will be called for.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

> In all, $9,117,755, to be accounted for as one fund: *Provided,* That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed $85,000.

Mr. ANDREWS. Mr. Chairman, I move to strike out the last word for the purpose of asking one or two questions of the chairman of the subcommittee.

I should like to inquire in connection with this bill how much of the money under subcontracts would be allocated to the purchase of metal furniture?

Mr. SCRUGHAM. I am without information as to that detail.

Mr. ANDREWS. The information I have received at this time would indicate that practically all metal furniture for the Navy is made by the Government in Virginia. Is that correct?

Mr. SCRUGHAM. The gentleman may be correct. I do not know.

Mr. ANDREWS. Does the gentleman feel that all metal furniture which may be ordered through subcontracts should be Government made, or does he not feel that it would be wise to allocate 50 percent of that to private industry, which is well equipped to supply the needs?

Mr. SCRUGHAM. As a general rule, I should say that would be advisable, although there might be some particular reason in this case for having it made in a Government yard.

Mr. ANDREWS. I thank the gentleman.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

> No part of the appropriations made in this act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person or persons having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch or other time-measuring device a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant; and no part of the moneys herein appropriated for the Naval Establishment or herein made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article, or articles that at the time of the proposed repair, purchase, or acquirement can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States, when time and facilities permit, and when, in the

judgment of the Secretary of the Navy, such repair, purchase, acquirement, or production would not involve an appreciable increase in cost to the Government, except when the repair, purchase, or acquirement, by or from any private contractor, would, in the opinion of the Secretary of the Navy, be advantageous to the national defense: *Provided*, That nothing herein shall be construed as altering or repealing the provisos contained in the acts to authorize the construction of certain naval vessels, approved February 13, 1929, and March 27, 1934, which provide that the first and succeeding alternate vessels in each category, except the 15,000-ton aircraft carrier, upon which work is undertaken, together with the main engines, armor, and armament, shall be constructed or manufactured in the Government navy yards, naval gun factories, naval ordnance plants, or arsenals of the United States, except such material or parts as are not customarily manufactured in such Government plants.

Mr. VORYS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS of Ohio: On page 56, beginning in line 21, after the word "available", strike out down to the word "available" in line 4 on page 57.

Mr. VORYS of Ohio. Mr. Chairman, my amendment is directed to the clause which apparently forbids a foreman or officer to look at his watch while any employee is working, to see whether the employee is doing anything or not doing anything. I have inquired of the committee where this language came from, and I understand it has stood in this form for about 21 years; that it has no practical value; that probably nobody pays any attention to it, but in the interest of bringing our naval appropriation bills up to date, and having the language looked over at least every 10 years, say, I submit it might be a good thing to strike out this language, which is either meaningless or, if taken literally, would prevent ordinary supervision by officers or foremen, over people who are working, or not working while they are supposed to be working, as the case may be.

Mr. SCRUGHAM. Mr. Chairman, I rise in opposition to the amendment. This item has been carried in the bill for more than 20 years. No difficulties have been encountered and no complaints have been made. It is intended as a protection for labor.

I ask that the amendment be defeated.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed out of order for 7 minutes.

Mr. CHURCH. I am very sorry, but I shall have to object to the request to speak out of order. We have sacrificed a number of speeches that we might expedite the passage of the bill. A number of Members want to get away.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman withhold his objection?

Mr. CHURCH. Yes.

Mr. SCHAFER of Wisconsin. Mr. Chairman, it is rather remarkable that a South American dictator who is asking for a hand-out of millions of dollars from the American Treasury was allowed to address the House for about an hour today, but a Member of Congress is not allowed to address the House for 7 minutes.

I therefore make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and eighteen Members are present, a quorum.

The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. SCRUGHAM. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Cox, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 6149, the Navy Department appropriation bill, 1940, instructed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. SCRUGHAM. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. HULL) there were—ayes 123, noes 17.

Mr. HULL. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and forty-seven Members are present, not a quorum. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 297, nays 58, not voting 75, as follows:

[Roll No. 67]

YEAS—297

Allen, La.	Crowe	Hennings	Monroney
Allen, Pa.	Culkin	Hess	Moser
Anderson, Calif.	Cullen	Hill	Mott
Anderson, Mo.	D'Alesandro	Hinshaw	Mouton
Angell	Darden	Hobbs	Murdock, Ariz.
Arends	Darrow	Holmes	Nelson
Arnold	Delaney	Houston	Nichols
Ashbrook	Dempsey	Hunter	Norrell
Austin	DeRouen	Izac	Norton
Ball	Dingell	Jacobsen	O'Brien
Barden	Dirksen	Jarman	O'Connor
Barnes	Disney	Jarrett	O'Leary
Barry	Ditter	Jenkins, Ohio	O'Neal
Bates, Ky.	Doughton	Jenks, N. H.	O'Toole
Bates, Mass.	Douglas	Johnson, Luther A.	Owen
Beam	Doxey	Johnson, Lyndon	Parsons
Beckworth	Drewry	Johnson, Okla.	Patman
Bell	Duncan	Johnson, W. Va.	Patrick
Blackney	Dunn	Kean	Patton
Bloom	Durham	Kee	Pearson
Boehne	Eaton, Calif.	Keller	Peterson, Ga.
Boland	Eaton, N. J.	Kennedy, Martin	Pfeifer
Bolles	Eberharter	Keogh	Pierce, Oreg.
Bolton	Edmiston	Kerr	Pittenger
Boren	Elliott	Kilday	Plumley
Boykin	Ellis	Kinzer	Poage
Bradley, Pa.	Elston	Kirwan	Polk
Brewster	Englebright	Kitchens	Powers
Brooks	Evans	Kocialkowski	Rabaut
Brown, Ga.	Fenton	Kramer	Ramspeck
Brown, Ohio	Fernandez	Lanham	Randolph
Bryson	Fish	Larrabee	Rankin
Buck	Fitzpatrick	Lea	Rayburn
Bulwinkle	Flaherty	Leavy	Reed, Ill.
Burch	Flannagan	Lesinski	Reed, N. Y.
Burgin	Flannery	Lewis, Colo.	Richards
Byrne, N. Y.	Folger	Lewis, Ohio	Risk
Byrns, Tenn.	Ford, Leland M.	Lord	Robertson
Caldwell	Ford, Miss.	Ludlow	Rodgers, Pa.
Cannon, Mo.	Fries	McAndrews	Rogers, Mass.
Carter	Fulmer	McCormack	Routzohn
Cartwright	Garrett	McGranery	Rutherford
Casey, Mass.	Gartner	McLaughlin	Ryan
Chandler	Gathings	McLean	Sandager
Chapman	Gearhart	McMillan, Thos. S.	Satterfield
Church	Gerlach	Maas	Schaefer, Ill.
Clark	Geyer, Calif.	Maciejewski	Schuetz
Clason	Gibbs	Magnuson	Schulte
Claypool	Gore	Mahon	Schwert
Clevenger	Gossett	Maloney	Scrugham
Cochran	Graham	Mapes	Seccombe
Coffee, Nebr.	Grant, Ala.	Marcantonio	Shanley
Coffee, Wash.	Green	Marshall	Sheppard
Cole, Md.	Gregory	Martin, Ill.	Simpson
Cole, N. Y.	Griffith	Martin, Iowa	Smith, Conn.
Colmer	Gross	Martin, Mass.	Smith, Ill.
Connery	Hall	Mason	Smith, Maine
Cooley	Hancock	Massingale	Smith, Va.
Cooper	Hare	May	Smith, Wash.
Corbett	Hart	Merritt	Smith, W. Va.
Costello	Harter, Ohio	Miller	Snyder
Cox	Havenner	Mills, Ark.	South
Creal	Healey	Mills, La.	Sparkman
Crosser	Hendricks	Monkiewicz	Spence

Starnes, Ala.	Thomason	Wadsworth	Whittington
Steagall	Thorkelson	Wallgren	Wigglesworth
Stearns, N. H.	Tinkham	Walter	Williams, Mo.
Sumner, Ill.	Tolan	Warren	Wolcott
Sumners, Tex.	Treadway	Weaver	Wolfenden, Pa.
Sutphin	Van Zandt	Welch	Wolverton, N. J.
Taylor, Colo.	Vincent, Ky.	West	Woodruff, Mich.
Tenerowicz	Vinson, Ga.	Wheat	Zimmerman
Terry	Voorhis, Calif.	Whelchel	
Thomas, N. J.	Vorys, Ohio	White, Idaho	
Thomas, Tex.	Vreeland	White, Ohio	

NAYS—58

Allen, Ill.	Gilchrist	Johnson, Ill.	Robsion, Ky.
Andersen, H. Carl	Grant, Ind.	Johnson, Ind.	Schafer, Wis.
Andresen, A. H.	Griswold	Keefe	Schiffler
Andrews	Guyer, Kans.	Knutson	Shafer, Mich.
Burdick	Gwynne	Lambertson	Short
Carlson	Halleck	LeCompte	Smith, Ohio
Case, S. Dak.	Harness	Lemke	Springer
Chiperfield	Harrington	Luce	Stefan
Crawford	Hawks	McLeod	Taber
Curtis	Heinke	Michener	Taylor, Tenn.
Dondero	Hoffman	Mundt	Thill
Dowell	Hope	Murray	Winter
Dworshak	Hull	O'Day	Youngdahl
Engel	Jensen	Rees, Kans.	
Gehrmann	Johns	Rich	

NOT VOTING—75

Alexander	Ferguson	McArdle	Rogers, Okla.
Barton	Ford, Thomas F.	McDowell	Romjue
Bender	Gamble	McGehee	Sabath
Bland	Gavagan	McKeough	Sacks
Bradley, Mich.	Gifford	McMillan, John L.	Sasscer
Buckler, Minn.	Gillie	McReynolds	Secrest
Buckley, N. Y.	Harter, N. Y.	Mansfield	Seger
Byron	Hartley	Martin, Colo.	Shannon
Cannon, Fla.	Hook	Mitchell	Sirovich
Celler	Horton	Murdock, Utah	Somers, N. Y.
Cluett	Jeffries	Myers	Sullivan
Collins	Jones, Ohio	Oliver	Sweeney
Crowther	Jones, Tex.	Osmers	Talle
Cummings	Kelly	Pace	Tarver
Curley	Kennedy, Md.	Peterson, Fla.	Tibbott
Dickstein	Kennedy, Michael	Pierce, N. Y.	Williams, Del.
Dies	Kleberg	Reece, Tenn.	Wood
Faddis	Kunkel	Robinson, Utah	Woodrum, Va.
Fay	Landis	Rockefeller	

So the bill was passed.

The Clerk announced the following pairs:

Until further notice:

Mr. Woodrum of Virginia with Mr. Crowther.
Mr. Mansfield with Mr. Pierce of New York.
Mr. Gavagan with Mr. Seger.
Mr. Bland with Mr. Gifford.
Mr. Tarver with Mr. Barton.
Mr. Sullivan with Mr. Hartley.
Mr. Collins with Mr. Reece of Tennessee.
Mr. Dies with Mr. Cluett.
Mr. Jones of Texas with Mr. Gamble.
Mr. Kleberg with Mr. Jeffries.
Mr. McReynolds with Mr. Williams of Delaware.
Mr. Martin of Colorado with Mr. Alexander.
Mr. McGehee with Mr. Harter of New York.
Mr. John L. McMillan with Mr. McDowell.
Mr. Robertson with Mr. Bender.
Mr. Wood with Mr. Kunkel.
Mr. Faddis with Mr. Tibbott.
Mr. Romjue with Mr. Bradley of Michigan.
Mr. Sabath with Mr. Talle.
Mr. Kelly with Mr. Rockefeller.
Mr. Michael J. Kennedy with Mr. Gillie.
Mr. McKeough with Mr. Horton.
Mr. Pace with Mr. Jones of Ohio.
Mr. Dickstein with Mr. Osmers.
Mr. Celler with Mr. Landis.
Mr. Kennedy of Maryland with Mr. Oliver.
Mr. Somers of New York with Mr. Buckler of Minnesota.
Mr. Curley with Mr. Mitchell.
Mr. Thomas F. Ford with Mr. Sasscer.
Mr. Buckley of New York with Mr. Cummings.
Mr. Secrest with Mr. McArdle.
Mr. Shannon with Mr. Sirovich.
Mr. Fay with Mr. Byron.
Mr. Murdock of Utah with Mr. Sweeney.

On motion of Mr. SCRUGHAM, a motion to reconsider the vote by which the bill was passed was laid on the table.

The doors were opened.

Mr. SCRUGHAM. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the bill may have 5 legislative days in which to extend their own remarks on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that on Thursday next, after the disposition of the legislative program for the day, I may address the House for 20 minutes.

Mr. RICH. Mr. Speaker, reserving the right to object, and I will not, will the gentlewoman from New Jersey, chairman of the Committee on Labor, inform the House whether her committee intends to make any recommendation relative to any changes in the Wagner Act at this session of Congress?

Mrs. NORTON. I may say to the gentleman from Pennsylvania that it is quite impossible to answer that question at this time. The Committee on Labor are holding hearings on seven amendments to the National Labor Relations Act. At the conclusion of the hearings we hope to take the matter up and dispose of it as quickly as possible.

Mr. RICH. Then we have some reason to believe that certain changes in the Labor Act will be recommended?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentlewoman from New Jersey state, for the information of the House, if she intends to call up the wage and hour amendments next Monday?

Mrs. NORTON. I may say to the gentleman from Massachusetts that the purpose of my requesting time on Thursday afternoon was to talk on this subject. We intend to call the bill up next Monday under suspension of the rules.

Mr. MARTIN of Massachusetts. That will not permit of any amendment to be offered that a Member might desire to offer?

Mrs. NORTON. No.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON].

There was no objection.

Mr. MOUTON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. MOUTON. Mr. Speaker, I was absent from the House last Friday afternoon when roll call No. 66 was had for the reason that the members of a certain ladies' club had asked me to deliver an address on Louisiana. Had I been present, I would have voted in the affirmative on that roll call.

ARKANSAS-MISSISSIPPI BRIDGE COMMISSION

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a conference report on the bill S. 964, creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.; and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. CHAPMAN]?

Mr. DIRKSEN. Mr. Speaker, reserving the right to object, what is the bill?

Mr. CHAPMAN. It is a bridge bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. GREEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein memorials 3, 4, and 6 of the Florida Legislature.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. GREEN]?

There was no objection.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a brief editorial from the Los Angeles Examiner.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. COOLEY]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent that on Thursday next, following the statement of the gentlewoman from New Jersey [Mrs. NORTON] with reference to amendments to the Fair Labor Standards Act, I may be permitted to address the House for 15 minutes on the same subject with regard to Puerto Rico.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that on Wednesday next after the disposition of matters on the Speaker's table, and at the conclusion of any special orders heretofore made, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOODRUFF]?

There was no objection.

Mrs. NORTON. Mr. Speaker, in view of the fact that the Members will leave here Thursday for New York, may I withdraw my previous request to address the House and to ask unanimous consent that I may address the House for 20 minutes on Wednesday instead?

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON]?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, may I make the same request, inasmuch as my statement will deal with the same subject the gentlewoman will speak on? I ask unanimous consent that I may address the House on Wednesday, at the conclusion of the address of the gentlewoman from New Jersey [Mrs. NORTON].

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

There was no objection.

EXTENSION OF REMARKS

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short article appearing in the Milwaukee Sentinel of Saturday, May 6, under the caption "Washington Merry-Go-Round," with reference to the dictator from Nicaragua.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. SCHAFER]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. THILL. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER. Under a previous special order, the gentleman from Oregon [Mr. PIERCE] is recognized for 20 minutes.

UMATILLA DAM ON THE COLUMBIA RIVER

Mr. PIERCE of Oregon. Mr. Speaker, the Columbia River is the second largest river in the United States. It carries as much water annually as the Mississippi above the mouth of the Ohio. Umatilla Rapids, the location of the proposed dam, are 292 miles from the ocean, about 150 miles east of Bonneville Dam, and the same distance from Grand Coulee Dam, farther up the Columbia and to the north. More water per annum flows through the Columbia River at Umatilla Rapids than passes down the Mississippi at Keokuk, Iowa. These rapids form the stopper which now blocks full navigation utilization of this great river. The Government has spent millions of dollars on the lower Columbia River and has provided safe navigation for ocean-going vessels across the bar, which has now more than 40 feet of free water at low tide. Navigation for ocean-going vessels extends up as far as Portland, Oreg., and its neighbor, Vancouver, Wash., across the river. Columbia River navigation is our goal; Umatilla Rapids is the obstruction.

Bonneville Dam, recently completed, is about 150 miles from the ocean and the ocean tides extend up to it. It was built for navigation and power. There will ultimately be installed 10 electric generating units, two of which have been completed and are now generating 86,000 kilowatts of electric energy. Two more units are under construction and will be completed in the early summer of 1941. The six additional units have not yet been provided with the necessary appropriations. When completed Bonneville will generate 500,000 kilowatts of electric energy.

UMATILLA DAM THE KEY

Umatilla Rapids is a bottle neck. It is the stopper that must be removed before any great amount of ocean-going commerce can be loaded on ocean-going vessels at the inland port of The Dalles. The stopper must be removed to justify the expenditure of $5,000,000 for the sea locks at Bonneville, and the $2,000,000 for making a 27-foot open channel from Bonneville to Vancouver. The commerce to justify these improvements in the lower river is available in the upper river but it must be able to pass Umatilla Rapids, through locks, before it can safely be sent down the river to the seaport of The Dalles.

RELATION BETWEEN UMATILLA AND BONNEVILLE

The Umatilla Rapids Dam should be constructed now. It is justifiable as part of a going program. It can also be justified as a unit by itself. This dam is a navigation project which will regulate the flow of the Columbia River and will thus materially increase the value of the generating electric plant at Bonneville, 150 miles west. The dam should, at this time, be constructed for navigation only, carrying such foundations as Army engineers find necessary for the ultimate installation of wheels and generators for creating electric energy. The height of the dam, as planned by the Army engineers, will be 56 feet.

The total cost of the dam is estimated by the Army engineers at $23,700,000. It will take 3 years to complete construction. The light, power, and heat necessary for the construction can all be supplied by the Government power plant at Bonneville, as transmission lines have already been provided. The saving by buying the Government-generated power from Bonneville will materially reduce the cost of construction, perhaps as much as a million dollars, covering power, heat, and light, for construction and housing. It was expected that a similar use of Bonneville power would be made during construction at Grand Coulee, that great Public Works project, thus becoming one of the Government's earliest and largest customers. Why a private utility was favored over Bonneville I have not been able to learn.

UMATILLA PROJECT READY FOR LABORERS

The Umatilla Dam project is ready for immediate construction. All surveys are complete; test holes have been dug. From an engineering standpoint it is perfect. It has been passed on and recommended by the Army engineers and by the Army Board in Washington. The climate at the rapids is mild, and the project will furnish year-round employment for 2,500 men directly, and as many more indirectly. It will afford a market for diversified farm products, garden, fruit, poultry, dairy, wheat, and meat from 10,000 farmers within easy trucking distance of Umatilla Dam. It will materially increase the tonnage of long-distance hauls for the railroads.

ARMY ENGINEERS APPROVE PROJECT

Under date of June 7, 1938, the Honorable Harry Woodring, Secretary of War, submitted a report from the Chief of Engineers of the United States Army approving the project, in the following words:

> Accordingly, the Umatilla Dam and the four proposed dams on the Snake River should be constructed before undertaking slackwater improvement of the Columbia River below Umatilla, where a fairly adequate channel already exists. The estimated cost of the Umatilla Dam, without power facilities, is $22,700,000.
>
> The Board nevertheless recognizes that the proposed coordinated improvement would stimulate development of the natural resources of a large area in the Pacific Northwest and convey to that region and to the Nation as a whole indirect and intangible benefits of sufficient importance to warrant the initiation of construction work in the near future. The Board therefore recommends that the plan presented herein * * * be accepted.

COLUMBIA RIVER DREDGING

The Seventy-fifth Congress approved a $2,000,000 project of the Army engineers to dredge the Columbia River from Vancouver to Bonneville, a distance of about 50 miles. One-third of this work, costing about $700,000, has already been completed, and another third will be finished this year. It is the intention of the Army engineers to complete this dredging in 1940. This will provide 27 feet of water for navigation from Vancouver to Bonneville, where sea locks have been constructed to accommodate oceangoing vessels drawing 27 feet of water.

The dam at Bonneville creates a lake to the city of The Dalles, now a seaport 50 miles east on the Columbia River. Between The Dalles and Umatilla Rapids, about 100 miles, the Government has recently expended $800,000 in removing rocks and obstructions and providing 7 feet of water for the barge navigation, now operating chiefly for wheat and gasoline transportation.

CHANNEL AT UMATILLA RAPIDS

There is included in the War Department budget this year $200,000 additional for channel improvement of the Columbia River above The Dalles. I have asked that a provision be inserted in the Army appropriation bill that none of this $200,000 so appropriated shall be expended in the attempt to clear the channel through Umatilla Rapids. The reason is that the flow through the rapids is so swift all engineers have reported it a waste of money to attempt to make a navigation channel there. The river is fairly on edge at this place, and in a distance of 14,000 feet there is a fall of 24 feet. Between the mouth of the Snake and the foot of Umatilla Rapids there is a total fall of 63 feet. Clearly on account of the swiftness of the water there can be no successful channel improvement except the construction of a dam to drown out the rapids and make a lake to extend to the mouth of the Snake, burying Homly Rapids, another obstruction, under more than 20 feet of water. The money for dredging could better be used for work westward from Umatilla toward The Dalles. It is plain "hooey" to talk about channel work in the Columbia at Umatilla Rapids. A channel 7 by 150 feet through the rapids to the mouth of the Snake would cost at least $5,000,000, and then it would be too swift to navigate. Talking about building boats successfully to navigate that current is nonsense, and this I am stating on the highest of engineering authority.

ENEMIES OF UMATILLA DAM ARE SHORT-SIGHTED

It appears to me that those who advocate such a temporary channel makeshift are not real friends of river navigation, to be made possible only through Umatilla Dam project. Among the most vociferous supporters of the plan to spend $200,000 to blow out the rocks for the channel we expect to cover when Umatilla Dam is built, are spokesmen for the Portland Chamber of Commerce which has, apparently, resorted to its old policy of attempting to throttle the inland empire and to betray eastern Oregon. Their method is to advocate wasteful expenditure of money on a channel of little value to any but Wall Street owners of railroad stocks. The resulting postponement of the dam would please those who are so short-sighted as to think they can hold the right to overcharge on local freight hauls and ruin waterway traffic by delaying the final program.

An article in the Portland Chamber of Commerce Bulletin of April 17, 1939, actually does become abusive of me because I have opposed appropriation of money for waste in useless river dredging, and have advocated the program of permanent value. I have warned my friends of the inland empire to beware of "Greeks bearing gifts." The commercial interests of the lower Columbia will best promote progress for all, including themselves, if they now aid Umatilla Dam project rather than trying to kill it by proposing extravagant and useless substitutes. Public funds should be spent on permanent units of the great river project which will finally provide water transportation from Lewiston, Idaho, to the sea, actually benefiting obstreperous Portland, which now, through its chamber of commerce, tries to injure its tributary country. We of eastern Oregon and Washington feel entirely competent to decide what sort of river improvement is best for the upper river along the banks of which we produce the wealth that feeds Portland business.

I am glad to report that the best sentiment of all Portland is not behind this temporary expedient and that its representative in Congress, our able colleague, Mr. ANGELL, who is a member of the Rivers and Harbors Committee, is a strong and powerful advocate of Umatilla Dam.

THE DAM NOT A NEW PROJECT

Fifteen years ago, when I was Governor of the State of Oregon, I recommended to the legislature an appropriation of $10,000 to match funds from the National Government for survey and study of the Umatilla Rapids Dam. The dam has been on the docket for more than 20 years. It has been urged by the Columbia Valley and Inland Waterways Associations, by innumerable numbers of Granges in Oregon, Washington, and Idaho; by the chambers of commerce of cities of Oregon and Washington, yes, including Portland, which is not all greedy. Every public body of that section known as the inland empire has urged undertaking this necessary improvement. The Umatilla Dam project has for years been supported by every Congressman and Senator from the Northwest. Seventy-five percent of the tonnage from the inland empire originates along the Columbia and the Snake Rivers above Umatilla Rapids. A dam at that point is the key to the whole scheme of river transportation and was advocated by engineers and far-sighted men long before Bonneville and Grand Coulee were ever thought of or talked about.

PEOPLE ARE LAND HUNGRY

Umatilla Dam will provide water transportation from old and well-settled portions of the inland empire at Yakima, Walla Walla, Roza irrigation project, the Wenatchee apple kingdom, and the rich and fertile hills of the Umatilla. Ultimately it will be necessary to construct smaller dams in the Snake River as far up as Lewiston. When that is done there will be opened to navigation an immense empire which produces in quantity grain, timber, and minerals. Within a radius of 150 miles of Umatilla Rapids there are now living 600,000 people. In a very short time there will be more than a million inhabitants, as the Northwest is growing in population very rapidly.

Landless millions in our cities are hungry for a few acres upon which they can grow the grass and the feed to care for cows. Thousands want places where they can raise chickens, produce eggs, and grow most of their food. Thousands have already come out of the dust bowl of the Middle West into the far Northwest begging for an opportunity to own a few acres of irrigated land.

Oregon irrigation projects have opened up to settlement for homesteading since I have been in Congress a limited number of units. Every time there is such an opening announced 10 times as many people apply for homesteads as can be supplied. The people are land hungry. The day of the 160-acre plains homestead is gone; the day of the 640-acre stock homestead is gone; but the small irrigated homestead is the unit of the present and of the future.

KEEP IRRIGATION PROJECTS SOLVENT

We who live in the far Northwest know full well it is almost impossible for the ordinary man on the Atlantic border, or even in the Mississippi Valley, to realize the importance and value of irrigation enterprises. A million people will soon live and find their sustenance in the irrigated projects bordering on the Columbia, the Umatilla, and at the Grand Coulee. The lands here are in a perfect climate. They will afford employment, enjoyment, and purchasing power for another million people, thus indirectly affecting all the inhabitants of the United States.

The Seventy-fifth Congress provided for a repayment commission of three men to make a special financial study of irrigation districts. This commission filed a report a little less than a year ago, after a careful survey and study of 70 irrigation projects in the West. In that report it was pointed out that excessive freight charges have been the cause

of financial difficulties of many irrigation projects. Especially did they find this true of irrigation districts in the mountan regions of Idaho, Colorado, Montana, and New Mexico, which have projects beyond successful trucking distance from heavily populated centers. The commission found that it often costs more than the value of the marketed commodities to transport those agricultural products 200 or 300 miles.

This study is all important at this time because of the opening to settlement in the near future of Grand Coulee project, which will provide for the irrigation of a million and a quarter acres.

This magnificent body of desert land, which will soon become a garden, lies just north of the Snake and east of the Columbia Rivers, in what is known as the Big Bend. The dam at Umatilla Rapids will provide still and navigable waters to the very edge of this future irrigated empire which will be the largest solid irrigation tract of land in the United States.

The Government has already invested $100,000,000 in this Grand Coulee project. It is the greatest single construction project of our time. Everything within reason must be done to make it a success. There can be no greater boon to the future farmers of Grand Coulee irrigated lands than to have water transportation down the Columbia. Umatilla Dam would be justified in affording water transportation from Grand Coulee area alone.

ADVANTAGES OF RIVER DEVELOPMENT

Ultimately, there will be another quarter of a million acres irrigated, resulting from Umatilla Dam and the pumping plants that will be operated from cheap electric energy there generated. Umatilla Dam is the stopper, it is the key to the full and complete development of the Columbia and Snake Rivers. The future value of the tremendous Government investments at Bonneville, The Dalles, Grand Coulee, and elsewhere on the Columbia River can be only partially realized until this bottle neck has been removed and transportation can move freely through this obstruction which has been staying progress for a half a century.

Umatilla Rapids project is typical of the improvements that must eventually be made in the Columbia and the Snake Rivers. There is but one feasible method of improving these rivers and that is by canalization. The same engineering plan for navigation has been used on the Mississippi. There I saw pool after pool in the upper river affording still water for navigation to the twin cities of the North. There is one great difference from our plan as there has been no attempt to save on the Mississippi River the electric power produced by the dams. On the Columbia and the Snake this valuable asset, electric energy, will pay improvement costs into the Public Treasury many times over. Our people think they have the right to all the advantages of river development.

A PRODUCTIVE COUNTRY AWAITS WATER TRANSPORTATION

Water transportation is the cheapest method of carrying freight known to man. Boats have sailed the seas from the time of the Pharaohs and will continue to ply waterways until the end of time. There should be no adverse regulation of water transportation for the benefit of railroads or truck transportation. A monopoly traffic as desired by Wall Street would be contrary to traditions and customs of man. Producers and shippers are entitled to free choice of the type of transportation most advantageous to them—rail, water, motortruck, or air. Steel rails, asphalt pavements, or concrete boulevards cannot compete with water as a transportation agency under equal conditions.

It has been demonstrated time and time again that you can carry 1,000 bushels of wheat 1,000 miles on lake or ocean for $20, against a railroad charge of $150 to $200. There is simply no substitute for water transportation. Trucks can bring the products to the river banks, where they can be floated down the broad Columbia to the heavily populated centers where people now live and ever in increasing numbers will live, in the mild climate west of the Cascade Range.

During an average year 80,000,000 bushels of wheat, 10 percent of all produced in the United States, are grown in the inland empire; 35 percent of this wheat is grown within 25 miles of the Snake and Columbia Rivers, 60 percent within 50 miles, and 80 percent of this wheat within 100 miles of these navigable streams. Nature proyided the easiest method known to man to take this wheat to market, and the people who are raising the wheat now at financial loss await this dam in order to enjoy the advantages of river transportation.

In addition to the wheat grown in the Northwest, there is also annually produced 40,000,000 pounds of wool. The greater part of the standing saw timber of the Nation is to be found in this section. Mineral wealth is enormous. Today we produce 40 percent of the lead mined in our country, large quantities of zinc, silver, gold, quicksilver, and other metals. In our section are immense deposits of clay for porcelain and pottery, also raw materials for aluminum, and large bodies of limestone and phosphates.

The statement is made that if the river is improved for navigation the bulk of the wheat will still be carried by railroads. Perhaps that is true, but if so it will be at a much lower rate so that the producers will save far more than the cost of all the improvements on the river. The locks at Celilo on the Columbia have more than paid for themselves by reducing freight rates from The Dalles and neighboring territory to tidewater. It is true that freight rates will be lowered on short hauls in the inland empire, and they should be, but the increase of business will more than make up to the railroads for the reductions in charges.

FREIGHT RATES

It has been estimated that over ordinary roads by horse and wagon a ton of freight can be transported 4 miles for $1. By gasoline truck, that same ton can be transported 30 miles for $1. On the railroads, that same ton can be transported 200 miles for $1. On the Erie Canal the ton of freight can be transported 333 miles for $1. If we use the rates charged on the Great Lakes, then that ton might be transported 1,500 miles for the dollar. If we use the rates charged for barge navigation on the Ohio and Mississippi, that same ton of freight can be transported 3,000 miles for a dollar.

It is simply astonishing to note the different costs for transporting freight by rail in the different parts of the United States. Gross injustice is done to some communities and undue privileges extended to others through the discriminatory rates charged by the railroads, of course, with the consent and by authority of the Interstate Commerce Commission.

In Congress we hear much discussion of the financial condition of the railroads. Congressmen all recognize they have a real problem, but we do not all believe the problem of rail transportation lines can or will be solved by refusing to aid water transportation. Rivers must be improved for navigation and the interests of the people must be protected. Transportation should not be allowed to become a private monopoly.

From Arlington, Oreg., to Portland it is 153 miles. By railroad it now costs 7.8 cents to ship a bushel of wheat between those places. By water it costs 9.6 cents to transport a bushel of wheat the 1,800 miles from Minneapolis to New Orleans. It can be carried 12 times as far for only 20 percent more cost than on the steel rails from Arlington to Portland. I find that from St. Louis to Memphis there is a distance of 305 miles, and to transport a bushel of wheat that distance by water it costs 7.2 cents. Wheat from Charleston, S. C., to Atlanta, Ga., practically the same distance, 308 miles, costs 17.4 cents. From Pendleton to Portland, Oreg., a trip of 218 miles, freight on a bushel of wheat is 11.4 cents. From Chicago to Boston, 1,000 miles, it costs 10.5 cents. My own farm is situated 300 miles from tidewater, 100 miles from Umatilla Rapids. During the World War I could ship a bushel of wheat from my farm to tidewater for less than 10 cents a bushel. Now it costs more than 20 cents a bushel. From portions of southern Idaho the freight rate to Portland, 400 miles, is often more than the producers get for the wheat at the loading station. It makes no difference whether wheat is $1 or 20 cents a bushel, freight rates must be paid.

It appears that railroad charges on local hauls where there is no competition are often confiscatory.

PUBLIC WORKS THE BEST INVESTMENT

Many of us realize that we are living today in a twilight zone, between the old capitalistic system which received a terrible blow in the strain and stress of the great World War, and its regeneration and adaptation to that new era that lies ahead. We cannot picture today what that future development will be, nor how it will be brought about. We do know, however, that in the period of time that lies just ahead work must be found for the idle millions; yes; through W. P. A., P. W. A., C. C. C., or some kindred organization. What can be more desirable, what can we plan better than enduring public works—not "boondoggling," raking leaves, painting sidewalks, or other forms of temporary diversion from entirely profitless idleness. We must expend the labor and funds in public works that will make something of value for our civilization—something which will make men happier, give them better living conditions, and renew hope and ambition. Can you think of anything better than the improvement of our rivers and the numerous resulting benefits? Such a project is Umatilla Rapids Dam. I am asking this Congress to pull the stopper out of the bottle neck which lies half way between Grand Coulee and Bonneville by accepting this item in the main rivers and harbors authorization bill. I have for some years had before Congress a bill providing for this dam. This will make certain the financial success of all the great public-works improvements of the Northwest in the vicinity of this magnificent river which opens into the Pacific Ocean, on whose farther shores live nearly half the people of the world. This river, the Columbia, flowing idly to the sea through the centuries, was unknown to civilized man until Washington had been President for 3 years. Then Captain Gray sailed his frail bark, the *Columbia*, over the bar and gave a name and fame to what has proved to be the most valuable stream in all the world for production of electric energy. Fully utilized, it will also remove transportation barriers and overcome the sectional handicap of uncertainties of moisture and rainfall. We of Oregon, Washington, and Idaho look expectantly and hopefully for the action of this House. I am hoping you have caught the vision. Now, I am asking for a vote to authorize the construction of the Umatilla Rapids Dam as recommended by the Army engineers in the report filed 11 months ago by the Secretary of War. [Applause.]

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. PIERCE of Oregon. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. In considering the improvement of the Columbia and the Snake Rivers up to Lewiston, is it not a fact that the great resources of the country, such as timber and minerals, lie inland from Lewiston, and would not that benefit Portland?

Mr. PIERCE of Oregon. Seventy-five percent of all the traffic originates above Umatilla Rapids.

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. RUTHERFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore (Mr. HARTER of Ohio). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RUTHERFORD. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and include therein a letter from the Bloomsburg Packing Co.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RUTHERFORD. Mr. Speaker, the Wages and Hours Act, like all other regulatory measures, in order to be successful, depends upon a sensible interpretation of the provisions of the act. The number of letters that I have received from complaining persons in various parts of my district convinces me that if this act is to be made workable, the interpretations of its provisions must be made more liberal and with some consideration to the necessities of each situation. I am particularly interested in a situation that has arisen in my own district, which relates to the canning or processing of corn, peas, beans, and tomatoes, raised by my farmers. When the Wages and Hours Act was passed every Member of Congress was of the opinion that canners of perishable products were exempt from the provisions of the act during the rush season. However, as in the case of all regulatory laws, it is not what Congress intended but what the Administrator says Congress intended that counts. So when the Administrator made his first ruling upon this exemption the canners of the country found that his ruling would put every last one of them out of business. Naturally they complained and they interviewed the Administrator and finally had hearings upon the matter here in Washington in an endeavor to get a sensible ruling. I attended some of those hearings held before the Administrator and from the testimony produced there by the canners from various parts of the country, I was convinced that they had made out a good case for an exemption as was intended by Congress and that upon reflection the Administrator would modify his previous ruling in this matter and give the canners the exemption as requested. Nothwithstanding the strong case made out by the canners the Administrator in his wisdom failed to give the canners the exemption which they requested and which was fully intended to be given them by Congress when the act was passed and instead made a ruling that the exemption applied to the canning of vegetables, and so forth, produced upon farms in the "immediate locality." He then construed "open country" or "rural community" to be communities of 2,500 or less, and "immediate locality" to be 10 miles or less from the plant or cannery. In view of the testimony produced one could hardly imagine so ridiculous a ruling and it is no wonder that the canners are up in arms and demanding that Congress do something to relieve the situation.

Can you tell me why a farmer living 11 miles from a cannery should be prevented from bringing in his corn, peas, tomatoes, and so forth? Is he to be penalized because the cannery was located at the lower end of the village instead of the upper end? Is the Administrator of the Wages and Hours Act by his rulings going to be able to make one man's farm worth considerable and another man's farm worth very little by reason of his zoning? Who said 10 miles was a reasonable distance? Not the Congress. Ten miles may be reasonable in the opinion of the present Administrator but there is nothing to prevent the next Administrator making it 5 miles or 25 miles as the whim may take him. Again, why should a cannery that happens to have located in a town of 2,700 before this act was passed be compelled to work under entirely different rules and regulations than a cannery that happened to locate in a town of 2,500 or less? It just does not make sense. If the ruling of the Administrator is allowed to stand and Congress does nothing to change it, it will have a very serious effect upon the farmers of Columbia County in my district and will take from the town of Bloomsburg a real industry. I have been privileged to inspect the plant of the Bloomsburg Packing Co. of Bloomsburg, Pa., and have had the opportunity of talking to many of the farmers of the county who bring their produce to the cannery. Most of them live more than 10 miles from town. As I said before are all of these farmers to be deprived of their market simply because they happen to live more than 10 miles from Bloomsburg? If they cannot sell their corn, tomatoes, peas, beans, and so forth, to the Packing Co., where can they sell them? I know of no other market. Is the Administrator going to penalize Bloomsburg for having more than 2,500 inhabitants? Is he by his ruling going to penalize the Bloomsburg Packing Co. because it happened to locate in Bloomsburg before the Wages and Hours Act was passed? Mr. Speaker, I have a letter from the president of the Bloomsburg Packing Co. which I want to insert in the RECORD which will give the Members some idea of what a small canning company is worth to a community. Read it and see the

amount of money that this concern pays out to the people of Bloomsburg that work in the plant and to the farmers of the community. The following is the letter:

BLOOMSBURG, PA., *April 27, 1939.*

HON. ALBERT G. RUTHERFORD,
Congress of the United States,
House of Representatives, Washington, D. C.

DEAR COLONEL: Many thanks for your letter of April 22. In accordance with your request, we give you herewith the following information concerning the effects of the present interpretation of the Wage and Hour Act on the canning industry in Columbia County:

The Bloomsburg Packing Co. operates a plant located at Bloomsburg, Columbia County, and has growers located in the neighboring counties of Luzerne, Montour, Lycoming, and Northumberland. Based on our operations of the 1938 season, our growers numbered approximately 300, and we employed during the peak of our season from 350 to 400 persons. Last year the following approximate sums were disbursed in Columbia County and its neighboring counties: Labor, $57,000; vining and hauling lima beans and peas, $17,000; raw products purchased from farmers, $157,000; and for miscellaneous supplies, power, water, drayage and hauling, coal, etc., from $10,000 to $12,000. In addition, purchases of cans, cartons, and labels aggregated more than $116,000.

The restrictions imposed by the Wage and Hour Act force upon us the choice of curtailing our operations to 44 hours per week, which is utterly impossible during our canning season. This would mean a wholesale spoilage of the product, which must be handled immediately after it is harvested, resulting in a very serious loss to the farmers. To operate beyond the 44 hours would necessitate an increase in cost of production that would result in a selling price that would be prohibitive, and finally a complete elimination of our operations. The only place wherein we could offset the increased labor cost would be in the reduction of the price paid to the farmer for his product. This procedure would be impracticable, because we have already contracted with our growers at an agreed price, and any such reduction would result in a withdrawal of growers.

It has always been the policy of the Bloomsburg Packing Co. to pay highest prices for both its labor and raw products. The factors resulting from the present requirements of the Wage and Hour Act would so work against one another that they ultimately would eliminate an industry which is at present a valuable asset to the community, to the extent of approximately a third of a million dollars per year, and the corresponding loss which would largely fall on the farmers.

From the foregoing can readily be seen the urgent need for relief from the present interpretation of the act, such as is offered in the Barden amendment.

With kindest personal regards, I remain,
Yours very truly,

BLOOMSBURG PACKING CO., INC.,
C. B. GRAY, *President.*

Mr. Speaker, I realize that a third of a million dollars is only chicken feed to this New Deal administration, but to the farmers of Columbia County and vicinity and to the 300 or 400 men and women who work for the Bloomsburg Packing Co. it means a great deal. When will this administration return to sanity in dealing with business? In this instance by a nonsensical ruling three or four hundred men and women may be thrown out of employment, the farmers of the county lose a good market, and the town a growing industry. The situation which obtains in my district no doubt obtains in many communities throughout the country. If the Wages and Hours Act is detrimental to industries in my district it is likewise detrimental to many small industries in other parts of the country. Members, it is time for us to act. If the Administrator does not understand the situation or is not willing to correct it let us by some legislation, such as the Barden bill (H. R. 5375), or some other similar legislation, correct the difficulty. If we are going to save the canning industry in the East we must act now and not wait until next session.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1694. An act for the relief of Bozzani Motors, Ltd.;

H. R. 2529. An act for the relief of W. F. Towson;

H. R. 3230. An act to amend the statutes providing punishment for transmitting threatening communications;

H. R. 3231. An act to authorize the mailing of pistols, revolvers, and other firearms capable of being concealed on the person, to officers of the Coast Guard;

H. R. 3587. An act to authorize the Secretary of War to exchange obsolete, unsuitable, and unserviceable machines and tools pertaining to the manufacture or repair of ordnance matériel for new machines and tools;

H. R. 3811. An act to provide for the appraisal of the pneumatic-mail-tube systems in New York and Boston;

H. R. 3812. An act granting postal employees credit for Saturday in annual- and sick-leave law, thereby conforming to the 40-hour workweek or 5-day-week law;

H. R. 4067. An act to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920, so as to confer on the commanding general, General Headquarters Air Force, the same retirement privileges now enjoyed by chiefs of branches;

H. R. 4771. An act limiting working hours of pneumatic-tube-system employees to 8 in 10 hours a day;

H. R. 4772. An act to provide time credits for substitutes in the pneumatic-tube service;

H. R. 4785. An act to provide a differential in pay for night work to pneumatic-tube-system employees in the Postal Service;

H. R. 4786. An act to extend the provisions of the 40-hour law to pneumatic-tube-system employees in the Postal Service;

H. R. 4852. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes; and

H. J. Res. 241. Joint resolution providing for the participation of the United States in the celebration of the one hundred and fiftieth anniversary of the establishment of the United States Lighthouse Service.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 752. An act to amend section 78 of the Judicial Code, relating to the district of Idaho.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 40 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 9, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10: 30 a. m. on Tuesday, May 9, 1939, for the consideration of H. R. 5766, to provide for the acquisition of the Hunters Point drydock, San Francisco Bay, Calif.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, May 10, 1939, at 10:30 a. m, for the consideration of H. R. 4497, H. R. 4965, H. R. 5506, H. R. 5851, H. J. Res 264, and H. J. Res. 117.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a hearing before Subcommittee No. 5 of the Committee on the Post Office and Post Roads on Wednesday, May 10, 1939, at 10. a. m., for the consideration of H. R. 4825, the special-delivery messenger bill.

The Committee on the Post Office and Post Roads will hold public hearings on Tuesday, May 16, 1939, at 10 a. m., for the consideration of H. R. 3835, a bill to authorize the Post Office Department to cooperate with the several States in the collection of State taxes.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, May 10, 1939, at 10 a. m., on H. R. 4051, relating to hiring of seamen on Government vessels.

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4965, relating to fishery educational service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish

products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

COMMITTEE ON THE JUDICIARY

There will be a hearing before Subcommittee No. 2 of the Committee on the Judiciary on Tuesday, May 9, 1939, at 10 a. m., on the bill (H. R. 4587) to give the Supreme Court of the United States authority to prescribe rules of pleading practice, and procedure with respect to proceedings in criminal cases prior to and including verdict or finding or plea of guilty. Room 346, House Office Building.

There will be a public hearing before Subcommittee No. 1 of the Committee on the Judiciary on Wednesday, May 10, 1939, at 10:30 a. m., on House Joint Resolution 190, to make available to the Federal Government the facilities of the Council of State Governments, and for other purposes. Room 346, House Office Building.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents will hold hearings in the committee room, 1015 House Office Building, on Tuesday, May 23, 1939, at 10:30 a. m., on H. R. 3605, a bill to provide a permanent force to classify patents, etc., in the Patent Office. Hon. JOHN M. COFFEE (Washington) is chairman of the subcommittee.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

710. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of Labor for the fiscal year 1939 amounting to $150,000 (H. Doc. No. 287); to the Committee on Appropriations and ordered to be printed.

711. A letter from the Secretary of War, transmitting draft of a proposed bill to authorize appropriation for the construction of a Medical School Building at Carlisle Barracks, Pa.; to the Committee on Military Affairs.

712. A letter from the Secretary of War transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Owyhee River and tributaries, Oregon, authorized by the Flood Control Act approved August 28, 1937; to the Committee on Flood Control.

713. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers, reexamination of Great Lakes-Hudson River Waterway, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 23, 1938; to the Committee on Rivers and Harbors.

714. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers on reexamination of Chuckatuck River, Va., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 8, 1938; to the Committee on Rivers and Harbors.

715. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Chetco River and tributaries, Oregon, authorized by the Flood Control Act approved August 28, 1937; to the Committee on Flood Control.

716. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers, on reexamination of Oldmans Creek, N. J., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted May 12, 1938; to the Committee on Rivers and Harbors.

717. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1939, submitting a report, together with accompanying papers, on reexamination of Carquinez Strait, Calif., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted November 17, 1937; to the Committee on Rivers and Harbors.

718. A letter from the Secretary of the Interior, transmitting the draft of a proposed bill to provide for the leasing, development, and production under the act of February 25, 1920 (41 Stat. 437), as amended, of oil, gas, or other minerals in lands owned by the United States; to the Committee on the Public Lands.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WALTER: Committee on the Judiciary. S. 1281. An act to prohibit reproductions of official badges, identification cards, and other insignia; without amendment (Rept. No. 566). Referred to the Committee of the Whole House on the state of the Union.

Mr. PATTON: Committee on the Territories. H. R. 4868. A bill to amend the act authorizing the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes; with amendment (Rept. No. 567). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 5380. A bill to amend an act approved April 26, 1926, entitled "An act fixing the fees of jurors and witnesses in the United States courts, including the District Court of Hawaii, the District Court of Puerto Rico, and the Supreme Court of the District of Columbia"; without amendment (Rept. No. 568). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H. R. 6216. A bill authorizing an appropriation for the construction and equipment on the military reservation at Sunnyvale, Calif., of research facilities for aeronautical research; to the Committee on Military Affairs.

By Mr. BOLLES:

H. R. 6217. A bill to amend section 4 of the act entitled "An act to regulate within the District of Columbia the sale of milk, cream, and ice cream, and for other purposes"; to the Committee on the District of Columbia.

By Mr. CARTER:

H. R. 6218. A bill to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, relating to loans to drainage, levee, and irrigation districts, and other organizations; to the Committee on Agriculture.

By Mr. DOUGHTON:

H. R. 6219 (by request). A bill to amend the Federal Alcohol Administration Act of August 29, 1935, as amended; to the Committee on Ways and Means.

By Mr. HARTER of Ohio:

H. R. 6220. A bill to adjust the pay and allowances of warrant officers of the Army, including those of the Army Mine Planter Service; to the Committee on Military Affairs.

By Mr. LEWIS of Ohio:

H. R. 6221. A bill for the allowance of credit for amount of contributions with respect to employment; to the Committee on Ways and Means.

H. R. 6222. A bill to provide a quota for articles made wholly or in chief value of glass imported into the United States; to the Committee on Ways and Means.

By Mr. MARTIN of Colorado:

H. R. 6223. A bill to provide for adequate lighting facilities of cabooses used in connection with train movement on the railroads of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. MAAS:

H. R. 6224. A bill to amend Public Law No. 235, Sixty-seventh Congress (H. R. 10972) to permit counting war

service for pay purposes in the cases of officers commissioned after July 1, 1922; to the Committee on Military Affairs.

By Mr. MAY:

H. R. 6225 (by request). A bill to authorize appropriation for the construction of a medical-school building at Carlisle Barracks, Pa.; to the Committee on Military Affairs.

By Mr. RAMSPECK:

H. R. 6226 (by request). A bill authorizing cash relief for certain employees of the War and Navy Departments in the Canal Zone not coming within the provisions of the Civil Service Retirement Act; to the Committee on the Civil Service.

By Mr. HAVENNER:

H. R. 6227. A bill to provide for the refund or credit of tax paid on fermented malt liquor lost or rendered unmarketable by reason of nondelivery caused by the Pacific coast maritime strike; to the Committee on Ways and Means.

By Mr. KELLER:

H. R. 6228. A bill in relation to the construction, maintenance, and regulation within and by the United States of America of a Nation-wide system of durable hard-surfaced post roads and their appurtenances and the provision of means for the payment of the cost thereof; to the Committee on Ways and Means.

By Mr. LUDLOW:

H. Con. Res. 22. Concurrent resolution fixing the date of adjournment of the first session of the Seventy-sixth Congress; to the Committee on Ways and Means.

By Mr. VINSON of Georgia:

H. Res. 184. Resolution providing for the consideration of H. R. 6044; to the Committee on Rules.

H. Res. 185. Resolution providing for the consideration of H. R. 6065; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to consider their Joint Resolution 7A, with reference to appropriate adequate funds for Works Progress Administration; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to consider their Senate Joint Resolution 40, with reference to the Walsh-Healy Act concerning the purchase of supplies; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to consider their resolution with reference to postal laws and postal rates on books; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to consider their resolution with reference to the Wagner-Rogers bill to allow for the entrance into this country in the next 2 years of 20,000 children from persecuted families in Germany; to the Committee on Immigration and Naturalization.

Also, memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to consider their resolution dated April 26, 1939, concerning the Social Security Act; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARTER:

H. R. 6229. A bill granting a pension to Della M. Cummings; to the Committee on Pensions.

By Mr. GAMBLE:

H. R. 6230. A bill for the relief of James Murphy, Sr.; to the Committee on Claims.

By Mr. LESINSKI:

H. R. 6231. A bill for the relief of Elterico Antonio Manente; to the Committee on Immigration and Naturalization.

H. R. 6232. A bill for the relief of George De Piero; to the Committee on Immigration and Naturalization.

By Mr. MAHON:

H. R. 6233. A bill for the relief of Mrs. H. S. Nall, surviving wife of H. S. Nall; to the Committee on Claims.

By Mr. PETERSON of Florida:

H. R. 6234. A bill for the relief of Inez Wilhelm; to the Committee on Claims.

By Mr. SCHIFFLER:

H. R. 6235. A bill for the relief of the National Exchange Bank of Wheeling, a corporation, committee for Louis Horkheimer, an incompetent person, surviving member of the firm of Horkheimer Bros., a copartnership doing business in Wheeling, W. Va., and Ernest S. Horkheimer, administrator cum testamento annexo de bonis non of the estate of Julius Horkheimer, deceased; to the Committee on Claims.

By Mr. SCHUETZ:

H. R. 6236. A bill for the relief of Mrs. O. B. Olson; to the Committee on Claims.

H. R. 6237. A bill for the relief of Keith William Kinney; to the Committee on Naval Affairs.

By Mr. TIBBOTT:

H. R. 6238. A bill granting a pension to Mary C. Sheaffer; to the Committee on Invalid Pensions.

H. R. 6239. A bill granting a pension to Alma Leonard; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2944. By Mr. BARRY: Petition of Local No. 90, United Federal Workers of America, favoring House bills Nos. 3529 and 3829; to the Committee on Expenditures in the Executive Departments.

2945. Also, petition of the Senate, Legislature of the State of New York, urging Congress to amend the postal laws to provide that henceforth the rates proclaimed shall apply to books in the same manner as it has legislated those rates with reference to newspapers and magazines; to the Committee on Interstate and Foreign Commerce.

2946. Also, petition of the Senate, Legislature of the State of New York, favoring the enactment of the Wagner-Rogers bill; to the Committee on Labor.

2947. Also, petition of the Assembly, Legislature of the State of New York, concerning an amendment to the Social Security Act; to the Committee on Ways and Means.

2948. By Mr. HAVENNER: Petition of the San Francisco Bay Area District Council, No. 2, Maritime Federation of the Pacific, urging Congress to institute a congressional probe into the Bureau of Fisheries and the canned-salmon industry, and that such probe be designed to make a thorough scientific analysis of the methods of operating the present Government policies in regard to conservation, labor costs, and marketing methods and conditions so that a degree of uniformity might be brought about in the operation of this industry and the distribution of its products; to the Committee on Merchant Marine and Fisheries.

2949. By Mr. MICHAEL J. KENNEDY: Memorial of the Senate of the State of New York, requesting that Congress should at once amend the postal laws by legislative act to provide that henceforth the rates proclaimed shall apply to books in the same manner as it has legislated those rates with reference to newspapers and magazines; to the Committee on Ways and Means.

2950. Also, memorial of the Assembly of the State of New York, memorializing the Congress to pass sufficient legislation whereby the States, including the State of New York, may avail themselves of their failure to take full advantage of the credit provisions of the social security for the years 1936 or 1937, and that said legislation provide that out of the sums appropriated therefor the Secretary of the Treasury shall pay such amount through the Division of Disbursements of the

Treasury Department to each such State unemployment fund, and particularly to the unemployment administration fund of the State of New York; to the Committee on Ways and Means.

2951. Also, memorial of the Senate of the State of New York, requesting the Congress to enact into law with all convenient speed the Wagner-Rogers bill to allow for the entrance into this country in the next 2 years of 20,000 children from persecuted families in Germany; to the Committee on Labor.

2952. By Mr. MARTIN J. KENNEDY: Petition of Lodge No. 730, Brotherhood of Railway and Steamship Clerks, Poplar Bluff, Mo., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2953. Also, petition of System Council No. 18, International Brotherhood of Blacksmiths, Drop Forgers, and Helpers, Indianapolis, Ind., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2954. Also, petition of Schering Corporation, Bloomfield, N. J., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2955. By Mr. KEOGH: Petition of the Liberty Park Home Owners' Asscciation of Ridgewood, Brooklyn, N. Y., concerning the Wagner-Rogers bill; to the Committee on Labor.

2956. Also, petition of the Chamber of Commerce of the State of New York, concerning Farm Act appropriations and research laboratories; to the Committee on Appropriations.

2957. Also, petition of the Social Service Employees' Union, New York City, concerning the Wagner-Rogers bill; to the Committee on Labor.

2958. Also, petition of the hospital of the New York Society for the Relief of the Ruptured and Crippled, concerning the Allen bill (H. R. 5119); to the Committee on Ways and Means.

2959. Also, petition of the South Miami School, South Miami, Fla., concerning House bill 3517 and Senate bill 1305, Federal aid for education; to the Committee on Education.

2960. Also, petition of the Allied Patriotic Societies, Inc., New York City, opposing Senate bill 1305 and House bill 3517, education aid bill; to the Committee on Education.

2961. By Mr. LEAVY: Petition of the town council or Oroville, Wash., transmitted by G. O. Potter, clerk, pointing out the need for restoration of purchasing power among the people to revive trade and bring about reemployment and deploring the inadequacy of the Social Security Act to accomplish these objectives, because it omits and discriminates against certain classes of citizens and urging the enactment of House bill 2, the Townsend national recovery plan, to fulfill these purposes; to the Committee on Ways and Means.

2962. By Mr. PFEIFER: Petition of the Anthony Wayne Oil Corporation, Fort Wayne, Ind., concerning pending neutrality legislation; to the Committee on Foreign Affairs.

2963. Also, petition of the Brooklyn Army Base Local, No. 43, of the United Federal Workers of America, favoring the passage of House bill 960; to the Committee on the Civil Service.

2964. Also, petition of the Allied Patriotic Societies, Inc., New York City, opposing the so-called education bill (S. 1305 and H. R. 3517); to the Committee on Education.

2965. Also, petition of the Namm Store, Brooklyn, N. Y., concerning the Wagner-Rogers bill; to the Committee on Labor.

2966. Also, memorial of the State Assembly, Legislature of the State of New York, concerning amendments to the Social Security Act; to the Committee on Ways and Means.

2967. Also, memorial of the State Senate, Legislature of the State of New York, favoring postage rates on books the same as those rates on magazines and newspapers; to the Committee on Ways and Means.

2968. Also, petition of the Chamber of Commerce of the State of New York, concerning adequate appropriation be included in the Farm Act for more research laboratories; to the Committee on Appropriations.

2969. Also, petition of the Social Service Employees' Union, New York City, with reference to the Rogers-Wagner bill; to the Committee on Labor.

2970. Also, petition of the Hospital of the New York Society for the Relief of the Ruptured and Crippled, New York City, concerning amendment to the Coal Act; to the Committee on Interstate and Foreign Commerce.

2971. By Mr. RICH: Petition of citizens of Clinton County, Pa., favoring the passage of House bill 2; to the Committee on Ways and Means.

2972. By Mr. WELCH: Resolution passed by the Board of Supervisors of the City and County of San Francisco, authorizing Government purchase and development of Hunters Point drydock; to the Committee on Appropriations.

2973. Also, resolution passed by the Board of Supervisors of the City of San Francisco, protesting against the establishment of title of the United States to certain submerged lands containing petroleum deposits; to the Committee on the Public Lands.

2974. Also, resolution passed by the Board of Supervisors of the City and County of San Francisco, requesting the United States Maritime Commission to promote shipbuilding in Pacific coast yards; to the Committee on Merchant Marine and Fisheries.

2975. Also, resolution passed by the Board of Supervisors of the City and County of San Francisco, memorializing Congress to enact intercoastal shipping subsidy; to the Committee on Merchant Marine and Fisheries.

2976. By the SPEAKER: Petition of the Ninth District Petroleum Industries Committee, Birmingham, Ala., petitioning consideration of their resolution with reference to 4 cents per gallon Federal lubricating oil tax; to the Committee on Ways and Means.

2977. Also, petition of Florence McGourty, president of the Business Girls Club of the Young Women's Christian Association, Seattle, Wash., petitioning consideration of their resolution with reference to the Wagner-Rogers bill; to the Committee on Immigration and Naturalization.

SENATE

TUESDAY, MAY 9, 1939

(Legislative day of Monday, May 8, 1939)

The Senate met at 12 o'clock m., on the expiration of the recess.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O God, whose never-failing providence ordereth all things both in heaven and earth: Absolve, we beseech Thee, Thy people from all their offenses and breathe on us here the spirit of Thy calm ere we undertake the exacting duties of today. We have known the gladness that departs at touch of sorrow; we have seen the light that was swallowed up of darkness and have heard the music that was silenced in sobbing, garments of experience and beautiful for a season; but now we would go to life's very soul and find the joy that can dwell with sorrow, the light that shines in darkness, and the music that is born of pain. Grant that we may look even upon despair with the unveiled eyes of hope that is woven not of dreams but of the imperishable tissue of reality, and discern the master light of all our seeing in the face of the Christ of our daily experience. In His name we ask it. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 8, 1939, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Johnson, Calif.	Radcliffe
Andrews	Davis	Johnson, Colo.	Reed
Ashurst	Donahey	King	Reynolds
Austin	Downey	La Follette	Russell
Bankhead	Ellender	Lee	Schwartz
Barbour	Frazier	Lodge	Schwellenbach
Barkley	George	Logan	Sheppard
Bilbo	Gibson	Lucas	Shipstead
Bone	Gillette	Lundeen	Slattery
Borah	Glass	McKellar	Smathers
Bridges	Green	McNary	Smith
Brown	Guffey	Maloney	Stewart
Bulow	Gurney	Mead	Taft
Burke	Hale	Miller	Thomas, Okla.
Byrd	Harrison	Minton	Thomas, Utah
Byrnes	Hatch	Murray	Tobey
Capper	Hayden	Norris	Townsend
Caraway	Herring	Nye	Tydings
Chavez	Hill	O'Mahoney	Vandenberg
Clark, Idaho	Holman	Overton	Wagner
Clark, Mo.	Holt	Pepper	Walsh
Connally	Hughes	Pittman	Wheeler

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is detained from the Senate because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from West Virginia [Mr. NEELY], and the Senator from Missouri [Mr. TRUMAN] are detained on important public business.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business for the Committee on the Judiciary.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4653. An act to amend an act entitled "An act to control the possession, sale, transfer, and use of pistols and other dangerous weapons in the District of Columbia, to provide penalties, to prescribe rules of evidence, and for other purposes," approved July 8, 1932;

H. R. 4654. An act to amend an act entitled "An act for the establishment of a probation system for the District of Columbia," approved June 25, 1910;

H. R. 4745. An act relating to benefit assessments from condemnation proceedings for the opening, extension, widening, or straightening of alleys or minor streets;

H. R. 5516. An act for the relief of Charlotte E. Hunter;

H. R. 5801. An act to grant permission for the construction, maintenance, and use of a certain underground conduit for electrical lines in the District of Columbia;

H. R. 5987. An act to amend the District of Columbia Traffic Act of 1925 (43 Stat. 1119); and

H. R. 6149. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1940, and for other purposes.

ENROLLED JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled joint resolutions, and they were signed by the Vice President:

S. J. Res. 111. Joint resolution designating August 19 of each year as National Aviation Day; and

H. J. Res. 221. Joint resolution authorizing the President to invite other nations to participate in the Sacramento Golden Empire Centennial commemorating the one hundredth anniversary of the founding of Sacramento by Capt. John A. Sutter.

RELIEF OF CERTAIN OFFICERS OF VETERANS' ADMINISTRATION

The VICE PRESIDENT laid before the Senate a letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to relieve disbursing officers and certifying officers of the Veterans' Administration from liability for payment where recovery of such payment is waived under existing laws administered by the Veterans' Administration, which, with the accompanying paper, was referred to the Committee on Finance.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of Wisconsin, which was referred to the Committee on Appropriations:

Assembly Joint Resolution 7

Joint resolution memorializing the Congress of the United States to appropriate adequate funds for Works Progress Administration projects for relief of the needy, and to prohibit continued diversion of such funds for political purposes

Whereas early in February 1939 the Congress of the United States appropriated for anticipated relief projects to June 30, 1939, a sum of money $150,000,000 less than the $875,000,000 recommended by the President for that purpose; and

Whereas an executive bill is now pending in the Congress for an additional appropriation of $150,000,000 for such purposes; and

Whereas congressional investigations have disclosed that moneys previously appropriated for the express purpose of relieving the needy and distressed were diverted and used in various States to strengthen political alliances and further political ambitions of individuals seeking political office; and

Whereas statistical records show that relief rolls have mounted to a high peak immediately before elections and thereafter sharply declined; and

Whereas it has become a matter of general knowledge that workers on Works Progress Administration projects have been directly or indirectly coerced to vote along political lines; and

Whereas such political activities in connection with the use of Works Progress Administration funds necessarily must have substantially reduced the amount of money available and applied for relief of those actually in need and in distress; and

Whereas such diversion of Works Progress Administration funds undoubtedly has resulted in increased hardship and distress to those for whom such diverted money was intended; and

Whereas this legislature recognizes the obligation to provide for those unfortunate unemployed and needy who have been so shamefully disregarded by the unscrupulous: Now, therefore, be it

Resolved by the assembly (the senate concurring), That this legislature, protesting against the continued diversion of Works Progress Administration funds for political purposes, respectfully memorializes the Congress of the United States to enact effective legislation prohibiting such diversion; and be it further

Resolved, That any additional funds appropriated by the Congress of the United States for Works Progress Administration projects be limited to an amount which is adequate to carry out anticipated relief projects to June 30, 1939, for the relief of the needy and distressed; and be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to both Houses of the Congress of the United States, and to each Wisconsin Member thereof.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of Wisconsin, which was referred to the Committee on Education and Labor:

Assembly Joint Resolution 40

Joint resolution memorializing Congress to amend the Walsh-Healey Act so as to provide more stringent conditions for the purchase of supplies and the making of contracts by the United States

Whereas the Walsh-Healey Act provides in part that all Government specifications and contracts involving the purchase of $10,000 or more of supplies must contain provisions for the payment of a prevailing rate of wages to be determined by the Secretary of Labor and that employees of contractors must not work more than 8 hours in any day or 40 hours in any week; and

Whereas such act is designed to obtain social benefits from a public policy based on the limitation of expenditure of Government funds to contractors who apply fair labor conditions and that decent and general labor standards may be applied on governmental projects regardless of geographical location; and

Whereas operation under such act indicates that somewhat more than 10 percent of the total Government purchases are made thereunder and that industry has capitulated to the principles thereof; and

Whereas the Walsh-Healey Act by definition has not included manufacturers who now supply the Government through dealers, subcontractors, service contractors, and by its limitations to contracts of $10,000 or more and the indefinite prevailing wage rate has thereby permitted circumvention and evasion of the terms thereof; and

Whereas the differential in wages permitted in various States under the prevailing wage rate has made it both impractical and impossible for the industries of Wisconsin paying a fair wage rate to competitively and successfully bid on Government contracts; and

Whereas it is manifestly unjust that the industry of a State maintaining a respectable wage rate in conformity with the policy

of the act should be penalized by losing contracts, thereby creating local unemployment, to industries of other States unscrupulously availing themselves of technical loopholes; and

Whereas Federal Labor Union, Local No. 18456, of Kenosha, Wis., through its committee, has given much time and study to the subject and respectfully urges the Congress of the United States to enact legislation that will place the industry of the entire country on an equal and commensurate wage plane, include the regular dealer in supplies to be manufactured, subcontractors, and service contractors, and define more minutely and rigorously the minimum wages to be paid under the prevailing rate to persons employed in similar work in the particular or similar industries of the country: Now, therefore, be it

Resolved by the senate (the assembly concurring), That this legislature respectfully petitions and urges the Congress of the United States to enact necessary legislation to impose more stringent and rigorous conditions to prevent evasion and circumvention of the Walsh-Healey Act in the purchase of supplies and the making of contracts by the United States; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to both Houses of Congress, and to each Wisconsin Member thereof.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of Wisconsin, which was referred to the Committee on Military Affairs:

Assembly Joint Resolution 49

Joint resolution memorializing the Congress of the United States to adopt H. R. 4723, to correct the military record of Oberlin M. Carter

Whereas James W. Beckman, an overseas veteran of the World War, who was responsible for important court-martial reforms in 1919, made an open, public charge in the press of our country on October 10, 1938, that Capt. Oberlin M. Carter, Corps of Engineers, United States Army, was convicted by court martial on September 29, 1899, of a crime which never existed; and that his conviction by court martial was not justified by any evidence ever adduced before his court martial, but was obtained by means of a secret trial conducted by the then Attorney General of the United States, John W. Griggs, in the absence of Captain Carter and after his court martial had adjourned sine die, where forged and perjured evidence was manufactured and used against him in violation of the sixth amendment of the Constitution; and

Whereas the War Department of the United States has kept silent in the face of the awful charges of Mr. Beckman affecting his integrity; and

Whereas a solicitor general of the United States, in an effort to prevent the disclosure of the truth in this case, has held that when a soldier is deprived of his constitutional rights by a court martial, "the question is not one of general importance"; and has held further, in the United States the civil courts have no power to "set aside and declare void sentences of such courts martial because of * * * fraud in their proceedings"; and

Whereas Col. F. G. Munson, who stated that he represented the Judge Advocate General before the House Military Affairs Committee, testified that he saw "nothing illegal whatever" in using data which "does not appear in the court-martial record" in order to convict an accused on trial before that court martial; and

Whereas it is the sense of this legislature that those who serve in the armed forces of our country should not thereby be deprived of their constitutional rights to a fair trial, of the right to "confront the witnesses against them"; and

Whereas the special committee on the bill of rights of the American Bar Association said on January 17, 1939, of this very case: "As the injustice presented by your statement of this case is likely to recur, it seems to us to be a matter for legislation in the nature of the general bill proposed": Now, therefore, be it

Resolved by the assembly (the senate concurring), That this legislature urge the Congress of the United States to enact into law H. R. 4723, now pending before the House of Representatives, so as to show the judgment of court martial in the case of Oberlin M. Carter was unlawful; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to both Houses of Congress, and to each Wisconsin Member thereof.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the Territory of Hawaii, which was referred to the Committee on Military Affairs:

Senate Concurrent Resolution 16

Be it resolved by the Senate of the Legislature of the Territory of Hawaii (the house of representatives concurring), That the Congress of the United States of America and the War Department of the United States be, and they hereby are, respectfully requested to take such steps as may be necessary to establish in the United States Army a regiment of infantry, to be known as the "Hawaiian Regiment," composed entirely of citizens who for at least 3 years have been residents in the Territory of Hawaii, and to be stationed in said Territory; and be it further

Resolved, That certified copies hereof be forthwith forwarded to the President of the Senate and the Speaker of the House of Representatives of the Congress and to the Secretary of War.

The VICE PRESIDENT also laid before the Senate a resolution of the Board of Supervisors of Shasta County, Calif., favoring the enactment of legislation for the control of debris from the mud flow from Mount Shasta as a part of, or in connection with, the Central Valley project, the operation to be at the sole expense of the Government, which was referred to the Committee on Commerce.

He also laid before the Senate resolutions of the Maryland Osteopathic Association, the New Jersey Osteopathic Society, the Ohio Society of Osteopathic Physicians and Surgeons, the Tennessee Divisional Society of the American Osteopathic Association, and the Vermont Osteopathic Association, favoring amendment of the so-called Wagner national health bill (S. 1620) so as to preserve the freedom of choice of the physician and school of practice to persons entitled to medical care, and providing osteopathic representation on Federal and State advisory councils, which were referred to the Committee on Education and Labor.

He also laid before the Senate a resolution of Townsend Club No. 1, of Traverse City, Mich., protesting against any discriminatory or punitive taxation of business on account of the size of certain enterprises, and also the alleged tendency of the Government to engage in business in competition with private citizens or corporations, and further favoring the enactment of House bill 2, a general-welfare plan providing old-age assistance, which was referred to the Committee on Finance.

Mr. HUGHES presented a resolution adopted by the Congregation Temple of Truth, of Wilmington, Del., favoring the adoption of a pending resolution permitting the immigration of certain refugee children from Germany to the United States, which was referred to the Committee on Immigration.

Mr. SHEPPARD presented the following concurrent resolution of the Legislature of Texas, which was referred to the Committee on Public Lands and Surveys:

House Concurrent Resolution 27

Whereas during the past and present sessions of Congress bills and resolutions have been introduced into the Congress of the United States of America claiming, directly and by implication, that the United States of America has sovereign rights to and is the owner of all lands, oil, and mineral reserves under water along the coast line of the United States extending out to the 3-mile limit; and

Whereas there is now pending in Congress Senate Joint Resolution No. 24, by Senator NYE, which asserts that title and ownership of said lands and said oil reserves is vested in the United States of America instead of the various individual States of the United States; and

Whereas title to such land is by right and by law vested in the several States and their grantees and they cannot be deprived of their rights to the ownership of such land without just compensation; and

Whereas Senate Joint Resolution No. 24 asserts title to said land and undertakes to appropriate the oil reserves along such coast line extending out to the 3-mile limit for the use and benefit of the United States Navy; and

Whereas the State of Texas, in its Treaty of Annexation to the United States, specifically reserved all of its lands and the public domain of the State of Texas extending along the coast line into the Gulf of Mexico 3 leagues from shore and has heretofore, by legislative enactment and by constitutional provision, conveyed title to all of said submerged land along the coast line of the Gulf of Mexico to the permanent school fund of the State of Texas, and that the title to said land, together with all mineral rights thereunder, is now vested in the permanent school fund of the State of Texas as an endowment of public education for the use and benefit of the public-school system of the State of Texas, and that there is now estimated to be oil resources vested in said fund to the extent of at least $100,000,000: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the adoption by the Congress of the United States of any legislation, directly or indirectly, that the United States has a sovereign title to and ownership of lands under navigable waters or any of the mineral deposits thereunder, or authorizing any suit or other proceeding by Federal officers to obtain possession or use of such lands or mineral deposits without the payment of a just compensation is contrary to law and sound policy and should be opposed; and be it further

Resolved, That Gerald Mann, attorney general of the State of Texas; Bascom Giles, land commissioner; R. A. Stuart, attorney for the Texas State Teachers Association; Gen. Claude V. Birkhead, representative of Gov. W. Lee O'Daniel; and Coke R. Stevenson, Lieutenant Governor, be, and they are hereby, authorized to oppose, in the name and on behalf of the State of Texas and of the permanent school fund and the school children of the State of

Texas, the adoption of any such legislation by Congress, and in connection therewith to furnish copies of this resolution to such committees and Members of Congress as may be appropriate or desirable, to prepare briefs and memoranda in opposition to such legislation, and submit the same to Members of Congress and to the committees considering said resolution, and to appear in opposition thereto at any hearing, and generally to take such steps as may be necessary to carry out the intent and spirit of this resolution; and be it further

Resolved, That we assert ownership to said lands and the natural resources thereof, to be vested in the permanent school fund of the State of Texas, and that we urgently request and petition our representatives in Congress from the State of Texas and other representatives in Congress to defeat the Nye resolution or any other resolution that undertakes to interfere with the title or possession of said land or any operation thereof for the use and benefit of the public free schools of the State of Texas.

Mr. PEPPER presented the following memorials of the Legislature of Florida, which were referred to the Committee on Agriculture and Forestry:

House Memorial 3

Memorial to Congress requesting that the Congress of the United States by some appropriate method give relief to the several counties of the State of Florida for the loss of taxes sustained by counties of Florida in which Federal agencies have acquired lands, thereby striking same from the tax rolls of said respective counties

Whereas during the last several years, and particularly the last 5 years, various agencies of the United States Government, and particularly the Department of Agriculture, have by purchase, condemnation, or exchange acquired sizable tracts of land in numerous counties in the State of Florida; and

Whereas by virtue of such acquisition said lands have been by operations of Federal law stricken from the tax rolls of the counties in which said lands are located; and

Whereas said counties have therein and thereby been deprived of substantial sums of money which would have been paid into them as taxes had such acquisition not been made, thereby resulting in great financial loss to said counties; and

Whereas such a loss of revenue has resulted in said counties now being confronted with chaos and embarrassment; and

Whereas the projects are for the benefit of the State and Nation rather than the counties: Now, therefore, be it

Resolved, That the Congress of the United States in its wisdom pass and appropriate relief legislation for the use and benefit of the several counties of the State of Florida in which said acquisition of real estate has reduced the tax income of said counties, and that such relief legislation provide to such counties an appropriation equal to the amount of taxes which would accrue to said county if the lands were owned by individuals; be it further

Resolved, That a copy of this memorial, under the great seal of the State of Florida, be immediately forwarded by the secretary of state to the President of the United States of America, to the President of the United States Senate, to the Speaker of the House of Representatives of the United States Congress, to the Secretary of Agriculture of the United States, and copies to be forwarded to the delegation representing the State of Florida in both the House and Senate of the United States Congress; be it further

Resolved, That a copy of this resolution be spread upon the journal in both the house of representatives and the State senate, and that sufficient copies be furnished to the press.

House Memorial 4

Requesting that the Congress of the United States of America, without further delay, pass H. R. 3747, entitled "An act to provide for improved agricultural land utilization by authorizing the rehabilitation of drainage works," introduced by WALL DOXEY, of Mississippi

Whereas this bill provides for improved agricultural land utilization by authorizing the rehabilitation of drainage works in the several States; and

Whereas it would provide an exceptional opportunity to perfect plans for the solution of acute problems confronting our drainage districts through Federal cooperation, which has heretofore only been available to the arid and semiarid Western States; and

Whereas such Federal assistance will result in the improvement and utilization of the agricultural land drained; and

Whereas the bill in question provides for an annual appropriation of $10,000,000 for each of the fiscal years ending June 30, 1939, June 30, 1940, June 30, 1941, and June 30, 1942: Now, therefore, be it

Resolved, That it is the sense of the memorialists, the members of the Florida Legislature, that the Congress of the United States of America should enact the bill without further delay; be it further

Resolved, That a copy of this memorial, duly authenticated, be sent by the secretary of state to the President of the Senate, to the Speaker of the House of Representatives of the United States, to each Senator and Representative in Congress from this State, to the President of the United States, and to Congressman WALL DOXEY, of Mississippi.

House Memorial 6

Memorial to Congress requesting that the Congress of the United States, by appropriate legislation, authorize and empower the Surplus Commodities Corporation to purchase, handle, and dispose of sea foods and the products thereof

Whereas it is recognized by all that the sea food industry of Florida represents to this great State one of its basic industries, providing employment for many thousands of people who contribute much toward the economic well-being of the State; and

Whereas the industry is now beset by many perils, chief among which is an unstable market, due largely to the accumulation of surpluses of all varieties of sea foods in the freezers and cold-storage plants throughout the Nation, and because of the activities of the Federal Government in making the American public "agriculture conscious"; and

Whereas it has been determined to be the concensus of those identified with the industry in the State that something must be done immediately to preserve the continuation of this industry founded upon the ingenuity, resourcefulness, and determination of the men engaged: Now, therefore, be it

Resolved by the Legislature of the State of Florida, now in session at Tallahassee, Fla., That the Congress of the United States be and is hereby memorialized to bring about the immediate enactment of such legislation as will authorize the Federal Surplus Commodities Corporation to buy sea food products on a parity basis with that authority the agency now has to buy other agricultural products and, further, that the legislation so enacted provide the necessary funds therefor; be it further

Resolved, That the Congress of the United States be, and is hereby, memorialized to enact legislation of such type as will provide funds for the use of the Bureau of Fisheries for an extended advertising program and educational campaign which shall be designed to increase the consumption of sea food products; be it further

Resolved by the Legislature of the State of Florida now in session, That copies of this resolution be dispatched immediately to the honorable President of the United States Senate, the honorable Speaker of the House of Representatives, the honorable Senators and Representatives from the State of Florida with the request that this resolution be read and inserted into the CONGRESSIONAL RECORD.

House Joint Memorial 7

To the Honorable Franklin D. Roosevelt, President of the United States, and the Honorable Senate and House of Representatives of the United States in Congress assembled:

We, your memorialists, the Senate and House of Representatives of the State of Florida, in legislative session assembled, do most respectfully memorialize and petition your honorable bodies as follows:

Whereas there is situated within the Everglades drainage district in the State of Florida a large body of fertile lands; and

Whereas a good portion of these lands are of peat and muck formation, which, when the same become dry, are more or less inflammable, and when fires once start in such area it is practically impossible to extinguish the same with the equipment and methods now in use for such purpose; and

Whereas the Legislature of the State of Florida has created an Everglades fire control district, but the officers of such district are operating under a great handicap by reason of the lack of information with reference to the best method to pursue in adopting a permanent plan of fire protection in the enormous territory embraced in said Everglades drainage district by reason of the lack of information as to the best methods to pursue in extinguishing fires when started in said district; and

Whereas these immensely rich muck lands and the preservation thereof are of national interest and the destruction thereof by fire is and will be a Nation-wide loss; and

Whereas there are thousands of acres of these fertile lands that are being destroyed yearly by fires; and

Whereas there is imminent danger of all the uncultivated portions of this tremendous area of muck lands being destroyed in the future by fire; and

Whereas it is the belief of the Legislature of the State of Florida that if a survey was made by the United States Government of the entire Everglades drainage district for the purpose of determining and suggesting a permanent plan for the prevention of fires in said district, and further for the purpose of determining the best method of fighting such fires when the same once start; that such a survey would be of untold benefit in the preservation of such land, and therefore would be helpful to the entire Nation: Now, therefore, be it

Resolved, That your memorialists, the Senate and House of Representatives of the State of Florida, do respectfully memorialize and petition the Congress of the United States of America to cause a survey to be made of the Everglades drainage district for the purpose of supplying information as to the best method or plans to be adopted for the permanent protection of the lands within said district from destruction by fire and for the further purpose of obtaining information for formulating plans as to the best method to fight fires in such district when the same are once started; and that such survey be made by such governmental agency and in such manner as the Congress may direct; and that the Congress appropriate such sum of money as may be necessary to carry into effect such survey; and be it further

Resolved, That copies of this memorial be immediately transmitted to the President of the United States and the Senate and House of Representatives of the United States and to each Senator and Representative in Congress from the State of Florida.

Mr. ANDREWS presented four memorials identical with the foregoing, which were referred to the Committee on Agriculture and Forestry.

The VICE PRESIDENT laid before the Senate four memorials identical with the foregoing, which were referred to the Committee on Agriculture and Forestry.

Mr. PEPPER also presented the following memorial of the Legislature of Florida, which was referred to the Committee on Foreign Relations:

House Memorial 5

Requesting the Congress to enact appropriate legislation to prohibit the exportation of scrap iron and other materials designed for armaments to aggressor nations who are dominated by dictators and militaristic leaders

Whereas in Europe and Asia certain nations are dominated by dictators and militaristic factions who are heavily arming and preparing for war and aggression against peace-loving and democratic nations; and

Whereas this Nation is permitting large shipments of scrap iron and other war materials to be exported to such aggressor nations; and

Whereas the present profits realized from such exports fail to take into account the misery and human suffering that is resulting and will result from such exportations: Be it

Resolved by the house of representatives (the senate concurring):

SECTION 1. That your memorialists, the members of the Florida Legislature, petition and memorialize the Congress to enact legislation to prohibit the shipping of scrap iron and other material designed for armaments to aggressor nations dominated by dictators and militaristic factions.

SEC. 2. That a copy of this memorial, bearing the great seal of this State, be transmitted to the President of the United States, to the President of the United States Senate, to the Speaker of the House of Representatives of Congress, and each member of the Florida delegation in Congress.

The VICE PRESIDENT laid before the Senate a memorial identical with the foregoing, which was referred to the Committee on Foreign Relations.

Mr. PEPPER also presented the following concurrent resolution of the Legislature of Florida, which was referred to the Committee on Post Offices and Post Roads:

House Concurrent Resolution 6

A resolution urging the Civil Aeronautics Authority of the United States to grant an appropriate application providing for air-mail and transportation service between the cities of Tallahassee and Orlando, Fla., by way of Ocala

Whereas it has come to the attention of the legislature that the Civil Aeronautics Authority of the United States Government is now considering, or will consider, the granting of an application providing for air mail and transportation service between the cities of Orlando and Tallahassee, Fla., by way of Ocala; and

Whereas air-mail and passenger service over the proposed route will serve as a connecting link at both of the aforesaid terminals with air transportation service now in existence; and

Whereas air passenger service over the proposed route will greatly facilitate the travel of those in central and south Florida who find it both necessary and desirous to travel to and from Tallahassee, the capital of the State of Florida; and

Whereas the proposed route will render to the entire State of Florida a much-needed and desired air mail and passenger transportation service: Now, therefore, be it

Resolved by the house of representatives (the senate concurring):

SECTION 1. That the Civil Aeronautics Authority of the United States Government be and it is hereby respectfully petitioned and requested to consider favorably and grant an appropriate application for the establishment of air mail and transportation service between the cities of Tallahassee and Orlando, Fla., by way of Ocala.

SEC. 2. That upon the adoption of this resolution by both the senate and house of representatives, the clerk of the house of representatives shall immediately transmit certified copies thereof to the Civil Aeronautics Authority of the United States, the Post Office Department of the United States, United States Senators CHARLES O. ANDREWS and CLAUDE PEPPER, and United States Congressmen from Florida, MILLARD CALDWELL, LEX GREEN, PAT CANNON, JOE HENDRICKS, and HARDIN PETERSON.

EMBROILMENT IN FOREIGN WARS—PETITIONS

Mr. CAPPER. Mr. President, I present for reference to the Committee on Foreign Relations 50 petitions asking for legislative action tending to keep the United States from embroilment in foreign wars. The petitions are from citizens of the following communities in Kansas: Cimarron, Goessel, Hillsboro, Newton, Canton, Elkhart, Galesburg, Thayer, Humboldt, Burrton, Sedgwick, Halstead, Bentley, Garden City, Scott City, Modoc, Marienthal, Clay Center, Green, Lasita, Bala, Eureka, Emporia, Reading, Admire, Marion, Lincolnville, Saffordville, Edgerton, Burdett, Sterling, Hutchinson, Atchison, Smith Center, Athol, Iola, Frankfort, Wichita, Plains, and Altamont.

The VICE PRESIDENT. Without objection, the petitions will be received and referred as requested by the Senator from Kansas.

Mr. CAPPER. Mr. President, I ask unanimous consent to have inserted at this point in my remarks excerpts from a half dozen letters typical of the thousands of the letters I have received on this subject.

The VICE PRESIDENT. Without objection, it is so ordered.

The letters referred to are as follows:

POMONA, KANS., *March 24, 1939.*

DEAR SENATOR: I think we as Americans have a plenty to do to guide our own Nation in the right path. If we do that and get it done as it ought to be done, we will have a great big job. And then we will not have time to run some other nation's affairs. As for war, I never was for war, and I am not now nor ever will be. War is only hatred, jealousy, and strife. It only makes destruction, disease, poverty, and sadness—everything else only happiness and good will. If the leaders of each nation had to do the fighting themselves, there wouldn't be so many wars. Our boys and men of the common rank of life shouldn't, then, be forced to slay one another in this enlightened generation.

Mrs. R. A. MCEATHRON.

PITTSBURG, KANS., *April 23, 1939.*

Hon. Senator CAPPER,
Washington, D. C.

DEAR SENATOR CAPPER: We are wondering if you gentlemen in Washington realize the extent of the responsibility resting upon you.

Indirectly you hold in your hands the lives of our boys, and we are depending on you to see to it that they are not sacrificed to the warmongers. We are trusting you to keep us out of all foreign entanglements.

We have three boys, for whom we made many sacrifices, educating them to be useful and honorable members of society. And we would feel that our lives had, indeed, been lived in vain if they could serve no better purpose than to engage in one of Europe's ignoble wars. We are expressing not only our own sentiments but also the sentiments of thousands and thousands of parents in the great Middle West.

In the name of the God of Peace, we implore you to fulfill the duties of your high office and keep us out of war.

Sincerely yours,

Mr. and Mrs. E. B. RIORDAN.

THE GENERAL CONFERENCE OF THE MENNONITE CHURCH OF NORTH AMERICA,
North Newton, Kans., April 29, 1939.

Hon. ARTHUR CAPPER,
Kansas Member of the United States Senate,
Washington, D. C.

DEAR SENATOR CAPPER: Since our country is in danger of being drawn into another European war, with all of its terrible consequences, I am making use of the privilege granted me by the United States Constitution "to petition the Government" and ask you, our representative in Congress, to use your full influence and power in helping set up bars that will keep us out of such a war.

To be more specific, kindly help strengthen, not weaken, the Neutrality Act.

Follow the sound foreign policy laid down by Washington of avoiding foreign entanglements and alliances.

Stop all loans or credit advances to foreign governments at war.

Enact effective legislation to take the profits out of war.

Keep our battleships and our soldiers out of foreign war zones.

Stop all shipments of war supplies to Japan or any other nation engaged in war.

Submit to the people for early ratification the war-referendum amendment.

Very respectfully yours,

J. R. THIRSTEIN.

HUTCHINSON, KANS., *April 28, 1939.*

Hon. ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SENATOR: Enclosed find copy of resolutions adopted by the Reno County Council of Women of Federated Clubs for your consideration.

Your cooperation in this matter will be greatly appreciated.

Yours very truly,

Mrs. L. H. WARNER,
President of Reno County Council.

RESOLUTIONS

Whereas we, the undersigned, are opposed to being drawn into an aggressive war: Therefore

Resolved, That we are not in favor of any bill or legislation of any kind which might entangle us in the European situation.

Respectfully submitted.

THE RENO COUNTY (KANS.) COUNCIL OF WOMEN'S CLUBS,
By Mrs. LAWRENCE HAINES,
Mrs. JOHN SHIVE,
Mrs. GUY HOUSTON, *Committee.*

APRIL 17, 1939.

DEAR SENATOR CAPPER: We listen to your broadcast every Sunday and appreciate your stand very much on your neutrality law, to keep us out of war with Europe. We are for a neutrality law that will keep us out of all alliances or entanglements with Europe. We raised three boys that will defend America, but will not be cannon fodder for any European nation whatever! And we are all opposed to a cash and carry neutrality law. We thank you very much and hope you will do all you can.

Yours truly,

Mr. and Mrs. ANDREW FEHRENBACH,
Bethel, Kans.

SYCAMORE VALLEY FARMS,
MRS. R. P. GILES & SONS, *Owners*,
Sadieville, Ky.

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: First, let me say I am what you would call an average farmer. I obey the laws of my country, not because I have to, but because I want to.

I may not know what the majority of the citizens in the Nation want for foreign policy, but I do know what the citizens in my own community want. A foreign policy that worked for one and one-quarter centuries should not be discarded. We are backing you.

The foreign policy of our Nation should be what the majority of the people want, and not what the President and some of our diplomats want us to have.

Americans owe Europe nothing. Our best contribution to peace in the world lies in minding our own business. Saber rattling in Washington [I wonder what Mr. Giles thought of the parade last Friday] is not doing that. We are for strong defensive power, power to defend our own boundaries, but not to police the world.

Respectfully yours,

T. W. GILES.

P. S.—I forgot to mention that being landowners through here, and with taxes steadily increasing, I think now is the time that the Nation's leaders—now in effect "sicking" Europe on to fight—keep their minds on America's real problems. Don't you?

Mr. CAPPER. Mr. President, I received yesterday and in this morning's mail nearly 1,000 petitions, some of them signed by hundreds of persons, urging that the Congress keep the United States from becoming involved in the European war that they believe is impending. In the past few weeks I have received thousands of such petitions, and also thousands of letters and some telegrams of similar nature.

These petitions voice the sentiment of the vast majority of the people of the United States. They want to keep out of war. They want the United States Government to refrain from those steps which may lead toward our participation in Old World disputes.

Also, Mr. President, our people more and more are looking to Congress to take proper measures to keep us from becoming involved. Most of our people are coming to the realization that any attempt to recognize and determine aggressor nations in any foreign conflict amounts to our taking sides in such conflict, and that such a step ultimately means our participation in it.

More and more of our people also have come to realize that so-called "measures short of war" by which we would extend aid to a nation or group of nations, ultimately would lead to our active participation, with both money and men, in a conflict in which those nations were engaged.

Mr. President, the threatened war in Europe is not a conflict between ideologies. The line-up is not between democracies and dictatorships, although every effort is being made to sell the idea to the people of the United States that it is a conflict between democracies and dictatorships.

We cannot escape the deadly parallel with the months preceding our entry into the World War in 1917, when we were told, and were led to believe, that we would go to war to make the world safe for democracy. We no more accomplished that purpose than we participated in a war to end war.

The result of that war to end wars was almost to end democratic government in the Old World; also the aftermath of the World War was the breeding of new and perhaps even greater wars.

We in the United States, and particularly we in Congress, should beware of the propaganda with which we are being flooded day by day.

We should beware of the suggestions being artfully planted before the eyes of our leadership, that the United States assume world leadership, heading some 31 nations, in a combination against the dictatorships to defeat aggressor nations.

It is the plain duty of Congress, as I see it, to do everything in its power to prevent the Government of the United States from embarking on any such perilous course. That course leads to war, not toward peace, in my judgment.

Mr. President, I ask in all reason, how can the United States preach the Monroe Doctrine and at the same time practice intervention in Europe? I say that is an untenable position for us to take, and I say this in spite of the fact that recently the United States was placed in that position through a speech directed toward South America and a message directed to the heads of two European governments.

We hold firmly to the doctrine that European nations have no business interfering in affairs of the American continent.

I say it is just as plainly not our business to interfere in the affairs of the Old World, unless it is known beyond all peradventure of doubt that our own national interests are imperiled.

Uncle Sam should keep out of Europe's disputes and I firmly believe it is the duty of this Congress to use all the powers it has to keep us out of Europe's disputes.

The responsibility for determining our foreign policies rests not alone upon the President and the Department of State. This responsibility is shared by the Senate of the United States.

The first thing that should be recognized by those responsible for determining our foreign policy is that it must be an American foreign policy—not a British foreign policy nor a French foreign policy nor a German or Italian nor Russian foreign policy. Let us never depart from this basic principle.

Mr. President, I honestly believe that the United States can remain at peace if its people and its leadership desire to remain at peace—and will pay the price of peace.

One price of peace that leadership must pay is to give up the urge to play a leading role in power politics of the Old World.

The people of the United States will have to restrain their own urge to rush in and protect some foreign nation from what we regard as an unjustifiable attack by some other nation.

Another price of peace is the strength of mind and character to refuse to be bamboozled by foreign propaganda.

Still another price is to resist the temptation to make profits—and they will look like huge profits—from other peoples' wars. The World War made 23,000 millionaires in the United States—but those 23,000 millionaire war babies were an expensive luxury, and finally a dead loss, to the United States as a whole.

We must avoid entangling alliances; we must not make any secret commitments; we must beware of parallel courses of action.

We must provide an adequate navy, a strong air force—for defense of the Western Hemisphere; not for the defense of Guam in the Orient or the River Rhine in Europe.

We should keep our dollars at home, keep our soldiers at home, and I am inclined to wish we could keep some of the language of overzealous statesmen at home, but I suppose that is impossible.

The Congress should strengthen, not weaken, the Neutrality Act.

I think the Congress should pass the bill introduced by some 50 Senators, to take profits out of war.

The Congress should submit to the people the war referendum amendment. Those who have to fight the wars, and pay for the wars, should have some say whether the United States goes into wars overseas to save or protect foreign nations' boundaries; to play power politics for foreign nations.

No one seems to want war but a few of the big fellows. We do not need to fight another war for the international bankers. It is not the job of the United States to police the world.

Why try to butt in elsewhere? Why let the war lords of Europe drag us into another war as they would like to do?

The best policy America can pursue is to say as little as possible and to act as impartially as possible. The Neutrality Act as we have had it the past 2 years has kept us out of war. Why abandon it? After all, we have our hands full here at home just minding our own business.

Mr. President, this is a good time for us not to go abroad looking for trouble. There is too much trouble in Europe to be had for the looking.

Anyway, we have troubles enough at home to keep us busy.

Helping the farmer save his farm; helping the unemployed get jobs; helping business to get back on its feet; starting to balance the Federal Budget; working out a more equitable and better balanced tax system; in other words, setting our own house in order is a big enough job to keep us busy for some time to come without taking on a foreign war.

REPORTS OF COMMITTEES

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the joint resolution (S. J. Res. 126) to amend the act to authorize alterations and repairs to certain naval vessels, and for other purposes, approved April 20, 1939, reported it without amendment and submitted a report (No. 402) thereon.

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2270) to authorize the Secretary of Agriculture to purchase refuge lands within the State of South Carolina for the perpetuation of the eastern wild turkey and to provide pure-blood brood stock for restocking within its native range, and for other purposes, reported it with an amendment and submitted a report (No. 405) thereon.

Mr. LOGAN, from the Committee on Mines and Mining, to which was referred the bill (S. 1806) to provide for the construction and equipment of a building for the experiment station of the Bureau of Mines at Rolla, Mo., reported it without amendment and submitted a report (No. 403) thereon.

He also, from the Committee on the Judiciary, to which was referred the bill (S. 438) to repeal and reenact section 83 of the Judicial Code, as amended, relating to Federal court districts in the State of Kentucky, reported it with an amendment and submitted a report (No. 404) thereon.

He also, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 1901. A bill to extend to Sgt. Maj. Leonard E. Browning, United States Marine Corps, the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men (Rept. No. 406); and

S. 2163. A bill to authorize an appropriation to meet such expenses as the President, in his discretion, may deem necessary to enable the United States to cooperate with the Republic of Panama in completing the construction of a national highway between Chorréra and Rio Hato, Republic of Panama, for defense purposes (Rept. No. 407).

Mr. BARKLEY, from the Committee on the Library, to which was referred the bill (H. R. 5136) to amend the act entitled "An act to provide books for the adult blind," approved March 3, 1931, reported it without amendment.

EXECUTIVE REPORT OF THE JUDICIARY COMMITTEE

As in executive session,

Mr. PITTMAN, from the Committee on the Judiciary, reported favorably the nomination of John J. Barc, of Michigan, to be United States marshal for the eastern district of Michigan. (Mr. Barc is now serving in this office under an appointment which expired March 16, 1939.)

The VICE PRESIDENT. The report will be placed on the Executive Calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BYRD:

S. 2371. A bill for the relief of Josephine Russell; to the Committee on Claims.

By Mr. CHAVEZ:

S. 2372. A bill for the relief of George F. Hottinger; to the Committee on Claims.

By Mr. SMITH:

S. 2373. A bill granting an increase of pension to Jeannette W. Moffett; to the Committee on Pensions.

By Mr. WALSH:

S. 2374. A bill to authorize the appointment of Lawrence F. Connolly as a lieutenant in the United States Navy; to the Committee on Naval Affairs.

By Mr. McNARY:

S. 2375. A bill to amend the Bonneville Project Act; to the Committee on Commerce.

By Mr. WHEELER:

S. 2376. A bill for the relief of Millie E. Clark and the minor children of Ernest B. Clark; to the Committee on Claims.

By Mr. LODGE:

S. 2377. A bill to amend the Commodity Exchange Act, as amended, to extend its provisions to hides; to the Committee on Agriculture and Forestry.

By Mr. SMATHERS:

S. 2378. A bill for the relief of Yeomans-Drews Corporation; and

S. 2379. A bill for the relief of certain purchasers of lands in the city of New Brunswick, N. J.; to the Committee on Claims.

By Mr. PEPPER:

S. 2380. A bill to provide for mandatory or compulsory inspection and permissive or voluntary grading of fish, fishery products, fishery byproducts, shellfish, crustacea, seaweeds, and all other aquatic forms of animal and vegetable life and the products and byproducts thereof, and for other purposes; to the Committee on Commerce.

S. 2381. A bill to provide for the retention on the active list of the Navy of certain naval aviators found to be fitted for promotion; to the Committee on Naval Affairs.

S. 2382. A bill to provide for appeals from orders granting new trials in civil cases; and

S. 2383. A bill to make the Robinson-Patman Antidiscrimination Act inapplicable to purchases of supplies made by State welfare agencies; to the Committee on the Judiciary.

By Mr. O'MAHONEY:

S. 2384. A bill for the relief of Lyle L. Bressler; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

S. 2385. A bill for the relief of Otis Countrymon (with accompanying papers); to the Committee on Military Affairs.

(Mr. WALSH introduced Senate bill 2386, which was referred to the Committee on Immigration and appears under a separate heading.)

By Mr. DAVIS:

S. 2387. A bill granting an increase of pension to Catherine Pennington; to the Committee on Pensions.

By Mr. WAGNER:

S. J. Res. 132. Joint resolution authorizing the exhibition of the original manuscript copy of the Constitution of the United States among the Federal exhibits at the New York World's Fair; to the Committee on the Library.

CITIZENSHIP FOR ALIEN WORLD WAR VETERANS

Mr. WALSH. Mr. President, I ask consent to introduce a bill conferring citizenship on alien World War veterans, and ask to have it printed in the RECORD and referred to the Committee on Immigration, and I also request consent to have printed in the RECORD an explanatory statement thereof.

The VICE PRESIDENT. Without objection, the bill will be received and referred, as requested by the Senator from Massachusetts, and the bill and statement referred to will be printed in the RECORD.

The bill (S. 2386) conferring citizenship upon alien World War veterans was read twice by its title, referred to the Committee on Immigration, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That all alien veterans who served in the armed forces of the United States during the World War for any period of time between April 6, 1917, and November 11, 1918, who

were honorably discharged from such service, be, and they are hereby declared to be, citizens of the United States, provided (1) that such alien veterans have been legally residing within the territorial limits of the United States for the past year; and (2) that such alien veterans have not, since their discharge from such service, taken any oath of allegiance to any foreign power; and (3) that such alien veterans have not been convicted of any felony within the past 5 years.

The explanatory statement relative to the bill presented by Mr. WALSH is as follows:

This bill confers United States citizenship upon all alien World War veterans who served in the armed forces of the United States, provided that (1) such alien veterans were honorably discharged from such service; (2) such alien veterans have been legal residents within the territorial limits of the United States for the past year; (3) such alien veterans have not since their discharge taken any oath of allegiance to any foreign power; and (4) such alien veterans have not been convicted of any felony within the past 5 years.

The bill conforms to previous acts of the Congress which have granted certain exemptions to alien veterans in order to assist them in becoming naturalized, although no act has conferred citizenship forthwith as would this bill. The Congress heretofore, for a limited period, however, gave to alien veterans the privilege of filing petition for citizenship upon showing only 1 year's residence and good moral character for 1 year. But all aliens generally are now required to show 5 years' residence and good moral character for 5 years before they may become naturalized.

There are said to be hundreds of alien World War veterans who still believe that because they took the oath of allegiance to this country when they were inducted into the United States forces they automatically became American citizens. Many of the States even grant certain privileges of American citizenship to honorably discharged veterans, such as permitting them to register and vote upon showing their honorable discharge certificates. But while the Congress has paid veterans their adjusted-service certificates, and in many cases awarded them compensation for their World War disabilities, yet many such veterans are still in fact aliens despite their honorable service on behalf of the United States. Such alien veterans are denied the privilege of taking civil-service examinations, whereas veterans who are citizens are given preferences in such examinations. Many alien veterans have even been deported from this country and separated from their American wives and children. Many alien veterans have been dropped from W. P. A. or the relief rolls throughout the United States because of the requirement that those on relief must be citizens. The present bill would alleviate such conditions and automatically confer the rights of citizenship upon our alien World War veterans under the conditions stated.

It has not been possible to ascertain the total number of aliens who served in the armed forces of the United States during the World War, as no such record was kept by the Army and the Navy. The statistics of the War and Navy Departments merely show the entire number of aliens who were registered and classified under the provisions of the Selective Service Law, and do not show how many aliens were actually inducted into service. Nor has the Labor Department any data showing the number of aliens who so served, or who have not been naturalized, and who, therefore, would be eligible for citizenship under the provisions of this bill. However, it has been generally estimated that there are at least 250,000 alien veterans who would benefit if this bill is enacted into law.

PREVIOUS ACTS ON BEHALF OF ALIEN VETERANS

Various acts have been passed by the Congress since the World War granting certain exemptions on behalf of alien veterans of the World War from the usual requirements for naturalization, such as:

(1) Permitting them to receive final citizenship papers after filing declaration of intention without proof of the required 5 years' residence.

(2) Permitting those in the military or naval service to file petition for naturalization without making preliminary declaration of intention.

(3) Relieving them of the necessity of proving continuous residence immediately preceding the date of filing petition for naturalization.

(4) Permitting those still in the service to file petition for naturalization without appearing in court.

(5) Conferring citizenship upon them if honorably discharged from the service or having ordinary discharges with recommendation for reenlistment without being required to file declaration of intention.

(6) Relieving them from paying the head tax and filing fee to accompany declaration of intention.

(7) Conferring nonquota immigrant status to their unmarried children under 18 years of age.

(8) Stating they could not be subject to deportation on the ground of becoming public charges.

(9) Conferring upon them the right to citizenship under the same conditions as existed before the World War.

(10) Providing for the issuance of certificates of repatriation of such alien veterans.

(11) Conferring upon aliens who served in the military and naval forces of the 22 allied nations during the World War, and who were honorably discharged therefrom, the same privileges as were accorded alien veterans who served in the United States forces.

However, all these exemptions and privileges were for limited periods only, and are no longer in effect. Unfortunately, many alien veterans were never advised of such exemptions, or never learned of them, and it is now too late, of course, to avail themselves of the benefits of these acts.

There is nothing novel in the Congress thus conferring American citizenship by en masse legislation, as this has been done even in recent years. Thus, by the act of June 20, 1924, all noncitizen Indians born within the territorial limits of the United States were declared to be citizens of the United States. By the act of February 25, 1927, American citizenship was conferred upon certain inhabitants of the Virgin Islands. By the act of June 27, 1934, all persons born in Puerto Rico on or after April 11, 1899, who were not citizens, subjects, or nationals of any foreign power, were thereby declared to be citizens of the United States.

PRESENT REQUIREMENTS

The general requirements for naturalization of all aliens at the present time are as follows:

(1) The applicant must have had at least 5 years' continuous residence in the United States, and must be able to show he has had good moral character for 5 years, before he can secure his final citizenship papers.

(2) An alien, of course, can file his declaration of intention (called his first paper) as soon as he is legally admitted to this country; that is, as soon as he has established a domicile after such admission. After the expiration of 5 years, he can petition for his final papers, and secure same 90 days thereafter.

(3) If an alien has already had 5 years' residence before filing his first paper, he may file such first paper, and then after but the lapse of 2 years, petition for and secure his final papers.

(4) No exemptions or privileges to facilitate or expedite the naturalization of alien veterans are now accorded them. The acts of the Congress granting such exemptions or privileges, while reenacted several times, are no longer in effect. Alien veterans must thus follow the procedure outlined above.

NATURALIZATION FEES

All aliens now applying for naturalization receive the benefit of reduced fees, provided for in a bill which I sponsored and which became law April 19, 1934. That bill reduced fees by 50 percent, or otherwise set fees as follows:

(1) Reduced filing fee for declaration of intention from $5 to $2.50.

(2) Reduced filing fee for petition for naturalization from $10 to $5.

(3) Reduced fee for securing certificate of arrival from $5 to $2.50.

(4) Reduced fee for securing copy of naturalization certificate, and for certificate of derivative citizenship from $10 to $1.

(5) Reduced cost of registration of arrival from $20 to $10.

(6) Fixed a limit of $25 for counsel fees in naturalization proceedings.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 4653. An act to amend an act entitled "An act to control the possession, sale, transfer, and use of pistols and other dangerous weapons in the District of Columbia, to provide penalties, to prescribe rules of evidence, and for other purposes," approved July 8, 1932;

H. R. 4654. An act to amend an act entitled "An act for the establishment of a probation system for the District of Columbia," approved June 25, 1910;

H. R. 4745. An act relating to benefit assessments from condemnation proceedings for the opening, extension, widening, or straightening of alleys or minor streets;

H. R. 5516. An act for the relief of Charlotte E. Hunter;

H. R. 5801. An act to grant permission for the construction, maintenance, and use of a certain underground conduit for electrical lines in the District of Columbia; and

H. R. 5937. An act to amend the District of Columbia Traffic Act of 1925 (43 Stat. 1119); to the Committee on the District of Columbia.

H. R. 6149. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1940, and for other purposes; to the Committee on Appropriations.

AMENDMENT TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. WALSH submitted an amendment intended to be proposed by him to House bill 5269, the Agricultural Department appropriation bill, 1940, which was ordered to lie on the table and to be printed, as follows:

On page 97, between lines 16 and 17, to insert the following new paragraph:

"Of the sum appropriated by the preceding paragraph, $2,000,000 shall be available for paying 10 percent of the approved schedules of prices for salvaged timber products purchased or to be purchased from the owners thereof by the Federal Surplus Commodities Corporation, Northeastern Timber Salvage Administration, said 10 percent being in addition to a payment of 90 percent of

such schedules of prices made or to be made from funds loaned by the Disaster Loan Corporation to the Federal Surplus Commodities Corporation, Northeastern Timber Salvage Administration."

JEFFERSON DAY SPEECH BY SENATOR JOHNSON OF COLORADO

[Mr. BARKLEY asked and obtained leave to have printed in the Appendix a Jefferson Day speech delivered by Senator JOHNSON of Colorado at Milwaukee, Wis., on May 7, 1939, which appears in the Appendix.]

CIVIL LIBERTIES—ADDRESS BY SENATOR SCHWELLENBACH

[Mr. MEAD asked and obtained leave to have printed in the RECORD a radio address delivered by Senator SCHWELLENBACH on May 8, 1939, regarding the work of the Senate Civil Liberties Committee, which appears in the Appendix.]

LOANS UNDER THE MEAD BILL—ARTICLE BY ERNEST K. LINDLEY

[Mr. MINTON asked and obtained leave to have printed in the RECORD an article entitled "Little Man Gets Help," by Ernest K. Lindley, dealing with loans under the Mead bill, which appears in the Appendix.]

EXPORTS AND IMPORTS UNDER TRADE AGREEMENTS

[Mr. MINTON asked and obtained leave to have printed in the RECORD certain data relating to United States exports and imports of grain supplies, cattle, and other farm products under the reciprocal-trade agreements, which appear in the Appendix.]

PLEAS FOR PEACE BY THE POPE AND THE DUKE OF WINDSOR

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD the text of the address of Pope Pius XII to the National Eucharistic Congress at Algiers, Algeria, and also the text of the Duke of Windsor's peace talk, delivered from Verdun, France, which appear in the Appendix.]

ADMISSION OF GERMAN REFUGEE CHILDREN

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a number of editorials concerning the admission of German refugee children into the United States, which appear in the Appendix.]

TRIBUTES TO A. A. A. SCHOOL SAFETY PATROLS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD excerpts from commendations of the school-patrol movement sponsored by the American Automobile Association, its affiliated motor clubs, schools, and police, which appear in the Appendix.]

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes.

The VICE PRESIDENT. When the Senate took a recess yesterday afternoon it had concluded the consideration of the committee amendments to the agricultural appropriation bill then under consideration. The Senator from Arkansas [Mr. MILLER] has advised the Chair that he desires to offer an amendment to the bill. The Senator from Arkansas.

Mr. MILLER. Mr. President, I offer an amendment.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 92, in line 21, it is proposed to strike out "$21,462,329" and insert in lieu thereof "$23,362,349."

Mr. MILLER. Mr. President, the amendment offered by me proposes to increase the appropriation by the sum of $1,900,000 for the distinct purpose of providing funds to be available for expenditure by the Soil Conservation Service in cooperation with and in assisting the work that is being undertaken throughout the country by the soil-conservation districts. Thirty-five States have enacted soil conservation district laws, under which the farmers of those States organize what are termed soil-conservation districts. Each district is operated entirely by the farmers. The farmers do the work themselves; they furnish the material themselves; and the only thing that they are asking the Soil Conservation Service to furnish is technical assistance. Under the operation of those districts the Service undertakes to survey the districts and the watersheds, and to map out and coordinate and correlate a plan for the prevention of soil erosion and the conservation of the soil. The individual farms are mapped, and the work is done on the individual farms under, as I have suggested, the supervision of the Soil Conservation Service.

There are at present organized in the various States 146 soil-conservation districts. The Soil Conservation Service is cooperating with only 94 of those districts, and it will be utterly impossible for the Service to cooperate with the other districts unless this additional sum of money is provided. Unless we give this encouragement to the farmers who are engaged in land-utilization and soil-conservation practices, it simply means that during another period of years the destructive methods of farming which have been employed in past years will continue.

The conservation of our soil is a subject which it is not necessary to discuss before this body. I know that the Senate is entirely familiar with the devastating practices which have been indulged over a period of years. I know Senators realize that ordinarily, in the case of land that is susceptible of erosion, it takes 2,000 years for nature to build a soil 7 inches deep. That soil may be utterly destroyed within a period of 10 to 15 or 25 years unless soil-conservation methods are used.

Every year there pours into the Gulf of Mexico soil from 31 States of the Union to the extent of 740,000,000 tons. A comparable amount is pouring into the ocean from every other watershed in the country. It seems to me we can well afford to appropriate this sum of money to be given to the farmers who are now alive, as never before, to the necessity of soil conservation.

I do not know what induced the committee not to allow this sum. The matter was fully presented to the committee, and the hearings on the subject are to be found on pages 543 to 583. A casual reading of the hearings will disclose the absolute necessity for the appropriation of this sum of money, provided we believe in making the effort, provided we believe in lending aid and assistance to those who are undertaking to rehabilitate themselves. It is simply a question for Congress to determine whether or not we want now, while the people of the Nation are alive to the necessity, to give them this assistance to help themselves.

This work is not carried on haphazardly. So far as I am aware, the present is the only time in the history of the country when the farmers themselves have realized the absolute necessity of doing this work. Soil-conservation districts now are organized in 24 States of the Union. As I have said, 35 States have enacted laws under which such districts will be organized. There are now statutes pending and movements for the purpose in five additional States. The State of Iowa passed such a bill just a few days ago, as I understand, and other States are fast seeking to avail themselves of this privilege.

What happens in a soil-conservation district? The district is organized by watersheds, or a series of small watersheds. The Soil Conservation Service then comes in at the request of the farmers themselves, at the request of the commissioners of the district, and makes a survey and a map of the entire watershed, and a plan is prepared and adopted by the farmers. It is a matter of cooperation by them. Then the soil supervisers agree with the Soil Conservation Service to carry out the program over a period of 5 years. What I am asking for the great number of districts that have been organized, embracing many millions of acres of land, that money be provided with which to employ the technical assistance and technical aid necessary to help the local men carry on the work.

The survey shows that in this country today 282,218,263 acres of tillable land, plowable land, have been destroyed by erosion. Let me repeat those figures: There are now 282,000,000 acres of land that have been destroyed by erosion out of practically 2,000,000,000 acres of land in the entire United States; and that includes mountainous land.

In the State of Alabama, for instance, 25 percent of the land is suffering from severe erosion.

In the State of Arizona 10 percent is suffering from severe erosion.

In the State of Arkansas only 3 percent is suffering from severe erosion, but 52 percent of the land in Arkansas is suffering from erosion to some extent. I am giving, however, the figures for the land that is practically destroyed so far as farming purposes are concerned.

In the State of Colorado 23 percent is so destroyed.

In the State of Kentucky 45 percent is virtually destroyed.

In the State of Oklahoma, a new State, yet one that is suffering more from soil erosion than is any other State in the Union because of the wind, because of the water, and because of the types of soil, 58 percent is practically destroyed.

Taking it all in all, on the tremendous area of 282,000,000 acres of land in this country, farmers are now unable to make a living.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Nebraska?

Mr. MILLER. I yield.

Mr. NORRIS. Has the Senator the statistics for all the States of the Union?

Mr. MILLER. I have; yes.

Mr. NORRIS. Will the Senator put them all in the RECORD.

Mr. MILLER. I shall be very glad to do so.

I shall not consume the time of the Senate by stating in detail the statistics for the various States, but out of the entire area, 775,000,000 acres are now in the process of erosion, as against 282,000,000 acres that are practically destroyed. There is no apparent or only slight erosion—catch these figures, Senators, if you will—on only 700,512,011 acres of tillable land in the Nation, as against practically one billion acres upon which the erosion process has set in.

Mr. President, I ask unanimous consent to insert in the RECORD, as a part of my remarks, the table from which I have been reading.

The VICE PRESIDENT. Without objection, it is so ordered.

The table is as follows:

Acreage affected by erosion, by States[1]

State	Mountains, mesas, badlands, etc.		No apparent or slight erosion		Moderate erosion		Severe erosion		Total acres
	Acres	Percent	Acres	Percent	Acres	Percent	Acres	Percent	
Alabama	0	-------	5,616,851	17.1	19,050,602	57.9	8,246,135	25.0	32,913,588
Arizona	37,204,424	51.8	828,997	1.2	26,907,726	37.1	7,610,033	10.4	72,551,180
Arkansas	0	-------	17,601,039	52.3	14,730,980	43.9	1,267,408	3.8	33,619,407
California	863,672	.9	52,137,526	52.3	41,246,591	41.4	5,386,893	5.4	99,634,672
Colorado	12,871,768	19.4	9,863,068	14.9	28,014,912	42.2	15,651,697	23.5	66,401,445
Connecticut	0	-------	2,899,643	94.0	185,167	6.0	0	-------	3,084,800
Delaware	0	-------	1,172,961	93.4	82,501	6.6	0	-------	1,255,452
Florida	0	-------	33,190,962	93.4	2,260,215	6.4	0	-------	35,451,177
Georgia	0	-------	14,932,708	39.7	16,181,000	43.1	6,434,616	17.2	37,568,324
Idaho	4,412,016	6.3	21,045,762	29.5	19,332,766	36.3	8,495,223	15.9	53,285,767
Illinois	0	-------	21,627,652	60.3	13,241,233	36.9	1,006,753	2.8	35,875,638
Indiana	0	-------	13,845,249	60.0	7,668,043	33.2	1,553,508	6.8	23,068,800
Iowa	0	-------	15,048,818	42.3	17,240,106	48.8	3,277,116	9.2	35,575,040
Kansas	0	-------	14,712,707	28.0	24,382,873	46.5	13,425,369	25.5	52,520,949
Kentucky	0	-------	1,363,860	6.3	12,613,103	49.1	11,724,735	45.6	25,701,698
Louisiana	0	-------	20,768,763	71.9	8,107,428	28.1	1,594	(2)	28,877,785
Maine	0	-------	17,357,210	90.7	1,775,206	9.5	384	(2)	19,132,800
Maryland	0	-------	4,111,904	65.4	1,914,665	30.4	263,845	4.2	6,290,414
Massachusetts	0	-------	4,808,979	94.3	249,098	4.9	45,037	.8	5,103,114
Michigan	0	-------	31,514,637	86.0	4,496,510	12.3	619,356	1.7	36,630,503
Minnesota	0	-------	37,013,515	71.9	11,002,134	21.4	3,436,745	6.7	51,452,394
Mississippi	0	-------	10,230,444	34.5	13,903,651	53.8	3,477,585	11.7	29,671,680
Missouri	0	-------	6,684,835	15.2	33,392,017	80.5	1,908,428	4.3	43,985,280
Montana	8,428,501	9.0	21,044,773	22.5	59,604,315	63.8	4,446,251	4.7	93,523,840
Nebraska	1,288,132	2.6	26,602,432	34.0	13,864,969	28.1	7,536,296	15.3	49,291,829
Nevada	10,050,369	14.3	235,547	.3	36,916,271	52.5	23,078,001	32.9	70,280,188
New Hampshire	0	-------	5,364,563	93.0	405,732	7.0	0	-------	5,770,295
New Jersey	0	-------	3,852,443	79.9	937,407	19.5	28,696	.6	4,818,546
New Mexico	10,510,728	13.5	1,028,674	1.3	37,785,120	48.7	28,264,014	36.5	77,388,536
New York	0	-------	20,239,079	66.7	8,989,438	29.7	1,100,816	3.6	30,329,333
North Carolina	0	-------	19,085,264	61.0	9,368,459	30.0	2,822,576	9.0	31,276,299
North Dakota	1,972,454	4.4	33,294,957	74.1	572,728	1.3	9,108,604	20.2	44,948,773
Ohio	0	-------	13,502,318	51.8	8,406,982	32.2	4,164,300	16.0	26,073,600
Oklahoma	854,507	1.9	2,407,940	18.9	9,213,424	20.6	26,111,010	58.6	44,586,881
Oregon	1,102,806	1.8	17,498,608	28.5	34,878,056	56.7	7,963,549	13.0	61,443,019
Pennsylvania	0	-------	14,079,392	48.9	14,276,278	49.6	428,846	1.5	28,784,516
Rhode Island	0	-------	632,907	94.0	40,255	6.0	0	-------	673,162
South Carolina	0	-------	12,823,083	65.7	3,631,411	18.6	3,062,306	15.7	19,516,800
South Dakota	685,116	1.4	36,196,080	73.9	8,083,917	16.5	4,046,149	8.2	49,011,262
Tennessee	0	-------	3,656,314	13.7	12,005,700	45.0	11,017,066	41.3	26,679,080
Texas	19,724,668	11.7	46,110,143	27.2	80,165,009	47.4	23,326,645	13.7	169,326,465
Utah	23,788,225	45.0	205,656	.4	18,477,063	34.9	10,394,744	19.7	52,865,688
Vermont	0	-------	5,073,383	86.9	765,977	13.1	0	-------	5,839,360
Virginia	0	-------	9,351,320	36.8	15,031,149	59.2	1,009,941	4.0	25,392,410
Washington	6,077,980	14.3	12,197,011	28.8	18,772,798	44.3	5,383,695	12.6	42,431,484
West Virginia	0	-------	1,477,050	9.6	9,784,949	63.8	4,071,649	26.6	15,333,648
Wisconsin	0	-------	20,669,799	58.4	12,790,647	36.2	1,903,394	5.4	35,363,840
Wyoming	4,926,949	7.9	9,505,165	15.3	38,842,490	62.2	9,094,655	14.6	62,369,259
United States	144,768,315	7.6	700,512,011	36.8	775,678,031	40.8	282,218,263	14.8	1,903,176,620

[1] Reconnaissance erosion survey of the United States, 1934.

[2] Less than 1/10 of 1 percent.

Mr. MILLER. Mr. President, I have referred to the fact that this matter was presented to the Appropriations Committee. A mere casual reading of the hearings before the committee will disclose the absolute necessity for the appropriation. I know there is a great hue and cry against the expenditure of money; but let me call the attention of the Senate to the significant fact that while this is a proposed expenditure of $1,900,000, it is not an ordinary expenditure. The money we are appropriating from day to day is spent and gone, and future generations will pay for it. The money which may be spent for the purpose of combating soil erosion, it is true, will be gone, but future generations will reap the benefit of it. It is the only appropriation I know of, or one of the few, that we can well afford to call upon the future to pay, because by this expenditure we are undertaking to rehabilitate the country, and give the people land on which they can live and support themselves and their families. We are spending yearly millions of dollars in building flood-control reservoirs and other great conservation works, such as hydroelectric reservoirs and dams.

Let me call attention to what is happening and what has happened in connection with that work. Only last year

Congress authorized the expenditure of $325,000,000 for flood-control work. Many reservoirs were authorized, 42 in the Ohio Valley, 8 within the State of Arkansas, and some in other States. Over the entire country they are scattered round about. Fifty-four million dollars is to be expended for a huge reservoir at Denison, on the Red River, and other reservoirs are to be constructed at other places. We have spent nearly $500,000,000 in the Tennessee Valley building reservoirs, and we will continue to expend money for such purposes.

What will happen unless this work shall be continued? Let me tell the Senate what will happen. Along the New River, in Virginia, there are four great hydroelectric-power developments. Field Reservoir, the uppermost, has lost 41 percent of its storage capacity in the 6 years since it was built. Washington Mills Reservoir, 43 miles downstream, has lost 83 percent of its capacity in less than 34 years. The power plant is about gone.

In Texas, Lake Waco was built as a power development on the Brazos River in 1930. Originally the reservoir stored a little more than 39,000 acre-feet of water. In 1936, within 6 years, the silting had reduced the capacity 20 percent.

I have a list of the reservoirs which have been measured; and it is only a question of time, and in my opinion a question of a very short time, unless corrective measures shall be adopted, before those structures will be absolutely ruined, and the money expended will have been thrown away so far as future generations are concerned.

How does the pending item affect us? Wherever soil-conservation districts carry on their work on the individual watersheds, they stop the continual working down and eroding of the land and the carrying of the silt into the drainage canals and the reservoirs. All over the Southland, and wherever drainage canals exist, the maintenance of the canals constitutes a great problem. That problem cannot be solved by the communities unassisted, because of the constant filling by silt. I have a picture in my office of some of the drainage canals in the States of Mississippi, Arkansas, Louisiana, Illinois, and Indiana, which today are absolutely filled and rendered useless because corrective measures were not taken on the watersheds to hold back the silt and prevent erosion.

Let me call attention to Lake Taneycomo in Missouri, the second largest reservoir and hydroelectric development in that State. It has a storage capacity of 44,000 acre-feet, but it has lost more than 46 percent of that storage capacity. In such instances it may not be worth while to preserve the development; but aside from that, the economic situation in this country is such as to demand the rehabilitation of our soil. No people can maintain their economic status on unfertile soil. Show me a community where the social status is low, and I will show you a community where the land from which the people are trying to obtain a living is so eroded that a living cannot be earned from it.

Let me call attention to what has been done by Soil Erosion Service in the way of preventing erosion at hydroelectric plants. In the State of North Carolina, at High Point, an experiment was conducted with a reservoir which was built there. The reservoir was filling with silt at the rate of eighty-seven hundredths percent a year. The authorities undertook to treat the watershed under the kind of operation made possible by our appropriations. They treated it over a period of years and reduced silting nearly a hundred percent, and the rainfall was nearly twice as great after the treating process had taken place as it was before. This work is our only salvation.

Mr. President, this character of work cannot be done by the C. C. C. camps. It is argued sometimes by those who probably have not had the opportunity of getting out and seeing what is going on that we should set up C. C. C. camps to do this work. We have established 355 C. C. C. camps doing soil-conservation service in this country, and that is all we have established. Those camps are in 355 small areas. They have succeeded in teaching the farmers the necessity and importance of this work, and the landowners of this country are entitled to this assistance.

Mr. President, it seems to me that unless we provide sufficient funds to assist the farmers in carrying on this great conservation work, we have reached the point of saying to them, "We are going ahead to spend your money; we are going to erect great flood-control structures; we are going to erect great dams; we are going to enact laws for the benefit of agriculture, but we are going to do nothing to preserve this country for those who come after us." Nature devastates the land because we have destroyed the natural things which were put there. We have denuded the soil of its timber; we have laid waste our country; yet we cannot give the people $1,900,000 additional to assist them.

It is true the work can go on to a limited degree. In my State alone 10 soil-conservation districts are in operation. I hope Senators will accept my word for the statement that I have visited every area in Arkansas where soil-conservation work is proceeding. I have seen that work in operation, and I know what it means. There is no farm problem in the areas where soil-conservation work has been done and land utilization practices have been in effect over a period of 3 or 4 years. The income of the farmer has been increased, as the hearings will disclose, practically 100 percent. In such instances there is no farm problem. The county of Scott, Ark., for instance, on the western side of the State, is one of the most prosperous counties in the State; yet it is the leading soil-conservation county in our Nation. If Senators would go there and see the work being done, they would be convinced of the wisdom of this activity. The farmers in that section of our State have carried on without assistance.

One hundred and forty-six of these districts have been organized in the various States, and others are being organized every day. We can give 94 of the districts help, and that is all. Are we to deny the others? Is not the farmer living on one watershed just as important as the farmer on another?

We hear much said about long-range planning and about conservation of natural resources. If we continue to permit the soil to be eroded as during the past few years, I do not know what is going to happen to this country. It is a matter that is entirely within the discretion of this body. Before this request is refused I should like to have Senators read the hearings; I should like to have them exercise their own common sense and knowledge of affairs, and if they believe in the policy and program I am advocating I ask their support of the amendment.

REORGANIZATION PLAN NO. II—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 288)

The PRESIDENT pro tempore. The Chair lays before the Senate a message from the President of the United States, which will be read.

The legislative clerk read as follows:

To the Congress of the United States:

Pursuant to the provisions of the Reorganization Act of 1939 (Public, No. 19, 76th Cong., 1st sess.), approved April 3, 1939, I herewith transmit reorganization plan No. II, which, after investigation, I have prepared in accordance with the provisions of section 4 of the act; and I declare that with respect to each transfer, consolidation, or abolition made in reorganization plan No. II, I have found that such transfer, consolidation, or abolition is necessary to accomplish one or more of the purposes of section 1 (a) of the act.

In my message to the Congress on April 25, 1939, transmitting reorganization plan No. I, I took occasion to say that, it being obviously impracticable to complete the task of reorganization at one time, I had decided, in view of the declaration of the Congress that it should be accomplished immediately and speedily, to undertake it in several steps.

Plan No. I had to do with over-all management. Plan No. II, transmitted herewith, is designed to improve the work of the executive branch, for which, although carried on through executive departments and agencies, the responsibility to the people is through the President. It is concerned with the sole purpose of improving the administrative management of the executive branch by a more logical

grouping of existing units and functions and by a further reduction in the number of independent agencies.

I am transmitting reorganization plan No. II as the result of studies that have been made for me and of my own experience over a period of several years as the best way in which to regroup the agencies affected so as to fulfill the purposes of the act:

(1) To reduce expenditures;

(2) To increase efficiency;

(3) To consolidate agencies according to major purposes;

(4) To reduce the number of agencies by consolidating those having similar functions and by abolishing such as may not be necessary; and

(5) To eliminate overlapping and duplication of effort.

The plan I now transmit I shall describe briefly, as follows:

I propose to transfer the Foreign Commerce Service of the United States and its functions now in the Bureau of Foreign and Domestic Commerce of the Department of Commerce and the Foreign Agricultural Service of the United States and its functions in the Department of Agriculture to the Department of State, and to consolidate them with the Foreign Service of the United States under the direction and supervision of the Secretary of State.

By this transfer and consolidation, there will be a single Foreign Service in the Department of State, but this does not mean that the interests of the commercial and agricultural communities are to be neglected, for it is a part of the plan that representatives of the Secretary of Agriculture and the Secretary of Commerce shall be placed on the Board of Foreign Service Personnel and that specific investigations relating to commerce and agriculture shall be initiated directly by the Secretaries of these two Departments who will receive directly the results of investigations in their own fields.

A much greater degree of coordination and effectiveness in our foreign establishments can be achieved under the plan than has ever before been possible. The needs of the different departments and agencies of the Government will be met more efficiently and the responsiveness of the foreign establishments to these needs will be greatly improved.

The plan presupposes that it may be necessary from time to time for various departments and agencies of the Government to send abroad specialists and technicians for relatively temporary duty. While these will not be in the Foreign Service, strictly speaking, they will be given a suitable commission by the Department of State, on a temporary basis, so that they may have the same obligations as other officers of the Foreign Service while on duty abroad.

The plan also presupposes a special training period within the Department of Commerce and the Department of Agriculture for Foreign Service officers selected to specialize in commercial or agricultural work and contemplates the fullest utilization of the experience gained abroad by Foreign Service officers in the work of the Departments of Commerce and Agriculture in this country. There will be stationed in the Department of State a liaison officer of the Department of Commerce and of the Department of Agriculture to make effective the proposed cooperation.

The plan specifically leaves undisturbed the relationships of the Department of Commerce and of the Department of Agriculture with the commercial and agricultural communities. What it does do is to consolidate the foreign services into one Foreign Service in the Department of State, where it ought to be, with the resulting advantages of economy, efficiency, better functional grouping, elimination of overlapping and duplication of effort, and greater service to our commercial and agricultural interests.

There is also transferred to the Department of State the Foreign Service Buildings Commission and its functions. This Commission is advisory to the administrative work of the Department of State and should no longer have the status of an independent establishment.

The Bureau of Lighthouses now in the Department of Commerce is transferred to the Treasury Department and consolidated with the Coast Guard in that Department. The advantages of this consolidation are obvious and fall clearly within the provision of the act requiring me to consolidate agencies according to major purposes. This will save money on equipment and administration and will permit the better use of personnel.

The plan also includes the abolition of the office of the Director General of Railroads and of the War Finance Corporation and the transfer of their functions to the Secretary of the Treasury, to be wound up by him as rapidly as may be. In the case of the War Finance Corporation, it is directed that the final dissolution shall be accomplished not later than December 31, 1939.

I further propose to transfer to the Department of Justice the Federal Prison Industries, Inc., and the National Training School for Boys, and at the same time to abolish the Board of Trustees of the National Training School for Boys. Responsibility for the Federal penal and correctional institutions is in the Department of Justice, and these two independent establishments should be consolidated therein. None of the other Federal penal or correctional institutions has a board of trustees, and there is no need of further continuing the Board of the National Training School.

The plan also provides for the abolition of the Codification Board established for the purpose of codifying existing administrative law and the transfer of its functions to the Division of the Federal Register in the National Archives. The work of this Board has now progressed to the point where a separate board is no longer necessary and the future work of keeping the codification up to date can more efficiently and economically be carried on by the editorial staff of the Federal Register.

I find it necessary and desirable in order to accomplish the purposes of the Reorganization Act to abolish the National Bituminous Coal Commission and to transfer its functions to the Secretary of the Interior. Thus the task of conserving the bituminous-coal resources of the country may be carried on directly by the head of the department principally responsible for the conservation of fuel and other mineral supplies. The Congress placed this Commission in the Department of the Interior, but experience has shown that direct administration will be cheaper, better, and more effective than through the cumbersome medium of an unnecessary commission.

The transfer to the Department of the Interior of the Bureau of Insular Affairs in the War Department and its consolidation with the Division of Territories and Island Possessions in Interior is a functional transfer of obvious desirability. Under the provisions of existing law, however, I shall direct, where necessary, that certain correspondence from the Governor General of the Philippines shall be transmitted to the President through the Department of State.

The plan provides for the transfer to the Department of the Interior of the Bureau of Fisheries from the Department of Commerce and of the Bureau of Biological Survey from the Department of Agriculture. These two bureaus have to do with conservation and utilization of the wildlife resources of the country, terrestrial and aquatic. Therefore, they should be grouped under the same departmental administration, and in that Department which, more than any other, is directly responsible for the administration and conservation of the public domain. However, I intend to direct that the facilities of the Department of Agriculture shall continue to be used for research studies which have to do with the protection of domestic animals from diseases of wildlife, and also where most economical for the protection to farmers and stockmen against predatory animals.

The plan also provides for the transfer of the Mount Rushmore National Memorial Commission to the National Park Service in the Department of the Interior in order that this great memorial may be administered as a part of the similar work of the Park Service.

Included in the plan is a provision to transfer to the Department of Agriculture the Rural Electrification Administration, now operated as an independent establishment. The

work of this Administration in its educational as well as its lending functions is clearly a part of the rural life activities of the country and should, therefore, be administered in coordination with the other agricultural activities of the Government.

The Inland Waterways Corporation is transferred to the Department of Commerce from the War Department. This Corporation, which operates inland waterways transportation facilities, should be coordinated with the administration of other aids to commerce and industry.

I propose to transfer to the Federal Security Agency, for administration in the Office of Education, the film and radio functions of the National Emergency Council. These are clearly a part of the educational activities of the Government and should be consolidated with similar activities already carried on in the Office of Education. Similarly, Government participation in the work of the American Printing House for the Blind, except fiscal functions relating to trust funds, is transferred from the Secretary of the Treasury to the Federal Security Agency, in order that this work may be coordinated with the other work for the blind now being carried on in the Social Security Board.

The plan provides for the abolition of the National Emergency Council and the transfer to the Executive Office of the President of all its functions with the exception of the film and radio activities which go to the Office of Education. Subject to appropriations by the Congress these activities transferred to the White House would be administered in the manner best designed to give the President the information he requires from all parts of the country.

The National Emergency Council was established by Executive order in 1933 and is composed of the President, the Vice President, the members of the Cabinet, and the heads of some 23 independent establishments. Its usefulness as an actual council, which met weekly under my chairmanship, was very great in the period of the emergency which then confronted the country, but, as time has gone on, it no longer operates as a council but does continue to carry on important activities which are indispensable to the President of the United States, as well as to other branches of the Government, and the public. It maintains an information service and a press intelligence service, it publishes the United States Government Manual, and it carries on through State and central staffs an important work of coordinating and reporting.

The information service makes available general information concerning all phases of governmental activity and is provided for all who submit questions or inquiries by mail, by telephone, or by personal call. In one sense it may be called a post-office address—"Uncle Sam, Post Office Box No. 1, Washington, D. C."—to which persons who want information about the Government but do not know the exact division or agency of the Government to which to apply, may write with confidence that their questions will be answered or else sent on to the proper agency for direct reply.

The press intelligence service carried on in the council is not a service for giving intelligence to the press, but rather for making available to responsible persons in the Government, both in the executive and in the legislative branches, a clipping service, which shows what the press of the country has printed. The partial consolidation of clipping services in this unit—a consolidation which should go further—already has resulted in economy and convenience. A clipping service of this kind, on a smaller scale, was maintained for many years in the White House but it was not then available to other branches of the Government. Its return to the White House with the additional feature of availability to all the rest of the Government will promote efficiency without violating tradition.

The publication of the United States Government Manual makes available to every citizen a simplified textbook of information as to the organization and availability of the Federal agencies. Published in loose-leaf form, it is sold by the Superintendent of Documents of the Government Printing Office.

The coordinating and reporting functions of the council have to do with the presentation to the President of factual information, independently gathered, as to the progress and effect of our governmental activities. Through its State offices the council has been able to facilitate the various Federal programs particularly with respect to State and local governments.

The plan also includes certain general provisions in order to accomplish fully the purposes of the act. In addition to the transfer of bureaus and other units, it is necessary also to transfer certain functions of heads of departments; to transfer records, property, and personnel; to transfer funds; and to provide that the power of appointment occasionally, and sometimes apparently quite accidentally, vested in a subordinate official of a department, shall be vested in the head of the department. It is impossible to exercise the proper direction and supervision over subordinate units unless the definite power of appointment, fixing of compensation, transfer, and promotion or dismissal of personnel is vested in the principal responsible head. In no other way can the purpose of consolidating similar functions under a single head as required by the act be accomplished in practice.

It is one of the five purposes of the Reorganization Act "to reduce expenditures to the fullest extent consistent with the efficient operation of the Government." This is an important purpose in each phase of the plan here presented. The Reorganization Act prohibits abolishing functions—in other words, basic services or activities performed. Therefore, the reduction in expenditures must necessarily be brought about chiefly in the overhead administrative expenses of the agencies affected. In a great many cases the economies to be effected by reorganization plan No. II will be the result of improved efficiency which will, as the plan works out, require fewer persons to perform the work or will require the employment of less temporary assistance.

In the case of the consolidation of the foreign services it is estimated that the administration by a single administrative unit in the Department of State will achieve a saving of $20,000 a year and that consolidation of the three field forces will make it possible to drop alien employees and, by a more effective use of personnel, to save an additional $100,000 a year when the readjustments have been made.

The total administrative expense of all of the agencies affected by this plan is about $25,000,000 per annum.

The reduction of such expenditures, which it is probable will be brought about by the taking effect of the reorganizations specified in the plan, is estimated at $1,250,000 per annum. Certain of these economies can be brought about at once. Others will require a gradual readjustment in machinery and business practices of the agencies affected.

May I repeat what I said in my message transmitting reorganization plan No. I, that in this as in future reorganization plans not every person will agree on each and every detail. Out of the many groupings and regroupings proposed, a few of the individual agencies conceivably could be placed elsewhere, but I have been seeking to consider the functional purpose of each agency as required by the Reorganization Act itself and have made this plan with the sole purpose of improving the service rendered by the Government to its citizens in accordance with the purposes set out in the act.

In view of the fact that it is now May 9, and that any reorganization plan must lie before the Congress for 60 calendar days, and because the reorganizations of an intradepartmental character require a great deal of research and careful painstaking detailed work, I do not propose to send any further general reorganization plans to the Congress at this session.

However, there are certain transfers, abolitions, and consolidations of committees, commissions, and boards which I propose to do by means of Executive and military orders under existing law as complementary to reorganization plan No. II when it becomes effective.

Then, also, by mere administrative procedure, some small agencies which have been listed in various publications as independent establishments, but whose independence has no basis in law or in formal Executive or military orders, may

be reassigned to an appropriate placement by administrative procedure on the part of their respective heads.

Not all of the interdepartmental transfers and consolidations that are necessary and desirable have been accomplished in this reorganization plan No. II. I am directing the Bureau of the Budget to study these problems in order that they may be included in plans to be transmitted to the Congress at its next session.

For example, in order to save money and to do the work more efficiently, there are some units which should be divided so that a part of the work may be done by one agency and a part by another. Take, for example, the business of mapping. It is obviously important that the work of making surveys and accumulating data for maps should be done in the various agencies which are concerned primarily with the purpose for which the map is being drawn. On the other hand, the business of manufacturing maps might very well be consolidated in order to save money and to manufacture better maps.

I have considered the desirability of transferring the jurisdiction over deportable aliens from the Immigration and Naturalization Service in the Department of Labor to the Department of Justice, but I find that this matter will require further study, or perhaps legislation, and therefore it is not included in this plan.

I have also considered the problem of certain public lands insofar as they present overlapping jurisdiction between the Departments of the Interior and Agriculture.

Insofar as crops, including tree crops, are involved, there is something to be said for their retention in the Department of Agriculture. But where lands are to be kept for the primary purpose of recreation and permanent public use and conservation they fall more logically into the Department of the Interior.

I hope to offer a reorganization plan on this early in the next session.

There are other types of work carried on in the Federal Government where it may prove necessary and desirable to divide the functions now being carried on by a particular unit so as the better to serve the basic purpose for which the work was undertaken. Such problems I shall continue to study with the view of sending other reorganization plans involving both interdepartmental and intradepartmental reorganizations to the Congress at its next session.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 9, 1939.*

Reorganization plan No. II, accompanying the President's message, was ordered to be printed in the RECORD, as follows:

REORGANIZATION PLAN NO. II

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 9, 1939, pursuant to the provisions of the Reorganization Act of 1939, approved April 3, 1939)

PART 1. DEPARTMENTS

SECTION 1. State Department: Transfers and consolidations relating to the Department of State and hereby effected, as follows:

(a) Foreign Commerce Service and Foreign Agricultural Service: The Foreign Commerce Service of the United States and its functions in the Bureau of Foreign and Domestic Commerce of the Department of Commerce and the Foreign Agricultural Service of the United States and its functions as established by the act of June 5, 1930 (46 Stat. 497), in the Department of Agriculture are hereby transferred to the Department of State and shall be consolidated with and administered as a part of the Foreign Service of the United States under the direction and supervision of the Secretary of State.

(b) Functions of the Secretary of Commerce and the Secretary of Agriculture transferred to the Secretary of State; exceptions: The functions of the Secretary of Commerce with respect to the Foreign Commerce Service and the functions of the Secretary of Agriculture with respect to the Foreign Agricultural Service (other than functions with respect to such services pertaining to activities in the United States and to the compilation, publication, and dissemination of information) are hereby transferred to, and shall be exercised by, the Secretary of State except and provided that under regulations prescribed by the President—

(1) The Secretary of State shall cause to be made such investigations relating to commercial and industrial conditions and activities in foreign countries and such other specific investigations relating to foreign commerce as the Secretary of Commerce shall determine to be in the public interest and shall report to the Secretary of Commerce the results of and the information secured through such investigations. He shall also cause to be made such investigations relating to world competition and demand for agricultural products to production marketing and disposition of such products in foreign countries and to farm management and other phases of agricultural industry in foreign countries and shall conduct abroad such activities (including the demonstrations of standards of cotton, wheat, and other American agricultural products) as the Secretary of Agriculture shall determine to be in the public interest and shall report to the Secretary of Agriculture the results of and the information secured through such investigations and activities.

(2) The Secretary of Commerce may from time to time when he deems it in the public interest designate any officer in his Department to render temporary service under the provisions of and subject to the conditions named in section 5 of the act of March 3, 1927 (44 Stat. 1396).

(3) The Secretary of Agriculture may from time to time when he deems it in the public interest designate any officer of his Department to render temporary service under the provisions of and subject to the conditions named in section 2 of the act of June 5, 1930 (46 Stat. 498).

(4) The Secretary of Commerce and the Secretary of Agriculture may each designate an officer in his Department acceptable to the Secretary of State to serve in the Department of State as liaison officer in connection with the administration of the Foreign Service of the United States.

(5) One officer in the Department of Commerce designated by the Secretary of Commerce and acceptable to the Secretary of State, and one officer in the Department of Agriculture designated by the Secretary of Agriculture and acceptable to the Secretary of State shall be added to the membership of the Board of Foreign Service Personnel for the Foreign Service.

(c) Status of Foreign Service officers: Foreign Commerce Service officers and Foreign Agricultural Service officers who by reason of transfer to the Foreign Service of the United States and by appointment according to law acquire status of Foreign Service officers therein shall not be included in the total number of officers in such Service for the purpose of determining the percentage limitation established by section 10 of the act of February 23, 1931 (46 Stat. 1207), as amended.

(d) China Trade Act registrar: Such officer of the Foreign Service as the Secretary of State shall make available for that purpose may be authorized by the Secretary of Commerce to perform the duties of China Trade Act registrar provided for in the act of September 19, 1922 (42 Stat. 849), under the direction of the Secretary of Commerce.

(e) Foreign Service Buildings Commission: The Foreign Service Buildings Commission and its functions are hereby transferred to the Department of State. The Commission shall exercise advisory functions, but all other functions (including administrative functions) shall be exercised under the direction and supervision of the Secretary of State by such division, bureau, or office in the Department of State as the Secretary shall determine.

SEC. 2. Treasury Department: Transfers, consolidations, and abolitions relating to the Department of the Treasury are hereby effected as follows:

(a) Bureau of Lighthouses: The Bureau of Lighthouses in the Department of Commerce and its functions are hereby transferred to and shall be consolidated with and administered as a part of the Coast Guard in the Department of the Treasury.

(b) Director General of Railroads: Office abolished and functions transferred: The office of director general of railroads is hereby abolished. The functions and duties of the director general of railroads are hereby transferred to the Secretary of the Treasury to be exercised and performed by him personally or through such officer or officers of the Department of the Treasury as he may authorize. The Secretary of the Treasury is hereby designated as the agent provided for in section 206 of the Transportation Act, 1920 (41 Stat. 461).

(c) War Finance Corporation abolished: All of the functions, property, and obligations of the War Finance Corporation not heretofore transferred by statute to the Secretary of the Treasury are hereby transferred to the Department of the Treasury. The War Finance Corporation is hereby abolished and the Secretary of the Treasury shall complete the winding up of its affairs and shall dispose of its assets in accordance with the act of March 1, 1929 (45 Stat. 1442), not later than December 31, 1939.

SEC. 3. Department of Justice: Transfers, consolidations, and abolitions relating to the Department of Justice are hereby effected as follows:

(a) Federal Prison Industries, Inc.: The Federal Prison Industries, Inc. (together with its board of directors) and its functions, are hereby transferred to the Department of Justice and shall be administered under the general direction and supervision of the Attorney General.

(b) National Training School for Boys: The National Training School for Boys and its functions (including the functions of its board of trustees) are hereby transferred to the Department of Justice and shall be administered by the Director of the Bureau of Prisons, under the direction and supervision of the Attorney General.

(c) Board of Trustees of the National School for Boys abolished: The board of trustees of the National Training School for Boys (including the consulting trustees) is hereby abolished.

SEC. 4. Department of the Interior: Transfers, consolidations, and abolitions relating to the Department of the Interior are hereby effected as follows:

(a) Functions of the National Bituminous Coal Commission transferred: The functions of the National Bituminous Coal Commission (including the functions of the members of the Commission) are hereby transferred to the Secretary of the Interior to be administered under his direction and supervision by such division, bureau, or office in the Department of the Interior as the Secretary shall determine.

(b) National Bituminous Coal Commission abolished: The National Bituminous Coal Commission and the offices of the members thereof are hereby abolished and the outstanding affairs of the Commission shall be wound up by the Secretary of the Interior.

(c) Office of Consumers' Counsel abolished and functions transferred: The office of Consumers' Counsel of the National Bituminous Coal Commission is hereby abolished and its functions are transferred to, and shall be administered in, the office of the Solicitor of the Department of the Interior under the direction and supervision of the Secretary of the Interior.

(d) Bureau of Insular Affairs: The Bureau of Insular Affairs of the War Department and its functions are hereby transferred to the Department of the Interior and shall be consolidated with the Division of Territories and Island Possessions in the Department of the Interior and administered in such Division under the direction and supervision of the Secretary of the Interior. The office of the Chief of the Bureau and offices subordinate thereto provided for in section 14 of the act of June 4, 1920 (41 Stat. 769), are hereby abolished and all of the functions of such offices are transferred to, and shall be exercised by, the Director of the Division of Territories and Island Possessions.

(e) Bureau of Fisheries: The Bureau of Fisheries in the Department of Commerce and its functions are hereby transferred to the Department of the Interior and shall be administered in that Department under the direction and supervision of the Secretary of the Interior. The functions of the Secretary of Commerce relating to the protection of fur seals and other furbearing animals, to the supervision of the Pribilof Islands and the care of the natives thereof, and to the Whaling Treaty Act, are hereby transferred to, and shall be exercised by, the Secretary of the Interior.

(f) Bureau of Biological Survey: The Bureau of Biological Survey in the Department of Agriculture and its functions are hereby transferred to the Department of the Interior and shall be administered in that Department under the direction and supervision of the Secretary of the Interior. The functions of the Secretary of Agriculture relating to the conservation of wildlife, game, and migratory birds are hereby transferred to, and shall be exercised by, the Secretary of the Interior. The provisions of the act of May 18, 1934 (c. 299, 48 Stat. 780), as amended by the act of February 8, 1936 (c. 40, 49 Stat. 1105), insofar as they relate to officers or employees of the Department of Agriculture designated by the Secretary of Agriculture to enforce any act of Congress for the protection, preservation, or restoration of game and other wildlife and animals shall apply to officers and employees of the Department of the Interior designated by the Secretary of the Interior to exercise and discharge such duties.

(g) Officers of Biological Survey may administer oaths: The provisions of the act of January 31, 1925 (c. 124, 43 Stat. 803), shall be applicable to such officers, agents, or employees of the Department of the Interior performing functions of the Bureau of Biological Survey as are designated by the Secretary of the Interior for the purposes named in the act.

(h) Migratory Bird Conservation Commission: The Secretary of the Interior shall be chairman of the Migratory Bird Conservation Commission, and the Secretary of Agriculture shall be a member thereof.

(i) Mount Rushmore National Memorial Commission: The Mount Rushmore National Memorial Commission and its functions are hereby transferred to the National Park Service in the Department of the Interior. The functions vested in the Commission by sections 3 and 4 (a) of the act of June 15, 1938 (c. 402, 52 Stat. 694) shall continue to be exercised by the Commission. All other functions of the Mount Rushmore National Memorial Commission shall be administered by the National Park Service under the direction and supervision of the Secretary of the Interior.

SEC. 5. Department of Agriculture; Rural Electrification Administration transferred: The Rural Electrification Administration and its functions and activities are hereby transferred to the Department of Agriculture and shall be administered in that Department by the Administrator of the Rural Electrification Administration under the general direction and supervision of the Secretary of Agriculture.

SEC. 6. Department of Commerce: Transfer of Inland Waterways Corporation: The Inland Waterways Corporation and all of its functions and obligations are hereby transferred to the Department of Commerce and shall be administered in that Department under the supervision and direction of the Secretary of Commerce. The capital stock of the Corporation shall continue to be held for the United States by the Secretary of the Treasury, but all other functions, rights, privileges, and powers and all duties and liabilities of the Secretary of War relating to the Inland Waterways Corporation are hereby transferred to, and shall be exercised, performed, and discharged by the Secretary of Commerce. The Secretary of Commerce shall be substituted for the Secretary of War as, and shall be deemed to be, the incorporator of the Inland Waterways Corporation.

PART 2. INDEPENDENT AGENCIES

SEC. 201. Federal Security Agency: Transfers and consolidations relating to the Federal Security Agency are hereby effected as follows:

(a) Radio service and United States film service transferred: The functions of the Radio Division and the United States film service of the National Emergency Council are hereby transferred to the Federal Security Agency and shall be administered in the Office of Education under the direction and supervision of the Federal Security Administrator.

(b) American Printing House for the Blind: The functions of the Secretary of the Treasury with respect to the administration of the appropriations for the American Printing House for the Blind (except the function relating to the perpetual trust fund) are hereby transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator. The annual report and vouchers required to be furnished to the Secretary of the Treasury by the trustees of the American Printing House for the Blind shall be furnished to the Federal Security Administrator.

SEC. 202. National Archives: Transfers, consolidations, and abolitions relating to The National Archives are hereby effected as follows:

(a) Functions of Codification Board transferred: The functions of the Codification Board, established by the act of June 19, 1937 (50 Stat. 304), are hereby transferred to The National Archives and shall be consolidated in that agency with the functions of the division of the Federal Register and shall be administered by such division under the direction and supervision of the Archivist.

(b) Codification Board abolished: The Codification Board is hereby abolished and its outstanding affairs shall be wound up by the Archivist through the division of the Federal Register in The National Archives.

PART 3. EXECUTIVE OFFICE OF THE PRESIDENT

SEC. 301. Transfers and abolitions relating to the Executive Office of the President are hereby effected as follows:

(a) Functions of National Emergency Council transferred: All functions of the National Emergency Council, other than those relating to radio service and film service (transferred by sec. 201 (a) of this plan to the Federal Security Agency), are hereby transferred to the Executive Office of the President, and shall be administered under the direction and supervision of the President.

(b) National Emergency Council abolished: The National Emergency Council is hereby abolished and its outstanding affairs shall be wound up under the direction and supervision of the President.

PART 4. GENERAL PROVISIONS

SEC. 401. Transfer of functions of heads of departments: Except as otherwise provided in this plan, the functions of the head of any department relating to the administration of any agency or function transferred from his department by this plan, are hereby transferred to, and shall be exercised by, the head of the department or agency to which such transferred agency or function is transferred by this plan.

SEC. 402. Transfer of records, property, and personnel: All records and property (including office equipment) of the several agencies and all records and property used primarily in the administration of any functions transferred by this plan and, except as otherwise provided, all the personnel used in the administration of such agencies and functions (including officers whose chief duties relate to such administration) are hereby transferred to the respective departments or agencies concerned for use in the administration of the agencies and functions transferred by this plan: *Provided*, That any personnel transferred to any department or agency by this section found by the head of such department or agency to be in excess of the personnel necessary for the administration of the functions transferred to his department or agency shall be retransferred under existing law to other positions in the Government service or separated from the service subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

SEC. 403. Transfer of funds: So much of the unexpended balances of appropriations, allocations, or other funds available for the use of any agency in the exercise of any function transferred by this plan, or for the use of the head of any department or agency in the exercise of any function so transferred, as the Director of the Bureau of the Budget with the approval of the President shall determine, shall be transferred to the department or agency concerned for use in connection with the exercise of the function so transferred. In determining the amount to be transferred, the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

SEC. 404. Transfer of functions relating to personnel: Except as prohibited by section 3 (b) of the Reorganization Act of 1939, all functions relating to the appointment, fixing of compensation, transfer, promotion, demotion, suspension, or dismissal of persons to or from offices and positions in any department vested by law in any officer of such department other than the head thereof are hereby transferred to the head of such department and shall be administered under his direction and supervision by such division, bureau, office, or persons as he shall determine.

The PRESIDENT pro tempore. The Chair also lays before the Senate, in connection with the message, reorganization plan No. II, prepared by the President, which will be published in the RECORD immediately following the message. The message and the accompanying plan will be referred to the Select Committee on Government Organization.

Mr. BYRNES. Mr. President, I ask that the message, with the accompanying plan, be printed as a public document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes.

Mr. LEE. Mr. President, I rise in support of the amendment offered by the Senator from Arkansas [Mr. MILLER]. I wish to congratulate the committee which reported the agricultural appropriation bill.

Put the people on the pavement and they starve to death. Put them on soil and they live. Oklahoma has oil volcanos which can darken the sky with liquid wealth, but the greatest value in Oklahoma is found in the first 6 inches of the soil. That wealth is washing away and blowing away. Thirteen million acres in Oklahoma are subject to soil erosion.

Oklahoma is one of the newest States in the Union. It is represented by the forty-sixth star in the flag; and yet our soil is badly eroded, much more so than is the soil in the Eastern States, where the rainfall is more gentle and erosion is not so noticeable. When it rains in Oklahoma—which is not often enough—it rains "gully washers" and "clod busters." The rain takes the soil with it. And when the wind blows, it blows. Our people are rather a sturdy race. They offset the wind when they can. We have wind indicators out in the panhandle in Oklahoma. On the gable end of a house will be seen a pole sticking out horizontally. On the end of the pole is fastened one end of a long chain. Whenever the wind blows so hard that the log chain stands out straight, it is too windy to work, but if it sags a little the farmers go right on pitching hay. Our people are sturdy, but in spite of that fact the fertility of the soil is getting away from us.

Soil conservation, flood control, and agricultural relief are all part of a great program to reestablish the foundation of prosperity and wealth. When prosperity comes back to America in full measure it will come from the forks of the creek and from the grass roots—in other words, from the farms.

Our farmers feed the country. At one time John Simpson of our State painted a word picture of the farmer feeding the rest of mankind. He has a long table. Down that table sit the lawyer, the banker, the doctor, the merchant, and all the other people dining at the table of the farmer. He is the host; and yet he himself has not enough to live on. In the hearings which some Senators conducted over the Nation 2 years ago a farmer down in Texas came before the committee. He was dressed in rags. According to his testimony he had produced enough cotton to make a wide cotton belt which would girdle the globe; but he did not have enough clothes to hide his body. This condition is true of the agricultural group, which represents almost a third of the population of the Nation. Thirty million people are represented by the agricultural group. There are 6,000,000 farm families, with 5 to a family. We cannot hope to have prosperity until this third of the population has a purchasing power commensurate with the American standard of living.

The pending measure is said to be the largest appropriation bill ever brought out of a committee for agricultural purposes. I know there is opposition to it. Those who are not represented in the farm group say, "Why should we pay taxes to support the other fellow?" My answer is, "To keep his fall from pulling us down." We cannot build a great nation upon a shifting population any more than we can erect a great building upon shifting sands.

My State of Oklahoma is young, and yet, from the scars on the face of the earth there, it is old, because, as I have said of the heavy rainfall that comes in torrents when it comes and because of the light sandy topsoil erosion takes place rapidly. There in a new territory opened by a rush of settlers 50 years ago last month, there are farms that used to be fertile which today are eroded. It would take 3 acres to raise a crop that should be produced on 1 acre. Some of the acres will not even raise a crop at all. They are "hogbacks." Some of them are so poor they "would not raise an umbrella," it has been said; and down in southeastern Oklahoma occasionally the boll weevil appears and eats up everything but the mortgage.

Sixty-two and two-tenths percent of the farms that were given to the farmers of Oklahoma 50 years ago no longer belong to them. There are four reasons why the possession of the farm has passed from the farmer. One is taxes on the homestead. Several States are passing homestead tax-exemption laws. Oklahoma has enacted such a law for the homestead up to $1,000. That is a good thing. We should put a premium and not a penalty on home ownership.

Another reason why the farmers have lost the ownership of their farms is high interest rates they had to pay on the mortgages they placed on their farms in order to improve them. This administration has beaten down interest rates and thus has afforded help in that direction.

A third reason why the farmers have lost their farms is the lower yield resulting from the loss of soil fertility. There again the present administration is fighting back with a comprehensive program that will preserve the fertility of the soil.

The fourth reason—and perhaps the most important one—is low farm prices. The farmers are losing their farms because they cannot get a fair price for what they produce. A few years ago a farmer friend of mine told me of his experience. He went to town one day with a load of oats and took along a calf that was ready for market and that he did not need. He sold the calf at the stockyards, and by the time there had been deducted yardage, the commission, the hay, and certain other service charges, which are always the same regardless of the price of livestock, he had 54 cents left from the sale price of that calf. It was lunch time; he went to the lunch counter and saw on the menu "calf liver, 50 cents." So he spent 50 cents, and after he had eaten his lunch he had 4 cents left. He then sold his oats. Oats at that time were 7 cents a bushel. That night, before he got home, he stopped to eat supper, and his supper cost 70 cents. So he ate a calf and 10 bushels of oats. That is translating the farmer's product in terms of dollars; as he must translate it in terms of dollars before he can spend it.

When this Nation was young it was argued that in order to be a great country we must have great industries, that in order to have great industries we must protect them from competition with the Old World, and in order to protect them from competition of the industries of the Old World we must erect tariff walls. It was understood that the tariff walls would remain until our industrial institutions could be established and then those tariff walls would be lowered, but the opposite happened. The stronger the industrial group became because of the tariff the higher rose the tariff wall; the higher the tariff went the stronger the industrial group grew because of the tariff. So there developed a never-ending circle. The result was the more the farmer produced the cheaper his product got. There was an ever-widening gulf between what the farmer bought and what the farmer sold; what he sold brought less and what he bought brought increasingly more. No matter how much he increased his production, no matter how fast his herds increased, there was an ever-widening gulf between what he sold and what he bought, and it took more and more of what he sold to buy the necessaries of life.

Today when we buy an article that is protected by the tariff we pay an indirect subsidy to the manufacturer. No one says anything about it; no one objects. We do not see headlines in the newspapers criticizing a system under which the consumer pays a subsidy, a bounty, to a special class, the manufacturing class; but that is the system today. Every time one buys a commodity that is protected by the

tariff he pays a tax, and that tax is a special bounty to the manufacturer, just the same as if it were collected by the Internal Revenue Department and appropriated by the Congress of the United States. It is a tax and an expenditure just the same. It is hidden a little more; it is not quite so obvious; but it is a tariff for the benefit of a special class and at the expense of the farmer, who must sell in an unprotected market and take the dollar he gets in an unprotected market and purchase commodities in a protected market. That is an unfair discrimination. But when we propose to do something for the farmer, there are those who say "No, no; let the law of supply and demand operate."

I am willing that the law of supply and demand should operate if we allow it to operate with equal force upon the manufacturer as upon the farmers. However, we have artificially protected the manufacturer by an artificial regulation of the law of supply and demand so far as the manufacturer is concerned; but we are told to let it operate naturally so far as the farmer is concerned. Therefore, we should either repeal all artificial regulations of the law of supply and demand as affecting industry, or else we should set up an offsetting artificial regulation of the law of supply and demand with respect to agriculture.

Now we have before us, according to the newspapers, the largest appropriation for a cash payment to the farmers that has yet been proposed in an agricultural bill. We also have voted some of the largest appropriations in history for battleships, some of the largest appropriations for the Army and air defense, all of which are proper and appropriate, but we should also look to the inside of this Nation. What good would it do us to protect ourselves from outside aggression, from outside danger, and in the meantime allow ourselves to be undermined from within by a system under which one-third of our people have less than enough to live on?

This proposed appropriation will not pay full parity to the farmer. Parity means that his bushel of wheat or his bale of cotton should buy as much as it did in better years, in the base period 1909–14, when he was in a better position than he is today. But we have not as yet had sufficient courage or enough money to appropriate an adequate sum to pay the farmer full parity for what he produces or what we consume of his commodities in this country. He is suffering, therefore, from an unfair discrimination that exists by virtue of law.

I know there are those who say, "We must stop spending." I subscribe to that view. I should like to stop spending if we could; but sometimes that appears to be false economy. It certainly would be false economy to stop spending at the farmers' expense, to begin our economy with agriculture. The farmer is the great market we of the United States look to. The farmer is the purchaser, and today business would surge forward if the farmer could get parity for his crops.

The farmer's condition is bad. I doubt if we all realize the situation he is in. The trouble is, we ride around in Pullman cars until we get fatty degeneration of the point of view and we forget how the farmer lives.

Many of the Senators here have farms, but sometimes they get so far from them that it is necessary to strain their memories to remember the lean days. Not many farmers have modern plumbing in their homes. Not many farmers have a modern bath tub. They have to take a bath in an old tin tub. They put it on the stove on Saturday night. One side of it gets hot and the other side is cold. I remember that if I leaned against one side of the tub it would blister me and if I leaned over on the other side it would chill me. That is the best equipment that most of the farmers can have today so far as modern plumbing is concerned.

We have air-conditioned offices and an air-conditioned Senate Chamber, but I never heard of even one farmer who had an air-conditioned home. Every now and then somebody throws it up to me, "Well, I know a farmer who is making it all right." Well, I know just one, and he is the tightest tightwad that ever tightened a wad. He is so stingy that he works his crossword puzzles up and down so that he will not have to come across. [Laughter.]

One time I was working for him. It was one of those hot days when the "lazy lawrence" was dancing on the horizon. It was so hot that every time I would lift a wheat bundle on the end of a fork it seemed that I could see ink spots all around. This farmer came out to see how the hired hands were getting along. We had a jug of water and a jug of oil under the same shock of wheat. The farmer got thirsty while he was out there and he reached down under the shock of wheat to get the jug of water to get a drink; but he would not take his eye off the hired hands out there for fear they would miss a lick, I guess. He fumbled around under the shock of wheat, and he got hold of the wrong jug. He got the jug of old black oil. Still watching the hired hands, he brought up his arm, pulled the cob out, and turned up the jug—glug-glug—and got his mouth full of the old black oil; but he would not spit it out—not this fellow—no, sir. He just waited until the binder came around again, and he hailed it and got down under it and oiled the whole machine. [Laughter.]

It is possible that if a farmer was that tight, he might be able to hold on to something; but not many of them have been able to do it, because as a rule the farmer is generous—he is a good spender. This money that we are appropriating to go to him will soon be back in the hands of the merchant, the manufacturer, and the laborer. The farmer will set this money into circulation. When we pass this bill and it becomes law and this money is sent out, do you think it will make that much less money in the United States? Will it make that much less money in the United States because we take some of this money from those most able to pay, and try to bring the farmer's income up to parity, putting it in the hands of those in most need? Certainly not. It will have an equalizing effect.

There is enough wealth in the United States today for every person, every man, woman, and child to have enough to buy the necessaries of life, but is is not properly distributed.

A program like this has a leveling effect. There are five spokes to the wheel of profits. First there is the producer of the raw product, the farmer. Next there is labor. Then there is capital. Then there is management. Finally, there is the consumer. There are enough profits, if properly distributed among these five spokes of the wheel of profits, for all to share; but where have the profits gone in the past?

Have the profits gone to the farmer who produces the raw product? Certainly not, because the farmer is bankrupt today.

Have the profits gone to the laborer who toils? Certainly not; because the laborer does not have a week's rations ahead today.

Have the profits gone to capital? Yes; too much of the profits have gone to capital. The high interest rates have placed a greater premium upon capital than upon human energy.

Start $10,000 out, and start a young man out. Let the $10,000 gather interest at the rates that prevailed before this administration. Compound that interest. Let the laborer work as a day laborer over a period of 30 years, and come back, and what do you find? You find that the $10,000 has grown into a fortune. You find the laborer with barely enough to cover his body, and barely enough food to carry him from one day to the next.

We have put too much emphasis on the value of money. Yes; too much of the profits has gone to capital.

What about management? That is where some more of the profits have gone. I believe that a good executive ought to receive a good salary, but certainly not the ridiculously high salaries that have been paid to the directors of corporations, to the managers, to the presidents; high salaries like that which was paid to Mr. Grace, president of the Bethlehem Steel Corporation, running up into the hundreds of thousands of dollars, and then a bonus of a million dollars. There were nine vice presidents, and the lowest paid one received $54,000 salary, each one receiving also a tremendous bonus, thereby hiding the profits of industry

under the cloak of salaries, at the expense of the stockholders themselves, and certainly at the expense of the farmer who produces the raw products and the laborer whose toil fashions the products into useful commodities.

Finally, there is the consumer. Has the consumer benefited by the low prices of farm commodities? Certainly not. The consumer has always paid all that the traffic would bear.

If this were not a situation that is the result of law, I would be wasting my breath. Only yesterday I heard a Member of this body say, "You cannot legislate prosperity into a country." I disagree with that statement. You can legislate conditions and prosperity will result; but prosperity cannot result when one class, by virtue of legislation, is given year after year a subsidy which amounts to $450,000,000 in the form of tariff that goes directly to the manufacturing class, the same as if it were levied as a tax and paid out as a bounty year after year.

The only objection I have to this bill today is that it will be necessary to do it all over again every year. Any farm plan which depends upon appropriations and taxes will collapse when any Congress fails to pass the proper appropriations. The farmer ought to have a program that will operate mechanically, that will operate automatically, just as the program of the tariff operates automatically for the benefit of the manufacturer. Every year we come in here and ask for appropriations for the farmer. Sometimes he gets more than other times; but never has the farmer received enough to bring his income up to parity. But once we have a Congress that fails to pass the appropriation the whole plan collapses. But what about the manufacturer's plan? Does it collapse? Certainly not. It goes on operating automatically. It is invisible to the naked eye, so to speak. It is an automatic plan; a sort of a self-financing one that carries itself.

That is what I should like to see us enact here for the benefit of the farmer—a plan that would work until it was repealed. Then it would take an overt act on the part of Congress to repeal it. It would take an affirmative act on the part of Congress to keep it from working, whereas this plan of "appropriate and tax" takes an overt, affirmative act on the part of Congress every year to make it work.

We could pass legislation at this session of Congress which would do the same thing for the farmer that the tariff does for the manufacturer—in other words, give the farmer a farm tariff.

I never have subscribed to the program of crop control. I never have believed in saying to a man, "You cannot produce all you want to produce." Of course, the reason for crop control was that we wanted to try to give the farmer parity payments on all he produces on a certain number of acres if he complies with the control program. Naturally we could not give him parity payments on all he would produce unless we limited the amount. That, of course, is the purpose of such a program. But that was not a logical program, because it anticipated what we used in this country, in addition to some that we would export.

On the other hand, if we guarantee to the farmer a fair price on what he produces which we consume in this country, then we can release him from control above that amount. Put him on notice that all he produces above that he will sell in the world market at the world market price. That is logical. Every one else in the United States is on an American standard of living, which is a higher standard of living than that of the rest of the world—everyone else, I say, is on an American standard of living except the farmer. The farmer alone is in competition with the pauper labor of the world. When the farmer produces a bushel of wheat or a pound of cotton he is producing it in competition with the coolies, in competition with the peon. He is in competition with the lowest paid labor in the world. Everyone else is on a higher standard of living in the United States. We call it the American standard of living. Why should we not at this session of Congress guarantee the American farmer the American market at an American price? That is logical, that is sane and sensible. Then release him from control above that amount.

Thomas Jefferson once said, "It is not by concentration of power that good government is attained, but by distribution of power. If we are told from Washington when to sow and when to reap, we shall soon want bread." It seems that Jefferson foresaw the present situation when he made that statement.

Release the farmer from control. He is no fool. It is his back that aches when he picks cotton. It is his head that swims when he pitches wheat. He is not going to produce a great surplus to sell below the cost of production if he receives enough to live on from his domestic allotment. Guarantee him the American price for what we consume in this country, and I believe he will voluntarily regulate his own production above that amount.

Today when you eat bread, remember that the wheat which makes up that bread was produced by the farmers and sold at a cost lower than the cost of producing it. I know my colleagues are willing to pay the farmer a fair price. The shirt you have on is made out of cotton that was sold by a farmer who did not get the cost of production for that cotton.

For some years Colonel Westbrook was with the Works Progress Administration. It was his business to figure out the man-hour labor in connection with different commodities, and according to his figures it takes one man-hour of labor to produce one pound of lint cotton. According to that, if we are to follow the spirit and letter of the wage-hour law, we should pass a law guaranteeing the farmer 25 cents for every pound of lint cotton we consume in this country, and then allow him to produce above that all he wants to produce and let him sell it if he wants to or keep it if he wants to, guaranteeing him at least a minimum wage for his labor.

Instead of that, however, we continue to appropriate and hand out to the farmer a partial parity payment each year, then let him lose his farm, and let him move to town and get on the W. P. A. Then we come in and vote appropriations for the W. P. A. to support him in town. I have supported the appropriations and I shall continue to support them, because it is a situation which already exists. But our passing appropriation bills like the one before us is like treating smallpox by putting poultices on the pimple. We are not getting at the source of the thing. If we are to get at the source of it we must pass a domestic allotment bill which will allot to each farmer his share of the domestic market, then guarantee him by law a fair price on that, just as we guarantee the manufacturer protection by the tariff law. Let us give the farmer a tariff.

There are several plans which have been offered for the relief of agriculture. Any one of them would be an improvement over the present one. Each one of these is self-financing.

Take the domestic allotment plan, for example. If a farmer had an allotment of five bales of cotton as his part of the domestic market, the Secretary of Agriculture would issue him five bale tags. It would not be necessary to issue the bale tags to the man himself, but simply announce to him that he would have five bales of cotton on which he would receive the domestic price, and send his bale certificates to a pool, then send him the money for the difference between the domestic price and the world price, without the process of taxation and appropriation through which we are going in connection with the bill before us. Then let the law require that each processor of cotton must purchase one of these bale tags before he could process a bale of cotton for domestic use. The processor then would pay the money into the pool, and the Secretary of Agriculture would pay the money out of the pool to the cotton farmer. Then we would have a self-financing plan which would be comparable to the plan which now is so beneficial to the manufacturing group. It would then be unnecessary for us to appropriate and spend every year for the benefit of the farmer.

Today if the farmers had the American price for the part of their commodity consumed in this country, in my opinion, we could fold up most of the W. P. A. and relief programs

in the agricultural areas of this country. Every farmer needs something. He needs clothes for his family, he needs clothes for himself, he would like some of the delicacies which the food markets offer for sale. Every farm needs barbed-wire fencing, every farm needs metal roofing, every farm needs lumber, harness, machinery, paint; and all of these would be purchased if the farmer had the purchasing power.

I am supporting the pending proposal, and I shall support the highest figure on every amendment that is offered in an effort to equalize the opportunities in this country in order to put the farmer upon economic stilts, to make him economically as tall as the manufacturer.

Mr. President, I desire to say to the Senators on this side of the Chamber that no administration was ever returned to office on 6-cent cotton and 50-cent wheat, and very few Senators were ever returned to office with those prices existing, particularly if they subscribed to the program which resulted in those prices.

Mr. President, Congress can do something about the matter. There are some who would like to have Congress adjourn. I would not mind having Congress adjourn, from one standpoint, but from another standpoint I think we should undertake the enactment of a farm bill which would do something for the farmer. We have a Democratic House of Representatives, we have a Democratic Senate, and we have a Democratic President. We pledged relief to the farmer, and what have we done? We have placed him under a system of compulsory acreage control and every year we vote him partial parity payments like a dole. We vote it out and hand it to him. We have not given him a self-operating and self-financing program, a program which will last and will not fall of its own weight unless it is continually reenacted year after year.

Unless we do something for the man who tills the soil, he soon will lose ownership of the soil. Many of the farmers have already lost their farms. Farm tenancy in the United States today has reached the staggering figure of 42 percent.

Mr. LUCAS. Mr. President——

The PRESIDING OFFICER (Mr. BROWN in the chair). Does the Senator from Oklahoma yield to the Senator from Illinois?

Mr. LEE. I yield.

Mr. LUCAS. Did I understand the Senator from Oklahoma to say that through these appropriations we are putting the American farmer on a dole?

Mr. LEE. I say yes; we are putting the farmer on a dole when we give him a program under which it is necessary to appropriate every year, and make him cut his acreage in order to get the money. I do not say it is a dole in the sense that the farmer is receiving charity, but the method of handing it out smacks very much of a dole.

Mr. LUCAS. I want to say to the Senator from Oklahoma, in reply to his answer, that in my humble opinion the American farmer, who at this particular time is cooperating in the program, will fiercely resent the statement made by the Senator from Oklahoma.

Mr. LEE. I should like the Senator from Illinois in his own time to explain what else it is when you raise the money by means of a tax and hand it to him in the form of a check and require him to cut his acreage in order to receive it. I am for the appropriation, and rejoice that we have this opportunity to appropriate this for the benefit of the farmer. But how much better it would be if we just guaranteed the farmer a fair price for the domestically consumed portion of his crops. That would leave him a feeling of independence.

Mr. LUCAS. Mr. President, will the Senator yield for a further question?

Mr. LEE. I yield.

Mr. LUCAS. Does the Senator know how much we pay in benefit payments to the American farmer as compared to the total amount in billions of dollars that the American farmer produces every year?

Mr. LEE. I do not understand the Senator's question.

Mr. LUCAS. Does the Senator from Oklahoma know how much this Government pays to the farmer in benefit payments and subsidies as compared with the total amount that the farmer raises in billions of dollars through the sweat of his brow and his own toil?

Mr. LEE. I have it in mind in round figures. If the Senator has it on the tip of his tongue, I should be glad to have it from him.

Mr. LUCAS. Does the Senator know that it is about 5 percent, and that 5 percent which he is talking about is what he says is putting the farmer on the dole, if I understand his argument correctly?

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. JOHNSON of Colorado. I understand that the income of the farmers is somewhere between seven and eight billion dollars annually. Is that correct?

Mr. LEE. That is correct.

Mr. JOHNSON of Colorado. I ask the Senator from Illinois: Is the total income of the farmer seven or eight billion dollars annually?

Mr. LUCAS. Will the Senator from Oklahoma yield to me to answer that question?

Mr. LEE. I yield.

Mr. LUCAS. The total income of the farmers in this country under the Roosevelt administration has increased a hundredfold over what it was in 1932, and last year it was slightly under the year before, but it was close to $8,000,000,000. What we are appropriating under the pending bill is from 5 to 7 percent of the total amount that the farmer produces in this country through his own sweat and his own toil. If the Senator from Oklahoma can find any reason under those figures for saying to the country that through the appropriation in the pending bill we are putting the farmer on the dole it is more than I can comprehend and understand, and I do not think it will be so regarded by the farmers in this country who are cooperating in this program. Some of the best citizens in my community—yea, the best citizens in American life today on the farm—are cooperating in this program, thereby attempting to get just a small sum by way of an adjustment to give them some purchasing power in line with all other industry in this country.

I admit the program is not perfect. Of course, no program is perfect. The program which the Senator from Oklahoma is talking about now, the domestic-allotment plan, has been considered many, many times in the past, and no Congress has yet ever seen fit to adopt it. The Senator's program may work. I hope the Senator from Oklahoma is correct in his statement, but I think he is on the wrong track in connection with that particular type of farm program; and some of the best leaders of agricultural thought in all America think the same as the senior Senator from Illinois with respect to that proposition.

Mr. JOHNSON of Colorado. Mr. President, the total income of the farmers last year, as the Senator from Illinois has stated, was something less than $8,000,000,000. About $1,000,000,000 of that amount came out of the Federal Treasury. I do not see how the Senator figures that the pending appropriation bill which we are considering at the present time, carrying approximately one and a quarter billion dollars, or a little more, is only 5 percent of $8,000,000,000. I do not understand the mathematical calculations of the Senator from Illinois.

Mr. President, I wish to say further that last year the farmers of this country produced a splendid crop, much better than the average—in fact, it was an excellent crop. It was not a record breaker, but it was a very excellent crop, well balanced. It did not consist of a large crop raised here and a small crop raised some other place, but was a well-balanced crop. In addition to the farmers raising that crop, we had to reach into the Federal Treasury and pay them a dole. I wish to use the words of the Senator from Oklahoma because they are correct. It is a dole. We reached into the Treasury and got out more than a billion dollars to pay the farmers a dole on top of that fine crop they raised. If that does not indicate that there is something wrong with this

program, then I do not know what evidence is required to prove that there is something wrong.

I thank the Senator from Oklahoma for yielding.

Mr. LEE. I thank the Senator from Colorado. I was going to call the attention of the Senator from Illinois to his figures. I am sorry he has temporarily left the Senate Chamber. But his mathematics or mine, one or the other, are very much in error. If the pending bill, calling for over a billion dollars, should be passed, and the American farmers' total income is six or seven billion dollars, it seems to me the amount carried in the bill would be far in excess of the 5 percent referred to by the Senator from Illinois.

The Senator from Illinois also referred to the fact that the farmers cooperated.

Of course they cooperated because they had no alternative. It was "take this or else." And the law said "If you do not cooperate you do not get the loan and you do not get the parity payments." So, of course, they accepted it. I urged them to, because it was all that was offered, and I voted for the program because there was more good in it than bad.

But that did not still my tongue from calling attention to the fact that it was not a solution to the farm problem, and I shall never still my tongue as long as we have a program which does not give the farmer an even break with the manufacturer.

For years the United States Congress has smiled on the factory and frowned on the farmers, and so I say the present farm program is too much on the plan of a dole. How much more dignified it would be for the Congress to guarantee the American farmer the American market at an American price fixed by law.

Certainly the present administration has been kinder to the farmer than any administration that I can remember. This administration has opened up the Treasury, and for the first time that I can remember the farmer received a Treasury check, and it saved him from bankruptcy. I am not complaining about that. I am not blind to that. It has launched a great soil-conservation program. I am not blind to that. I am supporting the pending amendment. I am for it. But I say, with respect to that part of the program which requires compliance, and which says, "If you do not comply with the program, you will not get the loan, you will not get the parity payment," that, of course, they are cooperating. They have no choice. There is no alternative. They either get the checks or starve to death, so they will cooperate. But they do not like it, and I do not like it. In our State of Oklahoma in some of the counties the farmers voted down the cotton quotas. They have not voted on the wheat. The tobacco farmers voted down the tobacco quotas.

I say this is not a satisfactory program; and the man who comes before the Congress and says, "This is a satisfactory solution of the farm problem," is, in my opinion, making a mistake.

Mr. President, I am encouraged to some extent. This is the largest appropriation for the farmer that has been presented to us. I believe it will pass. I believe its effect will be immediately felt in an increased purchasing power. I believe when these green checks begin to reach the forks of the creek, when the farmer gets his green check and comes to town, he will buy from the merchant, the merchant will buy from the factory, and the hitchhikers will get their jobs back, and we will be back on the road to prosperity.

It is my hope that the taste of prosperity that I think will result from this comparatively small amount that we are voting for the benefit of the farmer will cause us to consider seriously a farm plan that will go to the roots of this question, and will be a solution that will continue to operate regardless of whether we appropriate every year or not.

Mr. President, no nation long survives with liberty and happiness when the man who tills the soil is reduced to the status of peonage. It is a wise government which realizes that the first strata of society is the foundation and on that strata all others rest.

It is a wise government that undertakes to rehabilitate the disinherited. It is a wise government that realizes that the man on the farm is closest to nature; that he alone is an individualist. The reason every farmer is out on the farm trying to scratch a living out of the ground today is because he wants to be his own boss. He wants to be independent. I should like to preserve the independence of the farmer in this country. He is about the last individualist left. He is now fighting for his independence.

I am glad the Appropriations Committee has reported a measure calling for such an appropriation. I shall support it. I shall support the highest figure proposed in any amendment. Even then I think we shall fall short of the obligation to the farmer to make up to him for the years of disadvantage which he has suffered. The manufacturing group, at the lowest estimate, has been receiving the benefit of the tariff to the extent of about $450,000,000 a year. The measure before us is a belated help to the farmer. I am for it. I wish this Congress could at this session take up legislation which would really seek to get to the bottom of the farm problem and provide a solution.

I thank the Senate for its indulgence. Mr. President, the soil-conservation amendment offered by the Senator from Arkansas [Mr. MILLER] is worthy. It is not intended to be a part of the soil-conservation payments. It is for the promotion of soil conservation by the accumulation of information, experiments, and for other purposes. My opinion is that it will return, in the value of fertility preserved, manyfold the amount called for in the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. MILLER].

Mr. GURNEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	Johnson, Calif.	Radcliffe
Andrews	Davis	Johnson, Colo.	Reed
Ashurst	Donahey	King	Reynolds
Austin	Downey	La Follette	Russell
Bankhead	Ellender	Lee	Schwartz
Barbour	Frazier	Lodge	Schwellenbach
Barkley	George	Logan	Sheppard
Bilbo	Gibson	Lucas	Shipstead
Bone	Gillette	Lundeen	Slattery
Borah	Glass	McKellar	Smathers
Bridges	Green	McNary	Smith
Brown	Guffey	Maloney	Stewart
Bulow	Gurney	Mead	Taft
Burke	Hale	Miller	Thomas, Okla.
Byrd	Harrison	Minton	Thomas, Utah
Byrnes	Hatch	Murray	Tobey
Capper	Hayden	Norris	Townsend
Caraway	Herring	Nye	Tydings
Chavez	Hill	O'Mahoney	Vandenberg
Clark, Idaho	Holman	Overton	Wagner
Clark, Mo.	Holt	Pepper	Walsh
Connally	Hughes	Pittman	Wheeler

The PRESIDING OFFICER. Eighty-eight Senators have answered to their names. A quorum is present.

Mr. RUSSELL. Mr. President, I wish to address myself for a few moments to the amendment offered by the Senator from Arkansas [Mr. MILLER], which is the pending business. The amendment proposes to increase the appropriation for the Soil Conservation Service by approximately $2,000,000.

I have often expressed the opinion that the greatest of the many achievements of this administration is the fact that it has made the people of the United States conservation-minded. If nothing else had been accomplished in the past 6 years, the fact that farmers, even in the most remote areas as well as those who are affected by the uses and the preservation of all forest and mineral resources, are keenly alive to the importance of conservation of our natural resources would entitle the administration to a prominent place in history.

Mr. President, the committee has not dealt parsimoniously with the Soil Conservation Service, or with any phase of conservation work. Doubtless the $2,000,000 sought by the amendment of the Senator from Arkansas would be valuable and helpful to some of the soil-conservation districts. How-

ever, I wish to point out to the Senate that in the year 1938 the appropriation for cooperation with the soil-conservation districts was only $625,000, whereas the present bill carries the sum of $3,158,988 for that purpose.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MILLER. I understand that the direct appropriation was $654,000, but $2,500,000 was added by transfer of funds. Is not that correct?

Mr. RUSSELL. The total appropriation has not been increased.

Mr. MILLER. I am referring to the district work. Mr. Myer, testifying at page 549 of the hearings, in speaking about the district program, said:

> That is where, as a matter of fact, the majority of this $3,158,988 has come from. We have simply shifted it over from one type of service to another. Two years ago $584,000 was included in the appropriation for cooperation with the districts. We have shifted over, I would say, something over $2,500,000 from other projects to carry on the district work today. We have had no increase in total funds but have had some reductions.

I thank the Senator.

Mr. RUSSELL. I understood that the Senator from Arkansas was primarily concerned in obtaining additional funds for cooperation with the soil-conservation districts. I did not know that he was concerned as to the source from which those funds were derived. Nevertheless, the fact remains that the funds available for the specific type of work which the Senator seeks to aid by his amendment have increased to $2,500,000 in the past 2 years. In addition, the Soil Conservation Service has an item of $10,286,000 for carrying on demonstrational work in certain areas. In those areas projects have been undertaken to demonstrate to the farmers of the several States just what progress can be made by carrying on soil-conservation practices. More than 8,000,000 acres are embraced in these demonstration areas, and I think I am correct in saying that at least one such area is located in each one of the agricultural States.

In addition to the funds that are appropriated in this item, there are at the present time, or will be on the 1st of July, 392 Civilian Conservation Corps camps engaged, under the direction of the Soil Conservation Service, in soil-conservation work, both in the demonstrational areas and on the soil conservation district projects which have been created by the farmers themselves under the laws of 35 States which authorize the creation of soil-conservation districts. It is estimated that it requires $1,000 a year to support one boy in a C. C. C. camp. If the total cost of those camps is charged up to the Soil Conservation Service—and I do not think it is unfair so to charge that item—it means that approximately $80,000,000 that does not appear in this appropriation bill at all but is carried in the independent offices appropriation bill is also being devoted to conservation work on demonstration areas or cooperative projects.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MILLER. The demonstration areas are merely areas established in the various States and are what their name implies, and they are areas which are largely responsible for the creation of the interest in the district work. Is not that true?

Mr. RUSSELL. That is exactly correct. Of course, a farmer who has been over a demonstration area and has been able to see the type of work that is applied on land that is similar to land on his own farm knows how to go home and combat erosion and depletion of his soil.

Mr. President, in addition to these huge sums spent on soil conservation, there is carried in this bill the sum of $500,000,000 for payments to farmers for following soil-conservation practices on their farms. Freely do I concede that that item has no direct relation to the scientific work of the Soil Conservation Service; but every person who is familiar with the soil-conservation work that is carried on under the soil-conservation program in the Agricultural Adjustment Administration knows that it has been of incalculable benefit in preserving the fertility of our soil and preventing soil depletion.

I do not think, Mr. President, that this amendment can be wholly justified; I am sure that it cannot be in the amount the Senator from Arkansas suggests. The committee gave careful consideration to it, and, after having considered it from all angles, was of the opinion that the increase of approximately two and a half million dollars for this purpose over the last 2 years was as much as even the most ardent conservationist could reasonably request. I would like to see these funds made available for this important work. The people of my State are greatly interested. But this bill already exceeds the Budget estimates and I think this amendment should be defeated.

Mr. MILLER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Arkansas?

Mr. RUSSELL. I have surrendered the floor, but I will be glad to answer any question I can.

Mr. MILLER. The Senator is always fair, and I realize the necessity under which he is placed to uphold the action of the committee; but, as a matter of fact, the hearings disclose that there are now 146 organized districts in the United States, comprising 78,089,000 acres of land, and that unless this appropriation is increased only 97 of those districts can be operated by the Service. That is correct, is it not?

Mr. RUSSELL. That is the statement that was made to the committee by the officials of the Soil Conservation Service. However, I understood from the general trend of the testimony that if the demonstration areas were completed, as it was expected that some of them would be completed, additional scientific and technical aid that has been engaged in work on the demonstrational areas would be available for the soil-conservation districts.

Mr. MILLER. Yes; there would be a shifting there; that is true.

Mr. RUSSELL. So that the statement of the Senator from Arkansas would not be literally correct as to the number?

Mr. MILLER. No; there might be a shifting as to numbers.

Mr. RUSSELL. That is quite correct.

Mr. NORRIS. Mr. President, may I ask the Senator from Georgia a question?

Mr. RUSSELL. I will gladly answer any question if I can.

Mr. NORRIS. I should like to be advised whether the Bureau would be able to use the additional funds if this amendment were agreed to. Is the Bureau prepared to expand the work sufficiently so that if the money were appropriated there would not be a waste of funds? It seems to me that this work is very valuable indeed, and I would be limited in my idea of the amount appropriated only by the ability of the Bureau to use the money to advantage. If they can do that, I do not see why the amendment of the Senator from Arkansas should not be agreed to.

Mr. RUSSELL. I have never, in my experience as a member of the Appropriations Committee or a subcommittee of that committee, known any amendment providing additional funds to be presented that the bureau affected did not state that they could use the funds. It is my opinion that the Bureau could use the funds, but there are many other items in this bill that are just as important as is the pending amendment. The committee and the Senate cannot afford to vote for every increase in funds that is suggested. In my judgment, as one who is most friendly to this work, the amendment seeking an increase of $1,900,000 should not be adopted.

Mr. McKELLAR. Mr. President, does the Senator recall that the evidence shows that the Department made a request for a larger sum than the Budget Bureau estimated?

Mr. RUSSELL. I think the evidence discloses that the Department asked for $5,000,000 for this purpose. I am not clear in my own mind as to whether the request was made by the Soil Conservation Service to the Secretary of Agriculture when the estimates were made up, or whether the Secretary

submitted the request to the Bureau of the Budget, but the head of the Soil Conservation Service, undoubtedly, sought to secure approval of the sum of $5,000,000 rather than the sum of $3,100,000 carried in the bill.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arkansas [Mr. MILLER].

Mr. FRAZIER. Mr. President, the Senator from Illinois yesterday stated, in answer to a question, that only $300,000,000 out of the $500,000,000 appropriated for soil conservation last year was used by the Department. I presume that is correct. I do not know why the full appropriation was not used. Of course, the pending amendment is for a more definite purpose, but, undoubtedly, it would be of use if it were agreed to and the money were appropriated.

It seems to me that more money should be appropriated. I am strongly in favor of a larger appropriation than the committee has put in the bill to carry out the present Agricultural Adjustment Act, for the bill does not even yet provide sufficient money for that purpose.

The Senator from Illinois yesterday stated that he should like to see the Triple A Act given a fair chance before it was repealed. The appropriations carried by the pending bill do not give the Triple A a fair chance according to the Agricultural Department's own figures. It will take at least a billion and a half dollars in benefit payments to pay the difference between the present market price and the Department's so-called parity price. Their parity price is generally conceded to be below cost of production. If the farmer is going to get any profit for his product, the amount in the bill is not yet sufficient to give either the Triple A a fair chance or to give the farmer a fair chance.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Illinois?

Mr. FRAZIER. I yield.

Mr. LUCAS. Considering the full amount we are proposing to appropriate, would the Senator say it would put the farmer on a dole and would be a hand-out to him, as the Senator from Oklahoma [Mr. LEE] contends?

Mr. FRAZIER. I am frank to say I cannot see anything else in it but a dole. Anything below the cost of production to the farmer is not a square deal and the farmer will go broke.

Mr. LUCAS. The Senator is complaining, as I understand him, about the small amount we are appropriating by this bill for the farmer. Do I understand him to say because of the small amount we are appropriating that we are putting the farmer on a dole?

Mr. FRAZIER. Unlike the Senator from Illinois, I was not for the Triple A legislation. As a solution of the farm problem it was the best we could get; I have voted for it every time it has come up, and I have voted for the largest appropriations we could get; but I cannot see these benefit payments to the farmer in any other light than as a dole.

Mr. LUCAS. Mr. President, if the Senator will further yield, I should like to ask if the Senator is in favor of larger appropriations, the result would be the higher the appropriations the greater the dole.

Mr. FRAZIER. Absolutely; and I would like to see higher amounts paid, high enough so that the farmer will get a profit on his product. He is entitled to a profit just as much as is the manufacturer entitled to a tariff to protect him and give him a profit on his products. But we know that we cannot get it. In my opinion, it is impossible to get the Congress to appropriate a billion and a half dollars annually to take care of the difference between the present farm prices and cost of production. It is an impossible proposition. When the present Agricultural Act was up before the Senate Agricultural Committee a few months ago, the committee put in the bill a provision authorizing an appropriation large enough to carry out the purposes of the bill, and those who were in favor of doing something for the farmer insisted that that provision go in the bill; but, of course, when the bill went to the conferees, that provision was stricken out. It was intimated that the President had said that he would veto anything above the amount that the bill had carried as passed by the House. This bill at the present time will be at least $750,000,000 or $775,000,000 below a sufficient amount to give the farmers the parity price on the five products that are included in the bill, to say nothing about the rest of the products.

I have here a letter which came this morning from Dayton, Wash. It is written by a lady who says she is a farmer. She says:

> I am only one of the many millions on our farms in this great country, but let me tell you from experience that the low price of wheat is exhausting the farmers in body and soul as well as purse. These are terrible days of depression for most farmers. We should have a "cost of production" put on wheat, and a fair margin of profit to live on, as we must all live while we are growing a crop.
>
> Here we pay 13 cents per bushel on wheat to our nearest terminal point, which is Portland, so you can readily see we don't get much for our wheat. Machinery and other necessities are not bought as a result of this low price for wheat. I believe if farmers received a decent price for their wheat, it would definitely help business in general for there is no buying now.
>
> We who have horses work every daylight hour and many hours when there is no daylight. These conditions are making slaves of us.
>
> We keep body and soul together, but that is about all. What for? I often wonder. I can't see any future ahead, only bankrupting days.
>
> I want to tell you about ourselves—it is no different with us than with many other farmers.

Then she goes on. She says:

> Only God knows how I have wept and prayed over conditions as they are, until it seems I have no voice left to protest this terrible condition.

She goes on and tells of present prices. Out in North Dakota we are getting 17 cents a pound for butterfat right now, 11 cents a dozen for eggs, and 56 or 57 cents a bushel for wheat. They are bankrupting prices. The Senator from Oklahoma [Mr. LEE] a few minutes ago made the statement that the increased appropriation in this bill will save many farmers from bankruptcy. It may, but there are a great many farmers who are going bankrupt now.

The figures that have been used are that one out of every five farmers in the United States has gone bankrupt, lost his home and his farm, during the past 18 years; and I think that statement is absolutely correct.

I believe that the farmer should have a square deal; and nothing but cost of production is a square deal for our American farmer, especially for the amount used for home consumption in the United States.

The Senator from Oklahoma also said that he wanted to see the farmers independent. I do, too. I should like nothing better than to see our farmers made independent; but they are not independent now. They are about as far in debt as they can get right now, and they are dependent on everybody in sight. That is the present situation of the farmer; and he is not by any means independent. He is anything but independent. Although he produces the food products which feed the Nation, he has nothing to say about the prices he will get. The present Agricultural Adjustment Act simply gives him a dole on five of the products he produces, if he will comply with the program and cut down production. It is the best he can get. The farmers are grabbing at it because it is the only thing that will give them a little better price.

The Secretary of Agriculture, when he came before the Committee on Agriculture on the cost-of-production bill in February of this year, stated that the wheat farmer might expect benefit payments amounting to 28 cents per bushel for the 1939 crop. He also said the loan price on wheat in 1939 would be 58 cents a bushel. That would make a total of 86 cents a bushel that the farmer who complied with the program this year might expect for his wheat. The parity price at that time, in February, was $1.14 a bushel, as figured by the Department of Agriculture. That is 28 cents more than the 86 cents the farmers are going to get for 1939 wheat. The 86 cents was at that time only 75 percent of the parity price; and the present bill provides that if the farmer gets

75 percent of the parity price he does not need any of this additional payment. Seventy-five percent is all that the Agricultural Department seems to favor. We have hardly been able to get that amount, and of course it is below cost of production; and our farmers will continue to go broke as long as they are getting anything below cost of production, I do not care what it is. If it costs us say $1.50 to produce a bushel of wheat and get a little profit on it, if we sell it for anything below that amount our wheat farmers are going broke. The cotton farmers will go broke, too, on anything less than cost of production for their product, especially for the amount used for home consumption.

I believe a bill can be worked out that will take care of the situation; but until it can be worked out I am for these appropriations. The higher they will go, up to the total of a billion and a half, which will give the farmers at least the parity price, the better, in my opinion, because it will give them that much more benefit payments.

So I am strongly in favor of the amendment of the Senator from Arkansas [Mr. MILLER], as well as the committee provisions that were put in the bill yesterday for higher amounts, because I think the farmers are entitled to them.

Mr. LUCAS. Mr. President, a short time ago the distinguished Senator from Oklahoma [Mr. LEE] was discussing the farm program in general, incidental to the amendment offered by the Senator from Arkansas [Mr. MILLER], and he made a statement which caused me to engage in a short debate with him upon a certain phase of the farm program.

One of the great troubles with a farm program of this kind is that so many persons have a notion that the farmer who is cooperating is receiving the benefit of the total amount that is appropriated or will be appropriated in this bill. They have an idea that the farmer is getting the greatest portion of this sum through benefit payments and through checks which come to him from time to time; and from the remarks of the Senator from Oklahoma [Mr. LEE], which were agreed to by the Senator from North Dakota [Mr. FRAZIER], it seems that this small amount, in comparison with the total amount of the income of the farmer, is the basis for their assertion that we are putting the American farmer on the dole. Notwithstanding the fact that the Senator from North Dakota says we are putting the farmer on the dole, and he does not like that situation, yet the Senator would increase the appropriation to a billion and a half dollars to give the farmer parity payments. So if the farmer is on a dole now, he would be on a superdole then. Mr. President, I deny this implication. Any amount he receives will only add to his dollar more purchasing power, to which he is justly entitled under the unbalanced economic laws of this Nation.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FRAZIER. If the farmer should get what I want to give him, he would at least get what the Department of Agriculture calls parity; and the provision in the pending bill at the present time will give him only 75 percent of parity, at best.

Mr. LUCAS. That does not change the statement of the Senator from North Dakota. Even though the farmer got parity payments—and no one would like to see the farmer get parity payments any better than would the Senator from Illinois—yet, notwithstanding that, following to a logical conclusion the statements of the Senator from North Dakota and the Senator from Oklahoma, the farmer would, under this appropriation, be on a dole.

Mr. FRAZIER. Mr. President, if the Senator will yield again, I shall try to explain the matter a little bit further.

Mr. LUCAS. I wish the Senator would do so, because I think his statement needs an explanation.

Mr. FRAZIER. According to my definition of a dole, anything that is a direct appropriation from the United States Treasury for the farmer is a dole; or, if it is a direct appropriation for labor, it is a dole. That is my definition of a dole. If I am not correct, that is all right; but that is my definition.

Mr. LUCAS. I am very sorry that I cannot agree with the able Senator from North Dakota on the definition of a dole as he has defined it here to the Senate and to the country. It is not my notion as to what a dole is, and I do not think very many Senators will agree with him upon that definition. My understanding of a Government dole has always been such sums of money given by the Government directly to indivíduals who have no employment and depend entirely upon these sums to sustain themselves.

But I rose, Mr. President, primarily for the purpose of saying to the Senate that in this large appropriation bill at the present time we find millions upon millions of dollars appropriated which never reach the farmer's pocket. For instance, in running through the bill I find an appropriation for forest-fire control, an appropriation for Japanese beetle control, an appropriation for fruit insects, an appropriation for the Mexican fruitfly, an appropriation for citrus canker eradication, an appropriation for gypsy and brown-tail moth control, an appropriation for Dutch elm disease eradication, an appropriation for thurberia beetle control, an appropriation for cotton insects, an appropriation for foreign parasites, and an appropriation of $191,000,000 for the Bureau of Public Roads, none of which have a single thing to do with benefit payments to the farmer. Forestry gets $21,000,000, the Biological Survey $4,600,000, and the Bureau of Plant Industry $4,000,000. So we could go on down through the appropriation bill and find millions upon millions of dollars of which the farmer will never receive a single dime in benefit payments, or in any other way, unless he gets it indirectly.

My only reason for taking the time of the Senate is to discuss this matter in the light of the arguments made by the two Senators to whom I referred a moment ago. I now submit facts and figures which cannot be challenged. In 1933 the farmer in this country had a cash income upon all of the commodities produced of $5,117,000,000, which included the benefit payments he received through appropriations of the Congress. The total payments, figured as a percentage of the cash income from the farm marketings, was 3.3 percent. In other words, what the farmer got out of benefit payments, in comparison with the total income that year, was 3.3 percent.

In 1934 the total income of the farmer was a little over $6,000,000,000, and he received in comparison with that income, so far as benefit payments were concerned, 9.6 percent. In 1935 the farmer received nine-tenths percent in benefit payments. In 1936 he received 3.8 percent in benefit payments.

In 1937, with a total income of the farmer of a little over $8,000,000,000, the actual money he received through the checks, which it is said are going to put him on the dole, was the small sum of 4.5 percent.

In 1938 the total income of the farmer at $7,150,000,000, which was almost a billion dollars less than it was in 1937, how much do my colleagues suppose the farmer received out of the $500,000,000 we appropriated for soil-conservation payments, and out of the $212,000,000 we appropriated last year for adjustment payments, under what was known as the parity payment amendment to the legislation at that time? The farmer actually received out of the appropriation of $500,000,000 and $212,000,000, which made $712,000,000, the sum of $482,000,000, or about 6.6 percent of the total farm income in this country that year.

In other words, out of every $100 last year the farmer received as income, $93.40 was produced by his own labor and $6.60 came from the Federal Government.

Mr. President, I put these figures into the RECORD for the primary purpose of refuting the argument that these benefit payments are for the purpose of putting the American farmer on the dole.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Arkansas [Mr. MILLER].

Mr. RUSSELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Barbour	Bulow	Chavez
Andrews	Barkley	Burke	Clark, Idaho
Ashurst	Bilbo	Byrd	Connally
Austin	Borah	Byrnes	Danaher
Bankhead	Brown	Capper	Davis

Donahey	Johnson, Colo.	Minton	Sheppard
Frazier	King	Murray	Slattery
George	La Follette	Norris	Smathers
Gerry	Lee	Nye	Smith
Green	Lodge	O'Mahoney	Stewart
Guffey	Logan	Overton	Taft
Gurney	Lucas	Pepper	Thomas, Okla.
Hale	Lundeen	Pittman	Tobey
Hayden	McKellar	Radcliffe	Townsend
Hill	McNary	Reynolds	Tydings
Holman	Maloney	Russell	Vandenberg
Holt	Mead	Schwartz	Wagner
Hughes	Miller	Schwellenbach	

The PRESIDING OFFICER. Seventy-one Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment proposed by the Senator from Arkansas [Mr. MILLER], on page 92, line 21.

Mr. RUSSELL. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. McNARY (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. HARRISON]. Not knowing how he would vote on the question, I withold my vote. If at liberty to vote, I should vote "nay."

Mr. AUSTIN. I desire to announce the following general pairs:

The Senator from Minnesota [Mr. SHIPSTEAD] with the Senator from Virginia [Mr. GLASS];

The Senator from Vermont [Mr. GIBSON] with the Senator from New Mexico [Mr. HATCH];

The Senator from Maine [Mr. WHITE] with the Senator from Missouri [Mr. CLARK]; and

The Senator from New Hampshire [Mr. BRIDGES] with the Senator from Utah [Mr. THOMAS].

I am not advised how the Senators named would vote on the pending question.

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is detained from the Senate because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Iowa [Mr. HERRING], the Senator from West Virginia [Mr. NEELY], and the Senator from Missouri [Mr. TRUMAN] are absent on important public business.

The Senator from Washington [Mr. BONE], the Senator from Louisiana [Mr. ELLENDER], the Senator from Utah [Mr. THOMAS], the Senator from Massachusetts [Mr. WALSH], and the Senator from Montana [Mr. WHEELER] are detained in important committee meetings.

The Senator from Nevada [Mr. McCARRAN] is absent on official business for the Committee on the Judiciary.

The Senator from Arkansas [Mrs. CARAWAY] and the Senator from Virginia [Mr. GLASS] are unavoidably detained.

The Senator from Missouri [Mr. CLARK], the Senator from California [Mr. DOWNEY], the Senator from Iowa [Mr. GILLETTE], the Senator from Mississippi [Mr. HARRISON], and the Senator from New Mexico [Mr. HATCH] are detained on business in various Government departments.

The result was announced—yeas 31, nays 39, as follows:

YEAS—31

Andrews	Frazier	Lundeen	Schwartz
Barkley	George	McKellar	Schwellenbach
Bilbo	Hill	Miller	Sheppard
Borah	Hughes	Murray	Smathers
Bulow	Johnson, Colo.	Norris	Smith
Capper	La Follette	Pepper	Stewart
Clark, Idaho	Lee	Pittman	Wagner
Connally	Logan	Reynolds	

NAYS—39

Adams	Danaher	Holt	Radcliffe
Ashurst	Davis	King	Russell
Austin	Donahey	Lodge	Slattery
Bankhead	Gerry	Lucas	Taft
Barbour	Green	Maloney	Thomas, Okla.
Brown	Guffey	Mead	Tobey
Burke	Gurney	Minton	Townsend
Byrd	Hale	Nye	Tydings
Byrnes	Hayden	O'Mahoney	Vandenberg
Chavez	Holman	Overton	

NOT VOTING—26

Bailey	Gibson	McCarran	Van Nuys
Bone	Gillette	McNary	Walsh
Bridges	Glass	Neely	Wheeler
Caraway	Harrison	Reed	White
Clark, Mo.	Hatch	Shipstead	Wiley
Downey	Herring	Thomas, Utah	
Ellender	Johnson, Calif.	Truman	

So Mr. MILLER's amendment was rejected.

LOUISIANA NATIONAL BANK AND HIBERNIA BANK & TRUST CO.

The PRESIDING OFFICER (Mr. BROWN in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1515) for the relief of the Louisiana National Bank, of Baton Rouge, and the Hibernia Bank & Trust Co., of New Orleans, which was, on page 1, line 11, to strike out all after *"Provided"*, down to and including "$1,000", in line 11 of page 2, and to insert—

That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. OVERTON. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes.

Mr. CLARK of Idaho. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 47, line 20, it is proposed to strike out "$139,152" and to insert in lieu thereof "$199,152."

Mr. CLARK of Idaho. Mr. President, on page 47 of the bill now under consideration, under the appropriations made for the Forest Service, we find, beginning at line 14, the following brief paragraph entitled "Forest Influences":

Forest influences: For investigations and experiments at forest experiment stations or elsewhere for determining and demonstrating the influence of natural vegetative cover characteristic of forest, range, or other wild land on water conservation, flood control, stream-flow regulation, erosion, climate, and maintenance of soil productivity, and for developing preventive and control measures therefor, $139,152.

The effect of the amendment I have proposed would be to increase the appropriation by $60,000. I may say that the Secretary of Agriculture requested an additional $60,000 for this work. The request, however, was declined by the Bureau of the Budget, and in turn was declined by the House committee. I appeared before the Senate committee in support of the increase. I wish to take this opportunity to thank the able Senator who was chairman of the Senate Subcommittee on Appropriations, which held hearings on this bill, as well as the entire committee, for the very courteous and fair hearing I received both in connection with this and with other items.

The matter is of vital importance to the West. It involves entirely experimental and research work and proposes an increase in the appropriation of only $60,000, which, I am perfectly certain from my conferences with representatives of the Forest Service and from the testimony given before the committee, is vitally needed. So, despite the courteous treatment I received before the committee, I desire briefly to explain the amendment to the Senate in the hope that the Senate may see fit to increase the amount carried in this item for the entire western section of the country by $60,000.

The $139,000 which the bill carries is now being distributed over the entire country in studies being made of watersheds and the headwaters of various streams with a view to preventing floods and erosion conditions resulting in floods. It can be appreciated that $139,000 for such a purpose does not

go very far. Experiments are being conducted in the Great Lakes region, in the South, and in the Eastern States. Of the entire appropriation of $139,000, only $14,000 is presently available to the intermountain region, and very little in excess of that amount is available to the entire region west of the Rocky Mountains.

Most of our land is irrigated, and in recent years the sudden, rapid floods which come down our mountain streams, due to an early run-off of the melting snows, have been increasing year by year to such an extent that they have become a tremendous threat, and have cost the State of Idaho many million dollars a year, not to mention the cost to adjoining Western States. This flood condition, which has grown worse in recent years, is due to three causes: First, the misuse of the range lands which lie at the headwaters of the streams. That condition is improving, but the damage has already been done. Second, forest fires, which have burned over and destroyed the vegetation at the headwaters of the streams, permitting the snows to melt and run rapidly down into the valleys below. Third, the natural erosion which has been taking place at the headwaters of the various mountain streams.

A few years ago the President allocated money from emergency funds to the Forest Service for the study of ways to prevent disastrous spring floods at the headwaters of these streams due to freshets and quick run-off. Four experiment stations were built from emergency funds, one in Idaho, one in Utah, one in Arizona, and I believe one in California. The $139,000 included in the bill as presently drafted will not further maintain those stations. As I have heretofore explained, it goes for the regular routine work of investigations all over the United States. If those stations are to be maintained, the additional $60,000 is absolutely required, as appears from the testimony before the subcommittee.

The Forest Service has made remarkable strides in its research to date, enabling it to revegetate lands at the headwaters of the streams which have been burned over by forest fires, which have been overgrazed by sheep, and which the forces of erosion have stripped bare. Experiments are now being conducted at the experiment stations to ascertain, first, the proper kind of plant cover, the kind of revegetation best adapted to the use to which it is to be put, and secondly, to work out a system of supplemental engineering structures to hold in check the early melting snows, and consequently bring about a smoother, evener flow of water throughout the year.

Mr. President, in my section of the country, when a flood occurs not only do we suffer the damage which the flood occasions, but the water is gone, for the floodwaters flow over the dam and go on to the ocean. Unless we have a reasonably steady run-off we not only suffer the property damage from the flood itself, but we likewise lose the water, which is our life blood. If the $60,000 is not provided, every one of the forest research stations built from emergency funds, which stations are doing almost incalculably valuable work, will have to close down. I respectfully suggest to the Senate that to deny a small sum to protect hundreds of millions of dollars' worth of property in the future is really false economy.

I know the work which these stations have done; I know the progress they have made; and I hesitate to see the stations, which were built from emergency funds, practically shut down and their very valuable work discontinued.

I have nothing further to say. I know the committee considered the matter. I presume the committee will have to oppose the proposed increase in the appropriation; but, in all sincerity, I suggest to the Senate that it is a vitally needed item for the entire West, which today is receiving only an insignificant part of the $139,000 which the bill carries, and which it carried last year.

Mr. RUSSELL. Mr. President, this item was first considered by the House committee and rejected. I understand it was submitted to the Budget and disapproved. The Senate committee, while recognizing that there is much merit to the contention of the Senator from Idaho, has also rejected it.

The forest influence investigation, to which the amendment is directed, has for a great number of years received emergency funds from the Works Progress Administration. At least it has received such funds ever since the Works Progress Administration was instituted. In 1938 this investigation received an allocation of $85,840 from emergency funds. In 1939 it received an allocation of $57,200. We all know that in due course another appropriation will be made for carrying on the activities of the Works Progress Administration for the coming fiscal year, and undoubtedly an allocation will also be made from that appropriation for this purpose.

Mr. CLARK of Idaho. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CLARK of Idaho. I am advised—I do not know whether or not it appeared in the hearings—that the emergency funds will no longer be available. I do not know what the hearings show upon that question, but the Forest Service officials advise me definitely to that effect.

Mr. RUSSELL. I do not know how the Forest Service officials could tell this far in advance what will be done with an appropriation which has not yet been enacted by the Congress. In every emergency appropriation act to date the Congress has specifically earmarked a large sum of money for Federal activities. I anticipate that a similar course will be followed in the next emergency appropriation bill for the W. P. A.

In addition, Mr. President, other activities in the Department of Agriculture are carrying on similar work. In the Soil Conservation Service, which was established in 1935, a large unit has been established for carrying on practically the same type of work to determine the influence of forests on stream flow, the effect of forests on climate, investigations of the principles involved in soil and moisture conservation and methods for their practical application, and watershed investigations of the effect of land-use practices on run-off as related to the methods of control of erosion and floods. The total amount used by the Soil Conservation Service, the new agency for carrying on practically identical investigations, is $1,641,000. I suggest that the $1,641,000, when added to the $139,000 in the item which the Senator from Idaho seeks to amend, is as much as the Congress can possibly justify for investigations of this type.

Mr. President, every Member of this body has research stations of one kind or another in his State for which he would like to secure additional appropriations. However, it occurs to me that there must be an end somewhere to the matter of obtaining emergency funds, building an experiment station, and then coming to the Congress and asking for supplemental funds for maintenance from year to year. Otherwise we are merely starting a snowball which, as it rolls on from year to year, will accumulate so much in the way of expenditures that it will constitute a drain on the Treasury which the public credit will not be able to sustain. It would be very pleasing to me to be able to support the amendment offered by the Senator from Idaho [Mr. CLARK]; but the committee went into the matter rather fully, and we could not see that it was as well justified as many other important items of appropriation in which other Senators are interested and which we rejected. I hope the Senate will reject the amendment now pending.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Idaho [Mr. CLARK].

The amendment was rejected.

Mr. GUFFEY. Mr. President, I move to reconsider the vote by which the committee amendment on page 47, line 13, striking out "$121,295" and inserting in lieu thereof "$131,295" was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania. Does the Senator care to address himself to the motion to reconsider?

Mr. GUFFEY. That is the first question.

The PRESIDING OFFICER. Without objection, the motion to reconsider is agreed to.

Mr. GUFFEY. I send to the desk an amendment to the committee amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 47, line 13, in the committee amendment, it is proposed to strike out "$131,295" and insert in lieu thereof "$149,295."

The PRESIDING OFFICER. The question now is on agreeing to the amendment offered by the Senator from Pennsylvania to the committee amendment.

Mr. GUFFEY. Mr. President, northeastern Pennsylvania, and more particularly the anthracite region, comprising approximately 12 counties and 50,000 square miles, is beset with problems of forestation for the purposes of fire protection, soil-erosion control, silvicultural management in the forests, forest pathological studies, tree diseases, wildlife management, and reforestation of denuded areas. In order to determine the full nature and extent of the needs, the Department of Agriculture suggests a preliminary survey at an estimated cost of $18,000. My amendment proposes an increase in the appropriation, the increase to be used by the Allegheny Research Station of the Department of Agriculture in making the necessary survey. I move the adoption of the amendment to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania to the amendment reported by the committee. [Putting the question.] In the opinion of the Chair, the ayes have it, and the amendment to the committee amendment is agreed to.

The committee amendment as amended was agreed to.

Mr. BANKHEAD. Mr. President, I call up the amendment which has heretofore been presented by me and which has been printed.

The PRESIDING OFFICER. The amendment proposed by the Senator from Alabama will be stated.

The CHIEF CLERK. At the end of that part of the bill relating to "Disposal of surplus commodities" it is proposed to insert the following:

So much of such funds as may be devoted to encouraging the exportation of cotton or cotton articles, and any other funds which may be available or may hereafter be made available for the purpose of encouraging the exportation of cotton or cotton articles, shall be expended in accordance with the provisions of the following new section which is hereby added to the Agricultural Adjustment Act of 1933, as amended:

"SEC. 23. (a) The Secretary of Agriculture is authorized to make payments in kind or in money to any person who exports any raw cotton or articles manufactured in whole or in part from cotton, at such rates and under such terms and conditions as the Secretary of Agriculture determines are necessary in order that the cotton, or the cotton content in cotton articles, so exported, shall be fully competitive in the world markets: *Provided*, That such payments shall be discontinued during any marketing year when exports of cotton from the United States during such marketing year equal the average of the exports from the United States during the 10-year period ending July 31, 1932. Such payments on raw cotton are authorized to be made only upon cotton bought in the open market, except that payments may be made upon cotton released from loans made or made available by the Commodity Credit Corporation when cotton of suitable classes and quantities to fill cotton export requirements is not available in the markets of the United States. The Secretary is authorized to decide when such free cotton is not so available; but no such payments shall be made, and no obligation to make such payments shall be incurred, prior to January 1, 1940, with respect to any cotton on which a loan has been made or made available by the Commodity Credit Corporation, nor shall such payments be made or obligations incurred during the period from August 1 to December 31, both inclusive, in any marketing year with respect to any cotton on which any such loan has been made.

"(b) Notwithstanding any other provision of law, the Commodity Credit Corporation is authorized and directed, under regulations prescribed by the Secretary of Agriculture, upon application by the owner, or his assignee, of cotton held under loans made or made available by the Commodity Credit Corporation to provide for the release to such owner, or his assignee, of any or all of the cotton of such owner, or assignee, during any marketing year, except during the period from August 1 to December 31, both inclusive, if the Secretary of Agriculture finds that the release of cotton held under such loans (1) is needed to supply suitable classes and quantities of cotton to meet the operating requirements of mills in the United States and is not available in the markets of the United States, or (2) is needed to supply suitable classes and quantities of cotton to meet export requirements and is not available in the markets of the United States. Such cotton shall be released at a cost to the owner, or his assignee, equal to the current loan rate, plus (1) interest, insurance, and storage, for the period beginning at the average time when cotton was put into the current loan and ending at the end of the month when the cotton is released from the loan, and (2) one-fourth cent per pound for miscellaneous charges.

"(c) The Commodity Credit Corporation is authorized and directed under regulations prescribed by the Secretary of Agriculture to acquire and to make available to him such cotton as may be necessary to make payments in kind authorized by this section. The funds now and hereafter made available to the Commodity Credit Corporation are hereby made available to such Corporation to acquire and make available to the Secretary of Agriculture such cotton as may be necessary to make the payments in kind authorized under this section, and to provide for the release of cotton under this section. The funds now or hereafter made available to the Secretary of Agriculture for the purpose of encouraging the exportation of cotton or cotton articles, by, or for carrying out the purposes of section 32, as amended, of the act entitled 'An act to amend the Agricultural Adjustment Act, and for other purposes,' approved August 24, 1935, as amended, are hereby made available to the Secretary of Agriculture for payments authorized in this section, and for administrative expenses in accordance with the applicable provisions of this title. The determinations of the Secretary of Agriculture made pursuant to the provisions of this section and the facts constituting the basis for any payment when officially determined in conformity with the regulations prescribed by the Secretary of Agriculture shall be final and conclusive."

In order further to safeguard the expenditure of the funds appropriated in this item and any other funds which may be available or may hereafter be made available for the purpose of encouraging the exportation of cotton or cotton articles and for all other purposes, section 22 of the Agricultural Adjustment Act (of 1933), as amended, is hereby amended by inserting the words "or are likely to be" after the word "being" in subsection (a), by striking out the expression "July 1, 1928, to June 30, 1933" and inserting in lieu thereof the expression "January 1, 1929, to December 31, 1933" in subsection (b), and by striking out the words "15 days after the date of" and inserting in lieu thereof the words "the date fixed in" in subsection (c).

Mr. BANKHEAD. Mr. President, I think there is a very general misunderstanding as to the purpose of this amendment and certainly there is a misapprehension on the part of some in this Chamber and of some in the Cotton Belt. A great many people seem to have the idea that this amendment proposes to set up a cotton subsidy export program. I wish to call the attention of those who may be interested to the facts of the situation.

For a long time the agricultural laws have authorized the payment of export subsidies on agricultural commodities. Such a provision was contained in section 32, a part of what is known as the amendment to the Agricultural Adjustment Act passed in 1935. There is under that section an express authorization for the payment of funds appropriated by the Congress in carrying out export programs affecting agricultural commodities. That authorization, as is well known, was put into application in the matter of exporting wheat. More than 100,000,000 bushels of an exceedingly heavy surplus of wheat were exported, induced and encouraged by the payment of an export subsidy. That was done under the then existing law.

Section 12 of the present Agricultural Adjustment Act of 1938 contains another authorization for the payment of export subsidies in the judgment of the Secretary of Agriculture when he deems it for the best interest of the producers.

So, Mr. President, these two laws, one passed in 1935 and the other passed in 1938, provide the subsidy plan. They not only provide the subsidy plan but the law of 1935, section 32, expressly made—not authorized, but expressly made—appropriations amounting to 30 percent of the receipts derived from tariff duties for the purpose of carrying out, in part, that provision of the law. So, we are not proposing any new plan. We are not trying to establish in the law a principle that is not already established. The only thing needed for an export program for either wheat or cotton is the money with which to finance it; and section 32 provides the money by mandatory statute, as far as that money may go.

The situation here is based upon a request for additional funds to be added to the section 32 funds; and the Senate has granted that request. Practically by a unanimous vote the Senate adopted the amendment which adds $113,000,000

to the amount of money heretofore appropriated under section 32. So the question now arises, with the original appropriations, which now amount to about $90,000,000, and with the new appropriation of about $113,000,000, what amount may be used for the exportation of cotton. Without any law, without any amendment, what amount may be used in the wide-open judgment of the Secretary of Agriculture?

If this amendment is not adopted, assuming the passage of this bill with the $113,000,000 retained in it, the amount available for cotton will be approximately $50,000,000. Under the authorization contained in the two sections, and with the money available under each of the sections, the Secretary of Agriculture is untrammeled, is entirely free to carry out an export plan under rules and regulations adopted by him, without any further amendment or authorization of Congress.

Recognizing that fact, Mr. President, the amendment offered here is not, as I have stated, for the purpose of creating the right to pay subsidies in exporting cotton, but it is in large measure for the purpose of laying down certain important rules and regulations for the administration of that power.

In the first place, this plan when first announced by the Secretary and approved by the President of the United States contemplated the exportation of cotton under the cotton loan. Everybody who has given any thought to this situation has become alarmed and disturbed over the large quantity of cotton that now rests in warehouses under the lien of the Government loan. No doubt that appalling situation was the inspiration for the suggestion by the administration to put into operation an export plan for cotton, as it did last year for wheat, and carried it out successfully. But that original program, as I said, contemplated the exportation of cotton under the loan.

I was unwilling to accept that program, as many other Senators from the Cotton Belt were unwilling to do, regardless of our views upon the fundamental question of the wisdom or good policy of engaging at any time and under any conditions in an export subsidy program. Regardless of that, a number of Senators were unwilling to go forward with a program to export loan cotton; and the reason for it was that if, as the Department of Agriculture believes can be done, we should export in excess of 6,000,000 bales of cotton and take it out of the loan, the question would arise, Where would the farmer sell his crop that is coming on the market, beginning in August, of approximately 12,000,000 bales under normal yield conditions?

If, through the export plan, the foreign markets had received all of the cotton they would buy from the United States, and if they had taken all of that cotton out of the loan, as they could do without this amendment, then I desire to know what would become of the 12,000,000-bale crop to be brought to the market beginning in August? The foreign market would be satisfied. There would be a domestic market for around 6,000,000 or 6,500,000 bales, and a supply of 12,000,000 bales from the new crop, plus whatever carry-over might exist of free cotton from the old crop. Inevitably a program of that sort would drive down the domestic price of cotton. That would mean that the farmer would do one of two things: He would get less return, a smaller income from the sale or his crop; or he would put it under the cotton loan, the very thing that all of us are trying to avoid.

If the plan were worked out in such a way as to create a large supply in excess of the domestic requirements, and with the world's foreign markets already satisfied, it is evident that, of course, large quantities of the new crop would go back into the loan.

So the method I have described is exactly reversed under this amendment. Instead of first exporting cotton under the loan, the amendment reverses the procedure and requires that cotton to be exported must be bought in a free market; that it must be bought from farmers as they bring the cotton to market, beginning in August, and that the loan cotton must be kept sealed up until next January. Assuming an export foreign market for 6,000,000 bales, and assuming it to be supplied from the free market, there would be only around 6,000,000 bales, or a little more, to supply the domestic market of six and a half to seven million bales of consumption. That tight situation in the cotton market would of necessity hold the domestic price of cotton around the point that is required to draw cotton out from the loan. A farmer has the right to have his cotton under the loan released at any time by paying the loan and the carrying charges. The crop of 1938, just put under the loan, cost around 9 cents a pound. So as soon as cotton is needed for domestic consumption, under this amendment the Secretary has power to call upon the Commodity Credit Corporation for the release of that cotton on the application of the owners.

Mr. ADAMS. Mr. President, will the Senator allow me to make an inquiry?

Mr. BANKHEAD. Certainly.

Mr. ADAMS. Probably what I have in mind has been explained. My inquiry is on the point the Senator is discussing, as to the release of cotton to the owner at a cost equal to the current loan rate. If the Senator has already explained that matter, I will not ask him to repeat the explanation.

Mr. BANKHEAD. I have not done so. The current loan rate means the one now prevailing. There are some old loans. There is one old loan which was made away back in 1934.

Mr. ADAMS. The phrase means the amount that could be borrowed on cotton today?

Mr. BANKHEAD. That is correct; the amount necessary to retire the loan or release it.

Mr. RUSSELL. Mr. President, in order to complete the record, I suggest to the Senator from Alabama that he state what that amount would be today.

Mr. BANKHEAD. It would be nine and eleven-one hundredths cents. That amount would be necessary to withdraw the cotton from the loan. So if there is a tight situation in the spot market, with no surplus to depress the price, and with the loan plan standing wide open for the cotton farmers next fall—a mandatory loan under the law—then it becomes self-evident that the domestic cotton mills will pay a price sufficient to prevent the cotton of the new crop going back into the loan, because they have to have that cotton.

There will not be an excessive increase in price. The present price of spot cotton, the average price, is 8.90 cents—approximately 9 cents—so that the necessity of the local cotton mills paying possibly a dollar a bale more should not weigh against this program, when consideration is given to the tremendous advantages to accrue from the administration of this export plan.

We have a horrible statistical situation in regard to cotton. I assume it is worse than in regard to any other agricultural commodity. A carry-over of nearly 14,000,000 bales will be on hand on August 1—the largest in all the history of the United States.

We have a constantly decreasing export market. Some years ago the export average was seven and one-half million bales. This year the exports will amount to scarcely 4,000,000 bales; indeed, it is thought that the total exports, when the end of the marketing year arrives, will not amount to 4,000,000 bales—a reduction in exports of cotton of three and one-half million bales.

What are we to do about it? This is not solely a cotton farmer's problem; this is not solely a southern situation. A great crop such as cotton, upon which the economy of 10 or 12 States is primarily based, is not solely a local problem.

I have heretofore pointed out—and I take the opportunity to do it again—that from the time the ports of entry in the United States were established, 150 years ago, the balance of trade, the net increase in national wealth of the United States during its entire fiscal history, was made up, to the extent of more than 90 percent, of cotton, raw cotton, and cotton textiles. If there had been no cotton, we would have traded in vain during all these years, so far as increasing our national wealth through foreign commerce was concerned.

I have mentioned heretofore the tremendous value to the industries of America of cotton farmers having a parity income, the value to the agricultural population of the West, because, year after year, we have bought from that section thousands of carloads of agricultural products, such as hay, hogs, meat, and lard.

As Senators all know, the South is not an industrial section, it is an agricultural area. One can enter the largest department store in the largest city in the South and go from the cellar to the dome and he will find but very few articles for sale that were produced within the Cotton Belt. It is astonishing how few local products of industry are used to supply the needs and comforts and requirements of all the people residing in the Southern States.

What does that mean? It means that the sole source of income of the cotton farmer is of tremendous importance to industry throughout the country. It means that every day throughout the year every mail carries remittances from the Cotton Belt to pay for the products of industries located in the industrial sections of this country. Likewise every mail carries checks to pay insurance premiums of all kinds, to pay interest on mortgages on the security of which money has been loaned by the great financial institutions of the East; to pay the dividends upon securities of railroads, electric companies, and other utilities in the South the stocks and bonds of which are all owned in the East.

When we had a parity income, cotton brought, for 17 years, on an average $1,400,000,000 to the South. Sixty percent of that great sum of money came from foreigners across the seas. But it did not remain in the South. As soon as it reached there it started to flow back to the industrial and financial centers of America.

Mr. President, I am pointing out these facts so as to emphasize the thought that our problem in the South is national in its scope. For many years during the period when we had parity income the railroads running into the South—the Illinois Central, the Frisco, the L. & N., the Seaboard, the Southern—could not get sufficient equipment to haul to the South the products of industry which merchants in the South were ordering to sell to their southern consumers. Consider the situation now. With the unhappy reduction in the income of our people because of the lesser amount of money received from our great basic cash crop, thousands of railroad employees are off the trains and off the rolls because income of the southern people has been so greatly reduced that they cannot buy as they did prior to 1930.

Mr. President, we have to find markets. We have lost much of our cotton market in the dictator nations. Germany and Japan have been two of our three greatest buyers of cotton during a long period of years. Now we have lost a market for a million bales in Japan, a market for a million bales in Germany, and a market for a million bales this year in Great Britain. We have lost practically all our former exports to Italy.

What can we do about it? The southern people have not been responsible for conditions which brought about the loss in foreign sales of their great cash crop. But we have lost three sales, and we have lost them in part because, we are told, other countries are selling cotton at lower prices than that for which we are selling. We have lost them and continue to lose them because former customers are now engaged in bartering with other nations to get their cotton, while we stand here upon a normal trade relationship with the nations of the world, a relationship which ought to exist and which I hope some day to see return. But while we are following the old trade program, trading in the open market, relying upon the quotations for cotton on the cotton exchanges at Liverpool, Alexandria, and Bombay, we are told that other countries are cutting prices and are engaged in cutthroat competition. They are offering their cotton, the Department tells us, at a little lower price than the market price put upon the exchange boards throughout the world, by which our people abide. They are not only doing that but foreign countries are increasing their acreage devoted to cotton production.

The Secretary of Agriculture and the President of the United States believed in the submission of this program, thinking it would be helpful from many standpoints; that it would give notice to the world that we would no longer acquiesce in trade conditions relating to cotton which are steadily putting us out of the markets of the world; that it would give notice to foreign countries that they need not proceed with their plans of increasing acreage planted to cotton because, forsooth, it would not sell so high, it would not be so profitable to them as it has been in recent years in competition with American cotton.

Mr. President, there are many reasons for a trial of this program, the chief one of which is the emergency under which we are laboring. The program, as I have stated, is not in accordance with the method of administration supported originally by Secretary Wallace, but after it was submitted to him, and after he and his assistants had carefully considered it, they reached the conclusion that it was a better program than the one they announced, and they are actively supporting it. There may be some exceptions, but most of the Senators from the cotton-producing States are in favor of the program.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. CONNALLY. The Senator mentioned the falling off in our export trade in cotton. Is it not true that one reason why the export trade in cotton has fallen off is the price at which our cotton is held in loans?

Mr. BANKHEAD. That is an argument, as I suggested just now, which the Department insists is correct.

Mr. CONNALLY. If we have the cotton, and foreign buyers want it, but we are not selling it to them, the price or the sales terms certainly have some effect on the matter.

Mr. BANKHEAD. It seems so.

Mr. CONNALLY. Under present conditions, if a European buyer of cotton can buy foreign cotton, he will buy it, will he not? That is, if it suits his needs he will buy the foreign cotton, if it is cheaper than ours?

Mr. BANKHEAD. He is buying the foreign cotton; there is no doubt about that.

Mr. CONNALLY. If we are to sell him any cotton must we not offer him some sort of a plan such as that now under consideration, or some sort of inducement, so as to make it desirable for him to buy American cotton?

Mr. BANKHEAD. I have reluctantly come to that belief.

Mr. GEORGE. Why not sell it at the market price?

Mr. BANKHEAD. Is the Senator in favor of repealing the law?

Mr. GEORGE. I am in favor of repealing parts of it; yes, sir.

Mr. BANKHEAD. The loan plan?

Mr. GEORGE. Yes; if we have to do that to avoid the accumulation of cotton and to prevent the creation of a two-price system here.

Mr. BANKHEAD. The Senator has fought several vigorous battles shoulder to shoulder with me to get the loan and to get as high a loan as possible.

Mr. GEORGE. Exactly. I have done that because when we circumscribe the farmer and restrict him so that he can produce only a limited quantity of cotton, the Government does owe him the obligation to see that his crop brings a livable price. But by this time we ought to be able to see what the loan is doing with respect to the cotton problem as a whole.

Mr. BANKHEAD. I am not in accord with my dear friend on that subject. I always value his good judgment; I know he is sincere; but it seems to me that such basic agricultural commodities as cotton, wheat, and corn should be dealt with upon the same basis of protection against collapse in price. I think the loans have been of tremendous value to wheat, cotton, and corn producers, and I am not in favor of repealing any of the loan laws. Of course, that is not the subject which is now involved.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BARKLEY. Of course, we have provided in all of the agricultural bills for a loan feature, and we have also contributed in the way of benefit payments, recognizing, as the Senator from Georgia has said, the obligation of the Government to compensate the farmer in some way for the reduction in his production. But all of that has been done in order to help the farmer and to increase the price of his product because of the reduction in the quantity.

If there had been no reduction in acreage and in the production of any of these crops during the period in which the laws have been in effect, and the farmers had no inducement to reduce, and had produced to the fullest of their capacity, the chances are that prices would have been much lower than they have been. Not only would the market prices have been lower, but none of the benefits which have accrued by reason of the carrying out of the farm program would have resulted.

It is undoubtedly true that an unfortunately large amount of cotton has been accumulated because of the loans. It probably would have been sold at some price if it had not been for the loan feature. That price might have been much below the cost of production—much below what the cotton actually brought. No one can tell what the result would have been if something else had happened which did not happen. But we know that we have about eleven and one-half million bales of cotton now impounded under loans, and under the law as it now is that cotton cannot be sold below the loan figure placed upon it, plus the carrying charges up to date, which is what makes the price above the market price, as I understand. Is that correct?

Mr. BANKHEAD. It is difficult to know what the market price is. We sell at one price, and Brazil sells at another price in the Liverpool market.

Mr. BARKLEY. I am speaking of the American market price. The American market price is lower than the loan on the cotton and the carrying charges, as I understand, on the average.

Mr. BANKHEAD. Very little at this time. As I stated a moment ago, the loan and carrying charges now, under the statement of the Commodity Credit Corporation, would be 9.11 cents. The average price just a day or so ago at the 10 spot markets for cotton was 8.90 cents. So there is only 20 points difference there, or a dollar a bale, between the market price and the amount necessary to withdraw cotton from the loan.

Mr. BARKLEY. The whole cotton situation is extremely complicated, and it is difficult for the ordinary layman to understand the economics of it. I do not know whether expert cotton men understand it. A few days ago I asked one of the ablest cotton men in the United States, if not in the world, who is opposed to the export subsidy——

Mr. BANKHEAD. Has he had any foreign interest?

Mr. BARKLEY. I do not know. He may have. I asked him how we are ever to start to sell the cotton now being held, and he confessed he did not know. I think he was perfectly honest about it. He said he did not know, and I certainly do not. However, I am anxious to do something that will start the cotton moving. If we could just skip 1 year of raising cotton altogether, and use what we have accumulated to meet the demands for American cotton, we could solve the problem in that way; but we have no power to prevent the cotton growers from planting it, and I know of no inducement which we can hold out that is sufficiently attractive to induce them not to plant. In the absence of anything of that sort, how are we going to get this cotton off our hands? What are we going to do with it?

Mr. BANKHEAD. That is what all of us want to ascertain. We are groping. Here is a plan proposed which may have some beneficial results. We have the money provided, and a certain amount of it is available for application to cotton under the law. The administration proposes to use that money, which is already appropriated in this way, in the belief that it will cause an increase in our exports.

Mr. BARKLEY. I appreciate that. In yesterday's mail at my home I received a special-delivery communication from an organization in Stoneville, Miss., in which were set forth a good many reasons why this export subsidy plan should not be adopted. Among other things, it was suggested that it would bring on a sort of trade war between our country and other cotton-producing countries, and that they would say to us, "If you are going to sell the cotton you have under the loan below the market price, we will start in and cut prices," and that there would be chaos in the world markets with respect to cotton. What is the Senator's reaction to that suggestion?

Mr. BANKHEAD. We did the same with wheat.

Mr. BARKLEY. I am not defending the pamphlet. I am simply asking the Senator what he thinks about what it stated.

Mr. BANKHEAD. I am answering it with a concrete case. I just stated that the administration last year exported wheat on a subsidy plan, which averaged about 21 to 22 cents a bushel for 100,000,000 bushels. It offered it in the foreign markets and sold it. No one made any complaint that that unsettled or disturbed the general wheat market.

Mr. BARKLEY. I do not know the amount of wheat involved in that transaction by comparison with the amount of cotton that might be involved, and whether it was sufficient to have any appreciable effect upon the wheat market. The Senator probably has looked into that matter. It might depend somewhat on the proportion of the commodity unsold and hanging over the market, and perhaps it would also depend upon the supply that is available in other countries.

Mr. BANKHEAD. I assume the letter the Senator referred to was written by Mr. Oscar Johnston?

Mr. BARKLEY. It was not signed by him.

Mr. BANKHEAD. I know his views on the question.

Mr. BARKLEY. It is signed by four or five gentlemen who are members of the organization.

Mr. BANKHEAD. Mr. Johnston sends out material dealing with cotton. The name of his company is the Delta Pineland Co. When I say it was written by him I do not mean to speak in derogation of him. He is a very able man, one of the ablest men I know. But he has had those views on this particular subject for many years.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. RUSSELL. The Senator referred to the fact that there was a difference of only about 20 points between the loan price and the market price.

Mr. BANKHEAD. No; I said that the farmer would draw the cotton out at the amount of the loan plus the carrying charges. The market price is now above the loan price. The loan price is 8.30 cents and the market price 8.90 cents.

Mr. RUSSELL. Does not the Senator from Alabama think the rate of loan that is fixed has a very great effect on the market price?

Mr. BANKHEAD. Oh, yes; I think it does; just as it does with respect to corn. I think everyone will admit that a high loan figure for corn, much higher than wheat or cotton, has held the general price for corn higher than it would have been but for that loan figure. I have heard from leading corn representatives that that is true.

Mr. RUSSELL. So far as competition for European markets is concerned, we have put the world on notice as to just what the American market would be, and all that was necessary for foreign competitors to do to capture markets which had belonged to the American producer was to reduce their price slightly under the loan price that was fixed in this country.

Mr. BANKHEAD. That is what the cotton traders report—the very fellows who do not want any export program. They say they cannot now sell cotton, and that they have been losing sales because foreign cotton, principally Brazilian cotton owned in large measure by American interests, is offered and sold slightly below the price of American cotton.

Mr. BARKLEY. Will the Senator permit me to give him the name of the organization to which I referred? It is the

Delta Council, Stoneville, Miss. The letter is signed by John Petty, president; W. T. Winn, chairman of the executive committee; and Howard Stovall, chairman, Federal program and foreign trade section, committee on agriculture. I do not know any of those gentlemen.

Mr. BANKHEAD. As I stated in the beginning of my remarks, the question is not whether or not we are to have subsidized cotton. There is general confusion on that subject, and from the statement of the majority leader I see that he is confused. We shall have subsidized cotton exports whether or not we adopt this amendment. It was announced by the administration, by the Secretary of Agriculture, and by the President of the United States that they favored a subsidized export cotton program, and the Secretary of Agriculture came before the committee advocating an increase in the appropriation under section 32. The committee has allowed that increase. So under the general law doubtlessly cotton will be exported this year just as it was last year. So the question now is whether we shall follow the general program and export under the judgment and discretion of the Secretary, or whether we shall adopt the plan now proposed fixing certain protective provisions for the protection of the domestic cotton price and the loan cotton plan.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. MILLER. In connection with the Senator's statement that we would have an export cotton subsidy under the present law I find in section 32 this language, which does not quite agree with the statement made by the Senator.

Mr. BANKHEAD. I know to what the Senator is referring. He will find that the provision to which he refers has been repealed.

Mr. MILLER. That is what I was asking about. When was it repealed?

Mr. BANKHEAD. In the Agricultural Act of 1938, the last provision, with respect to raw cotton. I was responsible for the original provision. The Senator from Texas [Mr. CONNALLY] and Representative MARVIN JONES always opposed it. It was taken out.

Mr. MILLER. Why was the provision which prevented the use of section 32 funds in connection with the subsidized exportation of cotton originally put in the act?

Mr. BANKHEAD. Frankly, I will say to the Senator, that I am responsible for it. At that time more normal trade relations existed throughout the world. I thought that if we had any export business for cotton we ought to do it on cotton textiles, so I had that provision added.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. CONNALLY. I will say to the Senator from Arkansas that, as I recall, section 32 as originally adopted was offered on the floor of the Senate by myself.

Mr. BANKHEAD. Yes.

Mr. CONNALLY. The purpose of it originally was to take part of the money received from tariffs and say to the farmer, "You do not receive any benefit from the tariff. You pay increased rates on everything you consume, but you do not receive any benefit. We are going to take part of the tariff money and give it back to you as a subsidy or bounty to aid you in exporting your cotton abroad, where you have to sell it in a world free market." So the language to which the Senator refers was not originally in the amendment. I think it was added later by the Senator from Alabama.

Mr. BANKHEAD. I had it added in conference.

Mr. MILLER. I am in hearty accord with the intent of section 32. It was a bona fide effort on the part of Congress to divert the tariff for the benefit of the farmer. I am heartily in favor of that kind of operation if it can be provided. However, we have the provision in the original law, and now we are seeking to do exactly the reverse of what we said we wanted to do. That is the question I was raising.

Mr. BANKHEAD. I understand what has confused the Senator. The situation, concretely, is this: Congress has twice provided for the export of agricultural commodities on a subsidy basis. In the original act raw cotton was the only thing excepted. Then in 1938 a farm bill, which had more careful consideration than any bill with which I have ever been associated or have observed since I have been a Member of the Senate, was on the floor of the Senate for 4 long weeks, under debate and scrutiny, section by section. It was before the conference committee for 4 long weeks. The conferees worked morning and evening, all day, earnestly, faithfully, and conscientiously going over the programs of the two Houses, and carefully considering every section put into the new law. In the 1938 act, which had all that careful consideration, and in which the subsidy for exports was reiterated and again written into the law, the provision against paying export subsidies on raw cotton was deliberately repealed. In that act we have the judgment of Congress on the question and the action by Congress. After being in the law from 1935 to 1938, the exception against paying subsidies on export cotton was removed from the law in a most carefully considered general agricultural program.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. CONNALLY. As I understand the Senator, he takes the position that under the general law, section 32, the President and the Secretary of Agriculture, without any further action by Congress, may use these funds to pay subsidies on export cotton?

Mr. BANKHEAD. Just as they have been doing on wheat. There is no doubt about it. Nobody disputes it.

Mr. CONNALLY. What the Senator proposes to do is to limit that authority, and try to preserve the price for the present crop by making the export subsidy apply only to the new crop rather than to the loan cotton. Is that the situation?

Mr. BANKHEAD. That is correct. That is the crux of the whole situation.

Mr. CONNALLY. I thought so.

Mr. BANKHEAD. The basis of the countersuggestion was that instead of taking loan cotton, as they have the power to do if the farmers withdraw it, the exporters should be required to go into the open market. When that suggestion was carefully and fully considered, it was agreed that it was a better plan than the original one; and I was asked to present the matter to the Congress.

Mr. CONNALLY. Let me ask the Senator one other question. Suppose under the present loan the Government should acquire title to the loan cotton. It would then become Government property. Under section 32, could the Secretary of Agriculture and the President then use the funds to export that cotton, and take a loss if necessary?

Mr. BANKHEAD. I do not know of any reason why they could not do so after the 1st of July. They could not take over the cotton until the 1st of July.

Mr. CONNALLY. I understand; but when they took it over they could do as I have indicated?

Mr. BANKHEAD. Yes. The Senator from South Carolina [Mr. SMITH], who is familiar with the problem, introduced a bill relating to it this year. The farmers may withdraw the cotton when it reaches a certain point.

Mr. CONNALLY. But if they do not withdraw it, the title goes to the Government.

Mr. BANKHEAD. Not only is that true, but the loan of 1934 is past due, and the cotton may be taken over at any time by the Commodity Credit Corporation. The maturity of the loans on the 1937 and 1938 crops has been extended until the first of August; but the crop of 1934 is subject to capture by the Government at any time.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. DANAHER. Awhile ago I understood the Senator to say that the crop this year would reach approximately 12,000,000 bales.

Mr. BANKHEAD. That is the normal yield.

Mr. DANAHER. About how much of that crop will find a market in this country?

Mr. BANKHEAD. Judging by the experience of this year and last year, I should say, in round figures, 6,000,000 bales, or perhaps a little more than that this year. Last year the fig-

ure was 5,600,000 bales, but the consumption in this country has increased over that of the preceding year.

Mr. DANAHER. If the same system of loans as in the past were to be offered to the farmers, rather than the proposed plan, can the Senator tell me about how much it would cost?

Mr. BANKHEAD. I do not quite understand the Senator's question.

Mr. DANAHER. To put it in another way, as I recall, there was some testimony before the committee of which the Senator is a member to the effect that there is now approximately $550,000,000 in loans outstanding against loan cotton.

Mr. BANKHEAD. That is correct.

Mr. DANAHER. About how how much more in additional loans would be offered to the cotton growers for this year's crop?

Mr. BANKHEAD. I repeat that I have tried to impress the view that under the plan contained in the amendment no more cotton will go into the loan, because if through a subsidy we take half of this year's crop out of the market and ship it abroad, we shall have such a demand for this year's crop for domestic consumption that instead of the cotton going into the loan the price will go slightly above the loan value, as we all think, and the mills will be bidding for it. That will keep the cotton from going into the loan.

I will say to the Senator that the primary purpose of the amendment is to hold the domestic price of cotton around the loan level, so that no more will go into the loan.

Mr. DANAHER. I thank the Senator. In view of that answer, if the plan proposed by the Senator were not adopted, how much would be offered in loans?

Mr. BANKHEAD. That is purely speculative.

Mr. DANAHER. Can the Senator give me an estimate?

Mr. BANKHEAD. No; I cannot. I will say to the Senator that since the amendment was offered, the price of cotton has gone up $2 a bale, or from 40 to 50 points, on the theory that if the amendment is agreed to, or if there is a prospect of its being agreed to, the cotton situation will be tight. As I stated a while ago, the price is now up to within a dollar a bale of the price necessary to get it out of the loan. Of course if we exported the loan cotton, and left the whole 12,000,000 bales to be sold on a market having a demand of only 6,000,000 bales, we should probably have 4- or 5-cent cotton.

Mr. DANAHER. I thank the Senator.

Mr. BANKHEAD. A large quantity—probably all of it—would naturally go into the loan until the price again rose.

Mr. President, I am not going to take any further time about this matter. It has been under very careful consideration for some weeks not only by the Department of Agriculture but evidently by the President, by the cotton States, and by Senators. We have talked about a cotton program. We have presented from time to time cotton programs. I frankly think the plan offered by the senior Senator from South Carolina [Mr. SMITH] the best program that has been presented. I should be glad to work for that program, but we decided, as I think everyone else decided, that there was no chance to have it passed by the House.

Mr. BARKLEY. Mr. President, may I ask the Senator a question about his amendment?

Mr. BANKHEAD. Certainly.

Mr. BARKLEY. As I understand the amendment, it does not apply to any cotton that is now held by the Government until after January 1 next?

Mr. BANKHEAD. That is correct; that is intended to prevent competition with the farmers' crops this year.

Mr. BARKLEY. And between the months of August and December in any other year it will not apply to any cotton that is held under loan?

Mr. BANKHEAD. That is correct; that is, during the marketing season.

Mr. BARKLEY. So that during the months from August to December, which constitute the cotton marketing season, preference is given to what we call free cotton in the granting of this subsidy. Then, after that, if the world demand has not been supplied, the Commodity Credit Corporation, under rules provided by the Secretary of Agriculture, may release cotton then held under loan.

Mr. BANKHEAD. That is correct.

Mr. BARKLEY. But only on the payment of the cotton loan rate, that is, the current, that is the original rate plus interest charges——

Mr. BANKHEAD. Plus carrying charges.

Mr. BARKLEY. Plus carrying charges, and plus one-quarter of a cent in addition for miscellaneous expenses.

Mr. BANKHEAD. That is to protect the interests of the Government in the loan.

Mr. BARKLEY. Of course that would mean that if the market price were below all these charges the farmer would get the difference by having his cotton returned to him by the payment of that amount. For instance, if the loan that is already on the cotton amounted to 10 cents, I will say, and the current loan value of the cotton at that time plus the charges was 9 cents, the farmer would get his cotton back at 9 cents a pound, thereby gaining 1 cent. Is that correct?

Mr. BANKHEAD. Yes.

Mr. BARKLEY. Suppose the amount outstanding already plus the charges amounted to 10 cents, but the current rate of the loan in the course of a year, we will say, plus the same charges, was only 9 cents.

Mr. BANKHEAD. He would get it at what it cost the Government and any profit would be his. I am sure nobody can object to that.

Mr. BARKLEY. He would not get it at what it cost the Government; he would get it at the amount of the current loan rate, which might be less.

Mr. BANKHEAD. It might be, but there is not much prospect for a good long time, for the loans are at the minimum permitted by law.

Mr. BARKLEY. If the market price of cotton should go up so that its value would be greater than the current price, say, next year, plus these charges, the farmer, of course, would have a greater incentive to withdraw his cotton and pay all the charges so that he might obtain whatever profit would accrue to him by selling at the higher market price?

Mr. BANKHEAD. Broadly speaking, yes. Of course, the farmer could take his cotton at any time when he could get a little profit on it. He has no hope of getting any as matters now stand.

Mr. MALONEY. Mr. President, I should like to ask the Senator a question. Can the Senator tell me whether under this plan there would be much difference between the domestic sale price of cotton and the sale price of cotton abroad?

Mr. BANKHEAD. Yes; the subsidy would reduce the price of American cotton abroad. That is the object of the subsidy.

Mr. MALONEY. Has the Senator given much thought to what effect that would have on domestic textile manufacturers?

Mr. BANKHEAD. Yes. While the textile manufacturers export only 1 percent of the total production of America, this bill provides that they shall have a compensating subsidy on their exports to equalize conditions as the result of the subsidy on raw cotton sold abroad. The manufacturers are protected under the provisions of the bill.

Mr. MALONEY. Has the Senator given any thought to the effect the adoption of the proposal might have on the importation of textile products?

Mr. BANKHEAD. I am happy the Senator asked me that question. That is one of the reasons I am very frankly for this amendment. It is one of the important reasons why the administration cannot get along without this amendment and fully protect the textile industry of this country. The Senator will note the last paragraph in the amendment which amends section 22 of the Agricultural Adjustment Act of 1933, as amended.

Mr. MALONEY. That is what I did not understand.

Mr. BANKHEAD. It amends section 22, which is the section authorizing the President, after investigation by the

Tariff Commission, whenever any agricultural commodity is coming into the country in excessive quantities to establish quotas. This amendment is intended to provide and does provide that it is not necessary to wait until the exports are coming in, but action can be taken immediately. Now it is necessary to wait, under the language of the section. The amendment proposes to change that section so that when the President has cause to believe that exports will start to come into the country he can take action.

Mr. MALONEY. How does that differ from existing law? Is not that the situation now?

Mr. BANKHEAD. No; under the existing law the only basis for action is that imports are now coming in, presently coming in in excessive quantities. So, if we do not change the law, cotton goods could be shipped here and would be shipped here before action could be taken. The pending amendment, as will be noted, changes that and removes the necessity for waiting until the flow has started and is coming into this country and gives the power to anticipate such importations.

Mr. MALONEY. May I ask the Senator whether or not anyone has talked with him about or if he has given any thought to the possible conflict with reciprocal-trade agreements?

Mr. BANKHEAD. The only thing I know about that is that the administration has publicly announced support of this program, and it would not do so if the program were in conflict with the trade-agreement program, for we all know how loyally the President has stood by Secretary Hull in that program. So it is quite evident that that phase of the matter has been given careful consideration.

Mr. MALONEY. I should like to ask the Senator one more question, because he is conversant with the subject and I am not. Has he given any thought to the possible consequences on the American textile workers or allied workers in this connection?

Mr. BANKHEAD. In what respect?

Mr. MALONEY. In connection with the importation of cheaper foreign goods.

Mr. BANKHEAD. We are not going to import them.

Mr. MALONEY. The Senator feels that that feature is properly covered by the amendment?

Mr. BANKHEAD. Certainly. The administration in connection with the chairman and general counsel of the Tariff Commission drafted the amendment, and if it was not drafted to accomplish that, then, they did not know how to draft it. That is all I can say to the Senator.

Mr. MALONEY. I thank the Senator.

Mr. BANKHEAD. I do not see how what the Senator suggests can happen. The administration of the law, if it shall become a law, will be in the hands of experts.

Mr. BARKLEY. Mr. President, will the Senator yield for another question? I dislike to intrude on him, but I am seeking information.

Mr. BANKHEAD. Certainly, I yield.

Mr. BARKLEY. The amendment provides, among other things, that when the farmer is to be paid in cotton, instead of in cash, for his export subsidy, the Commodity Credit Corporation is authorized to use any funds available to it for the purchase of cotton for that purpose. Does that contemplate purchasing cotton outside the cotton they already hold, or could they use, or would they be authorized to use, a part of the cotton they already hold in payment to a farmer in kind?

Mr. BANKHEAD. They would use the cotton that they now hold. We do not expect it to amount to anything, because it is generally believed that the cash basis will be used and that the alternative will not be invoked; but it was thought advisable to give that latitude anyway.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. HATCH. When I first rose the Senator had been discussing, or had mentioned, the bill introduced by the senior Senator from South Carolina [Mr. SMITH]. The Senator from Alabama had expressed his own favorable views of that bill, and said that he preferred that measure over the one now pending which he is sponsoring. I agree with the Senator in his expression of preference for the Smith bill. Is there anything in the pending amendment that will prevent the consideration of the Smith bill?

Mr. BANKHEAD. No; except that the pending measure is an appropriation bill. We knew we could not pass the Smith measure through the House, and we did not want to hold up the agricultural program and break it down.

Mr. HATCH. I presume the Senator's amendment, if adopted, then, would not preclude the adoption of the so-called Smith bill?

Mr. BANKHEAD. No; it would not.

Mr. HATCH. Would it preclude action on it by either the Senate or the House?

Mr. BANKHEAD. No; it would have no effect on it at all. It deals with foreign subjects; the pending proposal deals with domestic subjects for the farmer.

Mr. HATCH. Then, according to the Senator's view, there is no reason why the pending amendment should not be adopted and also the Smith bill passed?

Mr. BANKHEAD. That is so; there is no conflict between the two at all.

Mr. HATCH. I wish to say to the Senator that I am quite in accord with what he says about the Smith bill. I hope the Senator from South Carolina will not abandon it, but will urge action on his bill, regardless of what action is taken on the pending proposal. I hope the Smith bill will pass the Senate, that it will pass the House, and will be approved by the President. If that shall happen, I venture the opinion that no action will be necessary under the pending amendment.

Mr. BANKHEAD. I am in full accord with the statement made by the Senator from New Mexico. I have actively supported the bill of the Senator from South Carolina every time he has introduced it—that phase of it—and I should like very much to see it passed.

Mr. ADAMS. Mr. President, will the Senator yield to me?

Mr. BANKHEAD. Certainly.

Mr. ADAMS. Will the Senator allow me to get from him a little clearer idea than I have as to the phrase "fully competitive in the world markets?" That is, the Secretary of Agriculture is authorized to make payments in order that the cotton shall be "fully competitive in the world markets."

Mr. BANKHEAD. There are two reasons for the use of that language. One is to avoid having it appear that this is a dumping program. It makes this program consistent with the trade-treaty program. It is simply competing; it is not dumping. The reason why it is necessary to make cotton fully competitive is the statement heretofore made on the floor by me and other Senators that the loan price is said to be—I do not know whether or not it is true—a fixation that enables the foreign producers of cotton to bid slightly under it, and therefore fill the markets with their cotton, when American owners of cotton cannot do that because their farmers will not sell cotton at that price; so it creates a real price-competitive situation.

Mr. ADAMS. But if the purpose of the Senator's amendment is to be accomplished, American cotton will have to be put on the market at a lower rate than foreign cotton. That is, if it is really competitive at exactly the same market price, you may or may not sell your cotton.

Mr. BANKHEAD. Let me say to the Senator from Colorado that this is the situation:

American grade and staple has an established place in the cotton trade of the world. It is superior to most cotton and ordinarily brings a higher price. Until recent years it always brought a higher price than any cotton except the long-staple Egyptian cotton because of its superior quality, grade, staple, and fiber. Cotton is not a new thing in the world outside the United States. It has been produced in 57 countries of the world. For 50 long years foreign countries have been in a race to increase their cotton production. Foreign production has gone up at an average rate of 150,000 bales a year for 46 long years. With that going on the cotton mills

of the world, which have heretofore used American cotton and had their machinery equipped to use our staple and our grade, preferred, as the senior Senator from South Carolina [Mr. SMITH] has often said, the warp and woof of American cotton. So over long periods, with free competition in world cotton, America exported around an average of seven and a half million bales annually.

Now, it is said that the loan price fixation gives foreign competitors an opportunity to bid just below that price, and from time to time our cotton exporters have complained that we did not have a truly competitive situation in the foreign market. A flexibility, a latitude, is given to the Secretary under the formula of creating a competitive situation under which prices can be made which will put American cotton back in its former position of favoritism, with comparable prices established abroad.

Mr. ADAMS. Then the idea is to make the price here such that American cotton can successfully meet foreign competition?

Mr. BANKHEAD. That is the idea; and I do not think it has to be done by underbidding.

Mr. ADAMS. But it will amount to underbidding when quality and other things are considered.

Mr. BANKHEAD. Yes; it will be a better bargain, so to speak.

Mr. ADAMS. It means underbidding when quality is considered.

Mr. BANKHEAD. That is correct, because it is a better bargain, just as Colorado sugar is a little better than Puerto Rican sugar.

Mr. ADAMS. I appreciate the Senator's comprehension.

Mr. SMITH. Mr. President, will the Senator from Alabama allow me to interrupt him?

Mr. BANKHEAD. Surely.

Mr. SMITH. I have sat here and listened to this discussion. It may be that I shall have to leave the city, because of conditions over which I have no control.

Mr. BANKHEAD. I will yield the floor now, if the Senator wishes to take it.

Mr. SMITH. Very well.

Mr. GEORGE. Mr. President, before the discussion goes any further, I make the point of order that the pending amendment is clearly legislation on a general appropriation bill. I do not think the point will be controverted, because notice of a motion to suspend the rule has already been given by the proponent of the amendment; but if there is any question of doubt in the mind of the Chair, and any disposition upon the part of the proponent of the amendment to resist the point of order, I should like to know it.

The PRESIDING OFFICER (Mr. LEE in the chair). The Chair sustains the point of order.

Mr. BANKHEAD. Mr. President, I anticipated that ruling, and I have no counter argument to present. I now move to suspend the rule, under the notice previously given.

Mr. GEORGE. Mr. President, as I understand, that is a debatable question.

The PRESIDING OFFICER. It is a debatable question.

Mr. GEORGE. If the Senator from South Carolina [Mr. SMITH] wishes to proceed this afternoon, he may do so.

Mr. SMITH. Mr. President, I do not know of any commodity produced on the farm or elsewhere about which there is such crass ignorance as there is about cotton. Even the Senators from the cotton-producing States are about as ignorant regarding cotton and its marketing as are those who never have seen a stalk of cotton.

I have listened to misstatements on this subject—honestly made, but made from pure ignorance of the subject. It is very discouraging when one who has had a lifetime of experience with cotton hears certain statements made which are absolutely without any foundation whatever.

I have heard a good deal said about the competitive price of cotton. Every man who has any knowledge of cotton and the cotton market knows that the present situation has grown out of two unfortunate conditions. One was the unexpected and tremendous crop made in 1937, when we had reduced our acreage from 40,000,000 acres plus to 30,000,000 acres plus; and instead of our making about 14,000,000 bales, according to the average production per acre over a period of 10 years, we made 19,000,000 bales. Of course, the result was disastrous to the price of cotton.

A loan was asked for and granted, disappointing to those who had cotton, ranging from 8.3 cents a pound, according to grade and staple, to something like 7 cents and some points. The cotton went under the loan; and under the terms of the law by reason of which it went under the loan nobody knew what was going to be the policy of the Government in disposing of it. It can be seen from the legislation that is now proposed that the trade is demoralized; and no sensible man is going to buy cotton or invest in cotton when he does not know what is going to be the policy of the Government, which has a lien on eleven and a half million bales.

How did the trade know whether we were going to dump 2,000,000 bales on the market, or whether we were going to open the floodgates and sell the whole amount? Consequently, representatives of the spinners of Europe came to my office and said, "It is not so much a question of price; it is a question of knowing what you are going to do with the cotton." What are we going to do with it?

Now it is said that we want to meet the competition in price. That is exactly what we have been doing for all these years, and I want the opportunity now to do it. How are we going to do it? By going into the un-American, absurd, ridiculous plan of offering cotton to foreigners at from $10 to $15 a bale less than the price at which we are offering it to our own people?

Let us analyze that a moment. I make the assertion, as a man experienced in the marketing and growing of cotton, that if the Senate were to decide today that it would sell at the world price 100,000 bales of the loan cotton a month, beginning now, without regard to the current crop which has come in, cotton would rise a cent a pound.

Talk about us competing with foreign cotton, when even now, with the absurd reduction in acreage, and regimenting everything and everybody, with our reduced acreage and the so-called foreign production, we are making 46 percent of all the cotton of the world. It has been stated here on the floor that our exports have dropped to 50 percent of those of the year preceding. That is true, and why? Anyone who will go to the Department of Commerce and get Mr. Zimmerman's bulletin on the supply and distribution of cotton will find that the amount of American cotton consumed abroad for the same period in which it has been stated that our exports have dropped 50 percent is practically the same amount consumed the preceding 6 months.

Mr. BILBO. American cotton?

Mr. SMITH. American cotton. Why is that? It is because they did not know what we were going to do with our present supply of cotton. A man says, "I cannot buy American cotton now because I do not know what policy they are going to have in reference to the disposal of what they have on hand. I do not know whether they are going to dump tremendously, or whether they are going to withhold. I am just going to sell at the market, and consume my stock." And the foreigners have consumed the foreign stock of American cotton to the same extent that they previously consumed American cotton. Now they are practically out of cotton, and it is proposed to say to them, "Very well, we will just dump this cotton on you to the tune of about 2 cents a pound or 3 cents a pound," according to the splendid judgment of Mr. Wallace, who knows about as much about cotton and the cotton market as Senators know. I am not underrating my colleagues, but they do not know a thing about it. Yet they are ready to take the action now proposed. It is analogous to the situation which existed when two men claimed to have discovered the North Pole, and we were asked to judge which one really did discover it. We had not been to the North Pole, but we knew all about it. They were before a jury which did not know a thing about it, and the man who happened

to have the pull got the credit for discovering the Pole. I always did believe the other man discovered it, too.

Mr. President, I am laying a foundation to appeal to my colleagues. Whatever you do, in the name of reason, do not begin this export subsidy business. If the Government has any money with which to subsidize, let us, by all means, subsidize our own people.

I maintain that if we will now declare that we are going to put on the market—not export, but put on the market—a definite quantity of loan cotton, together with the current crop which comes in, and let it find its competitive relation with world cotton, we will see every bale of the cotton consumed in 3 or 4 years, to the benefit of the American producer and the American spinner.

Why all this haste and paralysis and fear about us having eleven and a half million bales, if we will use common sense in feeding it out to the world market as it is willing to take it? Whenever we decide how much we are going to put on the market in conjunction with the current crop, the world will take it.

Of course, there are certain laws which are very helpful to the export and consumption of American cotton, such as the Smoot-Hawley tariff law, the Johnson Act, and the antidumping clause. We have tried in every way possible to turn the tide against us. But, despite all that, if we will use common sense and say to the world, "We are going to dispose of so much of this cotton periodically," and stick to it, the competition for American cotton, which is superior to any cotton in the world, will result in our getting rid of it to the benefit of the American spinner and producer.

There may be some in another part of the Capitol who say that they would not take a bill which bears my name; but that bill is the result of the work of every element in the United States engaged in the processing and consumption and production of cotton. We got around a round table and wrote a bill, an American bill; not a miserable subsidy bill. Complaint is made that it will cost too much money. I would rather it would cost double what it would cost than to go into subsidizing the foreigner at the expense of the American producer and consumer and taxpayer.

Mr. President, I am astounded that anyone should say that the present price of American cotton is out of line with that of foreign cotton. I invite my colleagues to get the report of the price of foreign cotton up to date compared with the price of American cotton. It will be found that for every point American cotton has risen the cotton of Argentina, Peru, Brazil, India, all commercial cotton, has gone up exactly the same; and when ours receded, the others receded. So the American price determines the price of the world cotton. I defy any man to dispute that.

We set the price; and now, because of crass ignorance, if not worse, an attempt is made to make us believe that we Democrats—God save the mark—in order to get rid of our cotton, have to sell it at such a low price that foreign countries can spin it and sell the goods back to us at prices lower than what must be charged by our people, who have to pay the higher price; and therefore we must put a tariff on the imported goods. Having created the condition for a tariff, then, please God, let us invoke the tariff. In other words, put the foreigner in such a situation that he can spin our cotton and make the goods and ship them back to us for sale at prices below those for which our own citizens can spin the cotton and sell the goods here. And in order to keep them from doing that, when we have sold them the cotton so cheap that they can process it and bring the products to our market, it is proposed that we forbid our people getting the advantage of that nefarious trick.

Mr. President, that puts us in a beautiful light, does it not, imposing an import duty on goods made from American cotton in order to keep the foreigner, to whom we sold the cotton so cheap that he could manufacture it and send the goods back here, from selling the goods made from American cotton? All who subscribe to that doctrine should vote "aye."

Mr. President, what is the occasion for this export subsidy? Why is there a desire that we get rid of cotton in that manner? I can tell how it is possible to get rid of every bale of it. Just give it to the Europeans.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. CHAVEZ. The question in my mind is not what is the occasion for getting rid of the cotton in that manner, but how are we to help the cotton farmer?

Mr. SMITH. We can help the cotton farmer since we have promised him parity——

Mr. CHAVEZ. I am for it.

Mr. SMITH. Very well; we have promised him parity. If the supply of cotton, both American and world cotton, must of necessity, under the law of supply and demand, be selling at a price away below parity, if we have any subsidy to grant, let us say to the American farmer, "Sell your cotton at what it will bring in the world market and we will make up the difference to you between that price and parity."

Does that answer the Senator?

Mr. CHAVEZ. It would satisfy me. Nevertheless, I ask the question, Are we doing anything for the cotton farmer? Is the problem one of subsidizing exports or subsidizing domestic consumption, or is the problem something else?

Mr. SMITH. All I know about the situation is that cotton is indestructible. I had my photograph taken beside a bale of cotton 67 years old.

Mr. CHAVEZ. Let me ask the Senator whether the problem has changed since then?

Mr. SMITH. No.

Mr. CHAVEZ. It is still the same?

Mr. SMITH. It is still the same.

Mr. CHAVEZ. The cotton problem was the same 60 years ago?

Mr. SMITH. Oh, no. I did not understand the Senator. No; it was not. I used to receive 6 cents a pound for cotton and could take the 6 cents and buy clear rib sides at 6 cents a pound. Now I get 8 cents a pound for cotton and give 21 cents a pound for the meat.

Mr. CHAVEZ. In connection with the cotton problem—and there are farmers in my State who produce cotton which is generally disposed of in foreign countries, so we do not compete with domestic consumption—are we not neglecting the competing factors? After all, the world is moving, and there are many things happening today which did not happen 60 years ago. There are many competing factors, such as rayon, for instance, and, what has been talked about lately, products made from glass or milk competing with cotton. Is it not a fact that the cotton farmer today is trying to conduct his business and production as he did some time ago, without taking advantage of the technical improvements that have been brought about by other competing factors?

Mr. SMITH. If the Senator will go into a store, I think he will find that the competition with cotton of rayon and the other products of which he speaks is not so great as he assumes it to be. The fact is that rayon and wood fiber have been worked to a fare-you-well, while the consumption of cotton has steadily increased, and more cotton is consumed today than ever before in the history of the world.

Mr. CHAVEZ. I should like to ask the Senator another question: When the average girl in Washington, or in the Senator's State, or my State, goes into a store to buy a pair of stockings—we are dealing with the human element, and it is a million years old—what will she buy?

Mr. SMITH. She will buy the rayon stockings; and if the Senator thinks that that is the major part of her covering——

Mr. CHAVEZ. I do not think it is. I am thinking about a fact.

Mr. SMITH. I am also thinking about a fact. But does the Senator think that the stockings that women wear are the cause of the decline in cotton goods, when the Senator is covered with cotton right now, and so is the Senator next to him, and so is every woman in the country?

Mr. CHAVEZ. But we are not going to keep a girl from buying rayon stockings.

Mr. SMITH. No; and I should not want to do so because the stockings used in this country would not represent 100,000 bales of cotton.

Mr. CHAVEZ. Suppose we approach the question from the jute end.

Mr. SMITH. From the jute end?

Mr. CHAVEZ. Yes.

Mr. SMITH. Jute has nothing more to do with it than the number of teeth in a handsaw has to do with the price of chickens.

Mr. CHAVEZ. There was some testimony produced before the committee——

Mr. SMITH. Oh, yes, we can get testimony everywhere. We have had jute since cotton was first planted, and the consumption of jute has not increased one particle, while the consumption of cotton has increased.

Mr. CHAVEZ. Nevertheless, the committee will have to take the testimony that is given before it, and testimony was offered before the committee that 2,000,000 bales of cotton could be used to take the place of jute.

Mr. SMITH. Oh, yes, but that has not been done, and there is no necessity for doing it so long as we can get a reasonable price for cotton.

Mr. CHAVEZ. Mr. President, I agree with the Senator that there is no need for it, but nevertheless the fact still remains that 2,000,000 bales of cotton could be used where now jute is used.

Mr. SMITH. Oh, yes; and 4,000,000 bales of cotton could be used if women had never during the last 100 years worn silk or linen, but they do so, and cotton is still consumed.

Mr. CHAVEZ. Mr. President, with all deference to the Senator from South Carolina, and although I desire to protect cotton, I must say that it will never get back on its feet unless it faces the stern reality that it has a competing factor by way of progressive technical improvements throughout the country. That is the whole trouble with cotton now. Cotton is competing with rayon and is competing with other commodities.

Mr. SMITH. I will leave the Senator to cultivate his own ideas and lie down with his own thoughts. I am just taking the situation as it stands, and am protesting against the foolishness of trying to rush into such an un-American, such an undemocratic thing as dumping our cotton while we have a law against dumping. The Senator from Alabama tried to explain the matter just now by saying it was a form of competition.

Mr. CHAVEZ. I may say that in that particular instance I am in full agreement with the Senator from South Carolina.

Mr. SMITH. I knew the Senator's views were sound fundamentally. This other thing did not worry me a bit.

Mr. President, I sponsored a bill, and everyone I have spoken to about it has said it was a good bill. But it failed of passage in the other House. Therefore, it is asserted that we must pass an absurd measure in order to say we have done something for the cotton farmer. It is just as reasonable to go in to a sick child and say, "I do not know what sort of medicine to give him. We cannot give him the right kind of medicine. Let us give him a dose of strychnine. He must have some medicine. Let us give him strychnine. If it kills him, all right; but we will give him the medicine."

Mr. CHAVEZ. May I encroach upon the good nature of the Senator again? I have tried to gain as much information at the committee hearings as anyone else, but it appears to me that while technological improvements are being brought about in connection with rayon and other materials, very little research work has been done with respect to cotton in order to provide some other means of disposing of cotton.

Mr. SMITH. I do not know what further research cotton needs. God knows it is the basis of the clothing of 900,000,000 people. Controvert that statement. Nine hundred million persons, more or less, throughout the world, use cotton.

Mr. CHAVEZ. May I interrupt the Senator at that point?

Mr. SMITH. I should like to go on with my speech. Cotton fiber is without a competitor in the world of fibers. It grows prolifically. It comes in a form that needs no extra handling. It is already the attenuated fiber ready for spinning. Under the modern process of loose weaving it takes an expert to tell the difference between a woolen and a cotton garment. With the tight-weave process and the modern laundry it has practically driven linen off the market. Under the mercerized process it is a substitute for silk. It is the most adaptable, the most universally used product for wearing apparel. America is the premier in the production of quality cotton, which commands a premium the world over. Yet, merely because we happen to have in store eleven and one-half million bales of cotton, with another crop coming on, we become demoralized when we ought to be proud of the fact that we have such a wonderful banking asset.

Mr. President, the Senate may not be aware of the fact, but it is a fact, that under the Federal Reserve Act cotton, like gold, is made the basis for the issue of temporary currency. We could issue temporary currency on our holdings of cotton and circulate it, and have something as the basis of redemption just as we have in gold. Yet cotton is a despised fiber. We can take our cotton, as I said, and distribute it all over the world market, and let the world know our basis of distribution, and the difference between the price we get for it and the percentage of parity which we promise to make up to the farmer. The House said it cannot be done unless we have the money with which to do it. Under the pending bill we will have the money. We will have $253,000,000 for the purpose of making up to the farmer the difference between 60 or 65 percent of parity and what he may happen to get in the market. Who would not rather spend $500,000,000, if necessary, to subsidize the cotton farmer and let cotton find its level in the competitive market, rather than to subsidize the foreigner and exporter? The members of my committee now before me will testify to the fact that the Secretary of Agriculture came before our committee and practically endorsed that bill; and in less than 2 weeks he was a thousand miles away from it.

I state without fear of contradiction that if we adopt a policy which will give confidence—mark my words—confidence to the cotton-purchasing world, and let it know definitely what it may depend on, within a reasonable time we can get rid of every bale of cotton we have at from 1 to 2 cents a pound higher than our present price.

I do not know what excuse the body at the other end of the Capitol may now have. We have the money. Why not subsidize our people on the current crop and hold the loan cotton until next January? Let the current crop find a market, and let us subsidize the farmer to the extent of the difference between what we promise him in parity and the price he receives. In January let us begin to turn loose the loan cotton with a definite policy rather than go into this absurd thing of involving us in a retaliatory tariff both on cotton goods and on the reimportation of cotton. If it were not for the law, it would be easy to let the cotton producers sell cotton abroad, and those of us who plant it could simply reimport it in lieu of a crop. We could do so more cheaply than we could grow cotton.

Mr. President, I hope that every genuine American in this body—and I believe every Member is a genuine American—will so emphatically put his seal of disapprobation on this absurd move that it will never again raise its head in the American Congress.

Mr. President, if I stay over and feel more like speaking tomorrow than I do this afternoon, I shall go further into the matter.

Mr. GEORGE. Mr. President, if the Senator will permit me, I express the hope that he will be able to stay over.

I ask the majority leader if he is not willing to take a recess at this time until tomorrow?

Mr. BARKLEY. Yes. Has the Senator from South Carolina concluded?

Mr. SMITH. I have concluded.

REORGANIZATION PLAN NO. II—RESOLUTION OF DISAPPROVAL

Mr. BYRNES. Mr. President, I submit a concurrent resolution disapproving reorganization plan No. II, submitted by the President today.

I am heartily in favor of the plan. I am submitting the concurrent resolution at this time solely for the purpose of enabling the Senate to have an opportunity to vote upon the matter. It will be my purpose to ask the Reorganization Committee to report the concurrent resolution, and, when it is reported, to ask for its consideration at the earliest possible date, in order that the matter may be disposed of, and that the officials of the executive departments and bureaus affected may know what disposition is to be made of reorganization plan No. II.

The concurrent resolution (S. Con. Res. 16) was referred to the Select Committee on Government Organization, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress does not favor the reorganization plan No. II, transmitted to Congress by the President on May 9, 1939.

THE JUDICIARY—HARRY J. LEMLEY

Mr. MILLER. Mr. President, as in executive session, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination of Harry J. Lemley to be United States district judge for the eastern and western districts of Arkansas. The nomination was confirmed yesterday.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. I have no objection.

The PRESIDING OFFICER. The Chair hears none, and the President will be notified.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 53 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, May 10, 1939, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 9, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God of grace, Thou hast overlaid the tokens of Thy power with great gentleness and with great love. Oh, how wonderful is Thy goodness which Thou hast wrought for them that trust in Thee before the sons of men. We beseech Thee to enable us to meet temptation unafraid and unharmed; keep us from all pride, deception of innocence; cleanse Thou us from secret faults. Teach us, O Lord, to be patient and long-suffering. Give us such a sense of humility that we shall rejoice each day that we have so many blessings instead of complaining that we have so few. Heavenly Father, clothe us with fine conceptions of manhood that the ideals of truth, honesty, and purity may grow clearer to us. We praise Thee that Thou dost deal with us in affection and Thy chastisements are for our good. In the name of our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate insists upon its amendments to the bill (H. R. 5762) entitled "An act to provide for temporary postponement of the operations of certain provisions of the Federal Food, Drug, and Cosmetic Act," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CLARK of Missouri, Mr. PEPPER, and Mr. McNARY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 221. Joint resolution authorizing the President to invite other nations to participate in the Sacramento Golden Empire Centennial commemorating the one hundredth anniversary of the founding of Sacramento by Capt. John A. Sutter.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

EXTENSION OF REMARKS

Mr. COCHRAN asked and was given permission to revise and extend his own remarks.

PERMISSION TO ADDRESS THE HOUSE

Mr. COX. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, on yesterday the chairman of the Committee on Labor gave notice that on Monday next she would move to suspend the rules and pass amendments reported by her committee to the wage-hour bill.

I want to give notice to the House that a vote for that bill will be a vote against the farmers and the small-business men of this country. It will be voting the dictations of Mr. Andrews, the Administrator of the Wage and Hour Division. [Applause.]

PAYMENT OF SALARIES OF OFFICERS AND EMPLOYEES OF CONGRESS

Mr. WARREN. Mr. Speaker, from the Committee on Accounts, I offer a joint resolution (H. J. Res. 280) authorizing the payment of salaries of the officers and employees of Congress on the first workday preceding the last day of any month when the last day falls on Sunday or a legal holiday, and ask unanimous consent for its immediate consideration.

The Clerk read the joint resolution, as follows:

House Joint Resolution 280

Resolved, etc., That the joint resolution entitled "Joint resolution authorizing the payment of salaries of officers and employees of Congress for December on the 20th day of that month each year," approved May 21, 1937, is amended by adding at the end thereof a new section, as follows:

"SEC. 2. The Secretary of the Senate and the Clerk of the House of Representatives are authorized and directed to pay to the officers and employees of the Senate and House of Representatives, including the Capitol Police and Office of Legislative Counsel, and employees paid on voucher under authority of resolutions, their respective salaries on the first workday preceding the last day of any month (except the month of December) when the last day of such month falls on a Sunday or a legal holiday."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, do I understand the gentleman asks that this may have a privileged status?

Mr. WARREN. No; this is not the matter the gentleman has in mind. This does not cost anybody anything.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. WARREN. Mr. Speaker, I ask unanimous consent that I may proceed for about 2 minutes preparatory to asking for a unanimous-consent agreement.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WARREN. Mr. Speaker, I would like to have the attention of the gentleman from Texas [Mr. RAYBURN], although I know how he feels about this, and also the gentleman from Massachusetts [Mr. MARTIN].

Mr. Speaker, from the Committee on Accounts I am today reporting by unanimous vote of that committee the bill (H. R. 6205) to provide for additional clerk hire in the House of Representatives, and for other purposes, without recommendation.

This bill would increase the clerk allowance to Members of the House from the present $5,000 to $6,500 and would permit the employment of either one, two, or three clerks, with the proviso that no one clerk could receive over $3,900 annually, this being the present law. It also provides that it shall become effective on January 1, 1940.

In reporting this bill to the House without recommendation the committee unanimously takes the position that as it directly affects the privileges of all the Members of the House, the House at least is entitled to express itself on this question.

This is not a privileged matter. In view of that statement and after having consulted with the Speaker of the House, the majority leader, and minority leader, I desire to submit this unanimous-consent request in reference to this bill, and I may say that if the request is granted it will be my purpose to call it up on next Tuesday morning. The request that I now make is as follows:

I ask unanimous consent that it may be in order to consider the bill (H. R. 6205) to provide for additional clerk hire in the House of Representatives, and for other purposes, as a privileged bill from the Committee on Accounts; that such bill shall be considered in the House and that debate on said bill be limited to 1 hour, at the conclusion of which the previous question shall be considered as ordered on the bill to final passage.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. I agree with the committee in its procedure. I believe this is a matter on which the entire membership of the House should have an opportunity to express itself. Therefore I shall not object to giving it the privileged status asked, but I want it understood thoroughly that my failure to object to that does not mean that I personally favor the legislation.

Mr. WARREN. That, Mr. Speaker, I might say, is also thoroughly understood on this side of the House. This merely gives the Members the right to express themselves.

Mr. RICH. Mr. Speaker, I reserve the right to object, to ask this question. Very few Members are on the floor at the present time, and unless they notice this in the RECORD they are not going to have an opportunity to study the question except during the time between now and next Tuesday. If it is the gentleman's purpose to allow only 1 hour of general debate, let us suppose there is some reasonable objection to the bill. The people who are opposed to it should have an opportunity, as well as those who are favoring it, to thoroughly discuss the matter. It seems to me that 1 hour is not sufficient time.

Mr. WARREN. Mr. Speaker, as the gentleman knows, all privileged resolutions coming from the Committee on Accounts have only 1 hour granted for discussion. If this request is granted, it will be my purpose on Tuesday next to immediately yield half of the time to the ranking minority Member, the gentleman from Pennsylvania [Mr. WOLFENDEN].

Mr. RICH. But that would be giving only half an hour to this side and half an hour on the other side. That is not a reasonable time to devote to a question as serious as this is. It seems to me that we ought to have 2 hours' time.

Mr. WARREN. During the gentleman's service in the House this matter has been up at least twice, and during my service I think it has been considered three times, and on all occasions the procedure was established just as I am now asking; that is, an hour's debate. That is the usual time and I think the only time that is ever allowed on these resolutions from the Committee on Accounts.

Mr. RICH. Will the gentleman give at least half the time to those who might be opposed to this bill?

Mr. WARREN. Indeed, I will.

Mr. RICH. Mr. Speaker, I shall not object, but I still think the gentleman ought to grant 2 hours' time for debate.

Mr. WARREN. I guarantee that at least half the time will be given to those who may be opposed to the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ELECTION TO COMMITTEE

Mr. DOUGHTON. Mr. Speaker, I offer the following privileged resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 186

Resolved, That the following-named Members be, and they are hereby, elected members of the standing committees of the House of Representatives:

Post Office and Post Roads: Clyde T. Ellis, Arkansas.
District of Columbia: William R. Poage, Texas.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

LEAVE TO SIT DURING SESSION OF THE HOUSE

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent, at the request of the chairman of the Committee on the District of Columbia, that the Subcommittee on Public Health of that committee may sit during the session of the House today.

The SPEAKER. Is there objection?

There was no objection.

SHIPMENT OF SCRAP IRON TO JAPAN

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I am addressing my few remarks today to the House in general, but in particular to the Foreign Affairs Committee. Word has come to me that there are at this moment in my own district in the San Pedro Harbor, the port of Los Angeles, Calif., three ships being loaded with scrap iron for shipment to Japan. Last week we were horrified to read in the daily press of the killing of hundreds of defenseless men, women, and children in the southern part of China.

Could there by any chance be any connection between the selling of scrap iron and the maiming and killing of these human beings? Where do you suppose the gasoline that furnishes the power for these dastardly attacks originates?

We all know the answer to both of these questions, and as Members of this body we certainly have a responsibility to shoulder. If I supply a weapon to a man whom I know to be a murderer, I believe I am just as guilty of the crime that he subsequently commits as the man who actually commits the deed. At least I am an accomplice. If I have it in my power to prohibit his getting possession of that weapon, and I do nothing about it, I am guilty of a sin of omission, which, I believe, to be just as great as a sin of commission.

If what I have said be true in the case of one man, I believe it to be also true in the case of two or three men. If it be true in the case of two or three men, it is true in the case of many millions of individuals that make up a nation. You and I have the direct responsibility, even though we may not have thought of it in that light before. What are we doing to stop the putting of the weapon in the hand of the murderer? I know the Foreign Affairs Committee is wrestling with this very grave problem, and I have faith that a way will be found to stop the sale of oil, scrap iron, and other materials used in war, as well as the actual implements of warfare, from going to the nation that is already a violator of one of the treaties to which both countries, the United States and Japan, are signatories.

I hear some reply, "That may be true what you say, but we had better mind our own business." To these people I make this answer: "That was the burden of Hitler's answer to the Roosevelt pleas for nonaggression, and that is the plea of the un-American Bund and other like organizations within our gates."

To this same excuse for refusing to be a party to the murder of the innocent, namely, that we must mind our own business, I again reply: "That is just the trouble; we are minding our own 'business' when we are shipping these death-dealing materials—the business of making money." I believe that this is one business that should stop.

So, my colleagues, while we are delaying, my own port of Los Angeles, San Francisco's port, and the port of Seattle are busily engaged in the shipment of these supplies and the innocent human beings are being slaughtered like sheep while we look on.

This is something for which you and I must take our responsibility; and I, for one, do not care to have the blood of the innocent upon my hands. I have faith in our committee, but I beg of you gentlemen make haste.

ADDITIONAL COPIES OF HEARINGS ON INVESTIGATION OF THE ADMINISTRATION OF THE TENNESSEE VALLEY AUTHORITY ACT OF 1933

Mr. JARMAN. Mr. Speaker, from the Committee on Printing I report back favorably (Rept. No. 571) a concurrent resolution (S. Con. Res. 7), and ask for its immediate consideration.

The Clerk read as follows:

Senate Concurrent Resolution 7

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the special joint congressional committee of the Congress appointed pursuant to Public Resolution No. 83, approved April 4, 1938, to make a full and complete investigation of the administration of the Tennessee Valley Authority Act of 1933, as amended, be, and is hereby, empowered to procure the printing of 1,000 additional copies of the hearings held before the said committee during its investigation.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF ADDITIONAL COPIES OF THE REPORT OF JOINT COMMITTEE APPOINTED TO INVESTIGATE TENNESSEE VALLEY AUTHORITY

Mr. JARMAN. Mr. Speaker, from the Committee on Printing I report back favorably (Rept. No. 572) a concurrent resolution (S. Con. Res. 9), and ask for its immediate consideration.

The Clerk read as follows:

Senate Concurrent Resolution 9

Resolved, etc., That there be printed 3,000 additional copies of Senate Document No. 56, current session, entitled "Report of the Joint Committee of Congress Appointed To Investigate the Tennessee Valley Authority", which was submitted to the Congress on March 31, 1939, of which 1,000 copies shall be for the use of the Senate document room, and 2,000 copies for the use of the House document room.

The Senate concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING ADDITIONAL COPIES OF THE HOUSE REPORT ON INVESTIGATION OF UN-AMERICAN ACTIVITIES AND PROPAGANDA

Mr. JARMAN. Mr. Speaker, from the Committee on Printing I report back favorably (Rept. No. 573) a concurrent resolution (H. Con. Res. 16), and ask for its immediate consideration.

The Clerk read as follows:

House Concurrent Resolution 16

Resolved, etc., That there be printed 25,000 additional copies of House Report No. 2, current Congress, entitled "Investigation of Un-American Activities and Propaganda", of which 3,000 copies shall be for the use of the Senate document room, and 22,000 copies shall be for the use of the House document room.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my own remarks in two particulars: First, on the subject of the vanishing farmer, and include therein a short letter less than a page; second, I ask unanimous consent to extend my own remarks on the money question.

The SPEAKER. Without objection, the requests are granted.

There was no objection.

Mr. BOLLES. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a letter from a leading agricultural writer, J. D. Glover, in Hoard's Dairyman.

The SPEAKER. Is there objection?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial appearing in the New York Inquirer, issue of May 8, 1939, on the subject of democracy in Cuba.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SALARIES OF EMPLOYEES OF W. P. A.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I have today introduced a resolution calling upon Administrator Harrington of the W. P. A. to give the House the names and salaries of all persons on the administrative staff and supervisory rolls of W. P. A. receiving salaries of $100 per month or more. I have also requested the names of those who in recent months have had their pay increased, and the amount of such increases.

I had heretofore requested this information from Colonel Harrington for the State of Massachusetts. I was surprised when the request was turned down because it "might be embarrassing to the officials receiving the salaries in their communities."

I presume the same might be said in the case of any public official. However, it has been the American custom and certainly an American privilege to have the salaries of public officials a matter of public record. Certainly there should be no departure from this wise policy.

And certainly Members of Congress who are called upon to make appropriations should be given this information. Above all, the people who pay the taxes are entitled to have the information.

Only an unwholesome spirit of bureaucratic dictatorship would seek to deny this information to the Congress and the people. I demand, in the public interest, that the secrecy be swept aside and the high salaries in W. P. A. be made public.

I am hopeful the House will see the situation in its true light and safeguard the rights of Congress and the people by making it possible to obtain the facts concerning the administration of an agency of the Government which, our investigations show now, fairly reeks with inefficiency, corruption, scandalous waste, and un-Americanism.

I see several members of the distinguished Rules Committee present, and I hope I can create some interest in that group concerning my resolution. [Applause.]

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. Certainly.

Mr. COX. Has the gentleman felt out the sentiment of the House sufficiently to form any opinion as to whether there is the slightest objection to the adoption of his resolution?

Mr. MARTIN of Massachusetts. In reply to the gentleman from Georgia, I cannot see how any man on either side would object to Members of Congress knowing what the Government is paying its public officials.

[Here the gavel fell.]

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GILLIE. Mr. Speaker, I wish to call the attention of the House to the following resolution which I have just placed in the hopper:

Resolved, That it is the sense of the House of Representatives that the Administrator of the Works Progress Administration shall, upon the written request of any Member of Congress, provide said Member with a list of the names, positions, and salaries of noncertified employees of the Works Progress Administration in said Member's congressional district.

Mr. Speaker, I know that it will surprise many of my colleagues to learn that such a resolution is necessary. It is

difficult to believe that information of this type, which should be available to elected representatives of the people, is being withheld by officials of the Works Progress Administration. I would not believe it myself had I not already been refused this information by Col. F. C. Harrington.

In asking support of this resolution by every fair-minded Member of the House, I wish to insert in the RECORD two letters from Colonel Harrington and a newspaper article, which explain very fully why this resolution is necessary.

Letters and newspaper article follow:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 24, 1939.

Col. F. C. HARRINGTON,
Works Progress Administration, Washington, D. C.

MY DEAR COLONEL HARRINGTON: Republican Members of Congress from Indiana have recently requested a full and complete investigation of the Works Progress Administration in their State.

Most of the complaints on which this request are based had to do with irregularities in the supervisory and administrative personnel of the W. P. A. in Indiana.

These charges, in general, are that relief pay rolls have been padded with Democratic Party workers and relatives of local W. P. A. officials.

In the belief that these charges should either be proved or disproved, I would appreciate being provided with a list of nonrelief employees in the Fort Wayne W. P. A. district, together with their respective salaries.

Thanking you in advance for your cooperation in this matter, I am,

Sincerely,

GEORGE W. GILLIE, M. C.

WORKS PROGRESS ADMINISTRATION,
Washington, D. C., April 26, 1939.

The Honorable GEORGE W. GILLIE,
House of Representatives.

MY DEAR MR. GILLIE: The receipt is acknowledged of your letter of April 24, 1939, requesting a list of nonrelief employees in the Fort Wayne W. P. A. district, together with their respective salaries.

I am entirely willing to furnish information regarding our administrative personnel giving numbers of persons and salaries which they are receiving, but hesitate to give lists of names, as I believe that such information subjects the individuals concerned to embarrassment.

At this particular juncture an investigation of the Works Progress Administration is being conducted by a subcommittee of the Committee on Appropriations of the House of Representatives under the authority of House Resolution No. 130. This subcommittee has called upon the Works Progress Administration for a large amount of information concerning our administrative staff which is now being supplied and which I presume will be embodied in the report of the investigating committee.

In view of the fact that this committee has been designated by the Congress to investigate this matter I would like to defer furnishing the information which you have requested until after the investigation is completed.

Very truly yours,

F. C. HARRINGTON,
Administrator.

WORKS PROGRESS ADMINISTRATION,
Washington, D. C., March 23, 1939.

General letter No. 36, supplement No. 2.

To: All Works Progress administrators.

Subject: Requests for names and salaries of W. P. A. administrative and supervisory employees.

This supplement is to clarify the provisions of general letter No. 36, dated June 2, 1936, with reference to requests which may be received by the State Works Progress Administration for the names and salaries of W. P. A. administrative or supervisory employees.

The names and salaries of such personnel shall be considered as confidential, and shall not be furnished in response to requests which you may receive. However, all such requests shall be referred at once to the Washington office of the Works Progress Administration, for the attention of Mr. Dallas Dort, Assistant Administrator, and the person or agency making the request shall be informed of this action.

You are authorized, however, to furnish information as to the numbers of employees and salary rates without giving names in the case of requests the basis of which you consider to be reasonable. Doubtful cases should be referred to this office for decision.

F. C. HARRINGTON,
Administrator.

[From the Fort Wayne (Ind.) News-Sentinel of May 1, 1939]

CLELAND BACKS GILLIE'S DEMAND THAT W. P. A. PAY ROLLS BE PUBLIC

Samuel C. Cleland, Democratic leader here and a former chairman of the Allen County Democratic Central Committee, today addressed a letter to Col. F. C. Harrington, W. P. A. Administrator, at Washington, D. C., remonstrating against Harrington's alleged refusal to grant the request of Congressman GEORGE GILLIE, of the fourth district, for a copy of pay rolls of W. P. A. administrative and supervisory employees on the ground that it would subject "such employees to embarrassment."

The full text of Mr. Cleland's letter follows:

"I read a Washington dispatch in the Fort Wayne News-Sentinel in which you are alleged to have refused Congressman GILLIE, of the Fourth Indiana District, a copy of pay rolls of W. P. A. administrative and supervisory employees on the ground that it subjects 'such employees to embarrassment.'

"I confess that is a naive but not a very sound reason.

"The salary of every school teacher, every employee of our city and county government is public property. The pay rolls are public records and open to the inspection of any taxpayer. The pay rolls of county employees are published bimonthly.

CITES SCHOOL TEACHERS' POSITION

"The school teachers and public employees are not embarrassed because all of them, as well as the public, proceed upon the theory that they earn the salaries paid and are entitled to receive them.

"The secretiveness of your department serves only to breed suspicion and distrust, which is already deep-seated enough to have caused Congress to reduce what I personally believe to be a necessary request for funds.

"I did not subscribe to the reduced appropriation because I do not think it sound to punish those in need of employment for sins—if there are any—on the part of those administering the funds, and I do not even mean to insinuate that there are any.

"I do say, however, that if there are any, they ought to be corrected.

"The W. P. A. has had no more ardent supporter than myself. I shudder to think what might have happened had we not had W. P. A. during these years of distress.

BELIEVES ERRORS MADE

"I think some errors have been committed, perhaps not intentionally but unwittingly. Chief of these are discriminations on the part of supervisors and bosses against men to whom they may have taken dislike. I draw this conclusion from the fact that complaints have come to me, not in isolated instances but by the dozens. Not a week passes that I am not approached by from 5 to 25 of these employees.

"No small part of the difficulty arises from certifying employees and clerks who have had no experience other than book-learning, professional social workers who never paid a dollar in taxes and never even approached the seamy side of life close enough to even get a look at it. Consequently they are utterly lacking in that human equation which manifests itself in sympathy and understanding patience.

"The superior attitude of the social worker does not contribute anything to the successful administration of W. P. A.

"Kindness and courtesy toward the worker costs nothing, contributes much, and yet is almost unknown in the handling of these men.

NOT LOOKING FOR A JOB

"I write you this letter as a New Deal Democrat, who is neither seeking a job for himself, a relative, or friends.

"The charge of politics in administration, I think, is very greatly exaggerated, particularly in this district.

"If anything, our opponents had the advantage in the last election. At any rate the results demonstrated that most W. P. A. workers must have voted the Republican ticket. There must have been a reason for it.

"These men want only kindly and decent treatment. This they are entitled to. This it is your obligation to see they get. This is exactly the reason why I oppose civil service in this sort of work. All employees in supervisory and clerical jobs should be subject to immediate discharge, and a single act of discourtesy or unkindness should be sufficient cause for discharge or dismissal.

"I did not agree with my Congressman in voting for the reduced appropriation. I commend him highly on his stand in demanding pay rolls and encourage him to immediately introduce a resolution in the Congress requiring the W. P. A. offices to furnish to any Member of Congress any and all reasonable information regarding the administration of W. P. A.

DON'T NEED WORK

"In this district jobs are held by persons who have adequate incomes without this work, with many people in need just as competent to hold these jobs.

"If you desire to keep your department free of suspicion and unjust charges, the only honorable course to follow is to lay it open to the duly elected representatives of the people who provide the funds with which to operate it.

"Dr. Gillie is eternally right in his demands for this information, and when I believe him to be right, I shall even stand in his defense, notwithstanding our differences politically.

"I hope you will reconsider your position and approach this request from the point of view which will have the approval of the people of the Fourth Congressional District of Indiana."

[From the Fort Wayne News-Sentinel of May 3, 1939]

A W. P. A. ERROR

Any Allen County taxpayer may go to the Allen County courthouse and there see the salaries paid to persons employed by either the county or the city.

The accessibility of such salary records is justified by the fact that taxpayers, being the ones to pay public salaries, have a right to ascertain what they are paying.

This newspaper has never believed that there should be any encouragement given to the widespread publication of publicly derived small salaries purely for idle gossip purposes; but it does not believe, either, that proper persons seeking proper information for proper purposes should be interfered with by bureaucrats exercising improper authority.

The case in point is the refusal of the W. P. A. here to provide Congressman GEORGE W. GILLIE with lists of the salaries received by W. P. A. administrative officials in the Fort Wayne area.

A Member of Congress is a proper person to seek such proper information, and his purposes are exceedingly proper. If Members of Congress are not informed with respect to such items of expenditures, they are almost obligated to accept the conclusion that the W. P. A. is wasteful and extravagant—and perhaps even corrupt.

Samuel C. Cleland, local Democratic leader, who can hardly be accused of being anti-New Deal, has himself written to Colonel Harrington, national W. P. A. Administrator, finding fault with the W. P. A. reasoning which denied the request of Congressman GILLIE.

It is to be hoped that Mr. Cleland's letter will incline the W. P. A. to see that not all of the opposition to its methods stems from politically partisan opposition.

W. P. A. officials should never take a high-handed attitude toward any American citizen, but least of all should they take such an attitude toward a man who has been elected by the people of eight large counties to represent them in the making of national laws.

EXTENSION OF REMARKS

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article by Arthur Sears Henning entitled "Hands Out Favors to Friendly Press."

The SPEAKER. Is there objection?

There was no objection.

Mr. CHIPERFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of the exemption of small telephone exchanges from the Fair Labor Standards Act.

The SPEAKER. Is there objection?

There was no objection.

RUMANIAN WAR DEBT

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHANLEY. Mr. Speaker, in the midst of diplomatic chaos and confusion worse confounded it is refreshing to note the desire of the Rumanian Government to begin the payment on its debt to us and, in addition, to attempt to square its accounts with our own bondholders. Officially here is the story in formal diplomatic language:

"The Rumanian Government has notified the United States Government that it has decided to submit an arrangement for paying its war debt to America.

"It was also decided that on the basis of the arrangement between the Rumanian Minister in Washington and the association of American holders of Rumanian post-war bonds placed in the United States regular payment on this public debt should begin within the framework either of the present transfer possibilities or those that are created through the development of economic relations between Rumania and the United States."

Back of this, however, is the fact that our Minister, Franklin Mott Gunther, has already attended a conference with Premier Armand Calinescu and the officials of the Ministries of Finance and Commerce. There he learned of the desire of the Rumanian Government to enter immediate negotiations with our Secretary of the Treasury for a funding arrangement as part payment of the debt to the United States.

Step by step with this, the distinguished Rumanian Minister credited to our country, Mr. Radu Irinescu, has been instructed to negotiate with the Foreign Bondholders Protective Council of New York for the payment of arrears on Rumanian state bonds held privately in the United States.

None of us who is aware of the financial stringency of the Rumanian capital can help but welcome this magnificent gesture which began at the initiative of King Carol. We cannot expect much, but the gesture itself is of the highest importance.

Mr. Speaker, the ultimate duty in this matter rests with the Congress of the United States. Our Chief Executive himself, in his great war-debt speech on June 1, 1934, closed with this paragraph:

Recognizing that the final power lies with Congress, I shall keep the Congress informed from time to time and make such recommendations as may later seem advisable.

The President himself said:

These obligations furnished vital means for the successful conclusion of a war which involved the national existence of the borrowers, and later for a quicker restoration of their normal life after the war ended.

The money loaned by the United States Government was in turn borrowed by the United States Government from the people of the United States; and our Government, in the absence of payment from foreign governments, is compelled to raise the shortage by general taxation of its own people in order to pay off the original Liberty bonds and the later refunding bonds.

It is for these reasons that the American people have felt that their debtors were called upon to make a determined effort to discharge these obligations. The American people would not be disposed to place an impossible burden upon their debtors, but are nevertheless in a just position to ask that substantial sacrifices be made to meet these debts.

We shall continue to expect the debtors on their part to show full understanding of the American attitude on this debt question. The people of the debtor nations will also bear in mind the fact that the American people are certain to be swayed by the use which debtor countries make of their available resources—whether such resources would be applied for the purposes of recovery as well as for reasonable payment on the debt owed to the citizens of the United States, for the purposes of unproductive nationalistic expenditure, or like purposes.

I have introduced a bill today creating a commission to handle the projected proposals of the Rumanian Government and to report back their recommendations to the Congress of the United States. There is ample precedent for this in the World War Foreign Debt Commission, originally defined in the act of Congress approved February 9, 1922, and amended by the act of Congress approved February 8, 1923.

Mr. Speaker, it is my fond hope that mightier nations than Rumania, with a population of 18,000,000 people and an area of little over 100,000 square miles, just about the size of Arizona, might follow this example. That country has had a heroic existence from the time she gained her freedom from the Turks in 1877, after four centuries of Mohammedan domination. Her entry in the World War was in 1916; although she reaped terrific set-backs by the German and Austrian troops, she was awarded Hungarian Transylvania and Russian Bessarabia as a reward for her Herculean efforts.

In the post-war period she has been a friend of Hungary and the Union of Soviet Socialist Republics. As a member of the Little Entente she has a close affinity to France, and the utmost cordiality exists with Poland.

Grain and petroleum are her chief products, with the Government and private capital owning her rich oil wells.

For that small nation to have manifested this willingness to make a "determined effort" and "substantial sacrifices" is praiseworthy indeed. Would that it were possible for those so-called democracies for whom the administration is exerting every effort for them to manifest the same zeal.

It might not be amiss for us to point out the possessions of two of these nations in our own hemisphere—France and England—and I ask unanimous consent to extend and revise my remarks and include therein French and British island possessions in the Western Hemisphere.

FRENCH AND BRITISH ISLAND POSSESSIONS IN THE WESTERN HEMISPHERE

GREAT BRITAIN

West Indies group: Bermuda, Bahamas, Barbados, Jamaica, Cayman Island, Turks and Caicos Islands, Trinidad.

Leeward Island group: Antigua, Barbuda, Redonda, the Virgin Islands, Dominica, St. Kitts, Nevis, Anguilla, Montserrat.

Windward Islands group: Grenada, St. Vincent, St. Lucia.

Northern group: Falkland Islands, Newfoundland, Labrador.

FRENCH

Mandated territories: Guadeloupe, Martinique, St. Pierre, Miquelon.

[From the Handbook of Commercial Geography]

British Islands: The total area of these is a little more than 12,000 square miles and the population under 1,500,000.

(1) Jamaica, an island about two-thirds of the size of Yorkshire, south of eastern Cuba, capital and chief port Kingston; (2) the Bahamas; (3) the Leeward Islands—the Virgin Islands (Tortola,

Virgin Gorde, Anegada) (part of the group), St. Christopher (St. Kitts), Nevis, Antigua, Montserrat, and Dominica; (4) the Windward Islands—St. Lucia, St. Vincent, Grenada (with the Grenadines); (5) Barbados; (6) Trinidad and Tobago, the former an island lying opposite the delta of the Orinoco, the latter a little to the northeast. In almost all of them sugar takes an important place among the exports, but cacao and spices are the chief products of Grenada, and since 1885 fresh fruits have risen to the first place among the exports of Jamaica. Cacao is also largely grown in Trinidad, Dominica, and St. Lucia; Montserrat is well known for its lime juice; and Antigua has a large trade in pineapples. The fruits mainly exported from Jamaica are bananas, oranges, and cocoanuts. The principal market is the United States, but a huge trade in Jamaica bananas has been built up in the United Kingdom and Europe. In many of the islands cotton cultivation (especially of the valuable sea-island variety is increasing. The chief port for the fruit trade is Port Antonio, on the north coast, which is only about 1,500 nautical miles from New York, as against 4,350 miles from Liverpool. From 1900 to 1910, however, the fruit trade with the United Kingdom was stimulated by a bounty granted to a steamship company for maintaining a direct trade with Jamaica by means of ships provided with refrigerating apparatus suitable for the trade. Among the mineral products of the group are asphalt, obtained from a large lake in the interior of Trinidad; phosphates from Sombrero, a small island to the east of the Virgin group; and salt from the Turks Islands, a dependency of Jamaica in the southeast of the Bahamas. But of still greater importance is the petroleum industry of Trinidad. In 1925 Trinidad ranked second (after India) amongst oil-producing countries of the British Empire, the output being 154,000,000 gallons, or 0.44 percent. of the world's total.

Other islands: Guadeloupe and Martinique, with some smaller islands, and half of St. Martin, belong to the French. The products are similar to those of the British islands. The importance to the United States of the acquisition of the Virgin group lies in the fact that the principal island, St. Thomas, has a fine harbor, with the port of Charlotte Amalie lying on the direct route from the Atlantic end of the Panama Canal to Europe. In former times this port, having been made by the Danes a free port more than a century ago, became the chief depot for the West Indian Islands and the east coast of South America, but this trade dwindled away when direct steamer routes were established in increasing numbers between West Indian and South American seaports and those of Europe and America. It is now, however, likely once more to become an important entrepot.

EXTENSION OF REMARKS

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an article entitled "Is the Government That Rotten?"

The SPEAKER. Is there objection?

There was no objection.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—REORGANIZATION PLAN NO. II (H. DOC. NO. 288)

The SPEAKER laid before the House the following message from the President of the United States, which was read:

To the Congress of the United States:

Pursuant to the provisions of the Reorganization Act of 1939 (Public, No. 19, 76th Cong., 1st sess.) approved April 3, 1939, I herewith transmit reorganization plan No. II, which, after investigation, I have prepared in accordance with the provisions of section 4 of the act; and I declare that with respect to each transfer, consolidation, or abolition made in reorganization plan No. II, I have found that such transfer, consolidation, or abolition is necessary to accomplish one or more of the purposes of section 1 (a) of the act.

In my message to the Congress on April 25, 1939, transmitting reorganization plan No. I, I took occasion to say that, it being obviously impracticable to complete the task of reorganization at one time, I had decided, in view of the declaration of the Congress that it should be accomplished immediately and speedily, to undertake it in several steps.

Plan No. I had to do with overall management. Plan No. II, transmitted herewith, is designed to improve the work of the executive branch for which, although carried on through executive departments and agencies, the responsibility to the people is through the President. It is concerned with the sole purpose of improving the administrative management of the executive branch by a more logical grouping of existing units and functions and by a further reduction in the number of independent agencies.

I am transmitting reorganization plan No. II as the result of studies that have been made for me and of my own experience over a period of several years, as the best way in which to regroup the agencies affected so as to fulfill the purposes of the act:

(1) To reduce expenditures;

(2) To increase efficiency;

(3) To consolidate agencies according to major purposes;

(4) To reduce the number of agencies by consolidating those having similar functions and by abolishing such as may not be necessary; and

(5) To eliminate overlapping and duplication of effort.

The plan I now transmit I shall describe briefly as follows:

I propose to transfer the Foreign Commerce Service of the United States and its functions now in the Bureau of Foreign and Domestic Commerce of the Department of Commerce and the Foreign Agricultural Service of the United States and its functions in the Department of Agriculture to the Department of State, and to consolidate them with the Foreign Service of the United States under the direction and supervision of the Secretary of State.

By this transfer and consolidation there will be a single Foreign Service in the Department of State, but this does not mean that the interests of the commercial and agricultural communities are to be neglected, for it is a part of the plan that representatives of the Secretary of Agriculture and the Secretary of Commerce shall be placed on the Board of Foreign Service Personnel and that specific investigations relating to commerce and agriculture shall be initiated directly by the Secretaries of these two Departments, who will receive directly the results of investigations in their own fields.

A much greater degree of coordination and effectiveness in our foreign establishments can be achieved under the plan than has ever before been possible. The needs of the different departments and agencies of the Government will be met more efficiently and the responsiveness of the foreign establishments to these needs will be greatly improved.

The plan presupposes that it may be necessary from time to time for various departments and agencies of the Government to send abroad specialists and technicians for relatively temporary duty. While these will not be in the Foreign Service, strictly speaking, they will be given a suitable commission by the Department of State, on a temporary basis, so that they may have the same obligations as other officers of the Foreign Service while on duty abroad.

The plan also presupposes a special training period within the Department of Commerce and the Department of Agriculture for Foreign Service officers selected to specialize in commercial or agricultural work and contemplates the fullest utilization of the experience gained abroad by Foreign Service officers in the work of the Departments of Commerce and Agriculture in this country. There will be stationed in the Department of State a liaison officer of the Department of Commerce and of the Department of Agriculture to make effective the proposed cooperation.

The plan specifically leaves undisturbed the relationships of the Department of Commerce and of the Department of Agriculture with the commercial and agricultural communities. What it does do is to consolidate the foreign services into one Foreign Service in the Department of State, where it ought to be, with the resulting advantages of economy, efficiency, better functional grouping, elimination of overlapping and duplication of effort, and greater service to our commercial and agricultural interests.

There is also transferred to the Department of State the Foreign Service Buildings Commission and its functions. This Commission is advisory to the administrative work of the Department of State and should no longer have the status of an independent establishment.

The Bureau of Lighthouses, now in the Department of Commerce, is transferred to the Treasury Department and consolidated with the Coast Guard in that Department. The advantages of this consolidation are obvious and fall clearly within the provision of the act requiring me to consolidate agencies according to major purposes. This will save money on equipment and administration and will permit the better use of personnel.

The plan also includes the abolition of the Office of the Director General of Railroads and of the War Finance Corporation and the transfer of their functions to the Secretary of the Treasury to be wound up by him as rapidly as may be. In the case of the War Finance Corporation, it is directed that the final dissolution shall be accomplished not later than December 31, 1939.

I further propose to transfer to the Department of Justice the Federal Prison Industries, Inc., and the National Training School for Boys, and at the same time to abolish the Board of Trustees of the National Training School for Boys. Responsibility for the Federal penal and correctional institutions is in the Department of Justice and these two independent establishments should be consolidated therein. None of the other Federal penal or correctional institutions has a board of trustees and there is no need of further continuing the Board of the National Training School.

The plan also provides for the abolition of the Codification Board established for the purpose of codifying existing administrative law and the transfer of its functions to the Division of the Federal Register in The National Archives. The work of this Board has now progressed to the point where a separate board is no longer necessary and the future work of keeping the codification up to date can more efficiently and economically be carried on by the editorial staff of the Federal Register.

I find it necessary and desirable in order to accomplish the purposes of the Reorganization Act to abolish the National Bituminous Coal Commission and to transfer its functions to the Secretary of the Interior. Thus the task of conserving the bituminous-coal resources of the country may be carried on directly by the head of the Department principally responsible for the conservation of fuel and other mineral supplies. The Congress placed this Commission in the Department of the Interior, but experience has shown that direct administration will be cheaper, better, and more effective than through the cumbersome medium of an unnecessary commission.

The transfer to the Department of the Interior of the Bureau of Insular Affairs in the War Department and its consolidation with the Division of Territories and Island Possessions in Interior is a functional transfer of obvious desirability. Under the provisions of existing law, however, I shall direct, where necessary, that certain correspondence from the Governor General of the Philippines shall be transmitted to the President through the Department of State.

The plan provides for the transfer to the Department of the Interior of the Bureau of Fisheries from the Department of Commerce and of the Bureau of Biological Survey from the Department of Agriculture. These two bureaus have to do with conservation and utilization of the wildlife resources of the country, terrestrial and aquatic. Therefore, they should be grouped under the same departmental administration, and in that department which, more than any other, is directly responsible for the administration and conservation of the public domain. However, I intend to direct that the facilities of the Department of Agriculture shall continue to be used for research studies which have to do with the protection of domestic animals from diseases of wildlife, and also where most economical for the protection to farmers and stockmen against predatory animals.

The plan also provides for the transfer of the Mount Rushmore National Memorial Commission to the National Park Service in the Department of the Interior in order that this great memorial may be administered as a part of the similar work of the Park Service.

Included in the plan is a provision to transfer to the Department of Agriculture the Rural Electrification Administration, now operated as an independent establishment. The work of this Administration in its educational as well as its lending functions is clearly a part of the rural life activities of the country and should, therefore, be administered in coordination with the other agricultural activities of the Government.

The Inland Waterways Corporation is transferred to the Department of Commerce from the War Department. This Corporation, which operates inland waterways transportation facilities, should be coordinated with the administration of other aids to commerce and industry.

I propose to transfer to the Federal Security Agency, for administration in the Office of Education, the film and radio functions of the National Emergency Council. These are clearly a part of the educational activities of the Government and should be consolidated with similar activities already carried on in the Office of Education. Similarly, Government participation in the work of the American Printing House for the Blind, except fiscal functions relating to trust funds, is transferred from the Secretary of the Treasury to the Federal Security Agency, in order that this work may be coordinated with the other work for the blind now being carried on in the Social Security Board.

The plan provides for the abolition of the National Emergency Council and the transfer to the Executive Office of the President of all its functions with the exception of the film and radio activities, which go to the Office of Education. Subject to appropriations by the Congress, these activities transferred to the White House would be administered in the manner best designed to give the President the information he requires from all parts of the country.

The National Emergency Council was established by Executive order in 1933 and is composed of the President, the Vice President, the members of the Cabinet, and the heads of some 23 independent establishments. Its usefulness as an actual council, which met weekly under my chairmanship, was very great in the period of the emergency which then confronted the country, but as time has gone on it no longer operates as a council but does continue to carry on important activities which are indispensable to the President of the United States, as well as to other branches of the Government and the public. It maintains an information service and a press intelligence service, it publishes the United States Government Manual, and it carries on through State and central staffs an important work of coordinating and reporting.

The information service makes available general information concerning all phases of governmental activity and is provided for all who submit questions or inquiries by mail, by telephone, or by personal call. In one sense, it may be called a post-office address—"Uncle Sam, Post Office Box No. 1, Washington, D. C."—to which persons who want information about the Government but do not know the exact division or agency of the Government to which to apply may write with confidence that their questions will be answered or else sent on to the proper agency for direct reply.

The press intelligence service carried on in the Council is not a service for giving intelligence to the press but rather for making available to responsible persons in the Government, both in the executive and in the legislative branches, a clipping service which shows what the press of the country has printed. The partial consolidation of clipping services in this unit—a consolidation which should go further—already has resulted in economy and convenience. A clipping service of this kind, on a smaller scale, was maintained for many years in the White House, but it was not then available to other branches of the Government. Its return to the White House, with the additional feature of availability to all the rest of the Government, will promote efficiency without violating tradition.

The publication of the United States Government Manual makes available to every citizen a simplified textbook of information as to the organization and availability of the Federal agencies. Published in loose-leaf form, it is sold by the Superintendent of Documents of the Government Printing Office.

The coordinating and reporting functions of the Council have to do with the presentation to the President of factual information, independently gathered, as to the progress and effect of our governmental activities. Through its State offices the Council has been able to facilitate the various

Federal programs particularly with respect to State and local governments.

The plan also includes certain general provisions in order to accomplish fully the purposes of the act. In addition to the transfer of bureaus and other units, it is necessary also to transfer certain functions of heads of departments; to transfer records, property, and personnel; to transfer funds; and to provide that the power of appointment occasionally, and sometimes apparently quite accidentally, vested in a subordinate official of a department, shall be vested in the head of the department. It is impossible to exercise the proper direction and supervision over subordinate units unless the definite power of appointment, fixing of compensation, transfer, and promotion or dismissal of personnel is vested in the principal responsible head. In no other way can the purpose of consolidating similar functions under a single head as required by the act be accomplished in practice.

It is one of the five purposes of the Reorganization Act "to reduce expenditures to the fullest extent consistent with the efficient operation of the Government." This is an important purpose in each phase of the plan here presented. The Reorganization Act prohibits abolishing functions—in other words, basic services or activities performed. Therefore, the reduction in expenditures must necessarily be brought about chiefly in the overhead administrative expenses of the agencies affected. In a great many cases the economies to be effected by reorganization plan No. II will be the result of improved efficiency, which will, as the plan works out, require fewer persons to perform the work or will require the employment of less temporary assistance.

In the case of the consolidation of the foreign services, it is estimated that the administration by a single administrative unit in the Department of State will achieve a saving of $20,000 a year and that consolidation of the three field forces will make it possible to drop alien employees and, by a more effective use of personnel, to save an additional $100,000 a year when the readjustments have been made.

The total administrative expense of all of the agencies affected by this plan is about $25,000,000 per annum.

The reduction of such expenditures, which it is probable will be brought about by the taking effect of the reorganizations specified in the plan, is estimated at $1,250,000 per annum. Certain of these economies can be brought about at once. Others will require a gradual readjustment in machinery and business practices of the agencies affected.

May I repeat what I said in my message transmitting reorganization plan No. I, that in this as in future reorganization plans not every person will agree on each and every detail. Out of the many groupings and regroupings proposed, a few of the individual agencies conceivably could be placed elsewhere, but I have been seeking to consider the functional purpose of each agency as required by the Reorganization Act itself and have made this plan with the sole purpose of improving the service rendered by the Government to its citizens in accordance with the purposes set out in the act.

In view of the fact that it is now May 9, and that any reorganization plan must lie before the Congress for 60 calendar days, and because the reorganizations of an intradepartmental character require a great deal of research and careful painstaking detail work, I do not propose to send any further general reorganization plans to the Congress at this session.

However, there are certain transfers, abolitions, and consolidations of committees, commissions, and boards which I propose to do by means of Executive and military orders under existing law as complementary to reorganization plan No. II when it becomes effective.

Then, also, by mere administrative procedure, some small agencies which have been listed in various publications as independent establishments, but whose independence has no basis in law or in formal Executive or military orders, may be reassigned to an appropriate placement by administrative procedure on the part of their respective heads.

Not all of the interdepartmental transfers and consolidations that are necessary and desirable have been accomplished in this reorganization plan No. II. I am directing the Bureau of the Budget to study these problems in order that they may be included in plans to be transmitted to the Congress at its next session.

For example, in order to save money and to do the work more efficiently there are some units which should be divided so that a part of the work may be done by one agency and a part by another. Take, for example, the business of mapping. It is obviously important that the work of making surveys and accumulating data for maps should be done in the various agencies which are concerned primarily with the purpose for which the map is being drawn. On the other hand, the business of manufacturing maps might very well be consolidated in order to save money and to manufacture better maps.

I have considered the desirability of transferring the jurisdiction over deportable aliens from the Immigration and Naturalization Service in the Department of Labor to the Department of Justice, but I find that this matter will require further study, or perhaps legislation, and therefore it is not included in this plan.

I have also considered the problem of certain public lands insofar as they present overlapping jurisdiction between the Departments of the Interior and Agriculture.

Insofar as crops, including tree crops, are involved there is something to be said for their retention in the Department of Agriculture. But where lands are to be kept for the primary purpose of recreation and permanent public use and conservation they fall more logically into the Department of the Interior.

I hope to offer a reorganization plan on this early in the next session.

There are other types of work carried on in the Federal Government where it may prove necessary and desirable to divide the functions now being carried on by a particular unit so as the better to serve the basis purpose for which the work was undertaken. Such problems I shall continue to study with the view of sending other reorganization plans involving both interdepartmental and intradepartmental reorganizations to the Congress at its next session.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 9, 1939.*

REORGANIZATION PLAN NO. II

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 9, 1939, pursuant to the provisions of the Reorganization Act of 1939, approved April 3, 1939)

PART 1. DEPARTMENTS

SECTION 1. State Department: Transfers and consolidations relating to the Department of State are hereby effected as follows:

(a) Foreign Commerce Service and Foreign Agricultural Service: The Foreign Commerce Service of the United States and its functions in the Bureau of Foreign and Domestic Commerce of the Department of Commerce and the Foreign Agricultural Service of the United States and its functions as established by the act of June 5, 1930 (46 Stat. 497), in the Department of Agriculture are hereby transferred to the Department of State and shall be consolidated with and administered as a part of the Foreign Service of the United States under the direction and supervision of the Secretary of State.

(b) Functions of the Secretary of Commerce and the Secretary of Agriculture transferred to the Secretary of State; exceptions: The functions of the Secretary of Commerce with respect to the Foreign Commerce Service and the functions of the Secretary of Agriculture with respect to the Foreign Agricultural Service (other than functions with respect to such services pertaining to activities in the United States and to the compilation, publication, and dissemination of information) are hereby transferred to, and shall be exercised by, the Secretary of State, except and provided that under regulations prescribed by the President—

(1) The Secretary of State shall cause to be made such investigations relating to commercial and industrial conditions and activities in foreign countries and such other specific investigations relating to foreign commerce as the Secretary of Commerce shall determine to be in the public interest, and shall report to the Secretary of Commerce the results of, and the information secured through, such investigations. He shall also cause to be made such investigations relating to world competition and demand for agricultural products, to production, marketing, and disposition of such products in foreign countries, and to farm

management and other phases of agricultural industry in foreign countries, and shall conduct abroad such activities (including the demonstration of standards for cotton, wheat, and other American agricultural products), as the Secretary of Agriculture shall determine to be in the public interest, and shall report to the Secretary of Agriculture the results of, and the information secured through, such investigations and activities.

(2) The Secretary of Commerce may from time to time when he deems it in the public interest designate any officer in his Department to render temporary service under the provisions of, and subject to the conditions named in, section 5 of the act of March 3, 1927 (44 Stat. 1396).

(3) The Secretary of Agriculture may from time to time when he deems it in the public interest designate any officer in his Department to render temporary service under the provisions of, and subject to the conditions named in, section 2 of the act of June 5, 1930 (46 Stat. 498).

(4) The Secretary of Commerce and the Secretary of Agriculture may each designate an officer in his Department, acceptable to the Secretary of State, to serve in the Department of State as liaison officer in connection with the administration of the foreign service of the United States.

(5) One officer in the Department of Commerce designated by the Secretary of Commerce and acceptable to the Secretary of State and one officer in the Department of Agriculture designated by the Secretary of Agriculture and acceptable to the Secretary of State shall be added to the membership of the Board of Foreign Service Personnel for the Foreign Service.

(c) Status of Foreign Service officers: Foreign Commerce Service officers and Foreign Agricultural Service officers who by reason of transfer to the Foreign Service of the United States and by appointment according to law acquire status of Foreign Service officers therein shall not be included in the total number of officers in such Service for the purpose of determining the percentage limitation established by section 10 of the act of February 23, 1931 (46 Stat. 1207), as amended.

(d) China Trade Act registrar: Such officer of the Foreign Service as the Secretary of State shall make available for that purpose may be authorized by the Secretary of Commerce to perform the duties of China Trade Act registrar provided for in the act of September 19, 1922 (42 Stat. 849), under the direction of the Secretary of Commerce.

(e) Foreign Service Buildings Commission: The Foreign Service Buildings Commission and its functions are hereby transferred to the Department of State. The Commission shall exercise advisory functions, but all other functions (including administrative functions) shall be exercised under the direction and supervision of the Secretary of State by such division, bureau, or office in the Department of State as the Secretary shall determine.

SEC. 2. Treasury Department: Transfers, consolidations, and abolitions relating to the Department of the Treasury are hereby effected as follows:

(a) Bureau of Lighthouses: The Bureau of Lighthouses in the Department of Commerce and its functions are hereby transferred to and shall be consolidated with and administered as a part of the Coast Guard in the Department of the Treasury.

(b) Director General of Railroads: Office abolished and functions transferred: The office of Director General of Railroads is hereby abolished. The functions and duties of the Director General of Railroads are hereby transferred to the Secretary of the Treasury to be exercised and performed by him personally or through such officer or officers of the Department of the Treasury as he may authorize. The Secretary of the Treasury is hereby designated as the agent provided for in section 206 of the Transportation Act, 1920 (41 Stat. 461).

(c) War Finance Corporation abolished: All of the functions, property, and obligations of the War Finance Corporation not heretofore transferred by statute to the Secretary of the Treasury are hereby transferred to the Department of the Treasury. The War Finance Corporation is hereby abolished and the Secretary of the Treasury shall complete the winding up of its affairs and shall dispose of its assets in accordance with the act of March 1, 1929 (45 Stat. 1442), not later than December 31, 1939.

SEC. 3. Department of Justice: Transfers, consolidations, and abolitions relating to the Department of Justice are hereby effected as follows:

(a) Federal Prison Industries, Inc.: The Federal Prison Industries, Inc. (together with its board of directors), and its functions are hereby transferred to the Department of Justice and shall be administered under the general direction and supervision of the Attorney General.

(b) National Training School for Boys: The National Training School for Boys and its functions (including the functions of its board of trustees) are hereby transferred to the Department of Justice and shall be administered by the Director of the Bureau of Prisons, under the direction and supervision of the Attorney General.

(c) Board of trustees of the National Training School for Boys abolished: The board of trustees of the National Training School for Boys (including the consulting trustees) is hereby abolished.

SEC. 4. Department of the Interior: Transfers, consolidations, and abolitions relating to the Department of the Interior are hereby effected as follows:

(a) Functions of the National Bituminous Coal Commission transferred: The functions of the National Bituminous Coal Commission (including the functions of the members of the Commission) are hereby transferred to the Secretary of the Interior, to be administered under his direction and supervision by such division, bureau, or office in the Department of the Interior as the Secretary shall determine.

(b) National Bituminous Coal Commission abolished: The National Bituminous Coal Commission and the offices of the members thereof are hereby abolished and the outstanding affairs of the Commission shall be wound up by the Secretary of the Interior.

(c) Office of consumers' counsel abolished and functions transferred: The office of consumers' counsel of the National Bituminous Coal Commission is hereby abolished and its functions are transferred to, and shall be administered in, the office of the Solicitor of the Department of the Interior under the direction and supervision of the Secretary of the Interior.

(d) Bureau of Insular Affairs: The Bureau of Insular Affairs of the War Department and its functions are hereby transferred to the Department of the Interior and shall be consolidated with the Division of Territories and Island Possessions in the Department of the Interior and administered in such division under the direction and supervision of the Secretary of the Interior. The office of the Chief of the Bureau and offices subordinate thereto provided for in section 14 of the act of June 4, 1920 (41 Stat. 769), are hereby abolished and all of the functions of such offices are transferred to, and shall be exercised by, the Director of the Division of Territories and Island Possessions.

(e) Bureau of Fisheries: The Bureau of Fisheries in the Department of Commerce and its functions are hereby transferred to the Department of the Interior and shall be administered in that Department under the direction and supervision of the Secretary of the Interior. The functions of the Secretary of Commerce relating to the protection of fur seals and other fur-bearing animals, to the supervision of the Pribilof Islands and the care of the natives thereof, and to the Whaling Treaty Act are hereby transferred to, and shall be exercised by, the Secretary of the Interior.

(f) Bureau of Biological Survey: The Bureau of Biological Survey in the Department of Agriculture and its functions are hereby transferred to the Department of the Interior and shall be administered in that Department under the direction and supervision of the Secretary of the Interior. The functions of the Secretary of Agriculture relating to the conservation of wildlife, game, and migratory birds are hereby transferred to, and shall be exercised by, the Secretary of the Interior. The provisions of the act of May 18, 1934 (c. 299, 48 Stat. 780), as amended by the act of February 8, 1936 (c. 40, 49 Stat. 1105), insofar as they relate to officers or employees of the Department of Agriculture designated by the Secretary of Agriculture to enforce any act of Congress for the protection, preservation, or restoration of game and other wildlife and animals shall apply to officers and employees of the Department of the Interior designated by the Secretary of the Interior to exercise and discharge such duties.

(g) Officers of Biological Survey may administer oaths: The provisions of the act of January 31, 1925 (c. 124, 43 Stat. 803), shall be applicable to such officers, agents, or employees of the Department of the Interior performing functions of the Bureau of Biological Survey as are designated by the Secretary of the Interior for the purposes named in the act.

(h) Migratory Bird Conservation Commission: The Secretary of the Interior shall be chairman of the Migratory Bird Conservation Commission and the Secretary of Agriculture shall be a member thereof.

(i) Mount Rushmore National Memorial Commission: The Mount Rushmore National Memorial Commission and its functions are hereby transferred to the National Park Service in the Department of the Interior. The functions vested in the Commission by sections 3 and 4 (a) of the act of June 15, 1938 (c. 402, 52 Stat. 694), shall continue to be exercised by the Commission. All other functions of the Mount Rushmore National Memorial Commission shall be administered by the National Park Service under the direction and supervision of the Secretary of the Interior.

SEC. 5. Department of Agriculture—Rural Electrification Administration transferred: The Rural Electrification Administration and its functions and activities are hereby transferred to the Department of Agriculture and shall be administered in that Department by the Administrator of the Rural Electrification Administration under the general direction and supervision of the Secretary of Agriculture.

SEC. 6. Department of Commerce: Transfer of Inland Waterways Corporation: The Inland Waterways Corporation and all of its functions and obligations are hereby transferred to the Department of Commerce and shall be administered in that Department under the supervision and direction of the Secretary of Commerce. The capital stock of the Corporation shall continue to be held for the United States by the Secretary of the Treasury, but all other functions, rights, privileges, and powers, and all duties and liabilities of the Secretary of War relating to the Inland Waterways Corporation are hereby transferred to, and shall be exercised, performed, and discharged by, the Secretary of Commerce. The Secretary of Commerce shall be substituted for the Secretary of War as, and shall be deemed to be, the incorporator of the Inland Waterways Corporation.

PART 2. INDEPENDENT AGENCIES

SEC. 201. Federal Security Agency: Transfers and consolidations relating to the Federal Security Agency are hereby effected, as follows:

(a) Radio service and United States film service transferred: The functions of the Radio Division and the United States film service of the National Emergency Council are hereby transferred

to the Federal Security Agency and shall be administered in the Office of Education under the direction and supervision of the Federal Security Administrator.

(b) American Printing House for the Blind: The functions of the Secretary of the Treasury with respect to the administration of the appropriations for the American Printing House for the Blind (except the function relating to the perpetual trust fund) are hereby transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator. The annual report and vouchers required to be furnished to the Secretary of the Treasury by the trustees of the American Printing House for the Blind shall be furnished to the Federal Security Administrator.

SEC. 202. National Archives: Transfers, consolidations, and abolitions relating to the National Archives are hereby effected as follows:

(a) Functions of Codification Board transferred: The functions of the Codification Board, established by the act of June 19, 1937 (50 Stat. 304), are hereby transferred to The National Archives and shall be consolidated in that agency with the functions of the division of the Federal Register and shall be administered by such division under the direction and supervision of the Archivist.

(b) Codification Board abolished: The Codification Board is hereby abolished and its outstanding affairs shall be wound up by the Archivist through the division of the Federal Register in The National Archives.

PART 3. EXECUTIVE OFFICE OF THE PRESIDENT

SEC. 301. Transfers and abolitions relating to the Executive Office of the President are hereby effected as follows:

(a) Functions of National Emergency Council transferred: All functions of the National Emergency Council other than those relating to radio service and film service (transferred by section 201 (a) of this plan to the Federal Security Agency) are hereby transferred to the Executive Office of the President and shall be administered under the direction and supervision of the President.

(b) National Emergency Council abolished: The National Emergency Council is hereby abolished and its outstanding affairs shall be wound up under the direction and supervision of the President.

PART 4. GENERAL PROVISIONS

SEC. 401. Transfer of functions of heads of departments: Except as otherwise provided in this plan, the functions of the head of any department relating to the administration of any agency or function transferred from his department by this plan, are hereby transferred to, and shall be exercised by, the head of the department or agency to which such transferred agency or function is transferred by this plan.

SEC. 402. Transfer of records, property, and personnel: All records and property (including office equipment) of the several agencies, and all records and property used primarily in the administration of any functions, transferred by this plan and, except as otherwise provided, all the personnel used in the administration of such agencies and functions (including officers whose chief duties relate to such administration) are hereby transferred to the respective departments or agencies concerned, for use in the administration of the agencies and functions transferred by this plan: *Provided*, That any personnel transferred to any department or agency by this section found by the head of such department or agency to be in excess of the personnel necessary for the administration of the functions transferred to his department or agency shall be retransferred under existing law to other positions in the Government service, or separated from the service subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

SEC. 403. Transfer of funds: So much of the unexpended balances of appropriations, allocations, or other funds available for the use of any agency in the exercise of any function transferred by this plan, or for the use of the head of any department or agency in the exercise of any function so transferred, as the Director of the Bureau of the Budget with the approval of the President shall determine, shall be transferred to the department or agency concerned for use in connection with the exercise of the function so transferred. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

SEC. 404. Transfer of functions relating to personnel: Except as prohibited by section 3 (b) of the Reorganization Act of 1939, all functions relating to the appointment, fixing of compensation, transfer, promotion, demotion, suspension, or dismissal of persons to or from offices and positions in any department vested by law in any officer of such department other than the head thereof are hereby transferred to the head of such department and shall be administered under his direction and supervision by such division, bureau, office, or persons as he shall determine.

The SPEAKER. The message of the President is referred to the Select Committee on Government Organization and ordered to be printed with accompanying papers.

Mr. GIFFORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GIFFORD. Mr. Speaker, would a motion be in order that the message of the President be sent in its various parts to the appropriate committees of the House with a request that they report to the Select Committee on Government Organization?

This message is all-embracing, it embraces all things terrestrial and aquatic. The last message of the President dealing with Government organization was referred to the Select Committee but no hearings were held, no consideration was given to its ramifications and implications. Would a motion be in order that the several parts of the President's message be referred to the appropriate committees for recommendation?

The SPEAKER. The Chair is of the opinion that the motion would not be in order. The Reorganization Act of 1939 in section 23 places discretion in the Speaker to refer these messages to the Select Committee, and this has just been done.

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COX. Mr. Speaker, in the President's reorganization plan just reported I find much that pleases me tremendously. On its face it is ideal. I believe it to be a clear, fair, and masterful handling of the problem, and I trust no opposition will develop. [Applause.]

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COCHRAN. Mr. Speaker, I feel that the message of the President will be welcomed by the American public just as the first plan was welcomed, which the House approved by a very large majority.

Answering the gentleman from Massachusetts [Mr. GIFFORD], let the House distinctly understand that a resolution of disapproval was introduced by the gentleman from New York [Mr. TABER]. Under the rules of the House, such a resolution must be acted upon within 1 week's time by the committee to which it was referred. If it had not been acted upon within that time, it automatically became a matter of the highest privilege. The gentleman from New York could have taken the floor, moved its consideration, and he would then have controlled the time. That is the reason that matter was disposed of in the manner in which it was. Therefore no criticism should be directed to the committee for bringing in that adverse report; it was absolutely necessary under the rules of the House.

I repeat, Mr. Speaker, that as soon as the American public have read the message just submitted, it will be universally approved by the press and the taxpayers of this country, as was the first message. [Applause.]

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a short speech on peace made on yesterday by His Royal Highness the Duke of Windsor.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a copy of a bill I have introduced.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein

an address made by my colleague the gentleman from New York [Mr. KEOGH].

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to include in my remarks of this morning three letters and two editorials.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. CURLEY] may have permission to extend his remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MAPES. Mr. Speaker, I ask unanimous consent that on next Tuesday the gentleman from New York [Mr. LORD] may address the House for 15 minutes after the disposition of the legislative program for the day and any previous special orders.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. Under the previous order of the House the gentleman from New York [Mr. DICKSTEIN] is recognized for 20 minutes.

Mr. DICKSTEIN. Mr. Speaker, we must not allow the spread of any system of espionage which may prove as harmful to us now as it did when this country was at war with Germany in 1917 and 1918. Our vital national-defense secrets must not come into the hands of any foreign nations. The continued existence of Nazi camps in the United States and the inculcating of foreign ideologies into children born of foreign parents is particularly harmful and may be destructive to this country as a whole. The German Government maintains a thorough organization in Stuttgart, where every person of German blood is listed and cataloged.

In last Sunday's issue of the New York Herald Tribune this system was described in great detail. It was shown how every person in the United States whose name sounds German will receive some sort of communication from the foreign office in Stuttgart. It may be only a pamphlet telling him about the beauties of the fatherland, or it may be a Christmas card or an Easter card. The purpose of any such communication is to preserve inviolate the ties binding native Americans to their ancestral home. The organization is concerned with listing all of the resources owned by German-Americans, and whether or not the eventual desire is to levy a tax on American citizens of German origin, there is no question but that the office operates efficiently and that they have in their files hundreds of thousands of names of persons who, in the event of war, might be used to the detriment of the United States.

I do not wish to appear as an alarmist and do not wish to create a bogey to frighten our people by reading the article I have just mentioned, but I cannot refrain from comparing the methods of the German office in Stuttgart with those of German-American Bund in this country. Both organizations seem to be concerned with one object, and that is to keep alive artificially an attachment to the country from which our citizens of German extraction have long since emigrated and with which they have absolutely no ties.

I know that the bulk of our Americans of German origin are patriotic and sincerely devoted to the interests of the United States, and that there is no divided loyalty among them. The exceptions which are found in the membership of the German-American Bund and other similar organizations do not destroy my faith in Americans of German blood. Simply because the bulk of the population are patriotic and liberty loving, however, we must not close our eyes to the fact that there are hundreds of thousands who are not. And it is with these traitors to America that our people must cope and whom they must eradicate from our midst.

I am sure my good friend from Texas [Mr. DIES] should by this time be fully aware of the danger and be alert to every possible opportunity to stamp it out. I am sure the Committee on Un-American Activities has found sufficient material to propose proper legislation to do away with the easy-going manner used by our Government in prosecuting and convicting spies.

Let us hope that as a result of its labors and the intense alertness of our citizens, we will not permit America to become the clearing house for spies in the event affairs in Europe will result in another devastating war. But even the nondescript public release of a few weeks ago could not very well overlook the fact that Nazi camps are the seat of sedition against our Government; that there leaders indulge in fiery speeches against inoffensive citizens of our Government and under the guise of combating communism preach quite openly doctrines of totalitarianism, extolling fascism in one form or another.

I believe that a search of all the available files in our Department of Justice as well as proper reading of our daily newspapers will convince us that we must not become indifferent to the continuance of espionage on our soil.

Mr. Speaker, for some weeks past the press has been carrying news and headlines relating to the strength of the Nazi movement in the United States. It seems that a release which gained some publicity put the total number of all Nazis and members of the bund at between 6,600 and 8,300 individuals. This figure appears to be so ridiculously low that I cannot refrain from stating on the floor of this House how impossible it is. To place the strength of the German-American Bund at this low figure is to do an injustice to America, because the impression is allowed to go abroad that there is no real danger from this quarter to the continuance of our institutions or to the well-being of our citizens. Such is not the case, however.

Let us see how these figures were actually obtained. Agents of the Department of Justice went to this so-called leader of the bund, Fritz Kuhn, and asked him, "How many members have you got?" And he answered, "Between 6,000 and 8,000." So the so-called investigators put down between 6,000 and 8,000 without even going through any of the documents, the books, or papers of the organization to check up on the actual membership. Mr. Kuhn's statement to the Department of Justice was a direct contradiction to previous statements of his bragging of a membership of 200,000, without the women's auxiliary and without the so-called youth camps in this country.

The country as a whole and the Dies committee swallowed that hook, line, and sinker. They are satisfied.

Mr. HAWKS. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Wisconsin.

Mr. HAWKS. Does not the gentleman realize it was published in the paper the other day that there are admittedly over 6,000,000 Communists in this country?

Mr. DICKSTEIN. That is poppycock. It is ridiculous, and the gentleman could not establish it.

Mr. HAWKS. I think I could.

Mr. DICKSTEIN. You establish that and I will present a pedestal for you if I am alive. Do not give me those figures without any proof, because there has been too much hot air, there have been too many unsubstantiated charges from Members on both sides of the aisle on aliens and Communists. If there are 6,000,000 Communists in this country, they are dangerous, and we ought to get rid of them.

Mr. HAWKS. Why does the gentleman continue the "hot air", then?

Mr. DICKSTEIN. For your information, I do not consider my statements on the bund "hot air," because I have evidence to support them.

Mr. Speaker, as I said before, there is no question that the number of adherents of the bund is decidedly greater. Early this year a former operative of the Department of Justice, Leon J. Turrou, published a book entitled "Nazi Spies in America," in which he shows the wide ramifications of the German spy system in this country and the part which the

German-American Bund plays in the cooperative help given to this foreign government.

You see, our public investigation of this menace has barely scratched the surface. We went through a long-drawn trial of German spies in the city of New York, and all we were able to convict were a few underlings working under orders from Berlin. The real heads of the spy system are either beyond our reach or out of the United States.

Nothing has been done by any committee or any governmental agency to destroy this menace in our country.

Mr. Speaker, I know the Members are not interested in any leader who represents a foreign government. You do not like Fritz Kuhn, and I do not like him. You do not like Communists, and I do not like them. But are we doing anything constructive to get rid of them?

Let me tell you something: Fritz Kuhn, who is the leader of the German-American Bund, has been in this country since 1932. I have some definite information, and I want to address my remarks to the members of the Rules Committee who happen to be present. Fritz Kuhn came here in 1932. He did not come to New York. He fled from Germany to Mexico as a criminal, having been guilty of a crime involving moral turpitude. He had to leave Germany. He got to Mexico and presented himself to the American consul there, making application to enter the United States under the German quota. He told a falsehood, namely, that he had never been convicted of any crime. He then came to the United States after having stated that falsehood. This may also help the committee which is investigating un-American activities.

He applied for citizenship in Detroit in 1934, and again stated he had never been convicted of a crime. He obtained his citizenship, not because he desired to become an American citizen but because he wanted the protection of the Government of the United States to carry on his un-American activities right under our noses.

Mr. Speaker, I have that proof, but what I need is a subpena to bring these people in to identify Fritz Kuhn, to show that he is the one who committeed certain crimes in Germany before entering the United States; to show that he is the same Fritz Kuhn who stole 3,000 or more marks worth of merchandise in Germany and that he is the same person who was convicted and served 4 months in prison for larceny. I appeal to the members of the Rules Committee in the name of this country. Give me a rule and give me some power to subpena the persons who will not only identify Fritz Kuhn as the same person who entered this country through subterfuge but that he is also the same Fritz Kuhn who is now leading 200,000 so-called bund members in an attack upon democracy and our cherished form of government.

Mr. MOTT. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Oregon.

Mr. MOTT. What would be the remedy if the gentleman did establish the fact that Fritz Kuhn entered the United States upon a false affidavit, that did not state he had been convicted of a crime?

Mr. DICKSTEIN. I am happy to answer that question. My answer is that he would be deportable. He would be deported back to Germany, where he could carry on his so-called bund or Nazi business among his fellow countrymen.

Mr. MOTT. But he is a citizen now.

Mr. DICKSTEIN. True. But if my committee or anybody else can establish the fact that he had been guilty of a crime involving moral turpitude, and that he did not state that fact in his affidavit, he could not have become a citizen of the United States.

Mr. MOTT. No; but since he did, is there any provision in existing law whereby his citizenship can be canceled and he can be subject to deportation?

Mr. DICKSTEIN. Yes; on petition by the department, if it can be established that he has failed to disclose the true facts in the case.

Mr. MOTT. May I ask another question? If the gentleman has these facts, as he has stated—and I am sure he has them—why does he not present them to the Department of Justice and let the Department proceed in the regular manner?

Mr. DICKSTEIN. I tried that. The gentleman is a lawyer, I assume. There are certain people now here from Germany from whom Fritz Kuhn stole money. If I had the power of subpena I would subpena those persons, first, to identify Fritz Kuhn as the person who committed that crime, and secondly, to prove his criminal record before his entry into the United States. These persons should be brought here or some place else to testify under oath as to the actual events that took place in Germany. Thirdly, it can be shown that he entered this country through fraud and is therefore subject to deportation since the statute of limitations does not run against fraud. He obtained his citizenship papers on a false petition since he stated therein that he had never been convicted of a crime involving moral turpitude. We can establish by these witnesses, that this is the same Fritz Kuhn who is guilty of a crime involving moral turpitude.

Mr. MOTT. The Department of Justice has jurisdiction to subpena these persons. Why does not the gentleman present this information to the Department?

Mr. DICKSTEIN. The gentleman has been very active in the last 5 years in asking me questions along this line. I believe I have made myself very plain that the Department of Justice has no power to issue subpenas. I have said that on this floor, I think, a dozen times. The Department of Justice has no power of subpena, and the Department of Justice cannot do all the things one might lay at its door. Unless there is a crime committed interstate or there is a violation of the law that you have empowered them to investigate, the Department has no jurisdiction. Therefore, I submit to the gentleman that all we need—and I do not care personally; I am merely presenting the facts—is a little power from the Rules Committee under the Schulte resolution to subpena all these people who can identify Mr. Fritz Kuhn, who is the leader of the Nazi movement in the United States and a representative of the Hitler ideology in this country; to identify him as the same Fritz Kuhn who is guilty of an offense involving moral turpitude committed in Germany prior to his entry into the United States.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield to the distinguished gentleman from Virginia.

Mr. SMITH of Virginia. Does not the gentleman believe that from his experience as chairman of the Committee on Immigration he could draft a law which would effectuate the purpose he has in mind; that is, getting rid of undesirable aliens, without having to come to Congress and ask for a special investigation to determine the facts relative to each individual case? I am sure if the gentleman put his mind to it he could draft a law and report it out of his committee that would remedy the situation not only as to Fritz Kuhn but a great many other undesirable and criminal aliens in this country. I believe I can safely assure the gentleman that if he will direct his energies in that direction he will have no difficulty in getting a rule from the Rules Committee for the consideration of such a bill, and we will have no difficulty in passing it on the floor of this House.

Mr. DICKSTEIN. I have great admiration for my friend, the distinguished gentleman from Virginia, but if the gentleman from Virginia, and a few more gentlemen who seem to control the Rules Committee, would just go a little bit my way and cooperate with me I would be more than happy to cooperate with them to bring about the making of such a study as may be required to remedy the situation.

May I say to the gentleman that it is not my purpose to trespass on any of the rights of the Dies committee. I have great admiration for all the members of that committee and their activities. I want to go into the question of naturalization, the smuggling into this country of aliens, and other matters that I believe we ought to go into, which we have not had a chance to do for 31 years. I may say to the gentleman that if he will subpena these people to Washington

or anywhere else they will give definite and positive evidence under oath that this so-called Nazi bund leader, who is a menace to this country, more so than the gentleman believes, is the same man who is guilty of a crime involving moral turpitude. I would like to deport him. I would like to set an example to all such persons, including some of the Communists who act along the same lines, and some of the leaders of the Communists. We have no use for them in this country. Give me something on which I can build a case before I can bring a bill before this Congress so the gentleman and other Members of the Congress will have a chance to vote for it.

Mr. SMITH of Virginia and Mr. HAWKS rose.

Mr. DICKSTEIN. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. I believe if the gentleman will support the bill I have introduced, H. R. 5138, he will accomplish the major purpose he has in mind. I can speak only for myself as a member of the Rules Committee, but I can assure the gentleman that any matter he brings before that committee which has to do with getting rid of undesirable aliens, and that I believe will accomplish that purpose, will meet with support.

Mr. DICKSTEIN. Let me say this to my colleague: Here is Fritzie Kuhn. You do not like Fritzie. He represents an organization that is Fascist in character and is trying to destroy your Government and mine. Here is a chance to deport Fritzie back to Germany to carry on his activities there.

Mr. SMITH of Virginia. I want to help the gentleman.

Mr. DICKSTEIN. Then please give me a rule.

Mr. SMITH of Virginia. I want to help the gentleman get rid of Harry Bridges, too, but let us pass some law that will do it; and we can pass a law without any further investigation.

Mr. DICKSTEIN. I do not quite agree with the gentleman. Let me say to the gentleman I would not care if he gave me no power. It does not mean anything to me. I am not seeking to get into the headlines. They mean nothing to me.

I am not a candidate for President, nor am I interested in having clubs all around the country boost me for some other office. I am just a simple, humble citizen and a member of this honorable body. I come here to tell you now, as I have done in the last 4 or 5 years, just what is going on in this country. You and others pay very little attention to it. Sure enough, we created a committee and everything was hunky-dory and they were given $100,000 and $125,000. Now I am not asking for any money. I am simply asking you to give me some power to destroy the agents of foreign governments in this country who are obtaining their citizenship papers under false pretenses or under false premises. As a lawyer you know that there is no one who can pass a bill on this floor by simply coming in here and saying that this ought to be done.

They must develop some definite proof as to why it should be done, and you and I know that a number of bills that should have been passed when brought up on the floor here were defeated simply because they had the word "immigration" in them.

Mr. HAWKS. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield for a brief question.

Mr. HAWKS. Can the gentleman tell the House how we are going to deport an American citizen when for the past several years we have been unable to deport an alien, namely, Mr. Bridges?

Mr. DICKSTEIN. I do not know whether the gentleman is a lawyer or not, but I assume he is.

Mr. HAWKS. No, thank God.

Mr. DICKSTEIN. You do not have to thank God; we thank you. [Laughter.]

What the gentleman ought to get first is that a man who obtains his papers under false pretenses is not a citizen in the true sense of the word and that his papers could be canceled. If a petition is presented, upon proper legal evidence before a court that this man has failed to disclose a material fact, his papers are canceled, and this can be done by the Department of Labor. The next step is, that if a person obtained his admission by fraud, not being entitled to come to this country because he was guilty of an offense involving moral turpitude, in that he was convicted in his own country of larceny or some other crime which would have excluded him from this country had he disclosed the true facts—if he is guilty of either of these two charges, we can dispose of him by canceling his citizenship papers and deporting him. This would apply to Fritz Kuhn as well as to others who find themselves in similar circumstances.

Mr. HAWKS. Will that include Mr. Bridges?

Mr. DICKSTEIN. If you can find a way to deport him I will help you to do so. I have no use for Bridges.

Mr. HAWKS. It should be easier to deport him than a man who is a citizen.

Mr. DICKSTEIN. Maybe the gentleman can show us some way by which the House can do it.

Mr. HAWKS. Probably I could.

Mr. DICKSTEIN. Mr. Speaker, the Schulte resolution I referred to has been pending before the Rules Committee and should be considered. I have no quarrel with anyone, but we should be given an opportunity to check on these matters.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

The SPEAKER pro tempore [Mr. O'TOOLE]. Under a previous order of the House the gentleman from Ohio [Mr. JENKINS] has 30 minutes to address the House.

Mr. JENKINS of Ohio. I have no objection to the request, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, if we want to accomplish anything at all, we have to give these problems more serious consideration. Members of this House may not always agree upon the methods to be used in dealing with this important issue, but there ought to be some way of meeting the common enemy of our form of government.

I submit these facts for your consideration because I believe that if you will cooperate with the Committee on Immigration, without interfering or trespassing upon the prerogatives of any other committee of this House, we can definitely and positively eradicate the menace of nazi-ism, fascism, and communism.

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the address I made today may be printed in the Appendix instead of the body of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Ohio [Mr. JENKINS] is recognized for 30 minutes.

Mr. JENKINS of Ohio. Mr. Speaker, in the time allotted to me I shall try to touch on some of the social and legislative problems arising from the establishment of the T. V. A. and from its policies and activities. I shall scarcely have time to treat any one single problem exhaustively.

To the older Members of Congress, Muscle Shoals and the Tennessee Valley Authority are old subjects, and what I say probably will not even be interesting to them. However, as the new Members represent a cross-section of the American public, they no doubt have many times wondered just what the T. V. A. is.

I have a map upon which I might be able to point out the physical T. V. A. and the scope of its activities from a geographical standpoint. In the first place, you will note from these State boundary lines that the T. V. A. activities touch seven States. They extend from the mountains of Virginia and North Carolina clear across the State of Tennessee, touch the corners of Georgia, Alabama, and Mississippi, and extending north across the State of Tennessee and across the corner of Kentucky to the Ohio River. The Tennessee

Valley proper comprises nearly 41,000 square miles and has a population of just a little over 2,000,000. The Tennessee River is, of course, the basis of the Tennessee Valley Authority and every activity springing therefrom. The Tennessee River is a most unusual river in that it runs in three general directions. Its course is steep and tortuous as it ripples down from the mountains of Virginia and North Carolina, and is slow and placid as it wends its way lazily across some of the level lands of Alabama and Mississippi. And its abrupt turn northward is unusual, for only a few miles westward the mighty Mississippi takes its course in a completely opposite direction. The Tennessee River attracted the attention of pioneers because of the many peculiarities of its course. Swift shoals and swift currents mark its course in many places. Because of these physical peculiarities, navigation on the Tennessee River has always been very limited. The Federal Government, through the Army engineers, has given this river much study. The population along this river is not very dense. Probably 80 percent of the population is located on the upper half of the river, the principal cities being Knoxville and Chattanooga. The lower half of the river runs through sparsely settled territory.

The Federal Government has from its establishment had full control over the navigable rivers of the Nation. It is generally considered that there is something in the Constitution which specifically grants this power to the Federal Government. This is not the case. There is no direct mention of navigation in the Constitution. The Government has taken its control of navigable streams through that section of the Constitution which gives to Congress the power "to regulate commerce with foreign nations and among the several States and with Indian tribes" and that section which provides that "Congress shall have power to provide for the common defense and general welfare of the United States." Congress has assigned the responsibility of the exercise of physical authority over navigable rivers to the War Department which in turn has assigned it to the Army engineers. Nowhere in the Constitution is the authority given to the Federal Government to exercise control of the rivers except as an aid to commerce and except as a means of national defense. Nowhere in the Constitution is the right given to the Federal Government to engage primarily in the power business. I grant that the Supreme Court has held that the Federal Government may dispose of power which is created by reason of improvements which the Federal Government has a legal right to make as such aid to navigation or to national defense or to flood control. The Supreme Court has not yet decided that the Federal Government may enter primarily into the power business.

More than a hundred years ago the Federal Government exercised jurisdiction over the Tennessee River. Very little improvement, however, was made on this river until after the Civil War. When the great Muscle Shoals project was begun the Federal Government had already expended considerable sums of money by way of improvements for the benefit of navigation. The Riverton Lock, about 225 miles from the mouth of the river, had been constructed, also extensive developments had been made by way of canals around some of the most difficult shoals. These canals were used for many years before the construction of the gigantic improvements at Muscle Shoals. By reason of these improvements more than 250 miles of the river channel could be navigated with light barges.

By reason of the great World War it developed that the United States should provide itself more amply with facilities for the manufacture of munitions of war. It appeared especially desirable that the Government should provide itself with facilities to manufacture chemicals and to be prepared for emergencies. The Wilson Dam was built at Muscle Shoals at a cost to the Government of over $50,000,000. Near Wilson Dam preparation was made for the manufacture of nitrates and chemicals on a very extensive scale. Approximately $75,000,000 was spend in improvements of this kind. Large towns sprang up in the Muscle Shoals territory. By the time these great improvements had been made, representing an expenditure of many millions of dollars, the war was over and the American people found themselves in the paths of peace. An effort was made to manufacture fertilizer, but the whole project was so colossal that it gradually fell into disuse like many other gigantic projects that had been established during those stressful years. The great dam at Muscle Shoals is yet the king of all of the dams in the Tennessee Valley program. While it has a great capacity for the production of electricity it has never been pressed to its full capacity because there is yet room for several turbines to be installed which would greatly increase its capacity.

What to do with the great improvements at Muscle Shoals was a question that worried Congress through several administrations. Mr. Coolidge and Mr. Hoover rejected all plans that carried with them provisions that would put these great improvements into the production of power in competition with private industry. They were supported in this position by the Congress of the United States. Finally Mr. Henry Ford made the Government a proposition to pay $5,000,000 for the nitrate plant and offered to lease the dam and power activities from the Government for 100 years. His proposition at one time was accepted by the House of Representatives but the same was not accepted by the Senate. It is quite probable that our country would have been better off financially if we had turned over all of these Muscle Shoals activities to Mr. Ford or someone else and would have given them a bonus to take them off our hands.

At that time the public mind was well set that any program that would provide for the improvement of the Tennessee River must be along constitutional lines. The Army engineers were requested to make a survey, which they did, and reported to the Seventy-first Congress by a document known as House Document No. 328. This is probably the most comprehensive study ever made of the Tennessee River and the Tennessee Valley and all of their activities. Through this document the Army engineers made recommendations to the Congress for the improvement of this river. They followed the same course as they had followed in improving the great Ohio River from its source to its mouth. They followed the same course that they had followed with the improvement of the Mississippi and other great rivers of the Nation. To my mind their recommendations still stand as the most feasible and most sensible recommendation for the improvement of the Tennessee River that has ever been made. Congress itself, in the Rivers and Harbors Act of July 1930, authorized the improvement of the Tennessee River for navigation so as to provide a 9-foot channel from Paducah to Knoxville, and in taking this action the Congress followed the judgment of the Army engineers. If this plan had been carried through we would have been saved this tremendous expenditure of money that may soon prove to be a national calamity.

They recommended the construction of 32 low dams with locks that were sufficient, and more sufficient in many cases, than the present expensive high dams later constructed in the Tennessee River by the T. V. A. These 32 low dams would have provided a 9-foot stage for the Tennessee River from its mouth near Paducah over 600 miles to Knoxville, Tenn. It would have provided for larger and wider locks in the dams than are now provided in some of the large dams in the Tennessee. All of this improvement would have been the standard improvement employed in providing for navigation in the Ohio. All of this improvement could have been done for the sum of $75,000,000.

If this plan had been followed the Tennessee would have been navigable long before this time, and hundreds of thousands of acres of valuable bottom land would still be tillable by the farmers and would be carrying its former burden of taxation for the benefit of the States in which it is located. No proof has been produced in any of the exhaustive hearings of the committee which has been investigating the activities of the T. V. A. that will refute the statement that more complete and more satisfactory navigation facilities could have been provided for the Tennessee for the sum of $75,000,000 than will be provided when nearly $700,000,000 shall have

been expended. Why should the steep and treacherous Tennessee River be furnished with navigation facilities that were not standard and were not proved when the other facilities had been tested and proved for many years by the river traffic on the Ohio? The construction of large dams means the impounding behind these dams of great lakes of water. Deep, wide pools of water raise navigation problems that are not common to smaller and more shallow pools. There is no question but that the barges that now ply the Ohio will not be able to ply these big, deep, treacherous lakes in periods of storm and high waves. Beyond any question, Maj. Rufus W. Putnam, a West Point graduate and a former member of the Army engineers, was the most capable navigation expert to testify before the Tennessee Valley Authority Investigating Committee. He says in his statement:

After making a thorough study of the T. V. A. unified plan it is my belief that the T. V. A. have spent and are spending many millions more than is justifiable or required for a satisfactory navigation project on the Tennessee River. In fact, the T. V. A. development in dams, reservoirs, and power-generating facilities (excluding Wilson Dam) will cost some $400,000,000 in excess of that of a satisfactory project constructed solely for the benefit of navigation.

Further in his statement Major Putnam says:

With the total proposed expenditure of about $520,000,000 for the T. V. A. unified program (excluding transmission), a 9-foot channel will be made available for the 650-mile length of the Tennessee River. By way of comparison, with an expenditure of about $650,000,000 the War Department will have completed a 9-foot channel in the Mississippi River from the Gulf of Mexico to Minneapolis, the Illinois Waterway to Chicago, the entire length of the Ohio River, and that portion of the Missouri River lying below Kansas City—a total of 3,500 miles of inland waterway.

For navigation purposes the low dams have many advantages over the high dams. Some of these high dams provide for such tremendously high lifts as to render the same clear beyond the recommendations of safe engineering. Major Putnam expresses his opinion and says that a program such as that provided by the T. V. A.—

Leads me to the general conclusion that the program does not have as its primary objective the benefit of navigation. Rather, this T. V. A. project takes on the aspect of a project undertaken by a power company to construct power dams and reservoirs on a navigable stream.

Major Putnam expresses the opinion of every practical river man in the country. I challenge anyone to come forward with any other proof except through the persons biased by reason of employment with the T. V. A. or some other similar reason.

The Tennessee Valley program not only rides over the recommendation of practically all experienced engineers, but in carrying out their ruthless program for power, both political and electrical, they destroyed many valuable improvements that the Government had already made and paid for in the Tennessee Valley. The low-dam plan of navigation, with its larger locks and its minimum of danger, would encourage river transportation. It is well known that river transportation has not increased as the advocates of navigation facilities had hoped. If the river transportation agencies must provide themselves with different equipment to come into the Tennessee River, the chances are that they will not come. It would be a difficult task to get them to come with the low dams and the large locks, which will enable them to navigate longer tows through with much larger cargoes than they can haul through the high and more dangerous dams.

Major Putnam states emphatically that the low-dam projects sufficient to provide a 9-foot stage to Knoxville would cost in the neighborhood of $75,000,000. This would be a saving of nearly $400,000,000 against the T. V. A. plan.

The traffic on the Tennessee River up to this time offers practically no hope for the future. It is little short of a joke. About 82 percent of the local traffic has consisted of sand and gravel in the vicinity of Chattanooga and Knoxville, and out of the remainder 9 or 10 percent consists of a few rafts of poles and crossties being occasionally floated down the river. Practically all of the burden of the river at this time consists of shipments for the construction of the dams.

The T. V. A. improvements must justify themselves constitutionally from the standpoint of navigation, national defense, or flood control.

There is a well-recognized principle among hydraulic engineers that flood control and power are incompatible. I can show you on this map the reason. Here is the highest dam in the whole territory. That is Norris Dam. It is nearly 200 feet high. Back of Norris Dam, of course, there is no navigation. There are no locks in the dam and of course it cannot be navigated.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I will yield because the gentleman is such a good fellow.

Mr. RANKIN. The gentleman says the only constitutional ground we have for development of power is flood control and navigation. As a matter of fact, they are both implied powers, just as the right to develop water power is implied.

Mr. JENKINS of Ohio. The gentleman probably did not hear me say that. I said they are both implied powers, but they are implied by innumerable court decisions. But there is no court decision anywhere which says that the Government can primarily enter into the power business.

Mr. RANKIN. But the Supreme Court of the United States in the Ashwander case said that the water power in those streams was property belonging to the Federal Government. Therefore they had a right to develop it and sell it.

Mr. JENKINS of Ohio. But they are not selling water power here. They are selling electric power.

Mr. RANKIN. They said "electric power."

Mr. JENKINS of Ohio. No.

Mr. RANKIN. Oh, yes.

Mr. JENKINS of Ohio. I beg your pardon.

Mr. RANKIN. The court in the Ashwander case was talking about electric power.

Mr. JENKINS of Ohio. No. The gentleman stated it correctly in the first place when he said water power. The water power belongs to the Government, but the electric power cannot belong to the Government unless the Government makes it. God Almighty made the water power and it belongs to the Government. The Ashwander case is a simple case. The gentleman and I cannot disagree about that. That case holds that because electric power was being manufactured at the Wilson Dam, and there was surplus power left over there, the Government had the right to dispose of it just as it does at the Boulder Dam; just as it does anywhere else. Boulder Dam is not primarily a power dam, although in effect it is one of the greatest power dams in the world. Primarily it is not a power dam, because Boulder Dam is not two-thirds full yet. Boulder Dam is a flood-control dam; it is an irrigation dam. There is no question about that.

The decision in the Ashwander case was that inasmuch as the Government had this power available, it would not be expected that the power would be allowed to go to waste, but that the Government should have a right to sell this power; and the Government did sell the power. That power was created by a dam built for national defense.

Let us have no more argument about that.

Mr. RANKIN. All right, but I ask the gentleman where the Government got any constitutional right to build dams for irrigation on private property? These powers are all implied. It is not a question of whether it is water power or electric power; it has the right to control the power of these navigable streams.

Mr. JENKINS of Ohio. That is disposed of by saying that no court yet has made such a finding.

Now, let us get back to flood control.

Probably the best flood expert to testify before the T. V. A. Investigating Committee was Mr. Ford Kurtz. Mr. Kurtz is a nationally known flood expert and is recognized as one of America's great flood engineers. In the first page of his statement to the committee he says:

That even upon completion of all of the 11 dams of the unified plan recommended to the Congress the T. V. A. will not obtain adequate flood control on the Tennessee River and its tributaries; that

the T. V. A. could have obtained adequate flood control on the Tennessee River and its tributaries for $81,133,600—a small fraction of the $520,960,000 which T. V. A. unified plan will cost; that the T. V. A. unified plan violates basic principles of flood-control design; and that the T. V. A. dams are not primarily flood-control dams at all, but are primarily power dams and as such do not give adequate flood-control protection to the Tennessee Valley.

Further Mr. Kurtz states:

I further found that the annual cost of operation and maintenance of the works of my recommended flood-control system would be only $400,000, as contrasted with an estimated total annual operation and maintenance expense of $3,257,110 for the works of the T. V. A. unified plan, based upon official T. V. A. statements.

Further Mr. Kurtz sets forth most cogently that his proposed flood-control program would render far more efficient flood control than the mixed program of the T. V. A. planned primarily for the production of power with flood control only as an incident. In his discussions Mr. Kurtz shows the fallacy of constructing the gigantic Norris Dam which has practically no flood-control capacity whatever, but has great power potentialities. The dam that Mr. Kurtz would construct where Norris Dam is located, would be one built for flood control only. The result would be that Chattanooga would receive the maximum of flood control and at the same time it would not have been necessary to have purchased the thousands and thousands of acres of land that were purchased to be inundated by the waters of great Norris Lake. The Norris Lake is a thing of beauty, but its utility aside from power is of no value except that upon its peaceful bosom ply the yachts and motorboats of the sporting people of the Nation who can afford such luxuries and who receive them at the expense of small-business men whose backs are bent to the breaking point by the burden of taxation. Mr. Kurtz claims that he could have constructed at the site of Norris Dam for $8,000,000 a dam that would have impounded 1,000,312 acre-feet of storage water, which is more than that impounded by the Norris Dam at a cost of $36,000,000. He is supported in his testimony by statements of the United States Bureau of Reclamation. Mr. Kurtz in his plan of flood control has sought to protect the populous sections in the central reaches of the river where about 80 percent of the population is located. Mr. Kurtz in contrasting the volume of the flood water which his plan will withhold as against the flood value of the T. V. A. program, submits figures to show that his system will provide a dependable flood storage of 6,024,000 acre-feet as contrasted with 620,000 acre-feet of the T. V. A.

When we were down in Tennessee making our investigation of the T. V. A., we of the minority talked a lot about taxes. Nobody down there, of course, paid much attention to us because they were getting this seven or eight hundred million dollars free. Certainly they are for the T. V. A. down there. But just as soon as we had gone, what took place? Why, the distinguished gentleman from Tennessee introduced a bill in Congress asking the United States to refund to the State of Tennessee three or four million dollars for taxes that Tennessee did not get because the Federal Government took about 1,000,000 acres of its fine land off the tax duplicate. This Tennessee Congressman is a wonderful fellow, one of the finest men in Congress, and everybody would recognize him at once were I to mention his name—but when he made this call for help from the Federal Government they heard it way over yonder in North Carolina, and another fine Congressman introduced a bill asking the United States of America to refund to North Carolina taxes that she had lost. Down in Georgia they also seem to have heard the call, but over in Alabama—I do not know whether the Speaker of the House or any of the distinguished Congressmen from that State have heard the call, or whether over in Mississippi they have heard the call. I do not know whether the distinguished gentleman from Mississippi, who is never bashful about electric power, has introduced a bill for this purpose or not. If he has not, it is because he has not yet heard the call. He will be introducing a bill asking us to make a refund.

No, Mr. Speaker, I am not jesting, this is not a joke. There is a grave situation in this tax matter. Congress voted to set up this gigantic octopus and it marches right across these States. It knows no State lines. It knows no State boundaries. It fears no legislature, city council, or banking institution, clothed, as the President said it should be, with the cloak of government, yet having the flexibility of a corporation that the gentleman despises so thoroughly it moves about without regard to anybody or anything. The President said it would be a majestic arm of the Government. It can defy the States because it is part of the Government. At the same time it can steal around in the night like the most corrupt corporation in the land, because it is flexible. It can come and go.

Here is the point I want to bring out. This great octopus that is endangering the very perpetuity of the States down there is growing. The people do not know it yet. They take this organization to themselves because they get great sums of money for nothing, but the time will come when there will be a reckoning over this taxation problem. How can we in Congress give to this Congressman from Tennessee a certain refund? How can we give to this Congressman from North Carolina a certain refund? Who is going to determine what each shall have? Why did they not think about that when we were telling them it was an improper invasion of their rights? We told them it would become a gigantic operation which would not stay within State boundaries. Out in the western country they have anticipated this kind of a situation. I understand out there they have guarded themselves against it; but down here they were so anxious to receive this money they have thrown discretion to the winds. But the day of accounting is with us now, and we are going to have to do something about it.

Mr. CRAWFORD. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Michigan.

Mr. CRAWFORD. May I call the attention of the gentleman to a most extraordinary statement made by Under Secretary of the Treasury Hanes at the Indianapolis Bankers' Association the other day on this very point, in which he virtually showed that the States have already sold their birthright to the Federal Government? The Assistant Secretary of the Treasury is now putting that out to us. He has it in his speeches.

Mr. JENKINS of Ohio. Yes; that is a sad fact. I thank the gentleman.

Mr. SPARKMAN. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Alabama.

Mr. SPARKMAN. With reference to the mention of the various bills relating to these refunds, I believe if the gentleman will examine those bills he will find that they simply ask that the tax levied in the very beginning on the sales from T. V. A. be reallocated so that all the States can share in it, not only Alabama and Tennessee, and it does not call for any additional tax refund.

Mr. RANKIN. The gentleman overlooks the fact that in the original T. V. A. Act there was a provision that 5 percent of the gross sales from the dams in Tennessee be paid to the State of Tennessee and 5 percent of the gross sales in Alabama be paid to the State of Alabama. As I understand it, this is merely a movement to reallocate those funds.

Mr. JENKINS of Ohio. Here is the proposition, and we can get to it very quickly. When the T. V. A. has discovered it could not buy these competing lines as it has been advertising for a long time it could do, it was decided to have the Norris bill introduced which would enable the T. V. A. to purchase the Tennessee Power & Electric Co. I understand now that the bill is to be amended so that the tax figure be increased from 5 percent to 10 percent. That shows there is needed a 100 percent increase in taxes and that the T. V. A. is going to have to pay it out of its receipts—that means the Government will have to pay it.

They have already sent all over the world this great yardstick idea that they have been talking so much about. They have planted that idea every place they possibly could. There is much fallacy to that yardstick. I stated at one time it was worse than a joke. I stated it was worse than a

fraud and it has proven itself to be worse than a fraud. They said that a 5-percent tax rate would be proper, but now they come and say that this is not enough. They have not one-half of the dams finished. They have not spent half the money they will eventually spend. Yet they say they have got to have 10 percent out of the receipts to meet taxes. Who knows how much it will be eventually?

Would it be fair to give Tennessee the tax out of the proceeds of its dams and Alabama the tax out of the proceeds of its dams? What would they do about some State which has lost much of its fine taxable land yet has no dam located within its confines? This tax problem is giving them grave concern. The State authorities and the legislatures of the States are greatly agitated and the newspapers are giving the matter big headlines.

The point I make is you cannot fix a fair, honest allocation of taxes because the man who has a little grist mill far up at the head of a creek is as much entitled to a reduction as the man who has a big grist mill over here near the dam. Each one of them is entitled to be reimbursed for what he has lost if others in the same condition are entitled to it. You cannot handle this tax allocation. Why? Because the Government has gone into a business it has no right being in. It has gone into the power business. If it had stayed in navigation, it would only have to stay on the river and within certain boundaries. If it had stayed in flood control it would only have to stay on the river. But it has gone over the hills and hollows to many places. Thousands upon thousands of dollars are being spent to sell the people on the T. V. A.; to show them how to buy fly swatters, how to buy all kinds of crazy doodads they had never seen before. I know they have done this because I have never seen some of them and I come from one of the greatest States in the Union so far as electricity is concerned.

Mr. RANKIN. That is what the T. V. A. has done for the gentleman from Ohio.

Mr. JENKINS of Ohio. This program of the T. V. A. to sell the farmers is absolutely senseless, silly, and useless.

Mr. TAYLOR of Tennessee. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Tennessee.

Mr. TAYLOR of Tennessee. The 5- or 10-percent provision in the bill does not benefit the community that actually suffers. That is the counties. It goes into the Treasury. This money is not allocated back to the counties that really suffer. I understand the present T. V. A. recognized the justice of assuming the loss in taxes that these counties have suffered and they intend to work out a formula whereby these counties will be paid.

Mr. RANKIN. And it will be paid by the power consumers who buy this power.

Mr. TAYLOR of Tennessee. Yes; of course, it ought to be.

Mr. JENKINS of Ohio. That is all by the board. The proposition is that the people have awakened to the fact the T. V. A. has taken out of taxation a great deal of land. How much land do you suppose the T. V. A. owns outright down there? It owns over a million acres, and this land has cost the T. V. A. over $50,000,000—just the land alone. How much of this was good land? Well, it was the best land in the State. The best land in the State for agricultural purposes has been taken; there is no question about that.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I should like to ask the gentleman if there is anything to a remark I read recently that the T. V. A. waters 5 States and drains 48?

Mr. JENKINS of Ohio. Yes; that is very appropriate. I know that is a fact. And the draining must stop. [Applause.]

Although it was a well-established national policy that the Government should not itself engage in competition with any legitimate enterprise, and although it had been a well-recognized national policy that the National Government in its control over rivers should confine this work purely within well-defined constitutional limitations, and although up to 1933 these plans and programs had been adhered to by all Presidents, regardless of political parties, still the people were due to a rude awakening when the New Deal began to put forth its program. Those of us who were in Congress then well remember the strange manipulations that were carried on under the hush of emergency. We Republicans, wishing to encourage rather than impede, gave our passive support to some of the New Deal philosophies as they were rapidly forged by the brain trusters and branded with peculiar alphabetical combinations. We remember the N. E. A., meaning the National Economy Act; we remember the N. R. A. and its notorious brother the A. A. A. At that time we did not appreciate that all of these things were a part of a well thought-out centralization program that had been prearranged. It is now plain to us of the small vision that at that time their plea for support because of an emergency was only an opiate to lull us into a sense of patriotic cooperation and away from the dangers that were threatening. On March 9 the President convened Congress in special session. On April 10, after numerous other messages had been sent to the Congress, the President sent a message which today he probably would not send even to his most supine followers. He says:

> I therefore suggest to the Congress legislation to create a Tennessee Valley Authority—a corporation clothed with the power of government, but possessed of the flexibility and initiative of a private enterprise.

In other words, the President proposed to Congress that there should be set up a corporation clothed with the power of the Government. That means, of course, all necessary powers of the Government. That means sufficient power to override the States through which this gigantic octopus should move with omnipotent tread. He proposed to give to this Authority more than the sovereign State of Tennessee enjoyed and more than the combined sovereignty of the seven States through which it operated enjoyed. He says that this great New Deal monstrosity should move with the power of government but with the flexibility and initiative of a private enterprise.

In other words, it should be a perfect Dr. Jekyll and Mr. Hyde. It should be the Federal Government when the States might want to tax it. It should be a private corporation when it seeks to escape from the rigid control which the Federal Government must have over such activities. In other words, it should be a new creature created not in the image of anything that had heretofore been created, and not in the image of truth and honesty and patriotism. It should be hydra-headed and run in every direction at once. It should have many legs so that it could assume any position and any posture at any time and in any place that would appear most desirable to those in charge of it. Its management should be trusted only with those who had been selected with the greatest care. No one should be permitted within the inner circles of its management who had not first proved his entire fitness by a solemn profession of a belief in the feasibility and wisdom of the plan. The exact language of the act is:

> All members of the Board shall be persons who profess a belief in the feasibility and wisdom of this act.

With the construction of Wilson Dam and the lack of need for munitions for national defense and with the failure of the nitrate plants, the whole project became the subject of much public discussion. The money had been spent just as millions upon millions had been spent in Army camps and munitions factories such as those at Nitro, W. Va., and many other places. Mr. Coolidge refused to turn Muscle Shoals into a national power plant to oppose legitimate investment. Mr. Hoover followed the same course. The majority of the Congressmen, both Republicans and Democrats, shared the same views.

But on March 4, 1933, a new administration came into power. This bill establishing the T. V. A. was introduced about the 10th day of April 1933.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 15 additional minutes.

The SPEAKER pro tempore (Mr. DELANEY). The gentleman from Illinois [Mr. MASON] is entitled to recognition to address the House at this time. Is this request agreeable to the gentleman from Illinois?

Mr. MASON. Mr. Speaker, I shall be very pleased to have the gentleman's time extended.

Mr. JENKINS of Ohio. I thank the gentleman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JENKINS of Ohio. I was saying that the bill was introduced about the 10th day of April 1933.

Mr. RANKIN. Will the gentleman state to which bill he refers? Is it the Senate bill?

Mr. JENKINS of Ohio. No; I refer to the bill that was introduced in the House.

Mr. RANKIN. That is not the bill that became law, if the gentleman is referring to the bill that was introduced by Mr. MCSWAIN. The bill that was introduced in the Senate by Senator NORRIS and in the House by me became law. It was a different bill entirely.

Mr. JENKINS of Ohio. It is of very small importance anyway. I am only trying to show with what speed this momentous legislation was passed.

The President sent his message to Congress on the 10th day of April, and the bill was passed within a month. You know, we Republicans acted magnificently in those days. We responded because the urge was that we should do the best we could to uphold the hands of the President, and we did that. Now, I wish we had not been so blind; I wish we had had a little more vision. We passed that bill.

Mr. RANKIN. The gentleman from Ohio did not follow that course. He did not vote for it.

Mr. JENKINS of Ohio. No; I know I did not vote for it—that is one thing I shall never have to answer for—but some people did, and now a lot of them wish they had not voted for it.

Mr. SECCOMBE. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. Yes.

Mr. SECCOMBE. Under these power rates, is it not a fact that down there in the valley they have been using electric manure spreaders, didy laundries, and things of that sort?

Mr. JENKINS of Ohio. Yes; they are trying to do all these fancy things, but the people want to spread the manure in the old-fashioned way. [Laughter.] The people are not fooled by these manure spreaders, whether mechanical or animated. The people down there, or at least some of them, are as good spreaders as I know. [Applause.] They are as good as we have in Ohio.

Those were the days when legislative legerdemain was practiced with the greatest of ease. "Must" and "emergency" were the magic words. In a short time the Tennessee Valley Authority was a full-fledged instrumentality of the Government ready to join in the wild race of extravagant money spending. Although this was a Government agency, yet, as the President said, it was to be a flexible one. Indeed it was a flexible one, for it soon wiggled itself into all kinds of contortions under the order of the master, Mr. David Lilienthal.

This bill contained the following preamble:

That for the purpose of maintaining and operating the properties now owned by the United States in the vicinity of Muscle Shoals, Ala., and in the interest of national defense and for agricultural and industrial development and to improve navigation in the Tennessee River and to control the flood waters in the Tennessee River and the Mississippi River Basins, there is hereby created a body corporation by the name of the Tennessee Valley Authority.

It is plainly to be seen that the draftsman who drew this bill was doing his best to include within its enumerated purposes sufficient statements that, if true, would make the bill constitutional on its face. The preamble states that the bill was in the interest of national defense and navigation and flood control. The word "power" appears nowhere in the opening pages of the bill. Far over in the pages of the bill, after providing that no one should be appointed to membership on the Board without first professing in all humility and meekness and with complete resignation his most fervent "belief in the feasibility and wisdom" of the act, is the language putting the Government in the power business.

Power is given to the Authority—

To acquire real estate for the construction of dams, reservoirs, transmission lines, powerhouses, and other structures.

From there forward the remaining three-fourths of the pages of the bill are devoted to the production and transmission of power. By this bill the question of the right of the Federal Government to go into the power industry in competition with private industry and private capital is raised. The Government, under the guise of improving navigation and controlling floods, has constructed dams costing at least $400,000,000 more than is necessary, and under the guise of protecting from waste the power produced from these dams, the Government goes into the power business. This is a fraudulent procedure on its face, and cannot be justified in honesty or in ethics. It might be argued that the Supreme Court sustains the power of the T. V. A. to manufacture power as a business. The Supreme Court does not so decide. The Supreme Court holds in the famous Eighteen Power Co. case that the power companies not having franchises which guarantee them the right to operate without competition have no standing to enjoin competition. The Court holds in effect that even though the power companies have and will suffer great damages and loss by reason of the competition of this Government agency they cannot have a standing to complain because their case is one known in law as damnum abseque injuria a damage not consequent upon the violation of any legal right.

A vigorous dissenting opinion is rendered by Justice McReynolds in which Justice Butler concurs. They claim that the power companies do show that they have valuable rights which will suffer irreparable injury by reason of the programs and acts of which they complain. They maintain that the power companies have raised constitutional questions which the Court should consider and decide.

The T. V. A. has been unconstitutional from its very beginning. In an effort to foist itself upon the people with this illegitimate background, it has been dishonest in its purpose. Encouraged by its capacity to flout the law, it has become the most blatant and most arrogant activity of the Government. Already it spends almost as much as some of the most essential departments of the Government. It stalks from State to State as an uncontrolled giant paying heed neither to law nor to government. It is beyond reach of the court or legislature. It knows not the responsibility that comes to the average corporation when it comes to making up a pay roll. The T. V. A. draws upon Uncle Sam. The T. V. A. knows nothing of the insatiable nature of accumulating interest. It has no fears of the enemy of all mankind in all generations—the ever-present tax collector. It knows that it is clothed with the power and majesty of Government and it also knows that it can move about with the irresponsible flexibility of a thief in the night.

For instance, the T. V. A. Act especially provides that the Comptroller General shall audit the transactions of the T. V. A. at such times as he shall determine. Believe it or not, our investigation disclosed the fact that the General Accounting Office had failed to audit the books of the T. V. A. since 1934. The reasons assigned was the recalcitrant attitude of this New Deal child who is clothed with the majesty of government. Not until the minority members of the investigating committee developed this appalling state of affairs from the accounting standpoint were we able to get the facts. Although many millions of dollars in exceptions have been made by the General Accounting Office to the accounting activities of the T. V. A., and although many of these have been explained away, still several million dollars remain unexplained.

The T. V. A. law specifically relieves this agency from the provision of the civil-service law and makes it an organization unto itself in that respect. This opens the door to jealousies and favoritisms beyond belief, all to the disadvantage of the administration of the act. The T. V. A. is wonderfully and fearfully put together. With its great organization of 14,000 employees, it is virtually in political and social control of the activities of the States through which it operates. It has behind it what appears to be the unlimited capacity of the Federal Government to go into debt. Its hundreds of automobiles fly over the roads of these seven States, piling up thousands upon thousands of miles in a ceaseless and useless game of investigators investigating each other. The members of the Board at the time of the hearings in Knoxville came into the courtroom supported by a more elaborate retinue than King Solomon had in all his glory. Department heads and assistant department heads, chiefs and assistant chiefs, and secretaries and assistant secretaries without number, world without end, spent their time and energy in attempting to justify the T. V. A. and its existence. Practically everything that is done by the T. V. A. official force is done with the view of its carrying favorable publicity.

It was against this glittering, unnatural showmanship that Dr. Morgan complained so bitterly. He demanded honesty of purpose and candor of conversation. Instead of tearing off this mask of insincerity as he should have done, the general counsel of the investigating committee fell into a companionship with the Tennessee Valley Authority higher-ups. This seriously nullified his usefulness as an investigator. Soon it became evident to even the casual observer that probably the best and most ardent advocates the T. V. A. had in the courtroom procedure was the counsel for the investigating committee and his assistants. The record does not disclose one single instance where the chief counsel for the committee brought forth one single shred of evidence that reflected upon the activities of the T. V. A. leaders. The investigating proceedings were frequently enlivened by sparks that sent off verbal conflagrations, which occasionally furnished considerable heat and some light to the committee as it made its unsteady march through the intricacies of this investigation. There is little wonder that the majority report is free from any suggestion as to how Congress might curb the activities of this outlaw organization. The majority report fails to make any suggestion with reference to the expenditures of this, the most profligate activity of the Government.

The highlights of the investigation were reached by reason of the failure of the general counsel of the committee to conduct a vigorous, fair, and aboveboard investigation. From the beginning it was evident that there was some understanding between the general counsel for the committee and the higher-ups in the T. V. A. organization as to how the investigation should be carried on.

For instance, it developed from the very beginning that the General Counsel and the counsel for the T. V. A. had an arrangement whereby any employee of the T. V. A., before he could make any statement with reference to T. V. A., must first submit himself to close examination by the counsel for the investigating committee with the knowledge, if not in the immediate presence, of some representative of the T. V. A. This was a star-chamber practice that would rank with the days of the Spanish Inquisition. This practice was brought out upon the examination of one Mr. Hoffman, who was assistant to Mr. Fly, who was the secretary of the Board of Directors. Mr. Hoffman showed signs of wanting to tell the whole truth, which was a very refreshing change from the usual poll-parrot recitations by the witnesses called. I took him up for cross-examination. He unburdened his soul and told of the numerous changes that he had been ordered to make in the minutes of the directors' meetings by his immediate superiors, and he told of many other irregularities. This revelation threw consternation into the T. V. A. camp and caused the chief counsel of the committee to threaten to resign his position. On that day 14,000 American citizens, working under a mean system of slavery, were freed and again restored to their right of free speech. I had the honor of writing the resolution which the committee adopted unanimously and which was to be the emancipation proclamation of these employees. Many of these employees are high-class and highly qualified individuals. They resented these high-handed procedures. As proof that the high-ups still feel that they should be permitted to carry on after this fashion, one needs only to cite the fact that Mr. Hoffman, who opened up this disgraceful situation, soon lost his job and was put out upon the street with the millions of those that we now call the unemployed.

These are the tactics against which Dr. Arthur Morgan rebelled. This is the kind of dishonesty and reprehensible conduct that he complained against publicly. This sort of conduct breeds a dangerous spirit among the employees. Everywhere it was evident that the employees fortify themselves against their fellow employees by making copies of records so as to protect themselves at all times.

This institution also from its very nature finds itself engaged in the political and social and financial activities of every community. It must deal with mayors and city counsels and consequently it feels free to engage in contests so as to elect to these positions those who are known to favor it and its policies. It extends those activities to the election of Governors and State officials and county officials. It is especially interested in boards that control transportation and road facilities and especially boards that deal with taxation. While it is clothed with governmental attributes, it is, as the President said, flexible to a very great extent. This institution must change its methods or else it will bring the Government further into disgrace and it will bring down upon its head the wrath of an indignant public.

I shall not have time to do more than touch upon the agricultural developments of the T. V. A. It has bought, or will need to buy, a total of at least 1,000,000 acres of land at a price of $50,000,000. Most of this land was good bottom land, that now has been inundated to provide for the vast lakes of the T. V. A. The taking of these lands has raised a serious tax question which is now confronting the legislature of some of the States. This complaint is being stifled by the T. V. A., who fear adverse publicity. But it is estimated that the States are losing $7,506,000 from taxes from this institution. This is partly made up of contribution from T. V. A., but the amount of contribution made is only $1,012,-550. There is still a shortage of six and a half million dollars per year.

The agricultural activities are not so much the purchase of land as they are the lending by the Authority of its money and influence in a socialized program for the people whose lands have been taken for lake and recreational purposes and in experimenting with impractical electrical experiments, such as fly killers, community refrigerators, strawberry freezing boats and other similar foolishness. Likewise the experimentation in the field of fertilizer manufacturing is expensive. It has already lost the Government the sum of $6,366,000. Last year it lost the Government $186,000. Dr. Curtis, the guiding genius of the fertilizing program, quit his position as soon as the Investigating Committee made its investigation in that territory. Our committee brought out the facts with reference to the purchase by the Government of a tract of phosphate land for $678,450 from the International Agricultural Corporation; and that this corporation had but a short time before purchased this same land for the sum of $148,378. Why the T. V. A. should give this organization a profit of $530,081 is unexplainable when the T. V. A. was believed to be only on a program of experimentation and when it already owned enough phosphate to run it for at least 30 years.

As proof that the manufacture of power was the real purpose of the T. V. A. it can be seen from the speed with which the new dealers jumped into action on the power matter and the New Deal guidance of the Board by Lilienthal. The Board organized on June 16, 1933, which was a few days after the bill passed. Dr. A. E. Morgan was the first man appointed and naturally took the leading part in getting the Board together for organization. By August 3, however, Mr.

Lilienthal had already worked a division in the management of the affairs of the Board by acting secretly with Dr. Harcourt Morgan. They divided up the authority without consulting Dr. A. E. Morgan. They gave Dr. A. E. Morgan the task of building the dams. Of course, they knew nothing about this important phase of the work. Dr. Harcourt Morgan took the land purchasing division and the fertilizer manufacturing program and other similar activities. Mr. Lilienthal took over the main program—the power program and all legal departments. Is there any wonder that Dr. A. E. Morgan suspicioned what was happening when in less than 2 months Lilienthal had practically established himself as a dictator. It is one of the mysteries of this whole investigation as to how the majority of the investigating committee could, in their report, uphold the activities of Lilienthal and condemn the activities of Dr. A. E. Morgan, against whom there has never been shown even a shadow of suspicion. He is the only member of the Board that has ever accomplished anything worth while in his own right and by his own ability. He is acknowledged to be a great engineer. All who know him recognize his moral worth. The only fault that I have ever been able to find with him is that he "professed his belief in the feasibility and wisdom of the act" before he took his oath of office. He must have changed his mind many times especially as to the wisdom of the act as it has been administered.

Within 2 months after the formation of the Authority and before any but the Wilson Dam was built, Lilienthal was head over heels in the power business. Logically, if this was to be a navigation and flood-control project, these matters would have been put foremost. But Lilienthal proceeded to make contracts for the sale of power long before he was able to deliver as much as he was wishing to contract. Dr. A. E. Morgan believed that the sale of power should be with regard to the existing fields already occupied by private industry, but Lilienthal believed that the policy of the T. V. A. should be to proceed immediately to set up competition to all private utility corporations.

This difference of opinion was brought to the President for a decision and the President sustained Dr. A. E. Morgan. But the wide difference between the character and beliefs of these two men was not allayed and Lilienthal with characteristic stealth proceeded with his game until out of self-respect Dr. Morgan found it impossible to stand by and watch what he termed:

1. Inaccurate and misrepresentative reports to the President, the Congress, and the public.
2. Mismanagement of the power program.
3. Lack of candor in statements to the Congress and the public concerning the power program.
4. Improper and misleading accounting, reporting, and publicity in reference to the yardstick program.
5. Collusion, conspiracy, and mismanagement in administration.
6. Subservience to political and other special interests.

The unbending honesty of Dr. A. E. Morgan did not fit into the program of the T. V. A. The President realized the program must be changed or the personnel of the Board must be changed. The President called the Board together in what was recognized by all fair-minded people as an unfortunate performance. The star-chamber methods employed in that conference were no credit to the Administration. The public was with Dr. Morgan then and it is with him now. The President dismissed Dr. Morgan for "contumacy." Few people realize what this means. It sounds unusual. It is unusual, for in effect it means that he was dismissed because he refused to compel his mind to run along with the mind of the President. In other words, he was dismissed for the same reason that Mr. Humphrey, in the famous Humphrey case, was dismissed. The Supreme Court held that Mr. Humphrey had been improperly dismissed. The courts have not yet decided on the method of dismissal of Dr. Morgan.

Mr. STARNES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. Yes.

Mr. STARNES of Alabama. Did I not understand the gentleman to say that Dr. Arthur V. Morgan was one of the great engineers of this country?

Mr. JENKINS of Ohio. Yes.

Mr. STARNES of Alabama. And did he not recommend the Gilbertsville Dam as the keystone of the whole proposition?

Mr. JENKINS of Ohio. I do not know. Besides, he would not be normal unless he made a mistake occasionally.

Mr. Lilienthal published his yardstick before he had constructed one single dam. Before he could possibly have known what his cost of power would be.

Mr. RANKIN. But not before Wilson Dam was completed.

Mr. JENKINS of Ohio. No; of course not. Wilson Dam was built 20 years ago.

Lilienthal announced the rates in September 1933, without consulting the other two members of the Board. At that time he stated that the rates included all costs, when, as a matter of fact, the allocation of costs were not made for many months thereafter. In fact, the first cost allocation was made in 1938. After Lilienthal had made his first announcement of the yardstick rates, he stated that the same were "a little more than a lucky guess." When the final allocation of costs was made to the President in June 1938 by the Financial Political Committee of the T. V. A., appointed to make an allocation of costs, this committee says:

> Every method of allocating the common plant investment necessary involves assumption and estimates, the formulation of which is dependent upon the widely varying opinions of individuals. * * * The problem is one of judgment rather than scientific calculation.
>
> The committee's conclusions are, therefore, in the form of a recommended policy based on judgment and not on any one allocation theory.

I have repeatedly stated that the T. V. A. yardstick is a fake. It is worse than a fake—it is a willful fraud put forth to deceive. A yardstick should be a thing of accuracy. Its virtue is its accuracy. A yardstick is not a slide rule. A yardstick should be the same to all people at all times. It is a standard. A slide rule is a rule by which computations are made when different factors are considered. The only practical way by which the T. V. A. rates can be considered as a yardstick would be for the T. V. A. to compute honestly every element in the cost of production and then fix the price at the dams, or, more technically speaking, at the bus bars. This is the system employed at Boulder Dam. But so long as the T. V. A. contracts to retail power and assumes to transmit power on its own private transmission facilities, and to engage in promotional programs and private salesmanship programs, and to engage in municipal elections and all other local activities, it will be impossible for it to fix a yardstick.

Here are some of the reasons why T. V. A. rates cannot be accepted as an honest yardstick:

First. The cost of production cannot be computed accurately because the dams are built with Government money. With the benefit that the Government gets from mass construction and with the benefit that the Government gets from unlimited credit, it would not be fair to private industry if this were not computed. The Government can buy practically every item used in the construction of its dams cheaper than private industry can buy it.

Second. No interest is computed, for the Government is not required to go to the bank and arrange for credit as a private individual would be required to do.

Third. The Government pays no taxes of any kind. A private individual would be required to pay countless kinds of taxes in the construction of the dam. It would have to provide itself with insurance of all kinds to protect its property and its workingmen. It would have to provide itself with franchises and licenses of various kinds and bonds of all kinds and descriptions. It would be required to pay taxes on its improvement, and this tax would be State, local, and Federal.

Fourth. The Government would have the benefit of free legal talent, free postage, and free communication of various kinds.

Fifth. The Government would also have the advantage in that it could arrange its allocation figures between navigation, flood control, and power as it might see fit.

If the Government is to be allowed all these advantages and not reflect the same in its yardstick, then, of course, its yardstick would be less than a 20-inch yardstick.

The SPEAKER pro tempore. The time of the gentleman from Ohio has again expired.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. JENKINS of Ohio. An example of how this favoritism and juggling of figures can be employed is easily seen in the figures used by the Allocation Board. Wilson Dam is put in at about $30,000,000 and Wheeler Dam is put in at about $32,000,000. Wilson Dam has a capacity of power production almost three times as great as that at Wheeler Dam. From the power standpoint, there is a great discrepancy between these two figures. This committee on allocation, consisting altogether of T. V. A. officials, made its report, as I have heretofore stated, in June 1938. The T. V. A. Act, amended in 1935, provides specifically "that the Board shall, on or before January 1, 1937, file with Congress a statement of its allocation of the value of all such properties."

In spite of this specific statutory requirement, the Board did not file this report until after the congressional investigating committee had begun its work. I am herewith submitting for the RECORD a few figures showing this allocation as made by the Board.

Purpose	Single-purpose investment	Joint investment		Total investment	
		Amount	Percent	Amount	Percent
Flood control	$2,600,000	$15,870,627	25	$18,470,627	20
Navigation	4,075,988	22,218,877	35	26,294,865	28
Power	23,967,177	25,393,002	40	49,360,179	52
Total	30,643,165	63,482,506	100	94,125,671	100

It will be noted that the allocating committee assigns 52 percent of the cost of these dams to power and the other 48 percent to flood control and navigation. It was only to be expected that a committee made up exclusively of high officials in the T. V. A. would find as they have found. Each of these gentlemen testified at great length in the hearings in an effort to support the T. V. A. Those who disagreed with this allocation had very little opportunity to present testimony. But there is some very positive testimony produced by eminent men and all to the effect that this percentage of allocation to power is entirely too small. In this group is included Dr. Arthur E. Morgan.

No yardstick can be accurate that is figured on a statement showing a profit when that statement in fact shows a loss. I shall give you some figures showing the opinion of three men who were considered able men and each of whom testified from his own viewpoint and defended it vigorously.

Dr. A. E. Moreland, of Jackson & Moreland, of Boston, probably the outstanding expert of his kind in the Nation, says from a very exhaustive study made by him, that the Tennessee Valley Authority is bound to lose $10,350,000 per year on its power operation at its present rates. Dr. A. E. Morgan, on the same computation, claims that the T. V. A. will lose $3,156,850 per year. Mr. Krug, one of the T. V. A. engineers, gives as his opinion that the T. V. A. will earn $4,624,775 per year. In these computations, Mr. Moreland figures an allocation of cost amounting to $451,317,773, while Mr. Krug figures the cost allocation as $332,519,156. Mr. Krug figures his profit on the capitalization of $120,000,000 less than does Mr. Moreland. And Mr. Krug forgot to include $6,500,000 per year for taxes. Computation as made by distinguished gentlemen on the loss that T. V. A. has sustained in the years from 1934 to 1938 are interesting in their differences. Mr. Kokler of the T. V. A. estimates that during that period the T. V. A. lost $784,665. He forgets to include what will be reasonable interest amounting to about $5,000,000 and what would be reasonable taxes amounting to $3,500,000. Mr. Morgan computes the loss during those years at $9,446,605, and Thomas A. Panter, chief engineer for the T. V. A. Investigating Committee, computes the loss for that time at $9,525,000.

That it is not possible for the T. V. A. to establish a yardstick that could be used in other sections of the country so long as it seeks to transmit its power directly to the consumer is proven by the testimony by Mr. Krug. In answer to a direct question by me he says:

> The use of a standard, which I think is a better term than yardstick, requires one to take into account differences in circumstances from place to place. * * * I don't contend, and I don't think anybody does that understands the yardstick principle, because the city of Knoxville can charge a certain rate schedule that every other city in the United States can charge exactly that same rate schedule and make money.

I am not now, and have never been, the champion of public utilities. I do not, and never have, owned any stock in any power company, and I am not beholden financially or politically in any way to any power company. I think the power companies have, by their failure to understand that honesty is the best policy in dealing with the public, brought upon themselves a great deal of the condemnation that has visited them in the past few years. While I contend vigorously that the T. V. A. was established from improper economic motives, I have no objection to the Federal Government, where it can legally and constitutionally do so, encouraging low rates of power for the people. But I maintain that this should not be done until every legal remedy has been exhausted to have private industry accomplish the same purpose. What I object to is that the administration should lend itself to a program of a group of well-known public power, socialistically inclined enthusiasts, in an effort to destroy private capital invested by millions of American people in what they thought were perfectly legitimate investments. I have never opposed municipal ownership of electric-light plants, for there the people decide for themselves what they want. If the Federal Government is seeking to make an experiment in the Tennessee Valley, its experiment should be honestly made if it is to be of any value. A dishonest experiment proves nothing but the dishonesty of the experimenter.

The committee investigating the Tennessee Valley Authority were greatly handicapped in that the chief engineer failed to participate in the investigations or in the hearings. He has made a very exhaustive report which he presented to the committee after the hearings had been concluded. If he had so arranged his work as to have participated in the public hearings, I think he could have contributed mightily to solving the problems which the public and the Congress expected this committee to solve.

Senator JAMES J. DAVIS, Representative CHARLES A. WOLVERTON, and I prepared and filed a minority report setting forth our views. We also set forth our recommendations. Our views may or may not be of value as a reader of them might appraise them. But our recommendations, I think, will be of some value for they are reasonable and I am sure, sincerely presented.

In the first place, we recommend that all agricultural activities of the T. V. A. be turned back to the Department of Agriculture, which is far better qualified to take care of this work than is this separate agency of the Government. The T. V. A. has done nothing that the Department of Agriculture could not have done many times better. Its phosphate and fertilizer, as well as its other agriculture programs were greatly beyond and outside a reasonable purview of the law.

Second, we recommend that all dam construction and operation be placed in the hands of the War Department where it belongs. Congress and the Federal Government have the right to control navigable streams and they should continue to hold that right. They should not surrender up that right to any other agency. The War Department, through the Army engineers, is perfectly capable of handling this program. In this way the War Department could employ the dams to their maximum for flood control when flood control was necessary and to their maximum for navigation if any

navigation ever presents itself, and for the maximum in power production when power is needed.

Third, we recommend that since the Government has constructed extensive transmission lines and has purchased other transmission lines that it cannot in good faith abandon these programs, but it must employ them to the best advantage consistent with law and proper business procedure. These power facilities should be considered as a private power organization in competition with other power organizations unless the competition can be legally and amicably removed. It will not require a great army of experts and assistants to operate these power facilities. A board of directors consisting of five members could be appointed by the President on a per diem basis. This Board of Directors would have the responsibility of furnishing the policy by which the facilities would be operated. This Board of Directors could employ a general manager, and together they could arrange a plan whereby the organization could be operated to the best interest of all concerned.

It is our belief that this plan suggested by us or some similar plan calling for the separation of these various powers and responsibilities will, in time, undo the great harm that has been done by reason of the building up of this arrogant structure that is neither Federal nor State, and a very poor combination of both.

We should take immediate steps to stop spending money. The $120,000,000 that is to be spent on the Gilbertsville Dam can be saved. The thirty or forty million dollars that is to be spent on the Coulter Shoals Dam and the millions that are to be spent on the Watts bar dam can be saved. Likewise we need not commence the construction of the Fontana Dam.

Mr. Speaker, with all of the fervor and emphasis that I can command I repeat that we must quit spending money. [Applause.]

This Tennessee Valley Authority is an illegitimate child. It was born out of constitutional wedlock. It does not have any more claim upon our finances than thousands of perfectly legitimate industries in the Nation that are floundering in this terrible abyss of depression. [Applause.]

The SPEAKER pro tempore (Mr. DELANEY). The time of the gentleman from Ohio has again expired.

WORKS PROGRESS ADMINISTRATION

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. DEMPSEY. Mr. Speaker, in view of the recently reported utterances and representations made by the mayors of several of our great metropolitan cities before the subcommittee of the House Committee on Appropriations, which is conducting an investigation of Works Progress Administration matters, I feel constrained to direct the attention of this honorable body to conditions that obtain today in the Works Progress Administration.

These chief executives of some of our largest municipalities have stated that the principles of W. P. A. work relief must be continued or thousands in the various cities will again be confronted with the specter of want and privation. They take the position that at this time the Federal Government should not withdraw its work-relief activities. With that position I am in full accord. I believe that we must continue this assistance to the unemployed, but in that continuance I feel that this Congress must take cognizance of the fact that the W. P. A. has departed so far afield from the original fundamental principles established for it that in a great degree it has lost its usefulness as an administrative organization, particularly with regard to construction projects. It is my contention that continuance of these construction projects under the present W. P. A. supervisory set-up can result only in further unjustified and wanton waste of public funds.

Two developments since I last addressed my remarks to this House on this particular subject have served to convince me even more that the Congress can no longer justify its position in legislating to appropriate millions of dollars for construction projects under W. P. A. supervision unless such projects are let by competitive bid.

First, by the negative action of this House on the Taber resolution, we have approved the President's reorganization plan which puts W. P. A. and P. W. A. under one governmental division.

Second, we have been advised by published reports of the hearings before the W. P. A. subcommittee of the House Committee on Appropriations that expert engineers from the Procurement Division of the Treasury Department testified that construction costs of buildings erected in New York under W. P. A. supervision were twice what they should have been and twice what they would have been had the buildings been constructed under private contract.

In view of the fact that I had made virtually that same statement on the floor of this House and again before the Senate committee conducting hearings on the Byrnes bill, I was naturally interested in the details of the testimony of those two engineering experts.

The revelations made of needless and inexcusable waste caused by the inefficiency and lack of administrative ability on the part of the W. P. A. are exactly what I pointed out to this House in a speech on February 21. Any man in private employment who was responsible for such conditions as these engineers portrayed and proved, would have been fired, without ceremony, instanter. I urge every Member of this House to make a careful study of this testimony and evidence given to the W. P. A. subcommittee before he or she votes another dollar of appropriations for W. P. A. supervised noncontract construction projects.

There may have been some justification for a hastily considered decision on our part in the days when an actual emergency existed and millions of our citizens would face want and privation, even starvation, unless we acted promptly, but that day is past. Now we have the records of 6 years of experience before us and unless we profit by that experience and stop the gaps through which millions of dollars of the public money are wastefully flowing, public opinion will turn upon us in rightful indignation and demand that we be replaced by others who will refuse to permit further this rape of the Nation's Treasury.

Allow me to cite just a couple of instances pointed out by these engineers in their testimony before the committee. The Federal building at the New York World's Fair, they testified, cost 20 cents per cubic foot to construct under contract. The W. P. A. building at the fair, although somewhat inferior in quality of construction to the Federal building, is costing 43½ cents per cubic foot—more than twice as much. Why? Because under W. P. A. supervision the workers were not giving a prevailing day's work for a prevailing day's pay; because W. P. A. supervision was not efficient; because W. P. A. did not demand and get efficient supervision. Because, to put it bluntly, on all these construction projects under W. P. A., it has been my observation, so-called relief work has been about 70-percent relief and 30-percent work.

There is no reason why a man working for the Government under W. P. A. supervision should not deliver a dollar's worth of work for the dollar paid. That is not done, however, because, as I have stated before, the W. P. A. does not have now, and never has had, efficient supervisory personnel. I am not holding the W. P. A. responsible for that condition, because the W. P. A. set-up, as approved by this Congress, was not conducive to efficiency and economy. The fault lies with the Congress. Try as we may we cannot, in all candor, deny our responsibility. We can, however, refuse to contribute further to this particular type of economic delinquency.

This W. P. A. building at the world's fair was to cost about $250,000, so the engineers testified, but the outlay to date has been $544,000. The original plans have been changed several times during construction, they told the committee. Does that indicate efficiency? Would any of us have permitted anything like that if we had been erecting that building? Would that have happened if a contractor under

proper supervision had been constructing the building? Most assuredly not. The long and short of the whole matter is that more than a quarter of a million dollars of the people's money were wasted.

One other instance of W. P. A. profligacy is shown in the testimony of these two engineers, who stated, after making a most careful investigation, that a New York school building being constructed by W. P. A. will cost $782,000, and an identical school building built under private contract cost $441,000. In fact, that was the average cost of four or five identical buildings.

Let me quote one statement from the testimony of one of these engineers. He said, and I quote:

> The estimate of labor upon the building under contract is $170,000, and the estimate for labor for the building constructed by the W. P. A. is $446,695.

The labor cost under W. P. A. is two and one-half times that under private contract. In other words, there is a waste in this one project of more than $275,000. And, worst of all, there was no more work done for the public in one case than in the other. In all probability better work was done by skilled craftsmen on the building which cost the least.

There is no need for me to detail a dozen other cases which these engineers presented to the subcommittee. These experts covered various types of construction projects, made a careful investigation, and gave an unbiased report—a report which should give every Member of this House pause, because we are responsible for the conditions which permitted this waste.

How much of the approximately $7,000,000,000 that we have appropriated for W. P. A. during its existence has been wasted through this same sort of inefficiency and lack of administrative ability? I would hesitate to venture a guess, but the Budget for the fiscal year ending June 30, 1940, breaks down the $1,425,000,000 total as follows: For highways, roads, and streets, $484,500,000; for the construction projects group, $655,500,000; and for educational, professional, and other "white collar" projects, $285,000,000.

Highway, road, and street building is, strictly speaking, construction, but disregarding that phase of construction work, this Budget break-down shows that almost 50 percent of the total is designated for construction projects, such as school buildings and the type of work which these engineers have testified was done in New York at such enormous loss through waste.

Fortunate, indeed, are the American people if they have not already been forced to squander through the W. P. A. at least $2,000,000,000, and, let me remind you again, the Congress is more directly responsible for it than anyone else.

The President has advised us that he expects to save between $15,000,000 and $20,000,000 annually through the reorganization plan he recently submitted and which we have, in effect, approved.

This Congress can effect even a greater saving by refusing to appropriate further money for construction projects until they are removed from the present supervision status and placed under requirements for letting by contract.

The Nation will have more in value received for the money expended, and a Federal Government dollar is worth as much as any other; there will be more and better schoolhouses and other public buildings; there will be just as much employment; but the waste and inefficiency will be eliminated.

To my mind the time has come when we should abandon the misnomer Works Progress Administration and rechristen it the P. R. A.—Public Relief Administration—for that is all it ever has been or ever will be. Let it administer the "white collar" projects, the women's sewing projects, and those other activities where relief, rather than work, is the principal objective.

Most certainly we of the Congress must be convinced by this time, after these years of experience, that administration of relief is in nowise guided by the same fundamentals as is the administration of public works, and the two cannot be successfully blended into one properly functioning organization.

In this matter of reorganization I, for one, would go still further and decentralize the Civilian Conservation Corps, doing away with the top-heavy, expensive administration of the C. C. C. and placing each group under the supervision and full control of the department of the Government which it is serving; C. C. C. grazing and reclamation camps under the Department of the Interior; soil conservation camps under the Department of Agriculture, and in a like manner with all of them. Again the Congress could aid in reducing Government expenditure, and at the same time increase efficiency. That, as I understand it, is the purpose of reorganization.

I do not take the position of a critic of the Civilian Conservation Corps, but I do believe that, in order to make it an effective permanent governmental activity, which it should be, there should be less conflict in supervisory and administrative authority, with the resultant reduction in administrative costs.

But above all, let us demand that every agency of this Government, whether of an emergency nature or of permanent status, require and get a full dollar in work return for every dollar expended. If we are to give relief, and our economic status makes it necessary, let us give that relief as such and not misguide millions of our people into the belief that they should not work for the public money they are paid for working. Better far an outright dole than a widespread petty graft; better far an honest citizen on a relief basis, than a shirker on a pay roll, no matter for what reason, political or otherwise, he may be on that pay roll.

What we do in the future in regard to the W. P. A. is not alone a matter of money; it is a matter of our national morale. A nation financially bankrupt can recover; a nation with shattered morale is doomed.

The SPEAKER pro tempore. Under special order of the House, the gentleman from Illinois [Mr. MASON] is recognized.

THE FAILURE OF OUR NEW DEAL ECONOMIC PROGRAM

Mr. MASON. Mr. Speaker, if I were to ask to speak for an hour on the failure of our New Deal economic program, I could do it without any preparation whatever, because I am as full of that subject as the distinguished gentleman from Ohio [Mr. JENKINS] is full of the T. V. A. subject. If I were asked to speak on the subject, the failure of our New Deal economic program, for 15 minutes, I would want several days to prepare it; but I am going to speak on the subject now for 3 minutes. That means that the material has been boiled down and condensed so that every word of it is important and every statement is at least pregnant with meaning.

I offer that condensed, boiled-down statement to you now.

Mr. Speaker, the recent meeting of the United States Chamber of Commerce held in Washington has brought about an economic soul-searching among New Deal leaders. Conference after conference and meeting after meeting have been held at the White House and elsewhere by Government economists from the different departments in a desperate attempt to justify the New Deal program of "recovery through reform," or "abundance through curtailed production."

Mr. Speaker, the per capita yearly income of the United States has fallen during the last 10 years from $653 per person per year to $490 per person per year, while during the same period of time the per capita income in Great Britain has increased from $417 to $507, placing Great Britain ahead of the United States on the basis of per capita income. This significant change in income trends has caused a searchlight to be thrown upon the economic theories that govern these two nations. Great Britain's policy is based upon two fundamental truths, namely, "You must produce before you can have," and "A balanced budget stimulates production." The New Deal policy has been "recovery through reform," artificially stimulated by a "borrowing-spending" program. Results over the past 10 years show conclusively which of these two nations is following a sound economic policy and which nation is not.

Mr. Speaker, we have learned through bitter experience that raising prices by artificial means, such as curtailment of production, decreases national income; also that subsidizing the unemployed lowers the national income instead of raising it, because it means sharing the income. The New Deal economic mistake was epitomized recently by the economic writer, H. B. Elliston, in the following words:

Income is not produced by waving magic wands nor by rubbing Aladdin lamps. Income can be produced or increased only by the Old Deal program of work and sweat. The New Deal's attempt to substitute ethics for economics has failed.

Mr. Speaker, as a result of the constructive suggestions that were made at the recent meeting of the United States Chamber of Commerce, and also as a result of the facts that have been developed at these soul-searching economic conferences, we can begin to hope that proper emphasis will be given from now on by administration leaders to well-established economic principles in their recovery program. We can also hope that hereafter the administration will cease demanding from business cooperation in half-baked, unsound, discredited recovery schemes and will evidence a willingness to cooperate with American business along sound, time-tested, economic lines. In that way we may hope to regain first place among the nations of the world upon a per capita income basis. This can only be accomplished, however, through a program of real cooperation on the part of both Government and business, and real cooperation is not a one-sided arrangement. [Applause.]

EXTENSION OF REMARKS

Mr. TAYLOR of Tennessee. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and incorporate an article by Hon. Eugene Talmadge, former Governor of the State of Georgia.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CANNON of Florida. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein House Joint Memorial No. 7 of the Florida Legislature.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Under special order heretofore entered, the gentleman from California [Mr. VOORHIS] is recognized for 15 minutes.

Mr. VOORHIS of California. Mr. Speaker, one of the keys to a prosperous condition in the modern industrial world is necessarily to be found in the relationship between money on the one hand and goods and services on the other. As long as you operate your business on the basis of credit it must necessarily be true that a deflation in the amount of money in circulation makes goods worth comparatively less and dollars, including debt dollars, worth more. This encourages foreclosure, the taking over of property by people who deal in money; whereas an increase in the volume of money in circulation, particularly if it be geared to an increase in productive capacity, means an increase in the value of goods and services in terms of money, hence a better chance for the great mass of the people. With these few ideas as a basis I shall try this afternoon to discuss some of the matters that have already been brought to the attention of the House today.

In the first place, I am eager to see the Government cooperate with every earnest American who is seeking a way out of our difficulty. I am deeply impressed, for example, by an article on taxation in the Fortune Magazine for the current month, and by the very large number of tax principles in that article which they call "the area of agreement," where 15 people, well-informed people of every kind of background, have agreed on what seems to me to be a very constructive program and one with which I could, on the whole, go along very well. This is an example of what can be done with a tough problem when everyone honestly tries to work out a solution. But I wonder what the price is for us who look at the thing from the standpoint of the people rather than from the standpoint of the value of the dollar—I wonder what the price is of "cooperating" with—I will not say American business, but with some of the people who at least dominated the Chamber of Commerce convention. I happen to have clipped from the paper the account of the price of that cooperation. It calls for repeal of the wage-hour law, the Silver Purchase Act, the power to issue $3,000,000,000 in money, and the cotton subsidy plan.

It calls for a promise not to enact the Borah-O'Mahoney Federal licensing bill for the overhauling of the Federal tax laws in the interest of business recovery—if I knew what they meant by that, I might be for it—replacement of the W. P. A. with a different relief set-up, revision of the Securities Act to encourage "a broad and free flow of the stock market"—which did not help much in 1929—a drastic change in the Wagner Labor Relations Act, and a sharp curtailment of Government expenditures. The sole question is how much vital, important, necessary social legislation for the protection of the mass of the American people has got to be wiped from the statute books before it will be possible to satisfy those who ask for what is termed "Government cooperation." For my own part, I believe that if a mistake has been made in the last few years it has been that we have not been simple enough, we have not been direct enough, we have not been sure enough about the direction of the policy so that now we are in a position where it is believed by some that most of the social reforms can be destroyed if only enough noise is made about it.

SHALL WE SPEND OUR PEOPLE, OUR LAND, OUR RESOURCES TO MAKE DOLLARS WORTH MORE?

I think the question is largely this: Do we propose to spend people, to spend land, to spend natural resources in order to enhance the value of the dollar, or do we propose to spend money, a large part of which will be returned to the Treasury, in order to save land, in order to save natural resources, in order to see to it that people are actively engaged in work if they cannot find it in any other way?

The T. V. A. has been referred to this afternoon, and I am led to ask certain questions in connection with the discussion. For example, are those who oppose the T. V. A. really against the influence that that enterprise has unquestionably had in raising the standard of living of the people? We frequently hear it said that the T. V. A. has caused people to buy electrical appliances. This is put forth as a criticism of T. V. A., and I cannot understand it. We heard this afternoon criticism of its agricultural program. I believe that anybody who knows anything about our agricultural problem, our soil-conservation problem, will approve the things that have been done.

One of the finest things about the program is that the farmers are not so much "being helped" as they are helping themselves. In 122 counties in the Tennessee watershed farmers have organized conservation associations and are voluntarily applying soil and water conservation methods through them. The T. V. A. furnishes fertilizer for cover crops; the soil of this section of the United States is being revitalized with benefit to this and future generations. Now as to power: Those who oppose T. V. A. must answer the question of what would happen to the potential power resources of this country if they are not developed by some public agency like the United States Government? I am not in favor of taking away from anybody without due compensation anything that is his; but I am in favor of seeing the American people hold on to every single source of electrical energy that remains in this country and to keep it forever as a heritage for their children. [Applause.] I do not see how there could be any question about the right of the United States Government to do a thing of this kind. This power is a gift of God to all the people of the Nation. I do not see how anybody can justify an implied suggestion that instead of having the United States Government do it that he would prefer to see this great enterprise go back into the hands of some private interests; for, after all, one must remember that the power business, like a number of other businesses in this country, is essentially a monopoly enterprise. It cannot be economically justified to develop and distribute power on any

other basis. If it is not run on that basis it is utterly wasteful. So either we must have public-power development or we must permit the Power Trust to extend its control over the people's resources and their incomes. I have had some very interesting experiences in this connection. I live in southern California. It happens that the city of Los Angeles has its own bureau of light and power. Rates have been reduced in that city seven times in the last few years. I happen not to live in a section that is served by the bureau of light and power. I live out in the country beyond it, and I have run there a boy's school for a number of years.

We bought electric energy from a private power company at wholesale for 1 cent a kilowatt-hour. Why? Because we have a situation where that power company is right side by side with a public agency in the city of Los Angeles. Therefore, they both get along all right. That to me is an example of the way that the yardstick really functions, and I believe in it.

THE "COST" OF T. V. A.

We hear a lot about all the money that is being spent on the T. V. A. To tell you the truth, it makes me quite irritable, because the fact of the matter is that the cost of the T. V. A., the total expenditure which is properly allocated to power, will be paid back with interest in the course of a short time, and within 60 years the principal cost of all other expenditures of the T. V. A. will be paid back to the Treasury out of the revenues. Revenues will run $20,000,000 annually after the project is completed. No wonder those who are afraid of cheap electricity do not want to let us finish the development.

Another thing that has been said is that we have an enterprise in the T. V. A. that has been "robbing somebody." Well, I do not know how you can interpret it as robbing people when you cut their bill for electric energy in two. I do not see who is getting robbed by a situation of that kind. As a matter of fact, the net result is to put money back into the pockets of the consumers which they otherwise would have to pay out in the form of too large an expenditure for this item, thus permitting them to spend it for other items.

FAIR DISTRIBUTION OF CONSUMER'S DOLLAR

While talking about the central problem of this age, which is the problem of an adequate volume of consuming power in the hands of the people, we must remember that one of the things that needs doing in this connection is to be sure that all industries get their just share of the money spent by the consumers of the Nation.

That is the very nub of the agricultural problem. Agriculture has never received its proper share of the consumer dollar. Certainly it is necessary, therefore, if we can do it, to prevent too much of that consumer's dollar going into the hands of a private monopoly of electric power. T. V. A. helps to prevent this. To my mind, that is the most important fact about this great project.

The T. V. A. is one of the great developments of modern times. It is democracy working out its problem of conservation of resources, both human and natural, in a way that preserves all the best values of our Nation. I wonder whether it really is true that the Republican Party proposes, if by any chance it should come into power at any time in the future, to eliminate that great enterprise from the Nation? I cannot believe that it will.

THE TRICKLE THEORY VERSUS THE SEEPAGE THEORY

As I see it, the difference between various groups of people in this country can pretty will be boiled down to this example: It is the difference between the trickle theory, on the one hand, and the seepage theory on the other. I am against the trickle theory. I am in favor of the seepage theory. The trickle theory which is certainly the one upon which the Republican Party stands holds that if you just get enough money in at the top, make a few people and a comparatively few corporations well enough off, some of it will trickle down to the American people and they will be able to get along. At any rate, if they are not able to get along, their character will be greatly strengthened by the struggle they will have to go through.

The seepage theory, on the other hand, holds that the solution to our problem lies in an increased buying power on the part of the masses of the people—the farmers, the wage earners, the unemployed, in fact all groups of American people; and if that happens, not only will the general welfare be served but the only real key to business prosperity, and prosperity of all kinds, will be found; this has been and must, as I see it, continue to be the position of the Democratic Party. Therefore, if we really want to find what the difficulty is at the present time, I do not think we will have to look very far. Is it not clearly true that whereas there may be minor causes for our slowness in business, if the businessmen of this country knew that there was waiting for their goods a substantial, dependable cash demand on the part of the consumers of this country, we would quickly get an activity in business? Furthermore, I do not believe you can get it in any other way. I do not think capital goods is the answer, for after all, capital goods are only of value when you have the consumers to purchase the production that ultimately they will turn out. Our problem is to find the way to maintain that consumer demand without increasing debt to do it.

WE HAVE MADE MISTAKES

I am going to say a thing that may be too honest, because I think my own party has made mistakes. Some members of that party have helped the gentlemen of the minority to cut the W. P. A. at the wrong time and to cut it too much. I think, instead of that, we have to make up our minds there that that program—or I will grant you perhaps a better program which could be devised if we put our minds to it—has to be sustained until actually we find those people have gone back into private industry. I do not know of a single person on the W. P. A. who would not go back to private industry if given a chance and a reasonable assurance that he could get back on W. P. A. if after a short time his private job gave out.

Mr. HEALEY. Will the gentleman yield?

Mr. VOORHIS of California. I yield to the distinguished gentleman from Massachusetts, one of the most earnest Members of the House.

Mr. HEALEY. May I say that on yesterday the Committee on Appropriations, investigating the Works Progress Administration, had before it a number of the mayors of large cities. In the opinion of one of the mayors of these cities, 95 percent of the W. P. A. men, or men on the W. P. A. rolls, would jump at the chance tomorrow to get a job in private industry.

Mr. VOORHIS of California. I thank the gentleman. I know that myself to be true.

The second thing I think we have made a mistake about is that the operation so far of our Social Security Act has been more or less deflationary. I think that can be corrected. I believe we should seize upon what has become one of the greatest movements this country has ever seen, namely, the movement for a real retirement pension in this Nation, and I think we should work with that movement and see if by the method of retirement pensions we will not get the machinery for sustaining a continuous, steady consumer demand on the part of the people of this Nation.

Great Britain was mentioned a while ago, and it was pointed out that Great Britain has done better than we have. I am not going to enter into a controversy about that. Personally I believe Great Britain's problem is tremendously more simple than ours and that we have done, on the whole, better than any other nation in the world, but not nearly as well as we should have done. Britain's budget has been balanced, true, but Britain's budget has been balanced because Britain levied the necessary taxes to balance its budget. That is a course of action that we have not always been ready to pursue. Some of the gentlemen who argue the loudest about balancing the Budget are the ones who argue also that we must reduce certain taxes. We made a mistake, I think, in not changing our income-tax law so it would yield greater revenues.

I say that with the explanation once again that I am not opposed to simplification of taxes. I believe we should have

it. And I also think we should reduce taxes on active business and on consumption as much as we can. Individual taxes, inheritance taxes, are another matter.

[Here the gavel fell.]

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

FOR A STABLE DOLLAR AND ADEQUATE CONSUMING POWER

Mr. VOORHIS of California. Finally, I think another thing we have done wrong is that we have insisted on buying back our own national credit with bonds instead of using the credit of the American people for their benefit based on their increased capacity to produce. Thus we have had an increase in public debt, replacing the increase in private debt which took place all through the twenties. Now, what is the answer? Let me illustrate. We will say we have a national income of produced goods and services of $80,000,000,000 in a given year, and we will say that $60,000,000,000 of that is currently spent for goods and services. The other $20,000,000,000, we will say, is all invested. None of it is hoarded, none of it is saved, but all of it is invested currently. A part of that investment, it is true, will go into the payment of wages of the people that create the new capital goods, but part of it necessarily by the very definition of investment is tied up in or stored up in the productive equipment. This means, then, that that $80,000,000,000 of goods and services cannot be all taken off the shelf and sold and that you will fail to take it off to the extent that a portion of that $80,000,000,000 of goods and services produced which was our potential total purchasing power was tied up in new capital goods. The next year, on the other hand, those new capital goods mean an increase of potential production over what you had before, and therefore an increase in active buying power is called for.

I am convinced in my own mind that one of the essential elements in any solution of our problem has to be that our Government has to exercise its constitutional and proper function of bringing into circulation year by year a sufficient amount of new interest-free money and pay it into circulation through old-age pensions or in some similar fashion, in sufficient amount to keep the volume of money in line with the increased capacity of the Nation to produce wealth. Unless this is done the only way consumption can possibly keep up with the growth of productive capacity is by an increase in borrowing and debt—either public or private.

I mentioned a while ago the difference between the trickle theory and the seepage theory. I want to make it plain again I am an advocate of the seepage theory. The trickle theory I do not believe will work. I am not opposed to people making money but I just do not think it is the whole answer to our problem by any means.

I have an article here that has already been referred to in the House.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Texas, who has made such splendid contributions to our thinking in this monetary field.

Mr. PATMAN. The gentleman realizes that Mr. Hoover tried the trickle theory back in 1931 and 1932 and it failed to work.

Mr. VOORHIS of California. Exactly. And if carried to its logical conclusion it would have meant a balancing of the Budget at zero with no income and no outgo. I thank the gentleman very much.

This article was published in the Chicago Evening American in a column by Mr. Robert P. Vanderpool. In this paper he points out that the average earnings of American industry in the last 3 years have been 8.3 percent, whereas in the years 1927 to 1929 the earnings were only 6.5 percent. I just do not know why we should be worried. I have some other figures here from Moody's Industrial Securities which show that one great automobile concern, for example, had net earnings in the first quarter of 1929 at the rate of 34 percent, and a great electrical corporation at the rate of 15 percent.

We have just not gotten the trickle. I have already explained what seemed to me to be the central thing. Let me just say this one thing. The simple way to put it, I think, is to say that you cannot eat your cake and have it, too. You cannot have people accumulating great amounts of wealth and still have the same people have a market in the masses of people for the very commodities they want produced and sold. Neither can you save and hoard great amounts of your current national income and at the same time have your investments profitable, because the profitability of those investments depends necessarily on the capacity of the consumers of your Nation to take them off the shelves.

Mr. EATON of California. Mr. Speaker, will the gentleman yield for a question?

Mr. VOORHIS of California. I yield.

Mr. EATON of California. I understand that a member of another great legislative body the other day made this statement in substance, that no government could borrow itself into prosperity any more than a man could drink himself sober. Does the gentleman agree with that statement?

Mr. VOORHIS of California. Of course I agree with it, but I have already said that I believe the Government had been borrowing money for purposes for which we ought not to have been compelled to borrow. I do not believe we ought to have to borrow money to build the T. V. A. I believe we have a perfect right to do exactly what private finance does to finance any revenue-producing project of that kind. Private finance would loan money on the security of the borrower. I believe the American Government ought to be able to do that same thing in effect, by advancing the national credit against the revenues of a project of that kind; or by creating deposits in favor of States or cities, for example, on the security of their bonds.

Further, I do not believe we ought to find it necessary to borrow our own national credit as we have in the past, provided that we base our money on the only really sound base, namely, the wealth-producing capacity of this Nation. I will say this to the gentleman, that I do not believe, either, that you can starve yourself into prosperity, and that the reason the New Deal has borrowed as it has and the whole explanation of the New Deal deficit has been this; that if private business does not borrow under our present monetary and banking system, Government must if we are to have a circulating medium at all, because we depend on bank credit created by the banks for the purpose of making loans for our circulating medium, 95 percent of it. I am not defending that system, but I am saying that is the explanation of the New Deal deficits. I do not like to borrow any better than anyone else, but we must go on borrowing and borrowing and borrowing until we change the way in which we bring our money originally into circulation and recognize the constitutional right of the Nation in this regard. [Applause.]

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. TAYLOR of Tennessee. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. TAYLOR of Tennessee. Mr. Speaker, on April 18 last, in the course of my remarks on the so-called stabilization bill, I stated that I had been informed that Mr. Henry Morgenthau, Sr., the father of the present Secretary of the Treasury, was a major partner of the firm of Kuhn, Loeb & Co. I have since been informed, upon what I consider reliable authority, that I was in error in this statement; that Mr. Morgenthau is not now nor has ever been financially interested in this firm. I certainly would not intentionally do Mr. Morgenthau or anyone else an injustice, and I make this explanation accordingly.

ARKANSAS-MISSISSIPPI BRIDGE COMMISSION

Mr. CHAPMAN submitted a conference report and statement on the bill (S. 964) creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.; and for other purposes.

EXTENSION OF REMARKS

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech delivered by Mr. Fred W. Sargent, president of the Chicago North Western Railroad, containing some very helpful information which I think will be useful to the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

THE ONLY ROAD TO PEACE

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes following the remarks of the gentleman from Minnesota [Mr. ALEXANDER].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ALEXANDER. Mr. Speaker and Members of the House, I come before you today, before the people of America and of the civilized world, with a deep sense of humility and of my own inadequacy to do more than to attempt to present for discussion a suggestion for a solution of the greatest problem of our era.

The world is aflame with war passion. The crucial time has arrived when, in spite of all that has been attempted for peace through what has been called "appeasement," the world seems hurtling headlong toward war and carnage.

Notwithstanding our geographic isolation, we are very liable to be involved in case of the outbreak of a general war, and it is conceivable that in the course of such a war we might ourselves even be attacked.

It is apparent to every thoughtful person that this horrible world situation and these international antagonisms can be subdued, if subdued at all, only through spiritual intervention—that is, by divine interposition. It has been well said within the week that what the world sorely needs is not military rearmament but moral rearmament.

From the mass of letters reaching me, and from innumerable other signs, we all know that millions of sincere prayers are ascending on high every day in a continuous volume of supplication for peace.

It seems to me that there is but one answer to this problem of preserving peace, and that there is one human being in the world at this moment better qualified than any other to take the leadership for peace. His inherent qualifications and universal good standing, the profound reverence and respect in which both he and his high office are held would make it possible for him to act under the guidance of the all-wise Creator as a leader in this momentous matter of peace. In order that we may avail ourselves of divine inspiration, and that spiritual guidance in this dark hour can be invoked to save an all-too-material world, the one to whom I refer is Pope Pius XII.

It is so clear as to be indisputable that there is no solution and no hope for escape from the confusion and the cross purposes of materialistic greed and lust for power, except by the one and only method of applying the spirit of brotherly love. That is why I suggest that the one best fitted by training and position in the whole world to exert that spiritual leadership of brotherly love is the temporal and spiritual head of the great Catholic Church.

I was not born a Catholic. I was not reared a Catholic. Not being a Catholic, I feel that this suggestion coming from me may at least be considered more unbiased than if it came from a Catholic.

We in America, all being citizens of a peaceful and Christian nation, are especially qualified to urge such a movement and to subscribe to its objectives.

This question of peace is not a partisan question. It is not a religious question. It is not a racial question. It is not a geographical question. It is far too great a problem, involving as it does the lives, the happiness, the treasure, of all the peoples of the world—aye, of civilization itself—to allow any sense of partisanship of any character to have any place in its consideration.

I must confess, my colleagues, that my heart has burned within me as I have noted how political partisanship has been allowed to have a place in the considerations and discussions of the paramount problem of how to avoid war and to maintain peace. Any Member of Congress worthy of the title should be and is too humane, too broad, too devoted to the principles of humanitarianism, to allow partisanship to have any place in his consideration of this, or any of our other great unsolved problems, such as unemployment—which is second only to war in importance—such as crime, disease, or human suffering. Our democracy was dedicated by its glorious founders to a civilization which should be free of these great plagues, and partisanship must stand aside, while we bear aloft the torch they so nobly lighted that men may enjoy life, liberty, and happiness.

There can be no such enjoyment so long as war and these other great pestilences are allowed to persist.

And if there is no place for political partisanship in our attempt to solve these questions, there certainly is much less place for religious partisanship in the consideration of so great a need as ours, to preserve peace. Why should we not, to save ourselves and the world from war, all join hands together—Protestants, Jews, Catholics, and nonbelievers—behind the Pope?

I believe that we all can agree by now that no ordinary human logic or political device can save us from war. Some of us have known this for years. No nationalism can cure an international disease. The cure must be a spiritual one, conceived and applied in the highest degree of brotherly love. Can such an application of world-wide, brotherly, good will win? There certainly is no risk in making the attempt. If the attempt fails, we are no worse off than we are now. If it succeeds, it will have been a thousand times worth the effort.

Who is there who does not believe that if the peoples of the world and the governments of the world and the leaders of the world had put the same amount of intelligence, work, and money into a purpose of achieving world-wide peace and prosperity that have been put into efforts, selfish in their conception, ruinous in their application, and at the expense of others, that we would be today facing the question of such a world conflict as we are?

If we do not make the supreme attempt to solve this problem along spiritual lines, we shall face the risk of the destruction of civilization and a reign of chaos that will give us a new era of the Dark Ages.

Again I ask, who is better qualified and prepared to apply this one cure of world fellowship, of brotherly love—to provide this needed leadership to guide the world up the road to peace—than Pope Pius XII?

He has spent his life in training in religious and international affairs. His whole view is necessarily world-wide and clouded by no narrow nationalism. He has been in the heart of the sore spots of Europe for years. He knows North America well. He has brought to the Papal office a fresh vigor and a high idealism. He has made no mistakes of a political nature, which would antagonize the dictators, or the peoples of the totalitarian states. He has not chosen sides and therefore has not become unpopular in certain European capitals, nor has he indulged in any oratorical outbursts against the militarists. He is, especially to the Catholics in every nation and corner of the globe, the representative, on earth, of the Prince of Peace. What more fitting personage and personality could be found anywhere to take the lead in

a supreme effort to prevent war, to call a real world peace conference than the Holy Father at Rome? His life, devoted to the study of peace, fits him for just such an emergency as this.

The stage is set. The world is in tragic and bewildered despair. It trembles on the brink of a carnage which will bathe the globe in blood and wreck the work of centuries in achieving a civilization in which men may rise above the level of brute beasts and express themselves as the image and likeness of infinite love and infinite intelligence.

The day is here, the time is ripe, for us and for all good people everywhere, through their priests or ministers or leaders, to call on the bishops of the world's churches to request the Pope to invite the heads of all nations to gather around the peace table either at Rome, at Geneva, here in Washington, or at any other place thought suitable, to stop the onrush of this senseless conflict.

If such a conference could be called, there could be a truce in all military activities. Military preparedness in every nation could be postponed while we get together around the conference table to solve our economic, political, and other international problems on a basis of love and fellowship.

Of course, there is the risk of failure in this undertaking, but why should that give us pause when the alternative, if we do not make the effort, is war, and succeeding chaos. Is any effort too great to attempt, in order to escape such a fate for the world?

A great hope was born in the heart of the world last month when the President sent his message to 31 nations suggesting a conference. The chief weakness in that message was that it was addressed to Germany and Italy, not by an impartial mediator, but by a statesman who had already chosen sides and who had a stake in the outcome. The President's message also attempted to relieve us in this country of any responsibility for such political readjustments in this complex international situation as cannot be divorced from those economic changes essential to a just peace.

I have before me an international news dispatch from London dated Saturday, May 6, which reads as follows. I quote:

> Reports stating Pope Pius XII energetically interceded to forestall a precipitate move by Adolf Hitler against Poland were published today in British newspapers. The London press also reported that His Holiness, having consecrated May as a month of prayers for peace, launched efforts to bring about a reconciliation between France and Italy as part of his endeavors to help prevent a European war.

It is apparent from that quotation, and from additional despatches today that the stage has already been set for us to request the Pope to undertake this greater objective which I am suggesting. It is the only true road to peace. There is no other way open to us at this time. If the way of peace does not lie in this direction, then the world is indeed bereft of hope and the future is dark.

There might be another way, under other circumstances, and that other way I may discuss at some later date if it seems propitious, but to prevent war now and to preserve peace this year I believe we must take immediate action to bring about, under the guidance of the Pope, the peace conference which I suggest.

Other ways may look more tempting to us. Other ways may be suggested which may appear to be more agreeable because they do not require us to do anything, but these other ways have all failed, and are failing day by day as we draw nearer the awful catastrophe so graphically described by the California poet, John Blunt, when he said:

> Look where you may the mortal foes are gathered.
> See their campfires' glare!
> A falling leaf, a stricken bird, a hot dispute, a hasty word—
> Then clash of arms and world-wide strife!
> Then—all mankind in flight for life.

Yes, Mr. Speaker, we all know these other ways—isolation, neutrality, economic sanctions, measures short of war—they may sound encouraging, but they do not work out in actual practice when put to the test. Oh my friends, why be blinded by these high-sounding phrases? If war occurs, you know, as I know, America will be there at the crisis. Men will be persuaded that victory finally may be achieved again by war, which they will be asked to fight as a protest against the disturbance of international security and in order that they may procure the enjoyment of peace after the war.

War is not peace. There is no such thing as achieving a peace by war. Peace is achieved by preventing and escaping war. Why not act now for peace before it is too late?

Under the theory of isolationism, even though we were not drawn into the conflict under arms, we in America would be sorely affected. Our business would stagnate, our stock markets would be closed, our every commercial activity would be dislocated and thrown out of adjustment, our whole mode of life would necessarily feel the impact of this horror brewing in Europe if once it breaks out.

If war comes in Europe, can we stand the strain of the unusual conditions which will be produced and the necessary concomitants, of more national planning, regimentation, allotments, quotas, Federal supervision, the army of control inspectors and all that goes with a restricted national life, mechanically managed to fit isolation?

Who doubts that there is but little brotherly love expressed in the philosophy of either isolationism or neutrality?

"GOING DOWN THE ROAD TO WAR"

The May 4 announcement of the Gallup poll shows the next phase of the problem as we unmistakably go down the road toward war. There is a great danger that perhaps many will even be misled or fail to grasp the point inherent in the conclusions ascertained by that poll. Here is what it says our mass thinking sums up to in the country today, on the question of war. I quote Mr. Gallup:

> First, there is overwhelming sentiment that the United States should stay out of any war that develops in Europe. Second, a majority of the public wants to give all possible assistance to the British and French, short of going to war, in the event that war does come.

The first principle is not new, it has been the guiding idea of American foreign policy and public opinion since shortly after the armistice.

Of course America wants to stay out of war. I am receiving thousands of letters expressing that sentiment. We in free America are unanimous on that. I received a letter a few days ago which made it completely unanimous—a letter from the N. A. M.—the National Association of Manufacturers—telling a dozen reasons why they do not want war. I wrote them immediately and congratulated them for even thinking about the subject. That indicated real progress, and I was so encouraged because of their letter that I decided to go ahead and make an attempt, through this suggestion which I have presented, to save my three sons and the other millions of noble boys throughout the world from a worse destruction than we 40,000,000 participants faced in 1917 and 1918. Indeed, I can say, like Sophocles, in Oedipus Tyrannus—

> My poor, poor children! Surely long ago
> I have read your troubles. Stricken, well I know
> Ye all are, stricken sore: Yet verily
> Not one so stricken to the heart as I.
> Your grief, it cometh to each man apart
> For his own loss, no other's; but this heart
> For thee and me and all of us doth weep.

Surely we want to stay out of war, but here we have, according to this Gallup poll, a majority in favor of aiding the French and British in case of a European war; 82 percent in favor of selling them food supplies; 57 percent in favor of selling them war materials. The surest way in the world to embroil us is this way. It is the exact way we got in in 1917. And this collective majority is for it, in the face of the added fact that the same poll indicated that a majority of the replies said, I quote: "They expect a European war to come before the end of 1939." And if we don't get in in Europe, undoubtedly we will in the Pacific and the Orient, as I pointed out in my remarks, which appear in the CONGRESSIONAL RECORD of February 22. So in God's name let us do something about it, something constructive, before it is too late.

In the name of peace and of humanity, in the name of the youth of America and of the world, who always bear the burden of war, in the name of the mothers of men, and, finally, in the name of Christianity, I beg you to urge the Pope to call a world peace conference to stop this impending war slaughter and to make possible the cessation of this ruinous and senseless spending for war. We should act at once. We must act at once. Will you do it? [Applause.]

Mr. Speaker, I ask unanimous consent to insert along with my remarks extracts from the speech of the Duke of Windsor, which was delivered yesterday afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The extracts from the speech of the Duke of Windsor are as follows:

I speak simply as a soldier of the last war whose most earnest prayer it is that such cruel and destructive madness shall never again overtake mankind.

* * * * * * *

It is in a larger spirit than that of personal or purely national interests that peace should be pursued. The statesmen who set themselves to restore international security and confidence must act as good citizens of the world and not only as good Frenchmen, Italians, Germans, Americans, or Britons. The benefit to their own nation must be sought through the benefit of the wider community of which we are all members.

* * * * * * *

I appeal to them especially in the name of the youth of the present day, with all its incalculable potentialities of future service of the human race. The world has not yet recovered from the effects of the last carnage which in each and every country decimated my generation. The greatest success that any government could achieve for its own national policy would be nothing in comparison with the triumph of having contributed to save humanity from the terrible fate which threatens it today.

Mr. ALEXANDER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following article:

LESSONS FROM THE PAST

On April 2, 1917, Woodrow Wilson delivered his famous message to the Congress of the United States of America, announcing our entrance into the World War. He assured us that the only object was to make the world safe for democracy. It turned out to be the end of democracy. However, our allies took us at our word.

When our boys began landing on French soil, the French Government made us pay duty on every can of beans, on every kind of food, on all the war supplies which were being shipped into France to help save the hides of 50,000,000 Frenchmen who, it is said, "can't be wrong."

When the war came to an end, the French Government tried to impose another duty on the same food and supplies which were left over before allowing us to bring them back home. Finally, in order to settle the argument, we sold the remaining stocks to France at a loss of approximately one and a half billion dollars.

When it came time to send American soldiers across the pond, the Allies furnished some of the necessary boats. But they charged us from $140 to $180 for every man thus landed on French soil.

The United States even paid damages to France for the ground on which the American armies fought, and as the war progressed we paid also for property destroyed by the exploding of American shells.

While in France our soldiers dredged her harbors, built docks, and erected thousands of miles of telephone and telegraph lines—all of which remained as permanent improvements to the country.

We built hundreds of miles of railroads on French soil, which roads are still there, being used for transportation purposes until this day. Thus we contributed to the industrial development of the Nation.

And now, after 22 years of dickering, our former allies refuse to pay their honest war debts, leaving it to the people of the United States to carry this crushing tax burden. Only little Finland has done the right and honorable thing in this matter. She alone has kept her promise.

It is estimated that, by the time all of our war obligations are met, we will have made a total investment of no less than $150,000,000,000, to cover the sorrows of 1917 and 1918. And this does not include the bloodshed, the heartbreaks, the blasted homes, and broken bodies!

WAR NEVER PAYS

One hundred and fifty billions of dollars would—

Pay the cost of running the public, the elementary, the high schools, the universities, and the colleges of the entire Nation for 51 years.

It would build nearly 6,000,000 miles of paved roads, which is about nine times the mileage of all surfaced roads now in use in our good old United States of America.

It would construct 38,250,000 six-room houses, or enough to house, with a new home, every family in the good old United States of America.

It would construct 48 hospitals costing a million dollars each, in every one of the 3,073 counties of our good old United States of America.

It would pay the unemployment-insurance premiums on all employees of business and industry of the United States for more than 300 years at the New York State rate.

PERMISSION TO ADDRESS THE HOUSE

Mr. HUNTER. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes following my colleague the gentleman from Ohio [Mr. BENDER].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

GONE BUT NOT FORGOTTEN—THE BUREAU OF THE BUDGET

Mr. BENDER. Mr. Speaker, within the memory of men yet living there was a distinguished Comptroller General of the United States. Comptroller General McCarl was known to all and sundry as the "watchdog of the Federal Treasury"; and a stern and respected guardian he was. Throughout the length and breadth of the land there were wild rumors of early new dealers tearing their hair and sobbing bitterly into their cups as the McCarl red pencil flew decisively and accurately through dozens of pet projects.

Mr. McCarl's job was simple enough. His was the task of reciting the "noes" which occasionally interrupted the unending chorus of "yeses" which greeted the epoch of 1933. It is not difficult for us to understand the bitter opposition to McCarl's work which agitated the Washington night air. And the word was not long in circulating throughout the land, "McCarl is through."

He was, and with his passing the effort to check the free and easy spending of Federal tax funds came to an end. For a time Budget Director Lewis Douglas sought to carry on the tradition of his predecessor; but the battle was too unequal. No one interested in maintaining his position within the New Deal orbit could long hold out against the overwhelming pressure from above. Douglas quit, and the battle was over.

Today our National Government deludes us into thinking that there are two agencies in Washington which supervise the expenditure of funds, the Bureau of the Budget and the General Accounting Office. The average businessman knows that if he wants to borrow money from a private banking corporation he must first submit a very accurate statement of his business, its assets, liabilities, and prospects. He would expect his Government, with its splendid facilities for accountancy, bookkeeping, and statistical research to boast the most up-to-the-minute set of books in the Nation. With a General Accounting Office and a Budget Bureau each in active operation we have the right to know everything worth knowing about each and every Government agency, activity, and spending program.

Yet the plain and shocking fact seems to be that we know very little indeed of what is going on in the inner financial circles of the Nation. A report of recent years showed that there were on hand inventories amounting to some $2,000,000,000. There was enough paper on the shelves of Government warehouses to supply all the needs of our most fruitful New Deal minds for 7 years. But when the annual deadlines rolled round once more each department was in with its request for more supplies. There is reason to suspect that the lead in our governmental pencils has been rotting so long in storage houses that it has turned literally useless. Paper has become sere and yellow of old age.

We cannot lay the blame for this sorry situation at the door of our Budget Bureau or the G. A. O. White House policymakers determine the activities of the one-time watchdogs of the Treasury. Theirs is no longer to reason why; theirs is but to do and die. A private corporation would look with ill-disguised anger upon its accountants who discovered peculiar bookkeeping arrangements within its departments and remained silent. Brain trusters have reversed the process. They look with obvious hostility upon every effort to criticize the far-flung activities of even the most insignificant New Deal agency. When Mr. McCarl first dared to point a finger of suspicion at the accounting procedure of the T. V. A.

he was labeled a "reactionary" of the worst order. His utterances on every subject were probed for sedition against the new order. And he was convicted on the most unpardonable charge of all—opposition to the New Deal spending orgy.

Mr. THOMASON. Mr. Speaker, will the gentleman yield?

Mr. BENDER. Yes.

Mr. THOMASON. Does the gentleman know that the record of the T. V. A. investigation discloses that the officials of the General Accounting Office, when asked if there was any graft or defalcation of any kind in the T. V. A. answered that there was not? The record shows that, and I can give the gentleman the page and testimony.

Mr. BENDER. I am not discussing the graft angle at all. I am discussing the inefficiency, the carelessness, and the looseness of the operation of the Federal Government. Since the passing of McCarl from the scene, the Bureau of the Budget has existed only to collect the estimates submitted by each department and to turn them in to the White House offices. Only routine matters occupy the minds of the Budget and Accounting Office. Meanwhile we have a large list of governmental corporations claiming assets mounting into the millions, and no one has ever checked their records. No one has investigated their inventories. Holdings of such vast agencies as the Reconstruction Finance Corporation are currently reported in the national press, and while no one has reason to doubt their accuracy, some one in our national system should be charged with the duty of confirming each report.

As matters stand, some of the best accounting brains in the country are being wasted upon the Washington scene. They are used to tote up figures and render statistical analyses when they might be busily and profitably engaged in drawing up a clear-cut picture of the Nation's resources, assets, and liabilities, upon which we might base our program for the future. The success or failure of every New Deal experiment is a matter of vast importance for the United States of tomorrow. We can reach no intelligent determination on this vital point until we have before us in minute detail the balance sheet of America today.

The New Deal has drawn the teeth of the Treasury's watchdogs. Let us hope that we shall have no occasion to regret our dentistry. Let us hope that in the not too distant future we shall again have dogs who can bite as well as bark.

The SPEAKER pro tempore. Under special order heretofore made the gentleman from Ohio [Mr. HUNTER] is recognized for 3 minutes.

OLD-AGE PENSIONS

Mr. HUNTER. Mr. Speaker, there are in my district more than 10,000 men and women who have, during the 3 years I have served in the House of Representatives, kept me constantly informed of their interest in the passage of certain legislation now bottled up in the Ways and Means Committee.

I am confident that every other Member of this House has in his own district other thousands who are vitally interested in this legislation.

During these 3 years there have been constant efforts to get the bill out of committee and before the House, so that the Members may vote on it. These efforts have been unsuccessful because of the views of a few members of a committee.

I am referring to H. R. 2, the old-age pension bill, which replaced the Townsend bill, H. R. 4199, of the last session.

I have taken the floor today in an appeal for a report on this bill by the Ways and Means Committee. Whether that report be favorable or unfavorable, let us have a report. Let the bill come before the House and let the Members of the House vote.

Let it not be said that a few members of one committee have prevented this House of Representatives from expressing their wishes on a bill that has thousands of ardent supporters in all parts of the United States.

I have supported H. R. 2, and before it, H. R. 4199, because I believe it is the best of the many old-age pension bills that have come before Congress. In my own State I have powerful evidence of the failure of State old-age pension laws to provide for the conditions that have been made very much more urgent because of the depression. I am convinced that the problem is a national one and must be handled nationally.

To the Members of the Ways and Means Committee, I wish to say, let us have an end of evasion. If you are against H. R. 2, say so. But give the rest of us an opportunity to vote our sentiments.

The rules of the House have given you the responsibility of conducting hearings on this bill and making a report. It was never intended that you bottle it up and prevent it coming to a vote. That would be government by suppression and not government by the expression of the wills of the majority in Congress.

There may be, as it often has been charged, a few persons who do not want this bill to come to a vote for pecuniary reasons. But a substantial number of elderly people in my district, and I believe this also is true in the districts of most of you, want it brought to a vote. They want to know which Members of Congress are giving their true support, which Members have straddled the fence, and which Members are against them. They have a right to know.

Members of this House know where I stand on the issue. You know where many other Members stand. Again I appeal to Members of the Ways and Means Committee to report H. R. 2 immediately. Let us have a vote, and let us make it a record vote.

Mr. MARTIN J. KENNEDY. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. Yes.

Mr. MARTIN J. KENNEDY. The gentleman has means at his disposal to attempt to bring that bill before the House, and I am wondering whether the gentleman has ever filed a petition to discharge the committee from further consideration of the bill?

Mr. HUNTER. That matter has been discussed by those who are supporting the bill. They feel that until the committee makes a report it might not be in order to place a petition on the desk, the committee having held hearings.

Mr. MARTIN J. KENNEDY. The House has been in session going on 5 months, and if the gentleman is going to wait any longer, I am afraid he will find his remedy will expire. I suggest, if he is earnest about this, that he start right now by putting a petition on the desk.

Mr. HUNTER. I wonder if the gentleman realizes that those supporting the bill have been delayed week in and week out by a promised report of the committee, which has not been forthcoming.

Mr. MARTIN J. KENNEDY. The Committee on Ways and Means has been extremely busy with public hearings on taxation, which is of first importance, of course; but I think the gentleman is allowing his time to run, and if he waits much longer the session will probably be over.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

TENNESSEE VALLEY AUTHORITY

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. THOMASON. Mr. Speaker, I hope at a later date the House will allot me a little time so that I may answer some of the statements made by the gentleman from Ohio [Mr. JENKINS] regarding the joint investigation of the Tennessee Valley Authority. I was a member of the joint committee, and I want to say that both the majority and the minority members representing the Senate and the House spent several months in an honest effort to arrive at the facts, and while there might be some difference of opinion regarding the findings and the recommendations, yet I think it is safe to say that nobody has said there was not an honest effort made to ascertain all of the facts.

In view of what the gentleman from Ohio had to say, it seems to me that we long since passed the day for a discussion of the policy of the T. V. A. That was determined by the overwhelming majority of the Members of Congress, including a number of Republicans, speaking for the American people more than 6 years ago; and I say without hesitation that, in spite of any mistakes that have been made, the T. V. A. presents the greatest constructive program that has ever been undertaken by this Government. We at least determined that the rivers of this country belong to the people and that they ought to be put to public use rather than exploited by private and selfish interests, and the Congress definitely established the policy that the Tennessee River should be used for navigation, flood control, national defense, manufacture of fertilizer, and, incidentally, if there was any surplus power, it should also be brought to the people for their use and benefit, because electricity, next to food and water, has come to be the greatest necessity of modern life. I am one of those who wants to see electricity brought within the reach of every home in America.

One thing in the gentleman's remarks that struck me forcibly was that although he discussed the policy of the Government embarking in that sort of enterprise, at no time, as far as I heard, did the gentleman charge the Tennessee Valley Authority with any dishonesty or lack of efficiency. In spite of mistakes and dissension, they have done a big job in a big way. It is true that when this joint committee was set up by the two bodies for a full, fair, and complete investigation of the Tennessee Valley Authority we were instructed to investigate all branches of the activity and also to make certain recommendations; but the prime object and the thing that brought about the investigation was the charge by Dr. Arthur E. Morgan that there was, in effect, graft and corruption in the Tennessee Valley Authority. I undertake to say there is no evidence to substantiate that charge in the slightest. Although more than three or four hundred million dollars has been spent, there is no evidence that any of it was dishonestly spent, although there may have been some mistakes made, as would be expected in an enterprise of that size.

I was also interested in the statement made by our colleague the gentleman from Ohio [Mr. BENDER], who has just spoken, extolling Mr. McCarl, the late Comptroller General; but I would like to invite every Member of the Congress to read carefully the report of the Tennessee Valley Authority Investigating Committee, both the majority and the minority reports, because you will find it enlightening and very helpful. You will also observe in that report about a hundred pages of testimony offered by the high officials of the General Accounting Office regarding the activities of the T. V. A., and you will also note many questions, some of them by me, and the answers to those questions quoted in the report. When asked the direct question if they could point to one thing in the T. V. A. that indicated dishonesty and corruption, they promptly and effectively answered "no." So I hope that those who have an open and fair mind on the subject will wait until they read that report, because the T. V. A. is here and it is here to stay. If anything is wrong, let us correct it but not destroy it. The T. V. A. has brought happiness and contentment to thousands of people. It is redeeming and restoring the economic life of a small empire. It is entitled to a fair trial before an honest jury.

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MYERS (at the request of Mr. BRADLEY of Pennsylvania), for the balance of the week, on account of illness.

To Mr. FADDIS (at the request of Mr. MOSER), indefinitely, on account of illness.

EXTENSION OF REMARKS

Mr. MICHAEL J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on Eamon de Valera and conscription.

The SPEAKER pro tempore (Mr. DELANEY). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MICHAEL J. KENNEDY. Mr. Speaker, I also ask unanimous consent to insert in the RECORD an editorial from the New York Enquirer on the seventy-sixth birthday of William Randolph Hearst.

The SPEAKER pro tempore. Is there objection?

There was no objection.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 221. Joint resolution authorizing the President to invite other nations to participate in the Sacramento Golden Empire Centennial commemorating the one hundredth anniversary of the founding of Sacramento by Capt. John A. Sutter.

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 111. Joint resolution designating August 19 of each year as National Aviation Day.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 1694. An act for the relief of Bozzani Motors, Ltd.;

H. R. 2529. An act for the relief of W. F. Towson;

H. R. 3230. An act to amend the statutes providing punishment for transmitting threatening communications;

H. R. 3231. An act to authorize the mailing of pistols, revolvers, and other firearms capable of being concealed on the person, to officers of the Coast Guard;

H. R. 3587. An act to authorize the Secretary of War to exchange obsolete, unsuitable, and unserviceable machines and tools pertaining to the manufacture or repair of ordnance matériel for new machines and tools;

H. R. 3811. An act to provide for the appraisal of the pneumatic-mail-tube systems in New York and Boston;

H. R. 3812. An act granting postal employees credit for Saturday in annual- and sick-leave law, thereby conforming to the 40-hour workweek or 5-day-week law;

H. R. 4087. An act to an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes", approved June 3, 1916, as amended by the act of June 4, 1920, so as to confer on the commanding general, General Headquarters Air Force, the same retirement privileges now enjoyed by chiefs of branches;

H. R. 4771. An act limiting working hours of pneumatic-tube-system employees to 8 in 10 hours a day;

H. R. 4772. An act to provide time credits for substitutes in the pneumatic-tube service;

H. R. 4785. An act to provide a differential in pay for night work to pneumatic-tube-system employees in the Postal Service;

H. R. 4786. An act to extend the provisions of the 40-hour law to pneumatic-tube-system employees in the Postal Service;

H. R. 4852. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1940, and for other purposes; and

H. J. Res. 241. Joint resolution providing for the participation of the United States in the celebration of the one hundred and fiftieth anniversary of the establishment of the United States Lighthouse Service.

ADJOURNMENT

Mr. SMITH of Connecticut. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 16 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 10, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10:30 a. m. on Wednesday, May 10, 1939, for the consideration of H. R. 5766, to provide for the acquisition of the Hunters Point drydock, San Francisco Bay, Calif.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, May 10, 1939, at 10:30 a. m., for the consideration of H. R. 4497, H. R. 4965, H. R. 5506, H. R. 5851, H. J. Res. 264, and H. J. Res. 117.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a hearing before Subcommittee No. 5 of the Committee on the Post Office and Post Roads on Wednesday, May 10, 1939, at 10 a. m., for the consideration of H. R. 4825, the special-delivery messenger bill.

The Committee on the Post Office and Post Roads will hold public hearings on Tuesday, May 16, 1939, at 10 a. m., for the consideration of H. R. 3835, a bill to authorize the Post Office Department to cooperate with the several States in the collection of State taxes.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, May 10, 1939, at 10 a. m., on H. R. 4051, relating to hiring of seamen on Government vessels.

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4985, relating to fishery educational service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 1 of the Committee on the Judiciary on Wednesday, May 10, 1939, at 10:30 a. m., on House Joint Resolution 190, to make available to the Federal Government the facilities of the Council of State Governments, and for other purposes. Room 346, House Office Building.

COMMITTEE ON MILITARY AFFAIRS

There will be a hearing before Subcommittee No. 11 of the Committee on Military Affairs of the House of Representatives in room 1310, House Office Building, Wednesday, May 10, 1939, at 10:30 a. m., for the consideration of S. 1796, "to amend the Tennessee Valley Authority Act of 1933."

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents will hold hearings in the committee room, 1015, House Office Building, on Tuesday, May 23, 1939, at 10:30 a. m., on H. R. 3605, a bill to provide a permanent force to classify patents, etc., in the Patent Office. Hon. JOHN M. COFFEE (Washington) is chairman of the subcommittee.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

719. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Fenholloway River, Fla., authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

720. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of mouth of Sinuk River, Alaska, authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

721. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of North Slough and vicinity, Coos County, Oreg., with a view to the construction of a dam and dike to prevent the flow of tidal waters into said North Slough, authorized by the River and Harbor Act approved June 20, 1938; to the Committee on Rivers and Harbors.

722. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on reexamination of Bidwells Creek, N. J., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted September 3, 1938; to the Committee on Rivers and Harbors.

723. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Black River, Ark. and Mo., and waterway connecting Black River with the Mississippi River at or near Cape Girardeau, authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

724. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Unga Harbor, Alaska, authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

725. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Duck Creek, Brown County, Wis., authorized by the River and Harbor Act approved June 20, 1938; to the Committee on Rivers and Harbors.

726. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on reexamination of Hudson River at Yonkers, N. Y., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted March 31, 1938; to the Committee on Rivers and Harbors.

727. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on reexamination of Black Bayou, La, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted April 4, 1938; to the Committee on Rivers and Harbors.

728. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Kinney Coulee, La., authorized by the River and Harbor Act approved June 20, 1938; to the Committee on Rivers and Harbors.

729. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Tanners Creek, Dearborn County, Ind., authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

730. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of inland waterway through Cumberland, Cape May, and Atlantic Counties, N. J., connecting mouth of Fortescue Creek with Atlantic City, authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

731. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated

April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Smackover Creek in Union, Ouachita, and Nevada Counties, Ark., authorized by the Flood Control Act approved June 28, 1938; to the Committee on Flood Control.

732. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on reexamination of Merrimack River, Mass., from Haverhill to Newburyport, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 17, 1937; to the Committee on Rivers and Harbors.

733. A letter from the Administrator of the Veterans' Administration, transmitting the draft of a proposed bill to relieve disbursing officers and certifying officers for payment where recovery of such payment is waived under existing laws; to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WARREN: Committee on Accounts. House Joint Resolution 280. Joint resolution authorizing the payment of salaries of the officers and employees of Congress on the first workday preceding the last day of any month when the last day falls on Sunday or a legal holiday; without amendment (Rept. No. 569). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARREN: Committee on Accounts. H. R. 6205. A bill to provide for additional clerk hire in the House of Representatives, and for other purposes; without amendment (Rept. No. 570). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. S. 1583. An act to amend the act of March 2, 1929 (45 Stat. 1492), entitled "An act to establish load lines for American vessels, and for other purposes"; with amendment (Rept. No. 574). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 5501. A bill authorizing the Secretary of Commerce to convey a certain tract of land to the State of Oregon for use as a public park and recreational site; without amendment (Rept. No. 591). Referred to the Committee of the Whole House on the state of the Union.

Mr. RYAN: Committee on Interstate and Foreign Commerce. S. 542. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.; without amendment (Rept. No. 593). Referred to the House Calendar.

Mr. YOUNGDAHL: Committee on Interstate and Foreign Commerce. S. 965. An act to amend the act entitled "An act authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rice's Point in Duluth, Minn., to Superior in Wisconsin," approved June 30, 1938; without amendment (Rept. No. 594). Referred to the House Calendar.

Mr. CHAPMAN: Committee on Interstate and Foreign Commerce. H. R. 4499. A bill authorizing the county of Gallatin, State of Illinois, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the city of Shawneetown, Gallatin County, Ill., to a point opposite thereto in the county of Union, State of Kentucky; with amendment (Rept. No. 595). Referred to the House Calendar.

Mr. RYAN: Committee on Interstate and Foreign Commerce. H. R. 5036. A bill authorizing the State highway departments of North Dakota and Minnesota and the counties of Grand Forks of North Dakota and Polk of Minnesota to construct, maintain, and operate a free highway bridge across the Red River near Thompson, N. Dak., and Crookston, Minn.; without amendment (Rept. No. 596). Referred to the House Calendar.

Mr. YOUNGDAHL: Committee on Interstate and Foreign Commerce. H. R. 5523. A bill authorizing the States of Minnesota and Wisconsin to construct, maintain, and operate a free highway bridge across the St. Croix River at or near Osceola, Wis., and Chisago County, Minn.; without amendment (Rept. No. 597). Referred to the House Calendar.

Mr. O'CONNOR: Committee on Indian Affairs. H. R. 2777. A bill to credit certain Indian tribes with sums heretofore expended from tribal funds on Indian irrigation works; without amendment (Rept. No. 598). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on Indian Affairs. H. R. 5746. A bill to provide for the correction of the list of approved Pine Ridge lost-allotment claims, and for other purposes; without amendment (Rept. No. 599). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 5966. A bill to establish a Coast Guard Reserve to be composed of owners of motorboats and yachts; with amendment (Rept. No. 600). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. S. 595. An act to increase further the efficiency of the Coast Guard by authorizing the retirement under certain conditions of enlisted personnel thereof with 20 or more years of service; with amendment (Rept. No. 603). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McGEHEE: Committee on Claims. H. R. 542. A bill for the relief of Anna Elizabeth Watrous; with amendment (Rept. No. 575). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 1456. A bill for the relief of Maj. Herbert A. Jacob; with amendment (Rept. No. 576). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 3081. A bill for the relief of Margaret B. Nonnenberg; with amendment (Rept. No. 577). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 3337. A bill for the relief of the estate of Arthur Weltner; with amendment (Rept. No. 578). Referred to the Committee of the Whole House.

Mr. HALL: Committee on Claims. H. R. 3483. A bill for the relief of Lloyd J. Palmer; with amendment (Rept. No. 579). Referred to the Committee of the Whole House.

Mr. THOMAS of New Jersey: Committee on Claims. H. R. 3614. A bill for the relief of Frank M. Croman; with amendment (Rept. No. 580). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 5087. A bill for the relief of Marie B. Neale; without amendment (Rept. No. 581). Referred to the Committee of the Whole House.

Mr. FENTON: Committee on Claims. S. 129. An act for the relief of Howard Arthur Beswick; without amendment (Rept. No. 582). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 216. An act for the relief of A. C. Williams, administrator of the estate of his wife, Julia F. Williams; without amendment (Rept. No. 583). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. S. 633. An act for the relief of Ray Wimmer; without amendment (Rept. No. 584). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. S. 1001. An act for the relief of Albert Pina Afonso, a minor; without amend-

ment (Rept. No. 585). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. S. 1374. An act for the relief of Cohen, Goldman & Co., Inc.; without amendment (Rept. No. 586). Referred to the Committee of the Whole House.

Mr. ROCKEFELLER: Committee on Claims. S. 1385. An act for the relief of the Barkman Lumber Co.; with amendment (Rept. No. 587). Referred to the Committee of the Whole House.

Mr. ROCKEFELLER: Committee on Claims. S. 1387. An act for the relief of Ida May Lennon; with amendment (Rept. No. 588). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. S. 1487. An act for the relief of the Postal Telegraph-Cable Co.; with amendment (Rept. No. 589). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. S. 1629. An act for the relief of the Canvas Decoy Co.; with amendment (Rept. No. 590). Referred to the Committee of the Whole House.

Mr. HART: Committee on War Claims. H. R. 2480. A bill for the relief of the estate of John B. Brack; without amendment (Rept. No. 601). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on War Claims. S. 556. An act for the relief of Catherine Humler; without amendment (Rept. No. 602). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 5203) granting an increase of pensions to Robert Blake, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PATMAN:

H. R. 6240. A bill to provide for a 3-percent interest rate on certain land bank and commissioner loans and a rate one-half of 1 percent above the Government borrowing rate on certain other such loans; to the Committee on Agriculture.

By Mr. ALEXANDER:

H. R. 6241. A bill to abolish and correct unfair and substandard working conditions and periods of labor and to raise wages and living standards among the employees of the United States Veterans' Administration; to the Committee on the Civil Service.

By Mr. LUDLOW:

H. R. 6242. A bill to authorize the erection of recreational facilities at the existing Veterans' Administration facility, Indianapolis, Ind.; to the Committee on World War Veterans' Legislation.

By Mr. MOSER:

H. R. 6243. A bill regulating the use of copyrighted works; to the Committee on Patents.

H. R. 6244. A bill to authorize the Department of the Interior, through the Office of Education, to collect and disseminate information relative to the fine arts, and for other purposes; to the Committee on Education.

By Mr. CARTER:

H. R. 6245. A bill for the relief of soldiers who were discharged from the Army during Indian war service because of being a minor or because of misrepresentation of age; to the committee on Military Affairs.

By Mr. COLLINS:

H. R. 6246. A bill to amend the Revenue Act of 1938; to the Committee on Ways and Means.

By Mr. GRANT of Alabama:

H. R. 6247. A bill authorizing and providing for the dredging and lighting of the channel known as Perdido Bay Pass leading from Perdido Bay, Ala., to the Gulf of Mexico, and also the channel leading from Perdido Bay Pass through the Bay Orinoco to the junction with the Intracoastal waterway near the end of Bear Point, Ala.; to the Committee on Rivers and Harbors.

By Mr. GRANT of Indiana:

H. R. 6248. A bill to provide a national flag for the burial of any former service man or woman who dies after discharge; to the Committee on World War Veterans' Legislation.

By Mr. REECE of Tennessee:

H. R. 6249. A bill to amend the World War Veterans' Act of June 7, 1924, section 202, paragraph 7, and all the amendments subsequent thereto; to the Committee on World War Veterans' Legislation.

By Mr. SCHWERT:

H. R. 6250. A bill to provide for the insurance of loans to business, and for other purposes; to the Committee on Banking and Currency.

By Mr. WHELCHEL:

H. R. 6251. A bill to authorize the Secretary of Agriculture to cooperate with the State of Georgia or political subdivisions thereof in the development, operation, and maintenance of recreational areas within the Chattahoochee National Forest in Georgia, and on lands owned by the State or political subdivisions thereof; to the Committee on Agriculture.

By Mr. FULMER:

H. Con. Res. 23. Concurrent resolution to increase the appropriation for the Joint Committee on Forestry by $15,000; to the Committee on Accounts.

By Mr. GILLIE:

H. Res. 187. Resolution directing the Administrator of the Works Progress Administration to transmit information concerning salaries of certain personnel; to the Committee on Appropriations.

By Mr. MARTIN of Massachusetts:

H. Res. 188. Resolution directing the Administrator of the Works Progress Administration to transmit information concerning salaries of certain personnel; to the Committee on Appropriations.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to consider their House Memorials Nos. 3, 4, 6, and 7, with reference to relief legislation, and House bill 3747, entitled "A bill to provide for improved agricultural land utilization by authorizing the rehabilitation of drainage works," to buy sea food products on a parity basis, to cause a survey to be made of the Everglades drainage district; to the Committee on Agriculture.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolution No. 16, requesting the Congress of the United States and the War Department to establish in the United States Army a regiment of infantry to be known as the Hawaiian Regiment, composed of citizen residents of Hawaii, and to be stationed in Hawaii; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY of New York:

H. R. 6252. A bill for the relief of Rachmiel Kozak, also known as Ralph Kaufman; to the Committee on Immigration and Naturalization.

By Mr. BULWINKLE:

H. R. 6253. A bill for the relief of Austin M. Presnell; to the Committee on Military Affairs.

By Mr. GRANT of Indiana:

H. R. 6254. A bill granting a pension to Anna Mendel; to the Committee on Invalid Pensions.

By Mr. McLEAN:

H. R. 6255. A bill for the relief of Jozefa Niziolek; to the Committee on Immigration and Naturalization.

By Mr. REECE of Tennessee:

H. R. 6256. A bill for the relief of Jacob J. Short; to the Committee on Military Affairs.

By Mr. ROBSION of Kentucky:

H. R. 6257. A bill granting an increase of pension to William H. Hensley; to the Committee on Invalid Pensions.

By Mr. SMITH of West Virginia:

H. R. 6258. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Willis Lyle Burdette, Eunice Burdette Beller, Alta Lucille Burdette Coburn, Margaret Jane Burdette, William Burdette, and Betty Burdette; to the Committee on Claims.

By Mr. WHELCHEL:

H. R. 6259. A bill for the relief of Jack D. Collins; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2978. By Mr. BOLLES: Petition of sundry citizens of Waterford and Burlington, Wis., opposing any revision of our present Neutrality Act; to the Committee on Foreign Affairs.

2979. By Mr. BUCKLER of Minnesota: Petition of O. D. Hilder, president of the Townsend Club, No. 1, of Moorhead, Minn., asking for deliberate consideration of the facts set forth in House bill 2, and urging that this measure be brought out on the floor of Congress for debate and action; to the Committee on Ways and Means.

2980. By Mr. CONNERY: Petition of the General Court of Massachusetts, memorializing Congress in favor of legislation increasing the amounts of old-age assistance payable by the Federal Government to States and their political subdivisions; to the Committee on Ways and Means.

2981. Also, resolution of the General Court of Massachusetts, memorializing the Postmaster General of the United States relative to a special postage stamp in honor of Capt. Jeremiah O'Brien; to the Committee on the Post Office and Post Roads.

2982. Also, resolution of the Grand Lodge of Massachusets, Boston, Mass., resolving that the Congress be petitioned to adopt a joint resolution manifesting a spirit of friendship toward all nations; that Congress be petitioned to request the President of the United States to participate in a conference for the settlement of all major disputes; that Congress be petitioned to reenact the present Neutrality Act without change; that Congress be petitioned to investigate the nature, sources, and extent of foreign propaganda in the United States; and that Congress be petitioned to provide adequate national defense for the United States; to the Committee on Foreign Affairs.

2983. Also, petition of the Riverside Pilots Association, Revere, Mass., protesting against the discrimination in the proposed Civilian Air Reserve plan limiting flight training to college students only; to the Committee on Appropriations.

2984. Also, resolutions adopted by Clan-na-Gael and I. R. A. Clubs of Boston, warning the United States not to become involved in any intrigue which might possibly bargain away Ireland's independence, etc.; to the Committee on Foreign Affairs.

2985. Also, resolution of the Industrial Insurance Agents' Union of Boston, opposing any amendments whatsoever to the National Labor Relations Act; to the Committee on Labor.

2986. By Mr. CULLEN: Petition of the Assembly of the State of New York, urging Congress to pass sufficient legislation whereby the States, including the State of New York, may avail themselves of their failure to take full advantage of the credit provisions of the Social Security Act for the years 1936 or 1937 and that said legislation provide that out of the sums appropriated therefore the Secretary of the Treasury shall pay such amount through the Division of Disbursements of the Treasury Department to each State unemployment fund; to the Committee on Ways and Means.

2987. Also, petition of the Senate of the State of New York, requesting Congress to amend the postal laws by legislative act to provide that henceforth the rates proclaimed shall apply to books in the same manner as it has legislated those rates with reference to newspapers and magazines; to the Committee on the Post Office and Post Roads.

2988. By Mr. DOWELL: Five petitions from members of Townsend Club, No. 1, Pleasantville, Iowa, and other citizens of the community, supporting general welfare bill (H. R. 2) and bearing the names of M. B. Hunter, president, and Esther Metcalf, secretary-treasurer, and 469 others; to the Committee on Ways and Means.

2989. By Mr. ENGEL: Petition of Gail Sisson, Floyd Elgas, and Frank Hawkins, of Wexford County, Mich., opposing any policy which might require sending American troops beyond our borders; to the Committee on Foreign Affairs.

2990. By Mr. MARTIN J. KENNEDY: Petition of Lodge No. 352, International Association of Machinists, Corapolis, Pa., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2991. Also, petition of St. Paul Lodge, No. 112, International Association of Machinists, St. Paul, Minn., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2992. Also, petition of Raceland Lodge, No. 344, Brotherhood Railway Carmen of America, Raceland, Ky., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

2993. By Mr. KEOGH: Petition of the Brightman Leather Co., Inc., Brooklyn, N. Y., urging the passage of the Allen bill (H. R. 5119); to the Committee on Ways and Means.

2994. By Mr. LEAVY: Petition of the Douglas County Pamona Grange, transmitted by G. A. Kirkwood, secretary, expressing opposition to legislation which would make water and truck transportation subject to regulation by the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

2995. Also, petition of the Douglas County Pamona Grange, transmitted by G. A. Kirkwood, secretary, recognizing that the activities of futures traders governs the prices of many farm commodities, and urging adoption of a bill by Senator GILLETTE to investigate the trading in futures; to the Committee on Agriculture.

2996. By Mr. PFEIFER: Petition of the Brightman Leather Co., Inc., Brooklyn, N. Y., urging consideration and passage of the Allen bill (H. R. 5119); to the Committee on Ways and Means.

2997. By Mr. THOMASON: Petition of the El Paso Chamber of Commerce, endorsing legislation affording relief to the taxpayer under the certificate procedure of the Agricultural Adjustment Administration with reference to cotton; to the Committee on Agriculture.

2998. By Mr. VORYS of Ohio: Petition of Henry F. Steinmeyer and others, favoring an amendment to the Railroad Pension Act to pension rights at 60 years of age or 30 years of service and pension at total disability regardless of years of service; to the Committee on Ways and Means.

2999. By the SPEAKER: Petition of Ninth Congressional District Townsend Club, No. 1, Traverse City, Mich., petitioning consideration of their resolution with reference to House bill 2, General Welfare Act of 1937; to the Committee on Ways and Means.

3000. Also, petition of the United May Day Committee, New York City, N. Y., petitioning consideration of their resolution with reference to lynching in our country; to the Committee on the Judiciary.

3001. Also, petition of the United May Day Committee, New York City, N. Y., petitioning consideration of their reso-

lution with reference to the immigration laws of our land be amended so as to allow for the entrance of a large number of refugees into our country; to the Committee on Immigration and Naturalization.

3002. Also, petition of the United May Day Committee, New York City, N. Y., petitioning consideration of their resolution with reference to Senate bill 1620, national health bill; to the Committee on Ways and Means.

3003. Also, petition of Sentinels of the Republic, Washington, D. C., petitioning consideration of their resolution with reference to rehabilitation of the United States; to the Committee on the Judiciary.

3004. Also, petition of the American Farm Bureau Federation, Washington, D. C., petitioning consideration of their resolution with reference to franking privilege; to the Committee on the Post Office and Post Roads.

3005. Also, petition of the city of Chicago, Ill., petitioning consideration of their resolution with reference to interest rate on home owners' loans and to extend the amortization period on such loans; to the Committee on Banking and Currency.

SENATE

WEDNESDAY, MAY 10, 1939

(Legislative day of Monday, May 8, 1939)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Reverend Albert Joseph McCartney, D. D., LL. D., minister, the Covenant-First Presbyterian Church, Washington, D. C., offered the following prayer:

They that wait upon the Lord shall mount up with wings as eagles. They shall run and not grow weary; they shall walk and not faint.

Let us pray.

"O Thou Who hast given us eyes to see,
And hearts to love this world so fair,
Give us a faith to find out Thee,
And see Thee everywhere."

Manifest Thy presence here in this Senate Chamber. Grant unto Thy servants here assembled humility of heart, clarity of mind, charity of speech, earnestness of purpose, generosity of spirit, integrity of character, and fortitude of conviction to discharge their high responsibilities to the sovereign people of this Republic.

So direct our deliberations this day to the end that we may accomplish such legislation as shall contribute to the welfare of the Nation at home and to the release of tension abroad. Restrain our tongues and pens from foolish and hasty utterances that may engender hatred, envy, or malice, remembering that a soft answer turneth away wrath.

Remember us in our homes and in our private walk and conversation; help us to adorn the virtues of truth, purity, and righteousness.

Into Thy loving care and keeping we commit the President of the United States, the Vice President, and all those upon whom rests the responsibility of governance. These blessings we ask in the name and for the sake of Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, May 9, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Bankhead	Bilbo	Bridges
Andrews	Barbour	Bone	Brown
Ashurst	Barkley	Borah	Bulow
Burke	Green	Lundeen	Schwellenbach
Byrd	Guffey	McKellar	Sheppard
Byrnes	Gurney	McNary	Shipstead
Capper	Hale	Maloney	Slattery
Caraway	Harrison	Mead	Smathers
Chavez	Hatch	Miller	Smith
Clark, Idaho	Hayden	Minton	Stewart
Clark, Mo.	Herring	Murray	Taft
Connally	Hill	Neely	Thomas, Okla.
Danaher	Holman	Norris	Thomas, Utah
Davis	Holt	Nye	Tobey
Donahey	Hughes	O'Mahoney	Townsend
Downey	Johnson, Calif.	Overton	Tydings
Ellender	Johnson, Colo.	Pepper	Vandenberg
Frazier	King	Pittman	Wagner
George	La Follette	Radcliffe	Walsh
Gerry	Lee	Reed	Wheeler
Gibson	Lodge	Reynolds	White
Gillette	Logan	Russell	Wiley
Glass	Lucas	Schwartz	

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is detained from the Senate because of illness.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business for the Committee on the Judiciary.

The Senator from North Carolina [Mr. BAILEY] and the Senator from Missouri [Mr. TRUMAN] are detained on important public business.

The VICE PRESIDENT. Ninety-one Senators have answered to their names. A quorum is present.

NOTICE OF SPEECH BY SENATOR REYNOLDS TOMORROW

Mr. REYNOLDS. Mr. President, I wish now to state that tomorrow when the Senate convenes I shall seek the floor on a question of personal privilege, for the purpose of denying malicious, underhanded insinuations and charges by the authors of the Washington Merry-Go-Round that I am in the employ of the Nazi government and that my organization, composed of American men and women, is being financed by the agents of the Nazi government. I may add that I shall hope to have the privilege of speaking at least 2 hours.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the following concurrent resolutions of the Senate:

Senate Concurrent Resolution 7

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the special joint congressional committee of the Congress appointed pursuant to Public Resolution No. 83, approved April 4, 1938, to make a full and complete investigation of the administration of the Tennessee Valley Authority Act of 1933, as amended, be, and is hereby, empowered to procure the printing of 1,000 additional copies of the hearings held before the said committee during its investigation.

Senate Concurrent Resolution 9

Resolved by the Senate (the House of Representatives concurring), That there be printed 3,000 additional copies of Senate Document No. 56, current session, entitled "Report of the Joint Committee of Congress Appointed to Investigate the Tennessee Valley Authority," which was submitted to the Congress on March 31, 1939, of which 1,000 copies shall be for the use of the Senate document room and 2,000 copies for the use of the House document room.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 964) creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.; and for other purposes.

The message further announced that the House had passed a joint resolution (H. J. Res. 280) authorizing the payment of salaries of the officers and employees of Congress on the first workday preceding the last day of any month when the last day falls on Sunday or a legal holiday, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the following concurrent resolution (H. Con. Res. 16), in which it requested the concurrence of the Senate:

Resolved by the House of Representatives (the Senate concurring), That there be printed 25,000 additional copies of House Report No. 2, current Congress, entitled "Investigation of Un-American Activities and Propaganda," of which 3,000 copies shall be for the use of the Senate document room, and 22,000 copies shall be for the use of the House document room.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 1515) for the relief of the Louisiana National Bank of Baton Rouge and the Hibernia Bank & Trust Co. of New Orleans, and it was signed by the Vice President.

LOSSES FROM CAMPAIGN FOR ERADICATION OF MEDITERRANEAN FRUITFLY

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Agriculture, transmitting, pursuant to law, a report of an investigation by the Mediterranean Fruitfly Board of losses resulting from the campaign for the eradication of the Mediterranean fruitfly by the Department of Agriculture, together with a minority report thereon, which, with the accompanying papers, was referred to the Committee on Agriculture and Forestry.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate resolutions of the Indiana Osteopathic Association and the Massachusetts Osteopathic Society, favoring the amendment of Senate bill 1620, the so-called Wagner national health bill, so as to preserve the freedom of choice of the physician and school of practice to persons entitled to medical care, and providing osteopathic representation on Federal and State advisory councils, which were referred to the Committee on Education and Labor.

Mr. MINTON presented a letter from Locals 87 and 224, Amalgamated Clothing Workers of America, New Albany, Ind., unanimously endorsing the so-called Schwellenbach resolution, being the resolution (S. Res. 126) increasing the limit of expenditures for the investigation of violations of the right of free speech and assembly and interference with the right of labor to organize and bargain collectively, which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. CAPPER presented petitions of members of Maple Camp, No. 557, of Great Bend, and B. C. Douglas Camp, of Fort Scott, Royal Neighbors of America, in the State of Kansas, praying for the enactment of legislation to exempt lodges and fraternal societies from the operation of the tax provisions of the Social Security Act, which were referred to the Committee on Finance.

He also presented a resolution of the Woman's Christian Temperance Union, of Baldwin City, Kans., favoring action to stop the shipment of war supplies to Japan for use in operations in China, which was referred to the Committee on Foreign Relations.

He also presented a petition, numerously signed, of sundry citizens of Clyde, Kans., praying that the United States adhere to the general policy of neutrality, and that the provisions of the Neutrality Act be extended so as to include civil as well as international conflicts, which was referred to the Committee on Foreign Relations.

Mr. WILEY presented a joint resolution of the Legislature of Wisconsin favoring adequate Federal appropriations for Works Progress Administration projects for relief of the needy, and the prohibition of continued diversion of such funds for political purposes, which was referred to the Committee on Appropriations.

(See resolution printed in full when laid before the Senate by the Vice President on the 9th instant, p. 5272, CONGRESSIONAL RECORD.)

Mr. WILEY also presented a joint resolution of the Legislature of Wisconsin favoring amendment of the so-called Walsh-Healey Act so as to provide more stringent conditions for the purchase of supplies and the making of contracts by the United States, which was referred to the Committee on Education and Labor.

(See resolution printed in full when laid before the Senate by the Vice President on the 9th instant, p. 5272, CONGRESSIONAL RECORD.)

Mr. WILEY also presented a joint resolution of the Legislature of Wisconsin favoring the enactment of the bill (H. R. 4723) to correct the military record of Oberlin M. Carter, which was referred to the Committee on Military Affairs.

(See resolution printed in full when laid before the Senate by the Vice President on the 9th instant, p. 5273, CONGRESSIONAL RECORD.)

Mr. WILEY also presented the following joint resolution of the Legislature of Wisconsin, which was referred to the Committee on Agriculture and Forestry:

Senate Joint Resolution 9

Joint resolution memorializing Congress to provide by law that dairy products be made a basic commodity

Whereas dairying comprises a wide and varied agricultural enterprise which provides a major income for a large number of farmers in the several dairy states; and

Whereas, because large sums of money are invested in the dairy sections of today for the purpose of producing dairy products of good quality and due to climatic conditions, dairy farmers cannot profitably engage in other types of farming; and

Whereas the dairy farmer is at a disadvantage compared with the cotton, corn, and wheat farmer in that the Agricultural Adjustment Act does not control the production of dairy products; and

Whereas the dairy industry would be immeasurably benefited if it were made subject to the Agricultural Adjustment Act and dairy farmers favor control of production in dairying in the manner provided in said act for controlling production of agricultural products affected thereby: Now, therefore, be it

Resolved by the senate (the assembly concurring), That this legislature respectfully petitions the Congress of the United States to enact legislation providing that dairy products be made a basic commodity and that a parity payment be made to equal the difference between the average price of butter on the New York market and the parity price; and be it further

Resolved, That properly attested copies of this resolution be sent to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

Mr. JOHNSON of California presented the following joint resolution of the Legislature of California, which was referred to the Committee on Naval Affairs:

Assembly Joint Resolution 3

Relative to the development of Playa del Rey Harbor for coast defense purposes

Whereas the Government of the United States has found it necessary, because of the condition of world affairs, to pursue a program of rearmament; and

Whereas the development of bases for high-speed coast defense craft and the construction of factories for the production of hydroplanes are essential to the provision of adequate means for the defense of the Pacific coast; and

Whereas Playa del Rey Harbor in the State of California is exceptionally well suited to serve as a base for such high-speed craft; and

Whereas Playa del Rey Harbor constitutes an advantageous site upon which to locate a hydroplane construction factory: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the President and the Congress of the United States be memorialized to appropriate the sum of $25,000,000 for the development of Playa del Rey Harbor as an auxiliary naval base for high-speed coast defense craft and the construction at the harbor of a factory for the production of hydroplanes; and be it further

Resolved, That the Governor of the State of California is hereby requested to transmit a copy of this resolution to the President and Vice President of the United States and to the Speaker of the House of Representatives of the Congress of the United States, and to each Senator and Representative from California in the Congress of the United States, and that the Senators and Representatives from California are hereby respectfully requested to urge such action.

Mr. JOHNSON of California also presented the following joint resolution of the Legislature of California, which was referred to the Committee on Finance:

Assembly Joint Resolution 6

Relative to memorializing the President and Congress to increase the payments for old-age assistance made by the Federal Government to the several States under the provisions of the Social Security Act

Whereas the people of the State of California believe that aid should be provided to aged persons in an amount sufficient to enable them to maintain a decent and comfortable standard of

living, free from anxiety and from the necessity of denying themselves all but the essentials of bare subsistence; and

Whereas the present contributions made by the Government of the United States to the State of California for old-age assistance under the provisions of the Social Security Act are insufficient to permit the State of California to provide adequate aid to the aged, and the financial resources of the State of California are not great enough to permit the State to provide ample aid to the aged without further assistance from the Government of the United States: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California hereby memorializes the President and the Congress of the United States to enact such amendments to the old-age assistance provisions of the Social Security Act as will increase the contributions for old-age assistance made by the Government of the United States to the several States from the present maximum sum of $15 per month with respect to each individual aided to the sum of $30 per month with respect to each such individual; and be it further

Resolved, That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States; and that such Senators and Representatives from California are hereby respectfully urged to support such legislation.

REPORTS OF COMMITTEES

Mr. SCHWARTZ, from the Committee on Military Affairs, to which was referred the bill (S. 897) to correct the military record of Walter Ballhaus, reported it without amendment and submitted a report (No. 408) thereon.

He also, from the same committee, to which was referred the bill (S. 522) to provide pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard who become disabled by reason of their service therein, equivalent to 90 percent of the compensation payable to war veterans for similar service-connected disabilities, and for other purposes, reported it with amendments and submitted a report (No. 414) thereon.

He also, from the Committee on Claims, to which was referred the bill (S. 1942) for the relief of Barbara Kosick, reported it with amendments and submitted a report (No. 410) thereon.

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 2378) to prohibit the exportation of tobacco seed and plants, except for experimental purposes, reported it without amendment and submitted a report (No. 409) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 2082) for the relief of Hugh A. Smith, reported it with an amendment and submitted a report (No. 411) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (H. R. 2695) for the relief of Kenneth B. Clark, reported it without amendment and submitted a report (No. 412) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (H. R. 3965) for the relief of Charles H. Parr, reported it without amendment and submitted a report (No. 413) thereon.

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 130) authorizing the payment of expenses in the investigation of the 1938 senatorial election in Indiana, reported it without amendment.

REORGANIZATION PLAN NO. II—REPORT OF SELECT COMMITTEE ON GOVERNMENT ORGANIZATION

Mr. BYRNES, from the Select Committee on Government Organization, to which was referred the following concurrent resolution (S. Con. Res. 16), reported it adversely:

Resolved by the Senate (the House of Representatives concurring), That the Congress does not favor the reorganization plan No. II transmitted to Congress by the President on May 9, 1939.

The VICE PRESIDENT. The resolution will be placed on the calendar.

EXECUTIVE REPORT OF FOREIGN RELATIONS COMMITTEE

As in executive session,

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nomination of Norman Armour, of New Jersey, now Ambassador Extraordinary and Plenipotentiary to Chile, to be Ambassador Extraordinary and Plenipotentiary to Argentina.

The VICE PRESIDENT. The report will be placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MINTON:

S. 2388. A bill to amend Veterans Regulation No. 1 (a), part III, paragraph I (e), as amended, to liberalize the definition of permanent total disability for non-service-connected disability pension purposes; and

S. 2389. A bill to amend Veterans Regulation No. 1 (a), part III, paragraph I (f), as amended, to increase the pensions payable to war veterans suffering with permanent total non-service-connected disabilities from $30 to $60 per month; to the Committee on Finance.

By Mr. TYDINGS:

S. 2390 (by request). A bill to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes"; to the Committee on Territories and Insular Affairs.

S. 2391. A bill to amend the act of Congress approved June 16, 1938, in respect to requirements, qualifications, and regulations as to crews of certain vessels, referred to as section 672b of United States Code Annotated, title 46; to the Committee on Commerce.

By Mr. ELLENDER:

S. 2392. A bill to legalize a bridge across Bayou La Fourche at Cut Off, La.; to the Committee on Commerce.

By Mr. MEAD:

S. 2393. A bill for the relief of Helen Adams; to the Committee on Claims.

By Mr. WHEELER:

S. 2394. A bill to credit certain Indian tribes with sums heretofore expended from tribal funds on Indian irrigation works; to the Committee on Indian Affairs.

S. 2395. A bill to amend the Agricultural Adjustment Act of 1938, as amended, for the purpose of regulating interstate and foreign commerce in wheat, providing for the orderly marketing of wheat at fair prices in interstate and foreign commerce, insuring to wheat producers a parity income from wheat based upon parity price or cost of production, whichever is the higher, and for other purpose; to the Committee on Agriculture and Forestry.

By Mr. CAPPER:

S. 2396. A bill for the relief of Frank L. Wilkinson (with an accompanying paper); to the Committee on Naval Affairs.

By Mr. BONE:

S. 2397. A bill for the relief of the State of Washington; to the Committee on Claims.

By Mr. WALSH:

S. 2398. A bill to amend the Motor Carrier Act, 1935, with respect to the power of the Commission to limit the scope of the operations of certain carriers, and for other purposes; to the Committee on Interstate Commerce.

By Mr. BYRNES:

S. 2399. A bill for the relief of certain former employees of the Farm Security Administration; to the Committee on Claims.

By Mr. WILEY:

S. 2400. A bill relating to the annuities payable under the Civil Service Retirement Act of 1930, as amended, to employees who become totally disabled; to the Committee on Civil Service.

TRADE RELATIONS WITH THE PHILIPPINES

Mr. TYDINGS. Mr. President, I ask consent to introduce a new bill dealing with the Filipino question. This bill is different from the original bill in that it does not apply after the year 1946. It does, however, in respect to some commodities, such as embroideries and pearl buttons, substitute a 5-percent reduction in the quota each year for a 5-percent tariff, as was originally incorporated in the independence

bill itself. Outside of that it practically deals with no other feature of the Filipino question. I make this brief statement so that the press as well as the Senate may be advised, in general, as to what is in the bill.

The VICE PRESIDENT. Without objection, the bill will be received and referred to the Committee on Territories and Insular Affairs.

(See Senate bill 2390, introduced by Mr. TYDINGS and referred to the Committee on Territories and Insular Affairs, which appears under its appropriate heading in today's proceedings.)

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 280) authorizing the payment of salaries of the officers and employees of Congress on the first workday preceding the last day of any month when the last day falls on Sunday or a legal holiday was read twice by its title and referred to the Committee on Appropriations.

AMENDMENTS TO RIVER AND HARBOR BILL—OCKLAWAHA AND KISSIMMEE RIVERS, FLA.

Mr. ANDREWS submitted two amendments intended to be proposed by him to the bill (H. R. 5753) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which were referred to the Committee on Commerce and ordered to be printed.

AMENDMENT OF INTERSTATE COMMERCE ACT

Mr. CLARK of Missouri (for Mr. BAILEY) submitted an amendment intended to be proposed to the bill (S. 2009) to amend the Interstate Commerce Act, as amended, by extending its application to additional types of carriers and transportation and modifying certain provisions thereof, and for other purposes, which was referred to the Committee on Interstate Commerce and ordered to be printed.

ADDRESSES ON OCCASION OF PRESENTATION OF GAVEL TO VICE PRESIDENT

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD an address by Senator NORRIS, and a reply by the Vice President, on the occasion of the presentation to the Vice President of a gavel made from the timber of the house erected on the first homestead taken under the Homestead Act of 1863, which appears in the Appendix.]

NEUTRALITY—STATEMENT BY HON. BAINBRIDGE COLBY

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD the statement of Hon. Bainbridge Colby before the Committee on Foreign Relations on neutrality, peace legislation, and foreign policy, which appears in the Appendix.]

THE MONROE DOCTRINE—ADDRESS BY STEPHEN F. CHADWICK

[Mr. WALSH asked and obtained leave to have printed in the RECORD a portion of an address on the Monroe Doctrine delivered by Stephen F. Chadwick, national commander of the American Legion, on April 20, 1939, which appears in the Appendix.]

LABOR AND TAXES—SPEECH BY MATTHEW WOLL

[Mr. BARBOUR asked and obtained leave to have printed in the RECORD a speech on the subject of Labor and Taxes delivered by Matthew Woll, vice president of the American Federation of Labor, before the Chamber of Commerce of the United States, Washington, D. C., on May 2, 1939, which appears in the Appendix.]

LABOR LEGISLATION—EDITORIAL BY DANIEL J. TOBIN

[Mr. MINTON asked and obtained leave to have printed in the RECORD part of an editorial by Daniel J. Tobin, published in the May 1939 issue of the official magazine of the International Brotherhood of Teamsters, Chauffeurs, Stablemen, and Helpers of America, which appears in the Appendix.]

ARTICLE BY ROBERT W. WINSTON ON FOREIGN AFFAIRS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article by Robert W. Winston, published in the Raleigh News and Observer, entitled "Hell Ain't Got But Four," which appears in the Appendix.]

THE FARM PROBLEM—ARTICLE BY ERNEST D. MAC DOUGALL

[Mr. BONE asked and obtained leave to have printed in the RECORD an article entitled "The Real U. S. Farm Problem" by Ernest MacDougall, published in the Washington Grange News of the issue of May 6, 1939, which appears in the Appendix.]

GOLD—ARTICLE BY JAMES CALHOUN

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD an article by James Calhoun entitled "Gold Is Where They Lost It," published in Ken Magazine for May 19, 1938, which appears in the Appendix.]

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes.

The VICE PRESIDENT. When the Senate took a recess yesterday it had under consideration the motion by the Senator from Alabama [Mr. BANKHEAD] to suspend paragraph 4 of rule XVI for the purpose of enabling him to offer an amendment to the pending bill. The question is on the motion of the Senator from Alabama to suspend paragraph 4 of the rule referred to.

Mr. GEORGE obtained the floor.

Mr. WALSH. Mr. President——

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Massachusetts?

Mr. GEORGE. I yield.

Mr. WALSH. Mr. President, in connection with the debate on the pending bill I ask unanimous consent to have inserted in the RECORD a telegram from the cotton trade of New England, which I understand is in accord with the views of the cotton textile industry, in opposition to the amendment submitted by the Senator from Alabama [Mr. BANKHEAD], and a few of many letters on the subject, that I have received.

There being no objection, the telegram and letters were ordered to be printed in the RECORD, as follows:

BOSTON, MASS., *May 9, 1939.*

Hon. DAVID I. WALSH:

Entire cotton trade here vigorously opposed to Senator BANKHEAD's cotton export subsidy amendment which comes up before Senate today. Its passage would seriously demoralize textile mills in New England. We respectfully and strongly urge you and other New England Senators to do everything in your power to defeat it. Best regards.

J. JOSEPH O'DONNELL.

PACIFIC MILLS,
Boston, May 4, 1939.

Senator DAVID I. WALSH,
Senate Office Building, Washington, D. C.

DEAR SENATOR WALSH: News dispatches indicate that a subcommittee of the Senate is preparing to recommend an export subsidy for raw cotton. Obviously, this would enable foreign spinners to pay less for cotton than a domestic manufacturer. No specific suggestion for protecting domestic manufacturers against the importation of cloth made from this cheaper cotton has been forthcoming. Because of the terms of the reciprocal-trade agreements, it is questionable whether adequate measures can be framed.

We urge you to oppose an export subsidy on cotton, both because of its injurious effect on domestic manufacturers and also because of the obvious unfairness to our own citizens in using Government funds to make our cotton available to the foreigner at a cheaper price than is obtainable at home.

Yours very truly,

HENRY G. SIMONDS, *Vice President.*

ARLINGTON MILLS,
Boston, May 3, 1939.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR WALSH: We understand that a subcommittee of one of the Senate committees is preparing to recommend an export subsidy for raw cotton.

It seems to us that any export subsidy should be very vigorously opposed, as such a policy would enable foreign spinners to pay less for cotton than the domestic manufacturers would have to pay. We understand that some vague suggestions have been made for establishing import quotas in order to protect our domestic manu-

facturers, but this it seems would be a very difficult if not an impossible program to enforce.

While we appreciate the situation that exists with reference to the enormous accumulation of cotton and the straits to which the farmer is put, we also realize the dangerous condition which any subsidy plan may bring about for the manufacturers of cotton.

We ask you to give this whole matter your most earnest consideration.

Very sincerely yours,

FRANKLIN W. HOBBS.

BRAYTON & FERGUSON, INC.,
Fall River, Mass., February 1, 1939.

HON. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: Regarding proposed cotton bill under consideration to release immediately 1,500,000 bales cotton to governmental agency to dispose of at their discretion and further release one and one-half to two and one-half million bales annually.

In my opinion this bill would have a very injurious effect on the cotton textile business, as it would create a situation which might threaten materially lower prices for cotton at any time. With this situation prevailing, cotton mills can never operate steadily.

I urge you very strongly to oppose the passage of such a bill.

Yours very truly,

EDWARD BRAYTON.

Mr. GEORGE. Mr. President, in the discussion of this matter I shall proceed on the theory that the Senate is listening to a discussion of the merits of the proposal, although a point of order having been made and a motion having been made to suspend the rule, the immediate issue arises upon that motion. Nevertheless, the matter is of such great importance to the whole cotton industry that I felt impelled to make the point of order. I think I am well within my rights, and that any other Senator would be well within his rights in raising a point of order upon a matter of such vital importance.

In the first place, the Senate rules mean something. The general rule is, of course, that legislation ought not to be written into an appropriation bill, because the Appropriations Committee is not a legislative committee. In this case hearings were at first denied, and properly refused, because the committee recognized that it was not a legislative committee. Toward the end of the deliberations of the subcommittee in charge of the agricultural appropriation bill, however, notice was given in the afternoon that one or two witnesses might be heard on the following day. There were two appearances before the subcommittee in opposition to this proposal; but I submit, Mr. President, that there has been no full, no adequate, no complete hearing on a matter of such great importance to the cotton industry, which is an industry that affects all other general industry, as well as the farmers who produce cotton itself.

For that reason, Mr. President, I felt justified in raising the point of order, and I now feel justified in asking the Senate carefully to consider whether a matter of such serious importance will be injected into an appropriation bill, or whether the Senate will give recognition to it by favorably passing upon a proposed amendment which on its face, of course, cannot be offered to the bill except through suspension of the rule.

I also know, Mr. President, that in the original A. A. A. Act a provision was inserted, known as section 32, providing for the use of not more than 30 percent of the import duties collected by the Treasury for the purpose of distributing, including exportation if necessary, certain farm products dealt with in that act. I also know, however, that in that act, and until the last Farm Control Act of 1938 was passed, there was an express provision prohibiting the payment of benefits in connection with the exportation of unmanufactured cotton. In the last farm bill, in conference I think—because the matter was never debated upon the floor of the Senate—the provision in the original A. A. A. Act was omitted; so that under the law the Secretary of Agriculture is authorized not only to distribute cotton, among other farm products, but he is authorized to aid and assist in the exportation of cotton as well as other farm products.

Mr. President, I think no one will gainsay the statement that when we adopted the A. A. A. program, in full recognition of the fact that it was highly experimental, every power that could be given the Secretary of Agriculture to make it work, and to make it a workable act, was given to him. It required no stretch of the imagination to know that retaliatory measures might be resorted to by various producing countries throughout the world. Therefore, it was necessary to arm the Secretary of Agriculture with the fullest power Congress could give him to protect agriculture under the new farm program. It was not thought, however, that the Secretary of Agriculture contemplated the use of section 32 funds for the purpose of exporting raw cotton. It was never thought that he entertained that view. As late as September 20 of last year the Secretary of Agriculture himself, in a carefully prepared speech, delivered at Fort Worth, Tex., which was broadcast throughout the Nation, used this language. I quote only a part of the statement of the Secretary:

> When you export your soil's fertility you are exporting part of your farm's capital. * * * Unlike wheat, however, an outright export subsidy does not appear to be called for in the case of cotton. The reason is that none of the cotton-exporting countries competing with us is using this method. Whereas in the case of wheat, the use of this method by other countries has forced us to do likewise. * * * If used on a large scale and over a period of time export subsidies employed by competing countries are mutually self-defeating. They amount to an international price war that is bound to be destructive in the end.

Not only did the Secretary of Agriculture in his Fort Worth speech thus disclose the real purposes for which section 32 funds were in his hands, but he clearly demonstrated that he had no thought of employing an export subsidy to get rid of an accumulation of raw cotton then in the hands of the Government. In the report of the Secretary of Agriculture to the President of the United States on December 1 last he reiterated and enlarged upon this definite statement. He pointed out the reasons why an export subsidy in the case of raw cotton was not called for, would be unwise, and would be destructive in the long run to any country employing it.

Not only is that true, Mr. President, but the President of the United States himself within recent weeks—if his statement was correctly reported in the New York newspapers—had this to say with reference to export subsidies. Speaking of an alternative in trade matters, the President said:

> The other alternative is to subsidize exports of surplus goods as a national policy. If that is done, it means that the subsidy must be paid out of the National Treasury. Well, that would begin with a half dozen products having strong congressional backing; it soon would get into the logrolling stage and lead to the subsidizing of exports of a large number of products. The result would be to add to the national debt or pay the subsidies out of taxpayers' pockets by increasing the whole tax structure from top to bottom.

So, Mr. President, while there was authority for the distribution of farm products covered in the original Agricultural Adjustment Act, the Secretary of Agriculture last September at Fort Worth declared that no occasion existed for the employment of a subsidy in the case of cotton, pointing out at the same time that the occasion had arisen for the use of the subsidy in the case of wheat because other countries were subsidizing their exports of wheat. Then the Secretary of Agriculture on December 1 last year, in his report to the President of the United States, reiterated his Fort Worth speech, declaring that no subsidy on cotton was indicated and should be used. The President of the United States in clear and explicit language pointed out the certain evil and the ultimate end of a program of subsidizing a product like cotton in world commerce.

When some weeks back the rumor persisted that someone in the Department of Agriculture had suddenly decided to export a portion or all of the cotton held by the Commodity Credit Corporation under loan by means of a subsidy, I was not prepared to accept it as true; but when the rumor did persist in this body, on March 20 I offered a simple Senate resolution expressing the sense of the Senate that in the present state of world affairs, with the imminence of war, if rumors were to be regarded, of war upon a large scale, no part of the cotton held by the Government shall be sold for less than its actual cost to the Government without first asking the Congress for authority to make the sale. Nine days

later, on the 29th day of March, the President issued a statement endorsing an export subsidy upon cotton. But the President's proposal was to export the cotton held by the Government under the loan contracts with the farmers.

Mr. President, such a proposal as that now pending carries great significance to everyone connected with the industry, from the farmer who plants to the ginner and the compressor who have first processed, to the warehousemen who store, to the converters and the processors who manufacture into cloth, and I had reason to think, and the whole cotton trade and industry had the right to believe, that no effort would be made to have the Committee on Appropriations of the Senate, which is not a legislative committee, act favorably upon a proposal such as that before the Senate today, when there has been no chance for a full, adequate, candid hearing before any legislative group, when the very necessities confronting the Committee on Appropriations make it impossible to grant such a hearing, and, moreover, they ought not to grant such a hearing, because the Committee on Appropriations is not a legislative committee.

But the Senate now has before it an amendment, offered by my distinguished and able friend the senior Senator from Alabama [Mr. BANKHEAD], which wholly changes the meaning and effect of the President's recommendation as announced on March 29, because the amendment before the Senate is a direction to export, not the cotton held under the loan, not the cotton held by the Commodity Credit Corporation, not the eleven and a half million bales of cotton which suddenly has caused such a flurry in the United States, which suddenly has produced such a desire to get rid of it by one means or another, in one manner or another; no part of this cotton is to be first subsidized. The amendment proposes that when the new crop, in 1939, comes upon the market, then the subsidy be offered, the theory being that when the new crop, or so much of it as can be exported, moves into the foreign market, the mills in the United States will be compelled to pay the pegged price, whatever it is, plus certain other charges, in order to get cotton to supply the needs of the American people.

I want the cotton farmer to receive just compensation for his product. I do not like to speak about myself, but I will take this occasion to say that, including the little farm home in which I live, I have not a single dollar of investment which is not invested in cotton land, now used in the production of cotton. Therefore I want the farmer to have a just price for his cotton. I have as strong an interest in securing a just price for the American farmer as has anyone. But the pending proposal leaves the loan cotton where it is, to remain a disturbing factor, it pays a subsidy to the foreign buyer to take the new crop, forcing the American mills to pay any price which may be exacted of them through the loan provisions of the Farm Act of 1938.

Make no mistake about it, it is not going to hurt the mills directly, because the American consumer will pay the advanced price; the American consumer will pay the difference, every dollar of the difference, that is used to sell to the foreign consumer the same goods and merchandise at a lower price.

It is not possible to cover up this proposition. It comes down to this, and to this only: It is a proposal to sell American cotton to the foreign consumer at a lower price than that at which it is sold to the American consumer. Yet it is said the American farmer will be helped by that process.

Mr. President, during the World War, and immediately thereafter, the price of cotton went up to an unprecedented height—that is, unprecedented in modern times. This rapid increase in price naturally stimulated cotton production in other countries, but other countries had long been producing cotton.

Following the World War we witnessed the struggle of nations all over the earth to gain what they called self-sufficiency. They resorted to every known device to develop within their own borders all of the things a nation must have in peace and in war. They resorted to tariffs, they resorted to quotas, they resorted to monetary devices, they resorted to every known method of restricting trade and commerce, in an effort to build up industries within their own borders.

We stood against that. The United States made an effort to stand against it, but especially did the Democratic Party, true to the traditions of that party, stand against it. We fought here during the long summer months over two tariff acts to try to keep them within the bounds of reason, to try to keep our own country out of a trade war which, in the end, as the President says, and as Secretary Wallace says, is destructive of all countries engaging in it. We tried to bring about the establishment of reasonable duties. We tried to liberalize trade practices so far as possible. We tried to build up commerce rather than stop it; indeed, we tried to prevent what has actually occurred under our farm program.

It will be recalled that the distinguished gentleman who now occupies the position of head of the State Department, lately our colleague, earnestly fought against quotas, embargoes, prohibitive tariffs, and every like device. Senators will recall that as soon as he had gone into the Cabinet he asked the Congress for the Reciprocal Trade Agreements Act The reciprocal-trade treaties which have been entered into may not be good in particular instances, and in some instances may be highly objectionable, but the Secretary of State knew, as he knows today, that the only enduring foundation for world trade and commerce and the proper relationship between civilized nations must depend upon economic peace, not upon economic warfare.

Yet we are asked to suspend the rule in a matter of vital importance to a great industry, to suspend the rule in order that we may be the first nation on the globe to begin an unrelenting warfare in cotton.

Is it to be said to the very shame of the Democratic Party, which in 1940 must face an election, with no other country on the face of the globe subsidizing cotton, no other producing country doing anything that is unfair, that we, the most powerful nation in the world financially and economically, will start the price war which the Secretary of Agriculture recently said—indeed, in his last annual report in December repeated—would be commonly destructive of all countries engaging in such war?

Mr. President, yesterday the suggestion was made that other cotton-producing countries have undersold our cotton in the world market. How? In ordinary commercial intercourse, in ordinary trade and commerce, without resorting to tariffs, without resorting to embargoes, without resorting to restrictions, they simply offered their cotton and let it go as producers and merchants have always dealt in cotton. No just complaint can be made of a single cotton-producing country on the globe—not one. They simply did what they have always done and what they always will do. And they will cut down, too, under any subsidy which we might provide. We can subsidize this cotton; we can pay 2 cents or 3 cents or 4 cents a pound and send the cotton abroad at 2 cents or 3 cents or 4 cents a pound below the cost of the cotton to our own people who must wear it in shirts and overalls, but the foreign cotton producer will cut down under that price if he can.

Cotton does not need anything but the ability to shake off the sapping influence of its friends and take its place again in the free markets of the world. It will find its competitive position and it will hold its competitive position.

Mr. President, not only did tariffs and restrictions of all kinds tend to impede the free flow of commerce, but our own program directly contributed to the accumulation of cotton in the United States.

In 1932–33 the United States furnished 45 percent of all the cotton used outside the United States. After we inaugurated our cotton program and by 1938 the United States furnished only 24 percent of the cotton consumed outside the United States, as indicated by export figures.

Yesterday it was pointed out very ably by the distinguished senior Senator from South Carolina [Mr. SMITH] that, as a matter of fact, the consumption of American cotton even up to the present time has gone on at only a little less rate than

in former years. But that cotton was drawn from the warehouses in the manufacturing countries outside the United States. It did not go into export, but those countries simply drew on their warehouse stocks.

Mr. President, in 1932–33 the United States exported 8,426,000 bales of cotton. During the present season, thus far, with less than 3 months of the year yet to run, we have exported only a little more than 3,000,000 bales of cotton. It is agreed that our exports in 1938–39 will not exceed three and one-half million bales of cotton.

What does that mean? It simply means that since the inauguration of our cotton program, due not only and solely to the existence of the program, though it always must be regarded as a direct and contributing cause, our exports have decreased, in round numbers, by 5,000,000 bales.

During the years 1934–35, 1937–38, 1938–39, we had loans on cotton. I insisted on those loans. I joined with the distinguished Senator from Alabama [Mr. BANKHEAD], as he said yesterday, and insisted upon them. I was compelled to. The law had been passed requiring our farmers to cut down their acreage. We could not in good conscience and fairness restrict the production of the cotton farmer and at the same time fail to give him in any possible way a living price for his cotton. We were forced to it. But the present accumulation of cotton was not all placed under the loan in 1938–39. Some of it went there in 1934. Some of it went there in 1937. We still have, under the first loan made in 1934, 1,600,000 bales of American cotton.

Mr. President, when we commenced our program foreign exports, in 1932–33, amounted to 5,000,000 bales; that is, foreign countries producing cotton furnished to the world trade 5,000,000 bales. Now the foreign exports for 1938–39 amount to 8,300,000 bales, or a net gain in foreign production of cotton for outside sale of 3,300,000 bales. During the same period the consumption of world cotton actually increased 2,839,000 bales.

On April 15 of this year we had in the Commodity Credit Corporation under the three loans made 11,300,000 plus bales of cotton. That cotton cost us a little more than $600,000,000. It costs us $45,000,000 every year we keep it.

Such is the cotton picture today. However, there is more to it than that, Mr. President. In 1933, when we commenced our cotton program, the price of cotton was 9 cents plus. Today the price of cotton in the world market is only about 8¼ cents. Every farmer knows that when he now goes to town to buy the things which he cannot produce he must pay more for them; and yet, so far as the price element is concerned, he is receiving less for his cotton than he received when we commenced the program.

During the period of the program the Government has paid in benefit payments to the American farmers the total sum of $930,000,000. As of April 15 the Commodity Credit Corporation had a net loss on its 11,300,000 bales of cotton of $170,000,000.

Is the program working when the actual price of cotton in the free markets of the world is less today than it was when the program was commenced? The price has been sustained only because the Government has come to the assistance of the American cotton farmer in the sum of $930,000,000 during the entire program.

Is the program working when today we have an accumulated cotton surplus of 11,300,000 bales, on which we have a net loss on April 15 of this year of $170,000,000?

What is proposed? Nothing but another stop-gap, Mr. President. It is now proposed to give money to the Secretary of Agriculture and to direct him to take the cotton which will come on the market in August and September, 60 or 90 days away, and export all he can up to some seven and a half million bales. Is he to export the loan cotton? Not at all. It is to stay where it is unless the Secretary of Agriculture finds that some American mill or American exporter cannot obtain out of the free cotton exactly the quantity or class of cotton which he desires. In that event the Secretary may release some of the loan cotton prior to January 1, 1940. However, the whole thing is admittedly simply a stop-gap. It solves nothing. It not only does not solve anything; it does not begin to solve anything. It leaves us with the problem just as we have it.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MALONEY. Is the Senator willing to go further and say that the proposal intensifies the problem?

Mr. GEORGE. Oh, yes. I am coming to that feature. I am referring to the disposition of the cotton.

Mr. President, the pending amendment proposes to give to the Secretary of Agriculture the right to pay anything he wishes to subsidize cotton exports. There is no limitation whatever upon the amount per pound which he may pay. If cotton were selling in the world market at 8 cents a pound, he could pay 8 cents if he wished, or 7 cents, or 3 cents. It is proposed to give him absolute, uncontrolled discretion to pay any sum he may wish to pay.

There is no limitation whatever upon his power to sell the cotton to the foreign consumer, but not to the hard-pressed American consumer, at whatever price he wishes to sell it, except for the one limitation declared in the amendment, to wit, that he shall export not to exceed the 10-year average of 7,520,000 bales of cotton. In other words, the gross amount of exports on which he may pay a subsidy shall not exceed the 10-year average, which happens to be 7,520,000 bales per year.

Very well; but, Mr. President, that is not all the amendment does. When the amendment was first offered, it authorized the Secretary of Agriculture to take every red cent of the soil-conservation money and use it for the purpose of exporting cotton. The pending amendment does not do that. The amendment has been amended, and in its present form the Secretary may not take the soil-conservation money. However, as the amendment was first offered and printed, he could take every cent of the soil-conservation money coming to cotton; he could take every cent of the money under section 32, or any other sum which might be appropriated for cotton, and pay it to the foreign spinner, who, in turn, would be able to sell the cotton goods and other manufactured articles to the foreign consumer more cheaply than we could buy them in the United States.

That is not all the amendment now does. The committee has recommended an increase of $113,000,000, to which the Senate has agreed, to supplement section 32 funds, making a total of some $203,000,000. Under the amendment, 25 percent of that sum may be used by the Secretary of Agriculture in his discretion. He may pay any sum he wishes to pay to export a bale of cotton. The only limitation is that he must stop when he reaches the 10-year average of 7,520,000 bales.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. BANKHEAD. Does not the Senator realize that there is a limitation in the amount of money available?

Mr. GEORGE. No; I do not. I am glad to come to that point. So far as money payments are concerned, yes, but not so far as exports are concerned.

I have great respect for Mr. Wallace. He is a man of the utmost sincerity. However, I do not think Mr. Wallace or anyone in his organization can successfully handle the great world-wide problem of the marketing of cotton. Indeed, I know he cannot. The industry has been built up through a century. It has in it hundreds of thousands of technically trained men. Some of the ablest men in the world are engaged in the cotton industry, and yet they do not always know how to handle it. Cotton is a product which must be sold far in advance. It cannot be sold immediately when needed. It goes all over the world. It goes into various types of manufacturing other than textile products. Even the highest grade and quality of glass may now be made from cotton. The industry has been built up through a century of time. It is proposed, without limitation, to place the whole of the cotton industry in the hands of the Secretary of Agriculture and such experts and officials as he has in his organization. Such action would be a major disaster. It would be an unpardonable tragedy to millions of men and women

who depend upon the cotton industry because it is not possible for a Federal Government agency to handle this great product in the way in which the industry itself can handle it.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. GEORGE. I yield to the Senator.

Mr. TYDINGS. Does the Senator feel that if the export subsidy provision were incorporated into law it would have the effect of encouraging the cotton farmer to produce more cotton?

Mr. GEORGE. Oh, no. I do not think it would, because the cotton farmer is already limited under quotas.

Let me return to the proposal before us. Under the terms of the amendment the Secretary of Agriculture would be authorized to pay, as a subsidy on exports of raw cotton or manufactured cotton, anything which he believed, in his discretion, to be necessary in order to establish a fully competitive condition in the world market. If the Secretary undertook to do that he would have to have a cool billion dollars to start with to establish and maintain a competitive condition of manufactured American cotton in the free markets of the world. Labor conditions everywhere are different and variable; cost of manufacture everywhere is different and variable. If the Secretary of Agriculture were to undertake to establish full competitive conditions for raw and manufactured cotton in the markets of the world, it would take literally billions of dollars to do it. However, that is not the point I am getting to, Mr. President.

Under this amendment the Secretary is authorized to pay the cotton-export subsidy either in money or in kind. It may be said that under the amendment the cotton cannot be released from the loan and made available as a subsidized product until January 1, 1940. Very well; let that be granted; but everybody knows that the cotton mills do not buy all their cotton within one month. If they are wise they buy during a whole marketing season, and a marketing season is from the opening of cotton in the fall until cotton begins to open again. On July 31, 1939, every pound and bale of the 11,500,000 bales of cotton now held by the Government can be taken over by the Commodity Credit Corporation. It can be taken over under the terms of the amendment, but it can also be taken over under the terms of the contracts. The Commodity Credit Corporation has been transferred to the Department of Agriculture. The Commodity Credit Corporation holds this cotton, and every bale of it can be released in July of this year. The Secretary of Agriculture not only can use the money available to him, but he can subsidize the sale of cotton to foreign spinners and foreign consumers at any price which he elects, at any price per pound that he wants to pay, and he can pay the subsidy in kind out of the cotton. In other words, Mr. President, the Secretary of Agriculture not only has about $51,000,000 in his hands that he can pay in cash, but he can subsidize cotton until he has exported 7,500,000 bales by the payment of a subsidy in kind.

What does that mean? It means that during the fall of this year the Secretary of Agriculture can approach the English spinners or a syndicate of buyers anywhere and can say to them, "I will give you every fourth bale of cotton that you buy; buy 4,000,000 bales of cotton and we will ship you 5,000,000 bales; or buy 4,000,000 bales and pay us for only 3,000,000 bales at the market price; take 1,000,000 bales for profit." Under this amendment the Secretary of Agriculture can send out of America of the cotton held by the Commodity Credit Corporation up to 7,500,000 bales, and he can do it by payments in kind. He can send it out in January.

Mills buy cotton to use during the months of September, October, December, and on up to the next July or August, or perhaps the next December. They make their contracts far ahead; they have to do so. All the foreign buyers want to know is that in January or in February, upon contracts already signed, sealed, and delivered, they can get 5,000,000 or 6,000,000 bales of cotton shipped to them when and as they call for it, with every fourth bale going along free as a subsidy. That is what this amendment would do. I do not know what the Secretary of Agriculture would do, but the authority is in the amendment.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield to the Senator.

Mr. MALONEY. I do not know that this is an appropriate time for me to say what I have in mind, but I do want to say it during the brilliant speech of the Senator from Georgia.

I had at first intended to speak on the pending proposal. I shall not do so, however, since the subject is so well covered in his masterful address. But I do want to make one observation. I trust it will not be thought that I am guilty of sectionalism to the extent that I want to favor my own section of the country, but I hope that God will give me sufficient strength, when necessary, to protect the section from which I come.

The Senator from Georgia has just said that he did not know what the Secretary of Agriculture might do under this proposed program. Already the Senator from Georgia has referred to the September speech of the Secretary of Agriculture at Fort Worth, Tex. With his permission, I should like to read just a few lines of that speech to further add to the question that he himself raised as to what the Secretary of Agriculture might do under this proposal. I quote from the Fort Worth speech, as follows:

> If consumption of American cotton is to be subsidized, the subsidies ought to be applied to domestic consumption rather than exports. Back in the twenties, American loans to foreign countries which were never paid were in effect generous gifts of cotton and other farm products to those countries. But if any gifts of cotton are going to be made under the present administration, our own people ought to come first. Why not, for once, give our own consumers and our own workers a break?

I think that the Senator has asked a very proper question, and if the Secretary of Agriculture has that speech in mind, or any part of the feeling left from that speech, I am fearful that he might find himself in a very confusing and difficult situation.

Mr. GEORGE. Mr. President, now I come to one further observation which I desire to make. The amendment of the Senator from Alabama, on page 4, contains this provision:

> The Commodity Credit Corporation is authorized and directed under regulations prescribed by the Secretary of Agriculture to acquire and to make available to him such cotton as may be necessary to make payments in kind authorized by this section.

I invite attention to the language which follows:

> The funds now and hereafter made available to the Commodity Credit Corporation are hereby made available to such Corporation to acquire and make available to the Secretary of Agriculture such cotton as may be necessary to make the payments in kind authorized under this section, and to provide for the release of cotton under this section.

The Commodity Credit Corporation has, as I recall, a capital stock of $100,000,000. It now has a borrowing capacity—that is to say, through the issuance of its notes and debentures—up to $900,000,000. The Commodity Credit Corporation can wipe out its entire capital of a hundred million dollars if the Secretary sees fit to sell 4,000,000 bales of cotton and give 1,000,000 of the 4,000,000 bales as a subsidy payment in kind. It is gone; that is the end of it. The Commodity Credit Corporation, I repeat, has been transferred now to the Department of Agriculture. The Secretary of Agriculture has sole, full plenary power to command it with respect to the release to him of cotton with which to make payments in kind. The Secretary of Agriculture may pay whatever amount he wants to pay, limited only by the top figure that he is authorized to export, to wit, 7,500,000 bales of cotton in any 1 year.

Mr. LUCAS. Mr. President, will the Senator yield on that point?

Mr. GEORGE. I yield.

Mr. LUCAS. Do I understand the distinguished Senator from Georgia to construe the amendment to mean that the Secretary of Agriculture may spend more in connection with the export subsidy, should it become a law, than the $113,000,000 that is to be appropriated by Congress, plus the $90,000,000 that comes from duties on imports?

Mr. GEORGE. He may pay the subsidies in kind, yes; and every dollar of appropriations the Commodity Credit Cor-

poration now has may be used by the Secretary of Agriculture to provide cotton to be exported, the subsidy on which is to be paid in kind, to wit, in cotton.

Now, Mr. President, I wish to note just a few additional figures. In 1932–33 the United States produced 12,961,000 bales of cotton on a planted acreage of 35,891,000. At the same time foreign countries produced 10,500,000 bales of cotton on a planted acreage of 41,457,000.

In 1938, after our cotton program had been in operation, the United States planted only 25,346,000 acres, or a decrease of more than 10,000,000 acres, while foreign countries increased their plantings to 59,000,000 acres, an increase of 17,000,000 acres.

Mr. President, I desire now to call attention to one further fact. From 1918 to 1938, inclusive, a period of 21 years, cotton grown in the United States and exported into foreign markets brought to the South a total of $14,558,976,000. Fourteen and a half billion dollars were brought to the South from the sale of her cotton in foreign markets; not what she consumed. At the present export rate and at the present price, during a similar period of 21 years, the South will export of her cotton grown in this country only $3,500,000,000 worth—a loss, on the present basis of export and price, of the staggering total of $11,000,000,000 out of the economy of the South.

I am dealing only in facts; and I say that this program, as a cotton program, needs revision. Why? Because we have lost our export markets; because we have lost the great total that went into our economy from the sale of our export cotton; because foreign consumption has steadily gone up, and, despite all we could do in order to give a livable price to our farmers, we have accumulated eleven and a half million bales in Government loan at this moment, on which at this hour we have an actual net loss of $170,000,000.

I voted for these measures, because they were all we could get. I tried to make them as workable as possible; and if we are to continue the program, and the time comes for making another loan, of course the cotton farmer is entitled to the loan. I am not quarreling about that; but what are we proposing now to do? We are proposing now to launch upon one more experiment, upon one more stopgap piece of legislation. We are proposing to launch, moreover, upon a course that means the destruction of American cotton as an article of commerce.

I should be willing to pay the price, let Mr. Wallace export the cotton, and give it away, if it would solve any problem; but it will not solve any problem. It will leave us exactly where we are. If the Secretary of Agriculture is not going to pay for exporting cotton by cotton itself—pay in kind—then we shall not have a bale out of the loan cotton by January 1, 1940, but the Secretary will have spent all the money we have made available to him on shipping American cotton to be sold to foreign spinners and foreign consumers for less than it costs the American spinner living here in the United States. What else will we have done? We will have upset a marketing system which has been built up through a century. We will have depreciated the inventory of every textile mill, cotton merchant, converter, and distributor in America the moment we put this thing into actual effect. Why, since the President made his announcement cotton in the world market has gone down 105 points, or $5.25 a bale. Figure what has been lost on our own eleven and a half million bales by the mere announcement of this program, and the consequent decline in the world market.

It is said, of course—and the amendment before us does have some provisions to that effect—that we will protect our manufacturers, our merchants, our converters, our distributors, by doing what? We cannot do it by raising the tariff. A mere horizontal increase in the tariff by any fixed percentage will not give the American trade any protection, because there are so many low-cost producing countries in the world. No tariff we can impose which will not operate as an embargo against England will even appreciably affect merchandise and textiles manufactured in Japan. You know it, and I know it. So what shall we have to do? If we put this program into effect, we shall have to do, as quickly as we can, three things:

We shall have to raise an embargo against raw cotton coming from Brazil, Peru, Argentina, Egypt, and any other place in the world where raw cotton is grown. We must do it, because the moment we go to subsidizing cotton—and we shall have to subsidize it under the world price to make it move—these foreign cottons can find their way into this market and sell at a profitable price. So we shall have to embargo all our good neighbors down here in South America, and we shall have to raise an embargo against every cotton-producing country, and we shall have to raise an embargo against the reimportation of American cotton which we send out under a subsidy. Even a 2-cent subsidy will carry cotton across the water, bring it back here, and enable the shipper to realize a profit upon it, to say nothing of cotton shipped to Cuba or to Canada or to some other country.

Not only that, but we shall have to impose quotas, the most hateful form of tariff restriction, on every cotton-manufacturing country in the world. All this bill authorizes is quotas. We cannot reduce the quota below 50 percent of what the other countries shipped in here from 1929 to 1932, say, some period long past, but we shall have to raise the quota, because a tariff that will protect against importations from Great Britain will not protect against importations from Germany, another low-cost producing country, nor will it begin to protect against importations from Japan. So we shall have to raise the quota. The United States, which has been preaching the good-neighbor doctrine; the United States, which has been undertaking to pare down the unreasonable tariff structures and the hindrances and restrictions which have operated like physical boulders in the world's highways of commerce and trade during this long post-war period, will have to impose embargoes. We shall have to call upon our country to impose embargoes against South American cotton-producing countries, and embargoes against the reimportation of American cotton, and quotas against every manufacturing country in the world.

Mr. Wallace says that kind of a trade war will be disastrous if continued for any length of time. Certainly it takes no reason to see that it will. What already has happened? Today in Japan, by law, not a pound of cotton may be used by the Japanese people. Every pound of it must be exported in some kind of processed or manufactured form. In Italy and Germany 30 percent or more of every textile cotton product must be an admixture of some synthetic product. We are just entering upon a trade war in a great industry—an industry already staggering under the blows it has received—and we are doing nothing by this process except to afford a mere stopgap. All that it can hope to do is to stop any more cotton from going under the loan unless the Secretary of Agriculture is going to export cotton in large quantities and pay for it in kind, as I have already pointed out.

Mr. President, cotton has always been a legitimate article of foreign trade and commerce. It has never been used as a political weapon, it has never been used as an economic weapon, and no other country has ever used it against us, and no other producing country is now even talking of using it as a weapon against us. We are to bear the stigma through all time of being the very first country on the globe to convert a great article of commerce, an article which has furnished us the balance of trade through a long period of time, into a weapon of economic warfare.

And for what purpose? The remedy for the difficulty confronting us is simple, but the remedy is not to be found and will never be found in any artificial program which pegs cotton to the American consumer and housewife above the world price. The moment that is done, the use of every known or knowable substitute for cotton is invited. Use of rayon is increased, the use of which is already rapidly growing, and the use of all kinds of synthetic fibers and natural fibers is increased. The moment the true competitive price of

cotton in the American market is dislocated, there is set on foot, or given greater impetus, a process already going on which ultimately may destroy the cotton industry itself, if it is not stopped, and that is the competition of these competitive and unsatisfactory synthetic fibers. The only way to meet that competition is to let the American cotton go to the free market and let it bring what it will. Give the American manufacturer, the American converter, the American processor, the American merchant—give the American citizen the chance by fair competition to meet and to overcome the competitive fiber. In no other way can the matter be handled satisfactorily.

I know very well that the distinguished Senator from Alabama, my good friend, will say that we are going to give to our manufacturer the same subsidy on his exports. He did have 10 percent of his production once in exports; that is to say, about 6 or 7 percent, or 10 percent at the highest, of all the products manufactured in the United States from cotton went into the foreign market. The amount is now down below 2 percent. It is around 1 percent. It practically has reached the vanishing point.

The same law was in effect which we are now asked to think will give the American manufacturer a chance to hold the foreign market. He is out of the foreign market—and make no mistake about that—the moment his competitor living in the foreign market is subsidized. The same provision was in the old N. R. A. law. It was said, "It does not make any difference about the labor costs going up and hours being shortened, the same provision of law is here to give you ample protection."

We know what happened. Throughout the turbulent life of the N. R. A., and down to within a few days of its actual passage from this earth, one single, insignificant item made of American cotton had been given some slight protection against foreign competition—to wit, cotton cloth rugs. It would be months and months and months, it would take a long time for any tariff commission to figure out how much the quota of Japan, how much the quota of Germany, how much the quota of Italy, how much the quota of Great Britain, how much the quota of any manufacturing country would have to be cut down in order to even save the semblance of a world market to the American manufacturer of cotton cloth or cotton goods of any kind. His market under this system is gone. The market in this country is seriously threatened because of the prospect of the certain and absolute increase of the use of substitute fibers and substitute products, if the producer's price is put out of line with the price paid by his competitors in other parts of the world.

The simple remedy is to let cotton find its true competitive position. Let it go into the world market, and then let us pay what ever subsidy or bounty we should pay to the actual producer of American cotton. It is simple. It will not cost the Government any more than we are paying out annually to the American cotton farmer.

My candid judgment is that if we let cotton go into the free market, and market in an orderly way over a period of time the cotton held by the Commodity Credit Corporation at the rate of 100,000 or 150,000 bales a month, the world price of cotton will come somewhere near the minimum loan price of 52 percent of parity which may be fixed on American cotton. But tie it up, peg the American price, give a subsidy to the foreign producer, create a price system in this artificial way, cripple the American manufacturer in his daily, constant fight against substitutes here at home—tie it up in that way and cotton will go back into the loan, and the Secretary of Agriculture will be compelled to resort to the extraordinary provisions of the law, export cotton in kind, and pay the subsidy in cotton or kind in order to get rid of it.

Mr. President, just one more word and I shall conclude. No subsidy paid in 1939 is going to result in moving any cotton out of the United States except into the hands or warehouses of speculative buyers. I am not saying what it might do in 1940 and 1941 and 1942, but so far as 1939 is concerned, no appreciable amount of cotton, no material part of our cotton, will be sold in foreign commerce under a subsidy unless the subsidy is sufficiently large to induce the speculators to buy up cotton and hold it over our heads in the foreign market. I am so sure of this that I regret that the hour is upon us when many Senators are at lunch, because I should like to expand this thought, but I will not expand it at this time beyond this statement. Cotton in the South Temperate Zone is already coming on the market. Cotton south of the Equator is already coming on the market. It is made. It is matured. It has already been planted. It is there. It will go into the market and cut down under any reasonable subsidy we may authorize the Secretary of Agriculture to pay. The cotton in Brazil, Peru, in the Argentine, in Egypt, the cotton everywhere in the world now ready for the market, already made or fast maturing, is going to find a market in the world market in 1939, and the subsidy, if it is to be effective at all, will have to be large enough to induce the cotton speculators of foreign countries, and the speculators in our own country who have warehouse facilities abroad, to buy the cotton, so far as the 1939 crop is concerned.

South Temperate Zone producers are marketing while our cotton is growing in the North Temperate Zone. Theirs is made, or so far matured that they cannot reduce. They will sell it in the market, and the only chance there will be for the sale of any appreciable amount in 1939 under a subsidy is to make the subsidy sufficiently large to be attractive to the speculative buyers.

And then what? American cotton will be transferred into the warehouses of foreign countries to be held over the American farmer's head as a cudgel with which to destroy him. Nothing good can come of the proposal. It is intended simply as a stopgap. It is not even a good stopgap. It is utterly futile and useless so far as solving any problem in connection with the present crop is concerned. All it can do is to abandon every principle for which the Democratic Party has stood; to invoke embargoes against our helpless neighbors in South America, raise embargoes against the reimportation of our own cotton from warehouses outside the United States, and impose quotas upon every manufacturing country in the world. Will not the Democratic Party present a magnificent and beautiful picture as it comes before the electorate for election in 1940, saying, "Look what we have done! We have sold cotton to the spinners of Great Britain and of France and of Germany and of Italy, and even of Japan"—make no mistake, they will get our cotton—"we have sold it to them cheaper than we would sell it to our own American spinners. We have sold cotton goods, when that cotton has been processed, to the citizens of Japan and of Germany and of Italy and of England and of France and of Russia, cheaper than we can sell it to our own American men and women who need cotton and who ought to have it."

Mr. President, the proposition seems to me so full of possibilities of harm to a great industry that the Senate of the United States should not for a moment consider passing upon it until the fullest opportunity, after days and days, if necessary, even weeks, of hearings have been conducted before a legislative committee of this body.

Mr. President, let me say, as I conclude my remarks, that the cotton problem today has become an industrial and trade problem of the first magnitude. It is now clearly apparent that if we are to save the cotton farmer we must first save cotton as an article of commerce and consumption. Our loan policies have contributed undoubtedly toward our present complicated situation. Conceived as a friendly action toward cotton, they nevertheless have worked out as its enemy. The continuance of this loan plan with an exaggeration of its worst features is welded immutably into the cotton subsidy program. Each damns the other, to use the language of a distinguished man in the industry, and together they constitute the most ingenious dual contrivance yet devised for the destruction of the southern cotton industry.

Mr. LEE. Mr. President——

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Georgia yield to the Senator from Oklahoma?

Mr. GEORGE. I will yield to the Senator. I am about to yield the floor.

Mr. LEE. I desire to address a few questions to the Senator, if the Senator will be patient enough. Do I understand that the Senator is opposed to subsidizing the export of cotton, either of the new crop or of the cotton on hand?

Mr. GEORGE. I am. But I can see more reason for exporting the crop already accumulated.

Mr. LEE. Of the two, the Senator would prefer that as the lesser of two evils, as he sees the situation?

Mr. GEORGE. Yes. I think the Senator from Oklahoma correctly states my view with respect to the situation, although I do not see a great difference as to which is exported.

Mr. LEE. If the Congress should take no action at all, does the Senator think that as matters now stand the export of the cotton which is on hand could be subsidized without any further legislation?

Mr. GEORGE. No; I do not think the cotton on hand could be subsidized without further legislation.

Mr. LEE. The Senator suggested that this proposal was a stopgap. If the cotton on hand is subsidized, or if the new crop is subsidized, in either case I understand the Senator from Georgia does not believe that it is in any way a solution of the farm problem or the cotton situation?

Mr. GEORGE. I do not. I am perfectly sure that it is not a solution.

Mr. LEE. The Senator expressed the belief that if cotton were allowed to flow in the natural channels of trade, without a loan provision, it would not be considered dumping by other nations.

Mr. GEORGE. No; it would not be. It could not be.

Mr. LEE. And that it would not accumulate if there were no Government loans on it?

Mr. GEORGE. I am sure it would not.

Mr. LEE. The Senator expressed the thought that the Government should help the cotton farmers.

Mr. GEORGE. Exactly.

Mr. LEE. On what basis should that help be?

Mr. GEORGE. Mr. President, I did not want to go into too prolonged a discussion, but I would be perfectly willing to take what has been called the domestic allotment plan, as the Senator from Oklahoma himself has presented it. I think it is sound. That plan would not interfere with the flow of cotton into the normal channels of trade. But the benefit payments, whether we call them bounties, or equalizing fees, or what not, would go directly to the producer, to the farmer. I think that is entirely sound. Not only is it entirely sound, but I think it is absolutely necessary if, after so much loss in American acreage and in production, and so much increase in acreage and production in foreign cotton-producing countries, we are now to regain our normal competitive position in the world cotton market.

Mr. LEE. I thank the Senator.

Mr. GEORGE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	Gurney	Lucas
Andrews	Clark, Idaho	Hale	Lundeen
Ashurst	Clark, Mo.	Harrison	McKellar
Bankhead	Connally	Hatch	McNary
Barbour	Danaher	Hayden	Maloney
Barkley	Davis	Herring	Mead
Bilbo	Donahey	Hill	Miller
Bone	Downey	Holman	Minton
Borah	Ellender	Holt	Murray
Bridges	Frazier	Hughes	Neely
Brown	George	Johnson, Calif.	Norris
Bulow	Gerry	Johnson, Colo.	Nye
Burke	Gibson	King	O'Mahoney
Byrd	Gillette	La Follette	Overton
Byrnes	Glass	Lee	Pepper
Capper	Green	Lodge	Pittman
Caraway	Guffey		Radcliffe
Reed	Shipstead	Thomas, Okla.	Wagner
Reynolds	Slattery	Thomas, Utah	Walsh
Russell	Smathers	Tobey	Wheeler
Schwartz	Smith	Townsend	White
Schwellenbach	Stewart	Tydings	Wiley
Sheppard	Taft	Vandenberg	

The PRESIDING OFFICER (Mr. BROWN in the chair). Ninety-one Senators have answered to their names. A quorum is present.

Mr. LEE. Mr. President, I am very much at a loss in my own mind to know how to vote on this particular question because I am not sure whether we should subsidize the export of the new crop, or the old crop, or whether we should subsidize the export of either. The situation is bad every way we turn. It is like the old story of the two fellows who were crossing a pasture. A bull chased them, and one of them reached a tree and climbed up the tree. The other man did not have time to climb the tree. He was just two jumps ahead of the bull. He went on past the tree and found a hole into which he ducked, and the bull shot past over him. As soon as the bull passed over, he popped up out of the hole again. The bull turned around and made another charge at him, and he ducked down into the hole again. About the third time, the fellow in the tree called to him and said, "You fool! You had better stay in that hole. That bull will kill you." The next time the fellow came up out of the hole he replied: "Who is doing this? There is a bear in that hole." [Laughter.]

In the case of cotton we have a bull on the one hand and a bear on the other. The very situation we are facing today is the best proof I know of the failure of the present farm program.

No name in this day stands higher in relation to aid for agriculture than that of our able and distinguished colleague, the Senator from Alabama [Mr. BANKHEAD], who is working on the program and doing his dead level best to do what is best for the farmer and for the cotton situation which confronts us. No one in this body or out of it could doubt the sincerity of the men working on the problem. However, I cannot neglect this opportunity to impress upon the Senate that we have before us but another proof of the failure of the present farm program.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. McKELLAR. Of course, we all realize that the 12,000,000 bales of surplus cotton in the hands of the Government are a millstone around the neck of the entire American cotton-production industry. I have listened to the various arguments, and the question in my mind is, Would the proposed amendment, if passed, bring about a very great reduction in the surplus? If I thought it would, I would certainly vote for it. However, I am not convinced at this time that it would bring about a very great reduction in the surplus.

Will the Senator address himself to that question for just a moment? I should like to have his views on the question. The Senator has studied the problem of cotton as only the Senator from Alabama [Mr. BANKHEAD] and the Senator from South Carolina [Mr. SMITH] have studied it. I should like to have the Senator's views.

Mr. LEE. I shall be glad to yield to any other Senator who will answer the question just propounded to me. I do not pretend to have the answer to that question. Two years ago on the floor of the Senate, with all the vigor and energy which I possessed, I opposed the enactment of the law which has resulted in this very situation.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. ELLENDER. How can the Senator from Oklahoma take that position when in 1938, while we were considering the farm bill, we were confronted with the same surplus which is now giving us so much difficulty? In other words, the surplus has not been caused by virtue of the present law. It existed before the law went into effect.

Mr. LEE. The type of program which we have had for several years was similar. That program was one of the

proofs which was convincing to me 2 years ago that a continuation of the same type of program would result in an even worse situation, and the present argument on the floor of the Senate is ample justification for that conclusion. As long as we have a program which does not guarantee the farmer a fair price for that portion of his commodity which is consumed in this country, and then allow him freedom to produce above that amount, we shall always be confronted with low farm prices; and the inevitable result is that we go to the R. F. C. and ask them to make loans on that farm commodity to keep the farmer from having to sell it below the cost of production. If all the money we have spent trying to help the farmer had been paid to him on that part of the commodity consumed in this country, and the rest of his commodity had been allowed to flow in the channels of trade, we would not have a staggering surplus on our hands today. The farmer would have had the money just the same. He would have had an income sufficient to have carried him through, the same as he has at the present time, but we would not have had an embarrassing surplus of cotton.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. RUSSELL. Of course, the Senator knows that my views are in accord with his as to the importance of having a two-price system for the benefit of all lines of American agriculture unless we wish to create a class or caste system which will perpetually doom the farmer to a lower standard of living and a lower income than that enjoyed by all lines of industrial labor and by capital by virtue of the various artificial devices which have been created to permit a higher price in the domestic market. Of course, the Senator realizes that the amendment could not be considered as a large approach to the farm problem and the difficulties which he outlines; but the principal opposition to the amendment proposed by the Senator from Alabama centers around the fact that it does establish a two-price system. That is the principal argument raised against it. It establishes one price for cotton in the United States, at a slightly higher cost to the American mills and the American consumer than the price abroad. One of the reasons why I am supporting the amendment of the Senator from Alabama [Mr. BANKHEAD] is because of the fact that it does recognize that the American farmer cannot indefinitely buy in a protected market while selling his commodity at the lower world figure.

Mr. LEE. That is correct. I thank the Senator from Georgia for his contribution. My inclination is to support the pending proposal on the very grounds which the able Senator from Georgia has just expressed. However, I am addressing myself to the proposition that regardless of the disposition we make of the pending amendment of the Senator from Alabama, we shall still be confronted with an unsolved farm problem. A year from now those of us who will be here then will be struggling with another appropriation coming from the same subcommittee of the Committee on Appropriations, of which the able Senator from Georgia [Mr. RUSSELL] is chairman, in an effort to take care of the farmer by a stopgap method, without any permanent solution in sight or any permanent program designed to prevent the recurrence year after year of a situation such as now confronts us.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. LEE. I yield to the Senator from Louisiana.

Mr. ELLENDER. The Senator from Oklahoma has a bill now pending before the Congress wherein he proposes to pay to the cotton farmer at the rate of 20 cents a pound for all the cotton that is domestically consumed. Assuming that the Senator's bill should pass and that the cotton farmers would be permitted to plant all the cotton they desired over and above that which is consumed domestically, how would the Senator dispose of the present surplus? In other words, would he not be confronted with the same situation that confronted the proponents of the existing farm law?

Mr. LEE. I may say to my good friend the brilliant young Senator from Louisiana that, to speak facetiously, after all, it is not a responsibility on my shoulder to take care of the "dead cats" of the past mistakes.

Mr. ELLENDER. But the "dead cats" were there when we passed the farm bill.

Mr. LEE. Not quite so many of them.

Mr. ELLENDER. There were just about the same number, because the surplus was there when the Farm Act was passed in February 1938. At that time virtually the same amount of cotton was on hand.

Mr. LEE. I realize that, and, to answer my friend in a little more honest manner and a little more frankly, let me say there is a provision, which I have not as yet introduced but which I have prepared for the domestic allotment bill, which would allow a certain percentage of the surplus that is now on hand to be allotted to the farmer as a part of his domestic allotment until the present surplus has been consumed or until a sufficient amount of it has been consumed domestically so that the remainder may be fed into the export trade.

Mr. ELLENDER. Mr. President, will the Senator yield again?

Mr. LEE. I yield.

Mr. ELLENDER. Would the Senator give it to the farmer, or who would have title to it?

Mr. LEE. I will state how the provision would operate. For instance, suppose Farmer Brown has been allotted 10 bales of cotton as his share of the domestic market; 9 bales could be new cotton produced by him this year, 1 bale, say, if 10 percent is the amount that is to be allotted from the cotton on hand, would be allotted to him, and he would be paid the difference between the world price of 8 cents and the domestic price, whatever it would be—20 cents is what the bill provides—or 12 cents a pound, and the processor would have to pay for that cotton 20 cents a pound.

Mr. ELLENDER. Who would bear that expense?

Mr. LEE. The consumer would bear it, as the consumer bears the expense of everything that is protected by the tariff.

Mr. ELLENDER. How would the Government be compensated for the vast amount of money that it now has loaned against the cotton?

Mr. LEE. As soon as the Government sold that bale of cotton to the processor the processor would pay the Government 20 cents a pound. Then the Government would pay 12 cents a pound to the farmer to whom it had been allotted, and take the other 8 cents to reimburse itself for the loan it had made on that cotton.

Mr. ELLENDER. How long does the Senator think would be required to dispose of the 14,000,000 bales we now have on hand under the suggestion he has just made?

Mr. LEE. It would not take as long as it will a year from now if we continue the same kind of program we are now following.

Mr. President, the present plan is based upon acreage allotment, which is not a fair criterion. In some places it takes 16 acres of land planted to cotton to make one bale; in other places 1 acre planted to cotton will make one bale. Yet we have acreage as a criterion for allotments. That is the old William Jennings Bryan ratio of 16 to 1. Some farmers have upland acres, several of which are required to make one bale, while others have irrigated land of which 1 acre will make two bales. So acreage is not a fair criterion.

Now let me show how unfairly it works in the States of Oklahoma and Texas. I have here a chart entitled "United States Cotton Production in 1930 to 1937 by States." The first 4-year period is from 1930 to 1933, and the yearly average of cotton production in the United States is broken down according to States. The next 4-year period is from 1934 to 1937 when the acreage reduction program was under way. During the 4-year period from 1934 to 1937, while we were under a program of acreage reduction in the production of cotton, with a program of allotment by acres, seven States actually increased their production. In the Southeastern States, where fertilizer can be used, the farmers, by

intensive farming methods and the application of fertilizer, actually reduced their acreage but increased their production. That cannot be done in Oklahoma where the land is so fertile that fertilizer is not needed; in fact, in some places our soil is so rich that if some of the other States had it they would sack it up and sell it for fertilizer. So in Oklahoma production cannot be increased, for the hazard there is lack of rainfall.

The result was in the 4 years from 1934 to 1937 the reduction in production of cotton in two States, Oklahoma and Texas, was greater than the total national reduction. The seven following States increased their production: Arizona, California, Mississippi, Louisiana, Missouri, New Mexico, and South Carolina.

In the entire United States the total annual decrease in cotton production for the 4-year period from 1934 to 1937 was 1,326,447 bales. That was the total national reduction. But Oklahoma and Texas suffered an annual decrease for that same period of 1,839,596 bales. During the same period two States decreased their production more than all the other cotton-producing States combined. Those figures show how unfair and how unjust any plan is that is based upon acreage reduction. A drought happened to occur in our part of the country at that time and reduced our production.

The Senator from Georgia [Mr. GEORGE] well said that in either case the pending proposal is a stopgap. The able Senator from Alabama [Mr. BANKHEAD] himself admits that to be so; but he is simply making an effort to meet an existing situation. Regardless of what cause brought it about, it is confronting us today, and he is giving his best efforts to find a method of meeting it. I wish to impress upon the Members of this body that if the present situation were met we would still have no satisfactory farm program.

Have we not already experimented long enough? After the farmers have been told, "You cut down your acreage to the amount we tell you, and we will do our best to give you parity prices," then, after that happens, and we have the prices that we have today of 8-cent cotton—and it would be lower than that except for the loan—and 50-cent wheat—and it would be lower than that except for the export subsidy on it—after the farmers have done their part—and they have—I say it is time for us to shift gears and to try a program that is based upon logic and reason. That is a program that contemplates two markets, the home market and the foreign market; a program that recognizes a home-consuming public and a foreign export outlet. We must consider legislation for the farm problem that will divide home consumption from export trade, and treat them separately, or we will be faced with this problem every year.

Suppose next fall cotton is low, and we have the same situation that we now have, and I see that the cotton farmer is faced with the necessity of selling his cotton below the cost of production: I will join hands with other Senators and ask for some relief. If the only relief we can get is to ask the R. F. C. again to make loans on cotton, or to carry out the provisions of the present law and continue to lend on cotton, it will mean that we shall continue to accumulate these embarrassing surpluses, and the Government will continue to carry the load as long as it can. Some day, however, we shall reach the breaking point. The accumulation of waters behind the dam some day will top the dam and go out with destruction, and the result will be disastrous not only to the cotton industry but to the Nation itself. Yet the most we are considering here is a temporary stopgap. We are not even considering a permanent program to solve the situation, to prevent it from recurring again and again.

There are, before this body and before Congress, and there have been for some time, numbers of proposals, any one of which is based upon more logic than this one of control. I voted for the present act, but not until I had offered substitutes for the undesirable portion, which is the control feature. If it were necessary to have control, and if we could not give the farmer relief in any other way except by control, then I should say, "Go ahead and have control"; but it is not necessary. The intent and purpose of control is to limit the amount on which we guarantee the farmer fair prices, so that we may make good that guarantee. But if we limit that amount to the amount consumed in this country, we can make good the guarantee of better prices on that amount, and then remove the control from the farmer, so that he may produce what he wishes to produce above that amount.

The farmer never has had a chance to choose between profitable cotton and unprofitable cotton. How do you know he would plow up the face of the earth, as has been charged? Two years ago, when we considered the agricultural appropriation bill, I presented the argument on the floor of the Senate that the farmer would regulate his own production. The argument was raised on the other side that if he did that, other nations would accuse us of dumping. Now, from the same source that that argument came is coming a plea that we subsidize, by cash payments, exports of cotton—rather reversing, it seems to me, the attitude of the administration and the Department of Agriculture on that very question.

If the farmer knows that all the cotton he produces is going to be low in price, he increases his production. Why? In order to meet certain fixed charges that he must meet, such as interest on his mortgage and taxes on his farm. Those charges are fixed. They do not rise and fall with the rise and fall of the price of cotton. Cotton may go to 5 cents a pound, but the farmer's taxes still stay up at $100 or $200, or whatever the amount is. Cotton may go to 5 cents a pound, but the farmer's interest still stays up at 6 percent, and that is a fixed charge. In order to meet that fixed charge, the farmer realizes the necessity of increasing his production of cotton. The lower it is, the more he must raise to meet the fixed charges. The result of that has been that the lower cotton goes, the more we produce. But once give the farmer a chance to choose between profitable and unprofitable cotton, guarantee him a fair price on the part of the cotton that we use in this country, and allot him his share of the home market, and then he will have enough income from the profitable cotton so that he will say to himself, "It will not be necessary now for me to increase my production."

What would happen under a program like that? Suppose a farmer had an allotment of 20 bales of cotton, and suppose he raised 30 bales of cotton. Suppose the price on the 20 bales for home consumption is 20 cents a pound; suppose the price on the other 10 bales is 6 cents a pound, and he has the privilege of taking the 10-bale surplus to town and selling it for 6 cents a pound or taking it to his shed and putting it in his shed on his farm and holding it, with a promise written into the law that next year he may turn it in as part of his domestic allotment and receive 20 cents a pound for it. Except for unusual circumstances, he would take the extra 10 bales of cotton to his shed and put it in the shed and keep it there as a backlog. It would be as good as a bank account to him.

Then, Senators, instead of the surplus of cotton in the United States accumulating in warehouses, where the cotton brokers and speculators can know exactly how much surplus cotton there is, so that they can gamble on the cotton market to the confusion of business and to the loss of the farmer himself—instead of that they would not know how much surplus there would be, and the surplus, when hidden away on the farms, would not depress the market so much as the surplus depresses the market when it is accumulated in the warehouses.

Then suppose the world market should advance to some extent and go to 8 cents. The farmer then would have the privilege of taking the surplus 10 bales to town and selling it, or perhaps he would need only a little money and he would take one bale at a time and sell it. Thus the farmers themselves, through a voluntary method they have never before had a chance to enjoy, would regulate their own production and feed the surplus into the world market as the world market could absorb it in an orderly, systematic fashion.

Of course, if the world market should advance, the farmer might say to himself, "I will increase my production this year and average my price. I will get 20 cents a pound for my share of the domestic market, and then I will take my chances in the world market." If we should pass legislation like that, we would then put the farmer on notice that "all you raise above your domestic allotment will be sold or kept by you. The Government will not lend you money on it. You must take your chances in the world market, and either sell it at the world market price level or take it home and keep it"; and if cotton went so low that the farmer could not even sell it, he would have no alternative but to keep it. But if we were guaranteeing the farmer a fair and reasonable price on the part of his commodity that we use in this country, he would still have enough income to live on.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Arizona?

Mr. LEE. I yield.

Mr. ASHURST. Is the able Senator from Oklahoma referring to the amendment offered last year by himself and to a similar one offered by former Senator McAdoo?

Mr. LEE. That is correct. The two propositions were fundamentally similar in that both of them recognized the necessity of dealing with two separate markets, as we do in the case of everything else in the United States except farm commodities.

Mr. ASHURST. Will the Senator pardon me further?

Mr. LEE. I yield to the Senator.

Mr. ASHURST. As I understand, under the proposition last year, the farmer was at liberty to plant whatever he pleased.

Mr. LEE. That is correct.

Mr. ASHURST. His liberty was not restricted, but the Government guaranteed him a price only as to home consumption.

Mr. LEE. That is correct.

Mr. ASHURST. And if he wished to speculate as to what might happen to the remainder, that was his right and privilege. Is that correct?

Mr. LEE. That is correct. The farmer was put on the same basis as industrial production.

Today if a manufacturer wants to sell the same kind of cultivator in Australia for $26 which he sells in the United States for $48, he has that privilege. I do not know about cultivators, but as to most manufactured articles that is actually done. In order to permit manufacturers to clear their warehouses of surplus goods, we have allowed them to enjoy that privilege. No one has argued this season that such a program would be dumping in the foreign markets, but 2 years ago it was argued that such a program would be dumping and that it would result in antidumping laws on the part of other nations.

In the first place, I believe that if the United States did not subsidize the surplus farm commodities, no nation could accuse us of dumping; but, certainly, when we accumulate a surplus due to the present program, and then try to unload it by financing it, they do not have to accuse us of dumping; we ourselves admit that it is dumping. But if, when the farmer is ready to sell, we let him sell if he can get a buyer, then let that buyer sell to a country if he can get a buyer, that is not dumping; that is merely selling our commodities to those who would buy; and there would be no retaliation, in my opinion, on the part of other countries if such a course were followed. Certainly they could not accuse us of dumping if we were merely trying to regain our foreign trade, and we have a long way to go before we regain that trade. No one could accuse us of dumping when we were merely trying to regain the foreign market in cotton which we have lost due to a program of control, and then lending on the crop, trying to raise the farmer's price. There was an implication to the farmer that "If you cut your acreage as we tell you to we will pay you parity prices for the commodities you raise on the reduced acreage." The farmer has done his part. Have we done ours? Are we within hailing distance of doing our part? Here we are considering the largest farm appropriation ever presented to this body. Is money to be appropriated in order to pay parity to the farmer? Certainly not. Is it not to provide about 75 percent of parity? Is not that about correct, I ask the chairman of the subcommittee?

Mr. RUSSELL. Mr. President, we hope that farm prices will not go any lower, so that this will at least enable the farmer to obtain 75 percent of parity.

Mr. LEE. Seventy-five percent?

Mr. RUSSELL. Of course, if farm prices should increase, the farmer would still not receive full parity, unless the market price were full parity, because if the commodity sells for 75 percent of parity the farmer does not receive any payment under the terms of this provision.

Mr. LEE. In other words, if prices do not go any lower, and we pass this appropriation, then we will have kept 75 percent of our word to the farmer, we will have kept faith with him to the extent of 75 percent of our implied agreement.

Mr. RUSSELL. I might state that the 75 percent would also include the $500,000,000 which is paid the farmer for soil-conserving practices, money he is supposed to earn by virtue of work he does on his farm in preserving that great natural resource. This appropriation added to the present market price would not nearly approximate 75 percent of parity.

Mr. LEE. I thank the Senator, and I wish to say by way of parenthesis that the farmers fully approve the soil-conservation program. No doubt we can make minor improvements and changes in the law. The farmer is perfectly willing to comply with rules laid down by the Department of Agriculture so far as preserving the fertility of the soil is concerned. The soil-conservation program is one constructive contribution we have made.

Let me tell how the present plan will work and the only way it will work. If we cut the farmer's acreage so that he will produce no more than enough to supply the consumption in this country, then if we pass tariff laws so that no other country can ship any commodities into this country to compete with the farmer's commodities in the United States, we can reduce the supply to such an extent that the demand will force the price to parity. But we will have surrendered all of our foreign markets, and the farmer will have surrendered his independence, and be farming a little patch of land which, compared with the rest of his farm, will be a mere garden patch.

I did not know that was the future desired for America. I think that is a narrow vision. We taught Russia how to farm on a grand scale. We even sold the Russians some power machinery. We are selling some to other nations today. We are shipping certified cottonseed all over the cotton world today. We teach the foreigners to farm, we sell them power machinery, we sell them certified seed, and then we bow out of the picture and give them the world market. The next legislation we will be considering if we do not watch out will be tariff legislation to keep their crops from coming into this country in competition with our crops in the United States.

Mr. President, the farmer knows more about farming than anyone else does, regardless of how much we learn in books. I have seen certain fellows trying to make the farmer learn how to farm better, and I once heard an old farmer say, "I am not farming as good as I know how now. I cannot; I haven't the capital."

There is much truth in that. But I heard one of these fellows telling the farmers how to make two blades of grass grow where one had grown, a kind of a book farmer. "Yes," he said, "there is nothing I enjoy better on a bright sunshiny morning than to put on a pair of overalls and go out in the apple orchard and eat apples." Yes; but it takes more than eating apples to make a success on the farm. It takes work, the hardest work anyone ever did.

I used to work for an old farmer, and he gave me only one meal a day, but he gave me two at night—if my colleagues know what I mean. I never worked so hard in my

life; and farmers work that way all the time. They get up before sunrise, they go out and feed the stock so that the stock will be ready to work, and right after they eat breakfast they go to their work and continue until dark. They return in the evening and put up the teams by lantern light, then they come in and eat by lamplight and go to bed. They do that day after day, month after month, 365 days in the year. Where there is livestock they work on Sunday, because the livestock have to be fed and cared for on Sunday the same as on any other day.

Then will anyone tell me that the farmer, who works like that to produce cotton, if we give him a certain amount of the domestic market which he can produce on a profitable basis, will use the money he gets for the profitable cotton to raise unprofitable cotton? Does anyone think he will dissipate his profits just for the fun of raising unprofitable cotton? The farmer is not so foolish as that, and he is not going to do that. He will plant just enough to allow for a drought or for the grasshoppers. Of course, the grasshoppers do not bother cotton, but they eat up other crops.

A few years ago the grasshoppers were out on my place, and they were eating up everything. I had just planted some alfalfa and it was coming up, a fine stand, when the grasshoppers hit it. I said to Mrs. Love, the wife of the man who was on the place, "Drive the turkeys down there." She had 500 of the finest turkeys one ever saw. She drove them down there, and it was not long before those turkeys did not have a feather left on them; the grasshoppers had stripped them. [Laughter.] Sometimes the grasshoppers eat up the wheat, sometimes the grasshoppers eat up the alfalfa, and sometimes the boll weevils get the cotton. Sometimes in a cotton district the boll weevils eat up everything but the mortgage. [Laughter.]

Yet the farmer has to compete with all that. The farmer has to buck the weather, he has to buck the insects, he has to buck the market. We cannot compare the regulation of a farm product with the regulation of the product of a steel mill. The Bethlehem Steel mills can tell today exactly how many tons of steel they will produce a year from today. The farmer cannot tell how much cotton he will plant, even, because I have seen it so wet that he could not get into the field to plow, and I have seen it so dry that he could not get a plow into the ground. He cannot tell how much he will plant, much less how much he will harvest. Then how is it possible to put agriculture on the same basis with industry?

Besides that, a few men control the output of steel, whereas the farmers are individualists; and I want them to remain individualists. We cannot merge them together so that they will act as one man, as is done in the steel industry, as is done in the manufacture of farm implements, as is done in a packing industry. Four big packers control the price of meat. A private telephone line runs from Chicago down to the Oklahoma City stockyards. Every morning that wire is hot because the big boss in Chicago is telling the buyers in Oklahoma City how much they shall pay for beef and for pork and for mutton on that day. A few men regulate the price in the packing industry. A few men regulate the price of oil, regulate the price of gasoline, regulate the price of steel. The farmer cannot do that.

In the agricultural field we have a plan. It is intended to tell the farmer how much he is to produce, and if he produces just a certain amount the price is going to be fixed by the law of supply and demand. It works only in those industries where it can be determined in advance how much the output will be. The farmer cannot do that. The farmer, who has to work so hard to scratch a living out of the ground, is not going to raise surplus crops if the price of those crops is below the cost of production.

Take wheat, for instance. We consume about 80 percent of our wheat crop in the United States; sometimes more. If that 80 percent were divided among all the wheat farmers, and each farmer was allotted his share of that domestic market, and that share was allotted in bushels and not in acres, the Government would say, "We will guarantee you a fair price on that amount of wheat by means of price fixing or some other method of law." Let us say the guaranty is on a thousand bushels. He would know then that on that 1,000 bushels he would have a profit, but he would know that it would be necessary for him to sell all the rest above that on the world market, and that he would be facing the possibility of selling that wheat for 35 cents a bushel. He would plant only enough wheat to be sure that he raises a thousand bushels, or his domestic allotment. He would plant a margin, of course, to allow for a bad crop year. If he raised 1,200 bushels he very likely would sell the 1,000 bushels to the domestic market. He would take the other 200 bushels and put them in a bin or a granary, and keep it on his farm, because he could feed his stock from it. Then next year if he had a failure in his wheat crop he could put the 200 bushels in as his part of the domestic allotment and receive the domestic price for it.

The same would hold good with respect to cotton. The farmer would not raise much cotton at the world market price. He would not plant more than enough to allow for a bad year. But that plan would allow us an exportable surplus that would flow into the market all the year with an even flow and it would work automatically. It would not be necessary then for us to come back and reach down into the Treasury every year and take money out and hand it to the farmer. I am glad to do it this year because we do not have any program that will take the money to him in other ways. Therefore the plan is necessary now. That is the reason I am making the argument for a permanent farm program that will work without the continual tax, appropriate, and give.

Mr. President, there are big farmers who do not need help nearly so much as the little farmers. A farm program of the kind that most Senators have in mind they would like to support is one which will take care of the little farmer, of the family farmer, the man who farms a family size farm, the man who farms it with his family and for his family, the man who educates his children from the income from that farm, the man who makes the farm a home.

Mr. President, we find a rather desolate looking landscape when we go out in some parts of the United States and see an old windmill, a few corner posts of an old fence, an old house with the windows and the doors nailed up. We think to ourselves, "That used to be a home." We see where there was once a garden, where they raised the vegetables to supply their table. We see all of that deserted and every acre of that farm put in cotton or every acre of that farm put in wheat. We go past the next quarter section, and we see the place where the home once stood is now deserted. We see old and dilapidated buildings. We go to the third quarter section, and we find the same thing. Then we go to the fourth quarter section, and we see some big power machinery, a big tractor and a combine, and that tells the story. One man with power machinery is farming the farms that were once farmed by four families. He is farming a whole section today; and the families that lived on those sections, where are they? They are over in town on W. P. A., those who can get over to town and on the W. P. A. And here are the homes, the ghosts of what were once homes and the security of America. So that is a desolate sight. It illustrates the tendency in America, because the big farmer is putting the little farmer out of business, and the present farm plan is helping to do it. I should say that it is not doing anything to prevent it.

The present farm plan, through soil-conservation payments, is still paying unconscionably big payments to the big plantations, to the syndicated farms, whereas the average payment to the farmer is less than $100. Ninety-two percent of the farmers in soil conservation receive less than $100, and some of the big plantation farmers are receiving checks running up into the thousands of dollars.

We must take care of the family farmer, the little farmer. There is nothing in the provision of the present plan that is very helpful to the little farmer. Oh, there is an exemption,

I believe, of 5 acres, which, as I said a while ago, might produce 15 bales of cotton or might produce 1 bale of cotton. But that is not taking care of the little farmer.

If we have a program of allotment that would allot to each farmer his share of the domestic market, and exempt the little farmer up to a certain amount of his normal previous production, thereby giving much more of the domestic market to the little farmer, allowing the big farmer still to retain the world's market, then we would be making headway toward helping the family-sized farm, toward helping the little farmer support his family. Then we would be making it possible for the farmer to live on a 160-acre farm, or whatever size unit will support a family in the different communities. We would see some of these deserted farms rehabilitated if we give more and more of the domestic market at a fair American price to the little farmer, thereby giving less and less to the big farmer. Soon some of those farms that are now being operated on a big scale would be for sale to the little family-sized farmers and they could buy them, and we would see those farms rehabilitated. We would see those deserted houses once more made habitable, and then there would be a demand for repairs, and that would make trade, and we would expand our market at home.

Mr. President, we have never scratched the surface of our market at home. Dr. Seiberling of the Department of Agriculture in 1935 made a survey of the United States, and he reported that if all the people in the United States had a balanced ration, in other words had enough to eat, it would require 42,000,000 more acres in cultivation to supply that amount of food. Therefore am I harsh if I suggest that to me it appears almost immoral to deliberately reduce the food supply in the United States when there are hungry people in the United States, when the Department of Agriculture's own survey shows that it would take 42,000,000 more acres in cultivation to supply the needs of the hungry people within our own borders?

I never have subscribed to the theory of overproduction. There has been no overproduction as I see it. It has been and still is underconsumption, and if every hungry mouth were fed today it would dissipate the so-called surplus of our food supply. If every hungry child received a full bottle of milk every day, the dairy industry would boom. If every child who is half clad had a good pair of jeans or a good calico dress, much of the cotton surplus about which we are so concerned today would be absorbed.

Why do we go on and on without a program for the farmers? Our party platform pledged us to a program; and I think that after we have tried a program which results in more embarrassing problems than we had even when we started, we should not persist in following such a program. Enough Members of this body would vote for a domestic-allotment program of some kind to pass it, if we could ever obtain a fair test or a vote on the question. Two years ago some 40 Senators voted for the McAdoo-Eicher bill. Some of them, of course, were voicing a protest against a program of control.

The problem is one of distribution and not curtailment. I congratulate the Secretary of Agriculture upon his efforts along that line and his experiments with the stamp program, whereby certain persons on relief will be given part of their payment in stamps, which will be good in exchange for certain food commodities, and perhaps clothing commodities as well. Certain foods of which there is a superabundance in the United States today will be put on the list which can be exchanged for the stamps. That plan is all right.

The proper way to approach the problem is to raise the purchasing power of the 30,000,000 people in the farm group. They would then have enough money to exchange at the grocery store for food commodities without the necessity of putting the price down through a stamp arrangement. I am in favor of the stamp program, because it is better than nothing, but the other is the proper way. Under the other plan the groceryman would have only one price for his goods, and he would sell to anybody who had the money. If we raise the income of the farm group by guaranteeing the American farmer the American market at an American price, he can buy what he needs without stamps.

Mr. President, I ask permission to have printed in the RECORD following my remarks the chart to which I referred a few moments ago, showing the decrease in cotton production.

The PRESIDING OFFICER (Mr. LODGE in the chair). Without objection, the chart may be printed in the RECORD.

(See exhibit A.)

Mr. LEE. In the United States there are only 403,257 cotton farmers who each produce 2 bales of cotton or less each year. We could exempt that group of farmers and allow them their normal production up to 2 bales, guaranteeing them the domestic price on the full amount of their production up to that amount, and graduating the price above that level, giving the little fellow more of the domestic market. That plan would put the grease where the squeak is and place the money where it is most needed. It would help the fellow who most needs help, and not the fellow who is able to put several tractors on a plantation and who is able to take care of himself.

Mr. President, I ask leave to have printed in the RECORD following my remarks a table showing the number of cotton producers in the United States.

The PRESIDING OFFICER. Without objection, the table may be printed in the RECORD.

(See exhibit B.)

EXHIBIT A

United States cotton production 1930–37, by States

	4-year period, 1930–33	Yearly average	4-year period, 1934–37	Yearly average
Alabama	4,814,421	1,203,605	4,789,559	1,197,389
Arizona	435,787	108,946	755,011	188,758
Arkansas	5,157,425	1,289,356	4,930,938	1,232,734
California	786,748	196,687	1,679,399	419,849
Florida	132,881	33,220	121,589	30,397
Georgia	4,944,068	1,236,012	4,619,951	1,154,987
Louisiana	2,701,601	675,400	2,905,956	726,489
Mississippi	5,564,533	1,391,133	7,005,188	1,751,297
Missouri	991,323	247,830	1,119,843	279,960
New Mexico	356,414	89,103	432,939	108,234
North Carolina	2,881,377	720,344	2,562,621	645,655
Oklahoma	4,464,166	1,116,041	1,945,369	486,342
South Carolina	3,450,936	864,234	3,204,973	866,243
Tennessee	1,896,333	474,084	1,814,825	453,706
Texas	18,295,340	4,573,833	13,455,753	3,363,938
Virginia	149,937	37,484	136,507	34,052
Other States	45,867	11,467	9,407	2,302
Total	57,075,157	14,268,779	51,509,828	12,942,332

NOTE.—United States annual decrease in cotton production was 1,326,447 bales; but Oklahoma and Texas suffered an annual loss of 1,839,596 bales during the same period.

EXHIBIT B

Number of cotton producers[1]

[From the 1934 Bankhead applications, giving average amount per producer unit of adjusted average production per farm, 1928–32, latest figures available]

Production range (478-pound bales)	Number of producer units	Percent of total	Cumulative number of units	Cumulative percent of total	Cumulative percent of the total production[3]
0 to 2[2]	403,257	17.4	403,257	17.4	----------
Over 2 to 5[2]	763,459	32.9	1,166,716	50.3	(?)11.2
Over 5 to 6[2]	200,173	8.6	1,366,889	58.9	----------
Over 6 to 7[2]	160,220	6.9	1,527,109	65.8	----------
Over 7 to 8[2]	125,826	5.4	1,652,935	71.2	----------
Over 8 to 9[2]	102,162	4.4	1,755,097	75.6	----------
Over 9 to 10[2]	87,699	3.8	1,842,796	79.4	----------
All over 10	482,564	20.6	----------	----------	----------
Over 10 to 20[2]	351,261	15.1	2,194,057	94.5	----------
Over 20 to 75[2]	120,237	5.1	2,314,294	99.6	(?)79.8
Over 75 to 200[2]	7,545	.3	2,321,839	99.9	----------
Over 200 to 500[2]	1,637	.0	2,323,475	99.9	----------
Over 500 bales	1,885	.1	2,325,360	100.0	----------
Total, all ranges	2,325,360	100.0	2,325,360	100.0	100.0

[1] From the Southern Division, Agricultural Adjustment Administration, U. S. Department of Agriculture: completed September 1938.
[2] Complete figures available from Southern Division.
[3] "Inclusive"; i. e., includes 2-bale producers, 5-bale producers, etc.

Mr. BANKHEAD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Reynolds
Andrews	Downey	La Follette	Russell
Ashurst	Ellender	Lee	Schwartz
Bankhead	Frazier	Lodge	Schwellenbach
Barbour	George	Logan	Sheppard
Barkley	Gerry	Lucas	Shipstead
Bilbo	Gibson	Lundeen	Slattery
Bone	Gillette	McKellar	Smathers
Borah	Glass	McNary	Smith
Bridges	Green	Maloney	Stewart
Brown	Guffey	Mead	Taft
Bulow	Gurney	Miller	Thomas, Okla.
Burke	Hale	Minton	Thomas, Utah
Byrd	Harrison	Murray	Tobey
Byrnes	Hatch	Neely	Townsend
Capper	Hayden	Norris	Tydings
Caraway	Herring	Nye	Vandenberg
Chavez	Hill	O'Mahoney	Wagner
Clark, Idaho	Holman	Overton	Walsh
Clark, Mo.	Holt	Pepper	Wheeler
Connally	Hughes	Pittman	White
Danaher	Johnson, Calif.	Radcliffe	Wiley
Davis	Johnson, Colo.	Reed	

The PRESIDING OFFICER. Ninety-one Senators have answered to their names. A quorum is present.

Mr. ASHURST. It is my desire—and my desire is no more ardent than that of any other Senator—to reach some fair solution respecting agriculture with particular reference to cotton. It has been my habit of mind—and I make no apology for it—to depend in many technical subjects upon experts in whose sagacity and judgment I have confidence. During my service in the Senate I have been accustomed to respect other Senators for their views and ideas as to cotton. This may be an indolent method of procedure, but, nevertheless, I have depended somewhat upon such Senators as SMITH, of South Carolina; HARRISON, of Mississippi; GEORGE, of Georgia; BANKHEAD, of Alabama; HAYDEN, of Arizona; and other Senators, without now mentioning their names, when I desired accurate information as to cotton. These Senators, however, no longer agree with one another.

> Who shall decide, when doctors disagree,
> And soundest casuists doubt, like you and me?

Therefore, I presume I must resort to the rather reliable plan of making up my mind for myself.

The debate has been interesting. Almost every kind of proposition relating to the cotton problem has been advanced and answered.

My constituents, I believe, feel some resentment that I have not until lately been a close student of cotton culture. I wish to say that, in true humility and in all diligence, for the past 5 or 6 years I have been a student of cotton. Unfortunately, however, I fear that in this particular address to the Senate I shall not be able to make much of a contribution or to illuminate the subject of cotton to any considerable extent. If this were a discussion of timber, mines, cattle, law, literature, belles-lettres, physics, philosophy, the English language, history, or histrionics, I would be vain enough to presume that I could make a contribution. I repeat, however, that, with humility and with great diligence, I am studying the cotton question out of pride and necessity, because my State, Arizona, produces a considerable amount of cotton, not only of the so-called short staple but also of the long staple.

Nearly 20 years ago I vexed Senators and split the ears of groundlings urging a high protective tariff on Egyptian, or long-staple, cotton. I have never recanted; I have never changed my view that a high protective tariff on long-staple cotton would be of benefit to the producers of such cotton. Privacy in the advocacy of a protective tariff has passed from the Republican side, not to the Democratic side, but to me; and if called upon this afternoon to suggest at the moment what would aid our country to recover, I would reply a high protective tariff on the products of the ranch, the mines, farms, fields, forests, and factories, and the free coinage of domestically mined silver, at a ratio of about 15 to 1. That would be my program of recovery; but, as Thomas B. Reed once said, my program has no extraterritorial jurisdiction and seems to be wholly in my own mind.

Mr. President, as I was saying, not only is my information as to cotton limited, although it is increasing and expanding, but my information of military and naval affairs is circumscribed and shallow, whilst on the money question, notwithstanding the able speeches on the money question that have been made here by the learned Senator from Oklahoma [Mr. THOMAS], nothing has ever been able to make a breach in the wall which defends, protects, and guards that vast reservoir of ignorance I possess on the money question. [Laughter.] A few years ago my ignorance as to cotton was abysmal and lamentable, but I am improving and am learning.

Mr. President, my constituents have been kind to me, generous possibly beyond my deserts, and they feel that I have been lacking in diligence in advocating relief grants and bounties for the mining industry. There is some justice in their complaint; but I wish to say here that Representative MURDOCK of Arizona, one of the ablest of the men who have seats in the other branch of Congress, has introduced a bill which has been framed by experts and which bill, H. R. 6131, proposes to lend to the miners of the country, particularly those who own and desire to develop small mines, an adequate sum of money upon presenting certificates showing that the title to the particular mine is perfect and that there is a reasonable hope that the borrower may develop the mine and repay the Government.

If it be asked why I have not introduced the bill in the Senate, I make reply that, of course, under the Federal Constitution, all bills providing for the raising of revenue must originate in the House of Representatives, and under the practice and procedure of the Congress for 150 years all bills in the nature of supply bills and appropriation bills originate in the House of Representatives. If, however, the bill introduced by Representative MURDOCK of Arizona, which proposes to appropriate $150,000,000 for the benefit of small mine owners, shall pass the other House, the Senators from Arizona and from other mining States will be as active in behalf of loans for the owners of small mines as our brethren from the South are active in the effort to secure millions of dollars for the benefit of the cotton producers of the South. In other words, how may we take money out of the Federal Treasury for cotton and say that money shall not be taken out of the Treasury to aid the mineral producers of our country? How may anyone, without growing crimson in countenance, vote to take money from the Public Treasury to subsidize one interest and remain indifferent to another interest? Before the law all legitimate interests are equal. For that reason I am emboldened, should the bill pass the other House, to support the bill proposing a loan of $150,000,000 for the owners of small mines. Agriculture is the primal occupation of mankind. The farmer feeds the multitudes of the earth. When we observe a monumental building we note its lines of elegance, its architraves and sculptures, but we are inclined to forget, Mr. President—it is human nature to do so—that unseen and hidden and never admired by any person, are the foundation stones supporting the structure, and that if they were to be removed or were to disintegrate, the beautiful building would fall. Thus it is with agriculture. It is the primal occupation; all the weight of the superstructure of society rests upon the foundation, which is agriculture. Therefore, I have been willing to vote for bills looking toward encouraging agriculture. I wish I could believe that the pending amendment would encourage agriculture. It would be with a glad heart that then I would vote for it.

So it is with the miner. He is the man who goes down into the earth a thousand feet or climbs lofty pinnacles and brings forth metals to be poured into the veins and channels of trade, such as copper, zinc, iron, manganese, and other metals that sustain a mighty civilization. The miner is likewise the man upon whom the structure of civilization also rests.

Suppose that some morning the people of the United States should awake and, after saluting the dawn, discover that all the electrically traveled copper in the Nation had been, by some alchemy, changed to chocolate. Discontent and despair would reign. No light would beam forth with the push of a button. There would be no potable water, hot or

cold. Electric cars would stand still on the tracks; automobiles would refuse to spark their gasoline through chocolate wires instead of copper. Telephones would not function. There would be no morning newspaper. Electric heaters, refrigerators, radio and telegraph would be useless. Each community would be isolated from the remainder of the world. Indescribable inconvenience and confusion would be everywhere.

Knowing this to be true, my constituents have suggested that I relax somewhat and that Congress relax somewhat the attention we have been giving to foreign nations and devote some attention to problems that are more truly at home and that concern our own subsistence and, indeed, our own existence.

Mr. SMITH. Mr. President, I desire to read some telegrams on the subject now before the Senate.

I telegraphed to the commissioners of agriculture of the cotton-growing States and asked them to express their opinion as to whether or not they would like to have the pending amendment adopted. I am going to read a few of them, and ask that all of them be printed in the RECORD.

I have one from Atlanta, Ga., as follows:

Am certainly in favor appropriation bill, providing the subsidy be paid our farmers.

COLUMBUS ROBERTS,
Commissioner of Agriculture, Georgia.

I have one from Jackson, Miss., reading as follows:

I do not favor export subsidy. If we must subsidize cotton, for God's sake let's pay it to American people.

J. C. HOLTON, *Commissioner.*

A telegram from South Carolina:

Fifty million dollars subsidy should be paid to our own farmers.

J. ROY JONES,
Commissioner of Agriculture.

From Austin, Tex.:

If Government has any subsidies to hand out, they should be given to American people, who pay the taxes, and not to foreigners. Cotton farmers bitterly opposed to Government paying subsidies on cotton exports. I sent 15 night letter telegrams yesterday to cotton States Senators opposing export subsidies. Did not send you one because I knew you were opposed to export subsidies. Any cotton purchased by foreigners under subsidy plan will be used by them to lower market for new cotton.

J. E. MCDONALD,
Commissioner of Agriculture.

From Louisiana:

As charity should begin at home, I certainly would prefer to see any subsidy go to our own farmers.

HARRY D. WILSON, *Commissioner.*

I have quite a lengthy telegram from Charlotte, N. C., which I shall not read, but ask to have it printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

CHARLOTTE, N. C., *May 10, 1939.*

Senator E. D. SMITH:

Wheat subsidy started 5 cents, is now 28 cents; foreigners eating bread out 39-cent wheat, we out 70-cent wheat. Cotton will find itself in same category if Bankhead export subsidy scheme put into effect. Keep on expounding logic like I heard you in Senate yesterday. Release Government holdings and watch market advance; at least history so records, and it has been our observation in the cotton business for many years. Many of our mills are in need of spot cotton now but cannot sell goods on basis of loan values plus charges. Why not forgive carrying charges and pay producers 25 points to sell as much of 1938-loan cotton as market will absorb prior to August 1 at 8.30 basis Middling ⅞?

J. A. BAKER.

Mr. SMITH. In this connection let me say that I was called out of the Senate Chamber by an officer of the Peruvian Government, Mr. Montero Bernaldes. He expressed great concern and opposition to this amendment on the ground that if we began to undercut the foreign cotton market they would be forced to do the same thing, to the ruin of their production in Peru. It is not very great. The state itself is not very great; but cotton bears the same relation to their people that our cotton bears to us. He says it is his opinion that if this amendment is adopted, it is the end of the good will about which we are so vocal in expression and which we now begin to damn in act. A powerful Nation, with tremendous resources, happens temporarily to have a certain surplus of a great world necessity, and because of certain political reasons we are called upon to do this monstrous thing!

Mr. Bernaldes talked to me like a man who felt keenly this stroke at his country's part of the production of the world supply of cotton.

I have heard a good many of my colleagues, for whom I have great respect, say they were in grave doubt as to what to do in this matter. The minute they said that I knew they did not know a thing about cotton. We are asked to turn over to the Secretary of Agriculture the right to do our exporting business, with all the splendid machinery that has been built up through a hundred years in handling this great crop, which up to 1939 had brought into the pockets of the American people—not the farmers alone—$1,500,000,000 average return for the sale of raw cotton, of which $800,000,000 was from our foreign exportation. We had competition then with the world, as we have now; but we did not have certain unfortunate restrictive laws that were passed subsequently to that time. If we would open the doors and give the world free access to our cotton, there is no reason in the world why within a few years we should not recapture every particle of the foreign market that we have enjoyed and can enjoy.

What reason is there for our sacrificing this amount of cotton? Over a period of 5 or 6 years it can be absorbed by the world with profit to the Government and profit to the grower.

I am going to close now. I will quit; but I am astounded at what I have heard in the discussion of this subject. I very much wish a number of Senators from the cotton-growing States had had the same practical experience I have had, and could know the subject as intimately as I, through necessity, know it. As I said yesterday, I have sat and listened to the discussion of this question by men who, I am sure, would not know Good Ordinary seven-eighths from Middling Fair inch-and-a-quarter. They would not know one from the other. They do not know anything about the processes on which the trade is dependent. Today, through our plan, we have an inverted market.

Mr. ASHURST. Mr. President, will the Senator yield to me?

Mr. SMITH. Yes.

Mr. ASHURST. The Senator will remember that 15 years ago there was not a man in the United States who was more ignorant than I was about the subject of which the Senator is speaking. I brought great quantities of cotton here to have the Senator instruct me as to what he meant by "Middling." I was tired of going around the country without knowing what was meant by the nomenclature used in connection with cotton. The Senator took weeks in instructing me on the subject. That alone is a great study, and I am rather proud now that when the Senator talks about Middling and seven-eights I have at least a glimmer of knowledge of what he is talking about.

Mr. SMITH. I dislike to recite this incident, but a certain officer or employee of the Government, who is in a very influential place in reference to cotton, in speaking to some men, said, "What is the standard grade?" I think some of the Members of this body have, as the Senator from Arizona said, something of a glimmering of what it means. This "expert," this man who in a large sense has charge of the cotton industry, asked two men who were thoroughly familiar with the cotton question, "What is your standard grade?" They said, "Middling." He said, "Well, why don't you plant the seed that makes Middling?" I wonder how that appeals to the Members of this body. What would my colleague have answered? I do not see very great appreciation of the joke indicated by the expressions of those around me. He asked why they did not plant the cotton-seed which made Middling. It is interesting to note the expressions of complacence on the faces of the Members of this body. [Laughter.]

I shall take upon myself the task of telling my colleagues that from the same stalk, according to the time it is picked, the various grades of cotton are obtained. If it is picked

when the boll opens early, before the rain falls on it, we get Middling Fair, speaking grades. If we let it remain through a good many dews and rains, we get some Good Middling. If it remains a little longer, we get Middling; a little longer and we get Low Middling; a little longer and we get Ordinary, for the trash and stuff that accumulate will destroy it. Yet this expert wanted to know why we did not plant the seed which made Middling. I see from their expressions that a good many of my colleagues would ask the same question. [Laughter.]

Mr. President, the raising of cotton is an intricate process; yet men sit here and take as a great joke a crop which brought a billion five hundred million dollars for innumerable years before we began to experiment. We experimented, and came to the point where cotton now brings less than $500,000,000, which represents a loss to the growers of cotton in the United States of a billion dollars a year. But it is cotton, and it is a great joke. Josh Billings said that he lived to be 40 years old before he found a place for a boil. Someone asked him where it was. He said, "On the other fellow." [Laughter.] Those who do not grow cotton and do not know anything about cotton wonder why we come here year after year seeking to impress our colleagues with the necessity of America taking care of her greatest source of revenue.

Cottonseed alone represents an income of millions of dollars. From the seed alone are produced butter and lard and cattle feed. If it could be financed and properly taken care of, the cottonseed crop of the South would be worth as much as the lint produces, or more. But, unfortunately, it is in the South. As an illustration of what being in the South means, I hardly need tell Senators that, with our great humanitarianism and our love for our fellows, we have given Pennsylvania as much relief money as the southern cotton-growing States have received all together. I was about to say I have wondered why that was done, but I do not wonder. We all know why it was. Pennsylvania is a doubtful State, and up until this good time the South has not been doubtful. I rather suspect it will be from now on rather doubtful. If things keep on as they are going, we may have some doubt.

Mr. President, I do not believe any Member of this body who understands this question will vote to suspend the rule and adopt the amendment. If that should happen, we would be approaching the end of any possible cotton raising in the United States.

I regret that I shall be compelled to leave the city tonight. I hope we may dispose of the pending question before I have to leave. I want it settled one way or another. Of course, I want it settled in the right way.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER (Mr. LODGE in the chair). Does the Senator from South Carolina yield to the Senator from Kentucky?

Mr. SMITH. I yield.

Mr. BARKLEY. The Senator's expressed wish prompts me to make a suggestion which I had intended to make at the conclusion of his remarks.

Mr. SMITH. I am through.

Mr. BARKLEY. If the motion to suspend the rule should be adopted, the amendment offered by the Senator from Alabama would still be open to debate on its merits. If the motion to suspend the rule should be defeated, that would end the matter.

Mr. SMITH. Yes.

Mr. BARKLEY. Why can we not have a vote on the motion to suspend the rule so as to determine whether it will be necessary to have any further debate on the merits of the amendment?

Mr. SMITH. That would suit me completely.

Mr. BARKLEY. I hope we may have the vote.

Mr. SMITH. Good; so do I. I hope that those who desire to defeat the amendment will be present, and vote not to suspend the rule. I am perfectly willing to have the vote now.

Mr. BILBO. Mr. President, I had purposed to address the Senate for some considerable time on the amendment of the Senator from Alabama, because I think it is so vitally important to the cotton industry and to the people of the Cotton Belt, whom I have the honor, in part, to represent, that I would not be discharging my duty to them if I let a question of this magnitude be decided without offering every opposition of which I was capable. But I appreciate the condition under which the senior Senator from South Carolina is laboring, and I merely rose to announce that I would forego any speech on the question, unless the Senate should vote to suspend the rule.

I wish to say that I feel the Senate owes it to the Cotton Belt and to the entire Nation not to suspend the rule, but have the matter sent to the Committee on Agriculture and Forestry in order that we may have a hearing, and bring before the proper committee the representatives of all those engaged in this great industry, which affects as well the West and the North and the East. I dare say very few Senators have had opportunity to learn what is in the Bankhead amendment, the subject of the motion to suspend the rule. The Senator from Alabama has offered two amendments: He offered one on the 25th of April and the other day before yesterday. I dare say Senators have not had opportunity even to analyze and find out what is in the amendment which will come before the Senate if the rule shall be suspended.

I insist, as a parting word, that the rule be not suspended, and that this matter be sent to the proper committee for a proper hearing and an understanding, in justice to one of the greatest industries of the Nation, one which affects the whole Nation.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama [Mr. BANKHEAD] to suspend paragraph 4 of rule XVI, so that he may offer a certain amendment.

Mr. CONNALLY. Mr. President, I ask the indulgence of the Senate for only a few moments. I very much hope the Senate will adopt the motion to suspend the rule. I am sure that Senators from other sections of the country are more or less confused at the disunion and lack of cooperation among Senators from the cotton States. No one regrets more than does the junior Senator from Texas that we have to bring this question before the Senate so often and with so much pressure, on the one hand, and so great lack of unity, on the other. But, Mr. President, it seems to me the Senate ought to pass on the merits of the proposition involved in the amendment offered by the Senator from Alabama [Mr. BANKHEAD]. I do not urge the proposal as a cure-all. I do not offer it as a long-term program. I always feel embarrassed when I disagree with the distinguished Senator from Georgia [Mr. GEORGE]. He said that this is merely a stopgap. It is in a measure a stopgap, but when the exigencies of a situation call for a stopgap it is a mighty good time to use a stopgap. We have no time now to go into all the angles of the general legislative farm program. It is not proposed to do that.

What is the situation? The situation is that we have about 12,000,000 bales of old cotton now in the Government loan. We have a loss on it, it is said. Yes; we have a loss on it. Some day we will probably have to take that loss and write it off. What are we going to do about the new crop? We will have another 10,000,000 or 12,000,000 bales of the new crop. What are we going to do with it? We cannot sell it abroad under present conditions because the requirements of the law are that it can be sold only for the loan price, if there is a loan, and it will go into the loan, plus the carrying charges, which amount to 9.10, as I recall, and the world price is 8.90. There is 20 points difference, it is true, but that is just enough difference to keep the cotton from being sold.

It is said we ought not to offer any inducement to sell this cotton abroad. Where are we going to sell it if we do not sell it abroad? We cannot sell it at home. It is not being bought at home.

It is also said that we have lost our foreign markets. We have lost about one-half of our foreign markets. How are we going to get back the foreign markets unless we meet

the competition in the foreign markets? If the foreigner can buy the same quality of cotton from a foreign producer at 20 points less than he must pay for American cotton, he will buy the foreign cotton, will he not?

So, Mr. President, in the present emergency and simply to meet the new crop, the program advanced by the Secretary of Agriculture and the President of the United States—call it a stop-gap if you want to or call it an emergency program—is the only expedient I know of.

What do Senators who oppose the proposal propose to do? What is their plan? The distinguished Senator from South Carolina [Mr. SMITH] is opposed to the program. What does he propose in lieu of it? Nothing. The Senator from Mississippi a moment ago inveighed against the pending motion. What does he propose in lieu of the plan? Is it proposed to pile up 12,000,000 more bales of cotton in the warehouses? Will that dispose of any of it? Will putting 12,000,000 bales more cotton in the warehouses move the cotton to market?

Mr. President, the Senator from South Carolina [Mr. SMITH] seems to be amused at my remarks. The Senator might be interested to know how amused we are at his opposition to this program and the fact that he has nothing else to propose. Old King Midas loved gold so much that everything he touched turned to gold. When he tried to drink, his draught turned to gold. When he touched his clothing they turned to gold. We can touch and turn all the instrumentalities of the world into cotton and pile it up in the warehouses and we shall be no better off than before. What is the utility of cotton if we cannot sell it? What good is it going to do the world if people cannot buy it and use it? Section 32 has already been approved by the Congress. It is the statute law of the country now that the Secretary of Agriculture shall use 30 percent of all the tariff revenue—for the purpose of doing what? For the purpose of stimulating the exportation of export products. How are we going to stimulate that? By doing nothing? That seems to be the philosophy of Senators who are opposing the present proposal.

Mr. SMITH. Oh, no, Mr. President. If the Senator will allow me to interrupt him, I wish to say that a bill is before Congress which is endorsed by all interests and which, if enacted, would result in our getting rid of the surplus cotton in a legitimate and comfortable manner. The Senator is thoroughly aware that that bill is on the calendar now.

Mr. CONNALLY. Where is the bill?

Mr. SMITH. It is on the calendar.

Mr. CONNALLY. It is going to stay on the calendar; and, of course, it would not help to move cotton so long as it is on the calendar.

Mr. SMITH. It will remain on the calendar under the auspices of such Senators as the Senator from Texas.

Mr. CONNALLY. I supported the Senator's bill. But the Senator's bill is not getting anywhere, and the Senator knows it is not getting anywhere. As between a bill which is going to stay on the calendar and one which we can pass, as a practical legislator, I will take the one that is going to pass.

Mr. SMITH. Will the Senator yield further?

Mr. CONNALLY. I yield.

Mr. SMITH. If the Senator knows anything about cotton—and he does not seem to know very much——

Mr. CONNALLY. Oh, no; no one knows anything about cotton except the Senator from South Carolina!

Mr. SMITH. The Senator from South Carolina knows very little about cotton. It is proposed to sell the cotton to the foreigner at a price lower than the price at which it is sold to the American people today. All we are asking is that this cotton be sold in competition with the world, not under a subsidy, but throw the doors open.

Mr. CONNALLY. What does the Senator propose? To throw the doors open? Does he mean to take all the cotton that is now in the loan and sell it at what it will bring?

Mr. SMITH. No.

Mr. CONNALLY. What is the plan?

Mr. SMITH. I will explain the plan. I know the Senator from Texas hopes by means of considerable verbosity to overcome this proposal.

Mr. CONNALLY. I will not be able to compete successfully with the Senator from South Carolina in verbosity.

Mr. SMITH. No; I do not think the Senator will.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Arizona?

Mr. SMITH. Will the Senator wait a moment? My bill proposes to take out of the loan each month so much of the loan cotton and put it on the markets of the world.

Mr. CONNALLY. How much?

Mr. SMITH. I think 100,000 bales a month. That is the amount provided for in my bill.

Mr. CONNALLY. A hundred thousand bales a month. That would be a million bales in a year.

Mr. SMITH. One million two hundred thousand.

Mr. CONNALLY. And we have 12,000,000 bales, so we would be 12 years in getting rid of the surplus.

Mr. SMITH. Oh, no. The limit is two and a half million bales each year, but my proposition was 100,000 bales a month, and even if it takes us 12 years, it seems that that is an asset which we can afford to put on the market at a profit to the Government and to the people. This proposes to undersell the whole world. What will the world do? They will undersell you.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. ASHURST. I believe that the able Senator from South Carolina unwittingly did injustice to the Senator from Texas. The Senator from Texas needs no word from me. He can take care of himself. But I want it known that what gives me concern is when able students like the Senator from Texas [Mr. CONNALLY] and the Senator from Alabama [Mr. BANKHEAD] argue with such sincerity and ability I really wonder whom we should believe.

Mr. BANKHEAD. Will the Senator permit me to answer?

Mr. ASHURST. I shall be glad to if the Senator will.

Mr. BANKHEAD. Is the Senator willing to follow a very large majority of the southern Senators?

Mr. ASHURST. I should be inclined to do so.

Mr. BANKHEAD. Then if the Senator will wait until they get through voting he will know how they stand.

Mr. ASHURST. I think the question of cotton, as presented by the State of Arizona, is very different from the question presented by the remainder of the Southern States. Arizona, New Mexico, western Texas, and California grow cotton under irrigation. But before I conclude and sit down I wish to say—and I know my friend the Senator from South Carolina [Mr. SMITH] will be glad that I said it—that I happen to know with what assiduity and with what diligence the junior Senator from Texas for years has studied this question, and I hope the Senator from South Carolina will withdraw the statement he made that the Senator farmer knew nothing about it.

I only wish that some genii out of the fisherman's urn, or in some other way, could give me the knowledge of cotton which is possessed by my friend the junior Senator from Texas [Mr. CONNALLY].

Mr. CONNALLY. I thank the Senator.

Mr. ASHURST. I have no hope that I could ever acquire the reservoir of knowledge possessed by my friend the Senator from South Carolina [Mr. SMITH] or my friend the Senator from Texas [Mr. CONNALLY].

Mr. CONNALLY. I am grateful to the Senator from Arizona.

Mr. ASHURST. This is not an uncommon situation. My attitude is the usual attitude of a man whose mind is uncertain as to what he should do, and searching for the truth, and finding one great light, that held up by the Senator from South Carolina pointing one way, and another great light held up by the Senator from Alabama [Mr. BANKHEAD] pointing the other way. And I will say that I may have to depend upon my own judgment ultimately.

Mr. SMITH. Once there was a minister who said that there were two roads; one led away up to degradation and the other way down to damnation. A member of his congregation said, "If that be so, this nigger takes to the

woods." So I guess the Senator from Arizona will take to the woods.

All I wanted to impress upon the Senator was that I do not think we are warranted in attempting to sell our cotton abroad under any other method than that of free and open markets.

Mr. ASHURST. Mr. President, will the Senator yield further?

Mr. CONNALLY. I yield.

Mr. ASHURST. My speeches are broad but never long.

Mr. BARKLEY. And also deep.

Mr. ASHURST. The able Senator from Alabama invited attention to the view that the southern Senators, or the Senators from the Cotton Belt, would have with respect to the proposed program. Is that true?

Mr. BANKHEAD. Yes, Mr. President.

Mr. ASHURST. Very well. With that I am usually content. But I ought to say, and it ought to go into the RECORD, that in the culture of cotton—I refer to the culture of cotton in some parts of Texas, in New Mexico, in Arizona, and in California—the problems are not the same as the problems that confront the so-called Cotton Belt of the South.

Mr. CONNALLY. I thank the Senator.

Mr. ASHURST. I think one of the reasons why the Southwest—I am speaking of the States I have mentioned—has suffered so much in many of the cotton bills is because many Senators, learned and able and understanding cotton, have failed to notice that there is a vast difference between the culture of cotton in the old South, whose history and tradition I revere, and the culture of cotton in the Southwest.

Mr. CONNALLY. I thank the Senator.

Mr. ASHURST. I will ask Senators from the Southwest if I am not correct in that statement.

Mr. CHAVEZ. Mr. President, may I answer that question?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from New Mexico?

Mr. CONNALLY. I yield.

Mr. CHAVEZ. Not only is that statement correct; but I will add that so far as concerns the cotton which comes from California, Arizona, New Mexico, and the upper Rio Grande section in Texas it is practically all raised for export.

Mr. CONNALLY. I thank the Senator.

Mr. President, I cannot forego this opportunity to thank the generous Senator from Arizona [Mr. ASHURST] for his assurances with respect to my knowledge of cotton.

Mr. ASHURST. I did not speak facetiously. I spoke earnestly.

Mr. CONNALLY. I appreciate that.

The Senator from South Carolina [Mr. SMITH] charges the Senator from Texas with ignorance about cotton. The Senator from Texas makes no pretentions about his knowledge of cotton. All the Senator from Texas knows is that he was raised on a cotton farm, and that when he was a small boy he had to get up early in the morning—much earlier than the Senator from South Carolina ever gets up [laughter]—and go into the cotton fields. Then, before we had planters, he had to drop the seed out of a bucket into a plowed row, and then help to cover it with a plow. A little later in the spring he had to go out and chop the cotton with a hoe. Then a little later, in the burning July and August sun, when the dirt was hot and his knees were sore, he had to go out with a sack dragging behind him from a strap around his shoulder, and pick the cotton out of the bolls, which made hangnails on his fingers.

Then he had to take the cotton to the gin, pull it up under an old-fashioned gin, and dig out the cotton so that the sucker could draw it into the gin. Then he had to go to town with his father to market a little bale of cotton on a wagon.

I do not know anything about cotton from the standpoint of the Senator from South Carolina [Mr. SMITH]. I never dealt with it as the owner of countless thousands of acres tilled by minions and understudies, looking at it with the vision of a great proprietor and planter. What the Senator from Texas knows about cotton is only what the humble farmer who raises it knows, and that is that when he toils at it and spends his lifetime at it he wants to sell it to those who want to use it and get something out of it, and not pile it up in planters' warehouses and accumulate a great stock of it that can be neither eaten, worn, nor used, and then say, "Oh, we do not want to sell it to foreigners."

Where have we been selling cotton all our lives except to foreigners when we could sell it to them? What is now the complaint of Senators? They say, "We have lost the foreign market," and they want to keep on losing it. They do not want to regain it. They want to kiss it good-bye. They say they will not sell cotton abroad at a price a little less than that to some of our domestic producers. Does not the foreigner have to pay freight on the cotton across 3,000 miles of ocean? After it arrives abroad, if the foreigner should ship a little dribble of it back to the United States, would he not have to pay more freight when he brings it back? And when it gets to the customhouse, does he not have to pay a tremendous tariff on the finished products?

Senators are not fair. Does not the amendment provide that the Secretary of Agriculture shall pay a bounty on exported manufactured cotton goods? That provision is for the purpose of protecting our domestic manufacturers and helping them export in competition with the rest of the world. And yet Senators hold up their hands. What alternative do they propose? Shall we repeal the loan? If we had no loan we would not have the proposed amendment before us. If we had no loan, cotton would perhaps be selling abroad at a lower price. What is keeping cotton from selling abroad? It is the loan and the fact that we have a surplus piled up. If we are to sell any of it abroad we shall have to sell it at the price the foreigner will pay for it. If he will not pay more than 4 cents, we must either sell it at that price or not sell it at all.

What is the sensible thing to do? Sit in our seats and whine and growl about it? Shall we merely sit here and complain about what we have done to the farmer and refuse to try to pull him out of the boghole? Granted that we have got him into the mire, granted that we have got him into a mess, whose business is it to pull him out? It is our job, is it not? He cannot do it himself.

I am willing to try the proposed plan. Oh, yes; I have received many telegrams against it. Senators know where such telegrams come from. We receive a dozen telegrams the same morning from a dozen places and they all read alike. We know what that means. I have received many telegrams against the proposal.

The Senator from South Carolina [Mr. SMITH] may know more than I about the tensile strength of cotton, and the spinning of it; he may know more than I about the mercantile end of the cotton industry. He knows better than does the Senator from Texas approximately how much cotton he can obtain out of an acre with a Negro and a mule; but he does not know any more than does the Senator from Texas about how many pounds he can pick out of the bolls with his own hands. He does not know any more than does the Senator from Texas about how much sweat he can shed in a day picking cotton out in the field.

Mr. SMITH. I have picked as much cotton as has the Senator from Texas, or more than he has ever picked.

Mr. CONNALLY. Oh, yes; but the trouble is that the Senator has not been picking cotton. He has picked many things, but he has not picked as much cotton as has the Senator from Texas.

Mr. SMITH. I have picked more cotton out of the bolls than has the Senator from Texas.

Mr. CONNALLY. The Senator from South Carolina has been in the Senate ever since he was legally qualified to sit in this body, and he has not had any time to pick cotton. I was picking cotton while the Senator was in the Senate and was being elected again and again on his knowledge of cotton.

I would not say these things if the Senator had not assaulted the most treasured tradition of the Senator from Texas, that he was brought up raising cotton.

Mr. President, let us approach the question in a sensible, common-sense way. What are we to do? If we do not do what is proposed, we shall do nothing. We have a surplus of 12,000,000 bales. Can we sell it at home? No; we cannot sell it at home. Nobody wants it. Can we sell it abroad? No; the price is too high. The law prohibits us from selling it abroad because we cannot sell it under 9.10 cents a pound, and the price abroad is 8.90 cents a pound. It might as well be eight anything else, because, until the price reaches 9.10, it cannot move. We are not going to sell it.

We have 12,000,000 bales more coming on. What shall we do with it? Can we eat it? No. Can we devote it to relief? No. Can we sell it abroad? No; we must not do that. Foreign buyers want it, do they not? Yes; they want it. We want to get rid of it, do we not? Yes. Why not sell it to them? No; we cannot do that. What are we to do with it? Put it in the warehouse. Put it in the warehouse for what? For our great great grandchildren to use? We have only 12,000,000 bales now in the warehouse. Put 12,000,000 more in the warehouse. Then we shall have 24,000,000 bales. Are we becoming any richer by that process? Every time we add another bale to the amount in the warehouse we drive down the price to the farmer for 1941, 1942, 1943, 1944, and every following year until the surplus is wiped out. The only way to wipe out the surplus is to wipe it out; and we shall not wipe it out simply by sitting here and grouching and complaining about what has been done in the past.

Let us move some of this cotton. The only way I see at the present time to move it is to move it now by the proposed program.

The Senator from Georgia [Mr. GEORGE] said that the proposed amendment was merely a stop-gap. If we are at sea and have a great accident to our ship, we must put out the lifeboats immediately. We cannot sit down and figure out a long-term plan of navigation and maritime policy. We cannot call the Committee on Merchant Marine into session and outline a long-term maritime policy while our ship is sinking. We must say, "Man the lifeboats and let us get to shore, and then after we get to shore we will talk about a long-term program of agricultural or shipping policy."

Senators, so far as cotton is concerned we are at sea. We are in a pretty bad mess, and the amendment is the best hope I can see for temporary relief. Then when the next session of Congress convenes we shall be glad to call in the Senator from South Carolina [Mr. SMITH] and hear him again and again and again and again and again, and perhaps get somewhere.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Georgia.

Mr. RUSSELL. The Senator from Texas said he was looking for a means by which the surplus of cotton might be moved. I should like to point out to the Senator from Texas that the head of the American Textile Institute came before the committee and suggested a means whereby it might be moved. He suggested that the price of cotton, which is now around 8½ cents, is entirely too high, and that if we could only reduce the price of cotton by 2 cents a pound or more, to make it much cheaper, the cotton might move. Despite the fact that parity for cotton is around 16 cents a pound and cotton is bringing only slightly more than 8½ cents, his suggestion was to make the market freer and more competitive, and put cotton down 2 cents a pound or more, in order that the cotton farmer might be benefited.

Mr. CONNALLY. I thank the Senator; but the Senator from South Carolina [Mr. SMITH] would not favor that course. He would not favor cutting the price 2 cents a pound and making the market competitive.

Let me read what one cotton leader says. Evidently there is something wrong with him:

COTTON LEADER URGES FIXED EXPORT SUBSIDY

NEW ORLEANS, LA., May 6.—Adoption of a fixed cotton export subsidy to recapture the South's lost foreign markets, as opposed to a flexible subsidy, was urged in a telegram to President Roosevelt sent Saturday by Ben J. Williams, former president of the Southern Cotton Shippers' Association and of the New Orleans Association of Commerce.

This man knows that, if an inducement is given to export, export will take place.

"The United States tariff is a major obstacle to the sale of southern cotton," Williams said in his telegram. "We must offer an increased quantity of cotton in exchange for the goods of foreign nations. A subsidy on cotton exports is an obvious means for preserving foreign markets for the South's basic income crop.

"The amount of the subsidy must be fixed by Congress and not be subject to discretionary powers."

I will not read the remainder of the article, but will say that this man recognizes that in order to get back a portion of the foreign market we have got to offer them American cotton at prices that will attract them. If there is any other way of selling it abroad, I shall be thankful to have a method proposed by Senators who oppose the amendment.

Mr. SMITH. Mr. President, I had not intended to have anything more to say, but it is necessary to call the attention of Senators to the fact that the opposition I represent is to offering American cotton below the competitive price that the markets of the world afford. This amendment provides that the Secretary of Agriculture, in order to get American cotton on the market, shall have the right to offer it on the world market cheaper than the world price.

I wish every Senator who has heard what the Senator from Texas [Mr. CONNALLY] has said would bear in mind the difference between this amendment and what he has been talking about. The Senator from Texas says the way to get rid of the cotton is to sell it. That is exactly what all of us have agreed to; not to sell it in such quantities as to destroy the market, but feed it to the market as the market will take it at the competitive price, and not, under authority of law, attempt to undersell the world, no matter what the price may be. That is not necessary.

All this stuff, all this vaudeville performance, is beside the mark. This is a serious proposition; it is whether we will enter into a trade war by offering our cotton below the world price or whether we will use common sense in offering it at the world price.

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

Mr. SMITH. Certainly.

Mr. CONNALLY. The Senator says we must not engage in a trade war. Let us suppose we have a European market, a free market—do away with all loans and everything of the kind—we are selling cotton, and here is the foreign producer selling cotton—is not that a trade war as to which one will sell it for less?

Mr. SMITH. No.

Mr. CONNALLY. What is it if it is not competition of the sharpest kind? The buyer is going to buy the cotton he likes best at the least price.

Mr. SMITH. That is exactly it.

Mr. CONNALLY. Is not that a competitive, economic war?

Mr. SMITH. That is not saying to our Secretary of Agriculture, "You are to go out and offer American cotton below the market." We do not need to do that. Everyone who has any knowledge of cotton knows that the American cotton will sell at a premium in any of the world markets. It is superior in quality. All I am contending for is that we feed the surplus—substitute it for production in 1940, and also sell it for what it will bring in competition with the world market. Do not start out by saying we are going to furnish money to undersell the world. By doing so we immediately enter into a trade war.

We now have a law against dumping. We say that no other nation shall sell us any goods cheaper than they sell the same goods to their own nationals. It is now proposed that we turn around and say we will sell our cotton in America at one price and will furnish the money to undersell the world abroad. That is what we would be doing if we should adopt the amendment.

I have not said and nobody else has said that we ought to pile up surpluses and keep the cotton in the warehouses for an indefinite time. No; such a suggestion may do very well amongst the ignorant, but I do not think it can get anywhere in an intelligent body such as the United States Senate.

We have a great surplus of cotton, due, in part, to an unprecedentedly large crop; we have laws that prohibit us from a free sale; but, Mr. Hull has managed to negotiate some reciprocal- trade agreements, and the future looks brighter. I state here and now that if we will assure the cotton trade of the world that we have a fixed policy, and that we are going to stick to that policy in selling our cotton at what it will bring to the extent the trade will take it, within 30 days cotton will be a cent or a cent and a half higher a pound than it now is, but if we start out by instructing the Secretary of Agriculture to undersell the world in order to recapture our foreign market we are taking a wrong step. It is not necessary to do that. We can recapture it if we will let the world understand that we are going to put an average amount of American cotton on the market for what it will bring. If we start out, however, by saying that we propose to undersell the world, the world will meet our action, as the gentleman from Peru has said, and whenever we start such a policy, where will it end? The foreign trade will meet us, whereas now there is, as my friend from Alabama knows, a fixed relation between American cotton in the market and the foreign-produced cotton. The world market will take American hard cotton even at a premium in preference to the soft cotton produced elsewhere.

I am no more in favor of piling up cotton than is any other Senator. An emergency existed when the loan-and-storage process was inaugurated. We made a crop of 19,000,000 bales in 1 year. If we had turned it loose on the market the price would have gone very low, but now that we have the situation in hand, let us feed the cotton to the world on a free competitive scale. Let American cotton, with its fine qualities, meet the cotton of the world in the open market.

The impression has been sought to be made here that we have got to get rid of it. Of course, we have, but not tomorrow, and not by trying to undersell the world. We can sell every bale of it to the profit of the grower and the profit of the Government if we will just use common sense in disposing of it.

I cannot help but refer to the statement of the Senator from Texas that he was picking cotton when I came to the Senate. I do not think his age would justify that statement. Anyway, I have qualified as a cotton picker, but I have not qualified yet as being one who could use inconsequential things to drive a point home. The argument that I use here is, I hope, along sound economic lines, and not an attempt to use a certain form of attempted ridicule; that is a weapon that can be used by more than one, but I refuse to attempt to use it.

Mr. President, I state here now that if the pending amendment should be adopted, and we should give the Secretary of Agriculture the right to do the exporting at whatever price he should see fit, it would be the end of the cotton industry in America.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama [Mr. BANKHEAD] to suspend paragraph 4 of rule XVI so that he may offer a certain amendment.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Brown	Connally	Gillette
Andrews	Bulow	Danaher	Glass
Ashurst	Burke	Davis	Green
Bankhead	Byrd	Donahey	Guffey
Barbour	Byrnes	Downey	Gurney
Barkley	Capper	Ellender	Hale
Bilbo	Caraway	Frazier	Harrison
Bone	Chavez	George	Hatch
Borah	Clark, Idaho	Gerry	Hayden
Bridges	Clark, Mo.	Gibson	Herring
Hill	McKellar	Pittman	Taft
Holman	McNary	Radcliffe	Thomas, Okla.
Holt	Maloney	Reed	Thomas, Utah
Hughes	Mead	Reynolds	Tobey
Johnson, Calif.	Miller	Russell	Townsend
Johnson, Colo.	Minton	Schwartz	Tydings
King	Murray	Schwellenbach	Vandenberg
La Follette	Neely	Sheppard	Wagner
Lee	Norris	Shipstead	Walsh
Lodge	Nye	Slattery	Wheeler
Logan	O'Mahoney	Smathers	White
Lucas	Overton	Smith	Wiley
Lundeen	Pepper	Stewart	

The PRESIDING OFFICER. Ninety-one Senators have answered to their names. A quorum is present.

Mr. RUSSELL. Mr. President, I desire to make a very brief statement with regard to the action of the Committee on Appropriations on this proposal.

Under the rules of the Senate, the committee could not incorporate this measure in the appropriation bill, because it is a legislative proposal. To have done so would have made the entire bill subject to a point of order, which would have resulted in the bill being recommitted to the Committee on Appropriations. For that reason, at first blush, I did not think the committee should conduct any hearings on the merits of the matter. However, at the instance of the representatives of the cotton-spinning industry and of the American Cotton Exporters' Association, the committee, after it had closed the hearings, reopened them to give those gentlemen an opportunity to present their views. They were represented by the presidents of the organizations.

The committee discussed this matter in marking up the bill. As is the custom in the Committee on Appropriations, the Senator from Alabama [Mr. BANKHEAD] presented the matter to the committee in order that the committee might, if it saw fit, waive the point of order that the committee itself is supposed to make against legislative proposals.

After consideration, the Committee on Appropriations voted almost unanimously—I may say overwhelmingly—to waive the point of order against this amendment in order that it might be considered on its merits on the floor. Of course, now the rule has been invoked which requires a two-thirds vote in order to consider this matter. Some members of the committee who are opposed to the proposition on its merits voted to favor suspension of the rule in order that the amendment might be considered on its merits on the floor.

As a general proposition, the rule is doubtless wise that legislative matters should not be considered on appropriation bills; but this amendment is so intimately related to the amendment which provided the appropriation of $113,000,000 for section 32 that the committee decided that in fairness to the Senator from Alabama and his proposal the Senate should vote this amendment up or down on its merits rather than defeat it on the technicality which requires a two-thirds vote to suspend the rule. The position of the committee was that the Senate should suspend the rule on this amendment in order that it might be considered on its merits, just as it would be considered if it arose on any other bill.

In the economy of time I may point out that if the rule is not suspended now, doubtless this proposal will be suggested as an amendment on some other legislative bill, and the Senate will be required to rehash the entire matter and consume a great deal of time in debate in again going over the same proposition.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from South Carolina.

Mr. BYRNES. I desire to ask the Senator from Georgia one or two questions.

Will the adoption of the Bankhead amendment increase in any way the appropriation carried in this bill?

Mr. RUSSELL. No, Mr. President.

Mr. GEORGE. Mr. President, I shall have to call attention to the fact that the Bankhead amendment makes available every dollar which has been appropriated to the Commodity Credit Corporation, and authorizes the Secretary of Agriculture to pay subsidies in kind on every bale of cotton he may sell.

Mr. RUSSELL. I think my colleague is correct in that statement though it is not contemplated that power will be widely used. However, the Senator from South Carolina asked whether the proposal would increase any appropriation carried in the pending bill.

Mr. BYRNES. That is exactly my question.

Mr. RUSSELL. The proposition submitted by the Senator from Alabama does not involve an increase of one dime in the amount appropriated by the bill. A number of Senators apparently have been laboring under the misapprehension that the Bankhead proposal is in itself an appropriation item, and increases the sum total of appropriations provided in the bill. That is incorrect. It does not involve an increase of a cent in the total amount of the appropriations provided in the bill.

Mr. BYRNES. Mr. President, will the Senator yield for another question?

In case no appropriation should be made to carry out the provisions of section 32, has the Administration at this time power to spend money for a subsidy for exporting cotton, and has it funds available for that purpose under section 32?

Mr. RUSSELL. Mr. President, without any increase in appropriations, 25 percent of the $90,000,000 which is a permanent appropriation or allocation to the Department of Agriculture would be available for that purpose.

Mr. BYRNES. So 25 percent of $90,000,000 would be available?

Mr. RUSSELL. It would. Section 32 provides that not more than one-fourth of the total sum available under it shall be used with respect to any one commodity.

Mr. BYRNES. One more question: Is it, or not, true that the President and the Secretary of Agriculture have publicly announced that they would spend funds for that purpose?

Mr. RUSSELL. I do not know that such a statement has been made. It certainly was my impression that the Secretary and the President both had favored this program, and doubtless would use some of the funds that are already available under section 32.

Mr. BYRNES. Assuming that that is true, is it accurate, then, to say that the Bankhead proposal is a restriction upon the power of the Secretary of Agriculture to spend funds under section 32?

Mr. RUSSELL. It was so represented when the matter was presented to the committee, and I so understand the amendment offered by the Senator from Alabama. It is a limitation on the powers delegated by section 32.

While I am on my feet, I desire to make a very brief statement of my views on this question.

Mr. BARKLEY. Mr. President, before the Senator does that, following the question asked by the Senator from South Carolina, I desire to ask another question, so that the matter may be cleared up in my own mind.

There is now available $90,000,000 to be expended under section 32, only 25 percent of which may be expended for any one crop.

Mr. RUSSELL. The Senator from Kentucky is in error. The bill as it now stands has a total of $203,000,000 available for expenditure under section 32.

Mr. BARKLEY. I am speaking about the funds available under the tariff.

Mr. RUSSELL. The Senator is correct as to the permanent appropriation.

Mr. BARKLEY. Yes; the permanent appropriation of $90,000,000. So that they may spend 25 percent of the ninety million, if ninety million is the correct amount, for this purpose; but once the Bankhead amendment shall be agreed to, and, following that, the Committee on Appropriations shall bring in an additional appropriation and the Senate adopt it, will the Secretary of Agriculture be authorized to spend anything additional over and above the 25 percent of the ninety million?

Mr. RUSSELL. It is my understanding that, as the bill now stands, the Secretary of Agriculture could spend 25 percent of $203,000,000, with respect to any one commodity, within the limitations set forth and defined by section 32, and that authority will extend to any appropriation made in addition to the permanent allocation.

Mr. BARKLEY. That amount is not made available under the terms of section 32, but it is an additional appropriation provided for since then?

Mr. RUSSELL. That is correct.

Mr. BARKLEY. And carried in the pending bill?

Mr. RUSSELL. That is correct.

Mr. BILBO. Mr. President, may I ask the Senator a question?

Mr. RUSSELL. I yield.

Mr. BILBO. Under the provisions of the Bankhead amendment—and I am speaking now of the last amendment the Senator from Alabama offered—would the Secretary be authorized to take any part of any fund for export purposes, other than the $203,000,000?

Mr. RUSSELL. If I correctly understand the amendment, as was just stated by my distinguished colleague, the Secretary of Agriculture would be permitted to use payments of cotton in kind, out of cotton which is now in the hands of the Commodity Credit Corporation under the Government loan program.

Mr. BILBO. Is it not a fact that he would be permitted to use a part of the $500,000,000 provided for soil-conservation payments?

Mr. RUSSELL. As I understand the amendment, not any of the soil-conservation funds would be available for this purpose. Whether they were available or not, the Secretary of Agriculture, of course, would not use the soil-conservation funds for any such purpose, because all of those funds have already been obligated under the farm program with respect to the five basic commodities for this year.

Mr. BILBO. One other question. In the event the Secretary does not use the $203,000,000 provided for under section 32 for export purposes, can he use the $203,000,000 for any other purpose?

Mr. RUSSELL. I did not entirely understand the Senator's question.

Mr. BILBO. The Secretary has the power, as I understand, to use the $203,000,000 under section 32, the $90,000,000 already provided for and the $113,000,000 provided for in the bill, and if he does not use that for export purposes, can he use that fund for any other purpose?

Mr. RUSSELL. Most assuredly. He may use it for the purchase and distribution of any surplus commodity, if he confines the activity to the authority found in section 32, and does not exceed 25 percent of the total in dealing with any one commodity.

Mr. BILBO. He cannot use it for any other purpose except through the Surplus Commodity Corporation?

Mr. RUSSELL. He may use it for the export of wheat; he may use it for the export of lard. It is contemplated that some of these funds will be used for the export of lard and for the export of wheat, just as wheat has been exported during the current fiscal year.

Mr. BILBO. The most needy elements of our agricultural life are the vegetable growers throughout the United States. I am wondering whether the Secretary would be permitted to use a part of the $203,000,000 for the relief of the vegetable growers of the United States in the way of parity payments, or payments on an acreage basis.

Mr. RUSSELL. I might state to the Senator from Mississippi that a large part of the money will be used in purchasing surplus vegetables and fruits. The figures are set forth in the hearings, and I do not recall them now, but a large sum of money was used during the current fiscal year in the purchase of potatoes, and grapefruit, and practically all of the long list of vegetables and fruits which are produced within the United States.

Mr. BILBO. I am glad to hear that. What I want to know, however, is whether the Secretary could use any part of that fund for payments in the nature of benefit payments to the vegetable growers of the United States.

Mr. RUSSELL. No part of the section 32 funds, as I understand, can be paid as benefit payments for conservation practices.

For the benefit of the Senate, I shall refresh the memories of Senators as to the provisions of section 32, which specifically enumerated the powers of the Secretary of Agriculture under this provision. The section reads:

Such sums shall be maintained in a separate fund and shall be used by the Secretary of Agriculture only to (1) encourage the exportation of agricultural commodities and products thereof by the payment of benefits in connection with the exportation thereof or of indemnities for losses incurred in connection with such exportation or by payments to producers in connection with the production of that part of any agricultural commodity required for domestic consumption; (2) encourage the domestic consumption of such commodities or products by diverting them, by the payment of benefits or indemnities or by other means, from the normal channels of trade and commerce; and (3) finance adjustments in the quantity planted or produced for market of agricultural commodities. The amounts appropriated under this section shall be expended for such of the above-specified purposes, and at such times, in such manner, and in such amounts as the Secretary of Agriculture finds will tend to increase the exportation of agricultural commodities and products thereof, and increase the domestic consumption of agricultural commodities and products thereof: *Provided*, That no part of the funds appropriated by this section shall be expended pursuant to clause (3) hereof unless the Secretary of Agriculture determines that the expenditure of such part pursuant to clauses (1) and (2) is not necessary to effectuate the purposes of this section.

The Senator from Mississippi will observe that the powers of the Secretary under that provision are very broad.

Mr. BILBO. The point I wish to make is that he will have power to use part of that fund to make benefit payments to vegetable growers if he sees fit to do so.

Mr. RUSSELL. On reflection, after reading the section, I am of the opinion that he would have authority to do that.

Mr. BILBO. Very well.

Mr. RUSSELL. When this cotton export proposal was first presented I did not get very particularly excited about it. It was my opinion, and I still hold to those views, in part, that no harm as great as predicted by the opponents of the program could possibly result if it is adopted. I had very slight hope that the benefits to be gained from such a program would be as comprehensive and as far-reaching as the proponents of the export proposal claimed and hoped. I did feel that the proposition might be very beneficial in some respects.

We all know that cotton is our great export crop. Undoubtedly our restriction of production program and our loan program have encouraged the production of cotton in foreign countries. Bear in mind that in 1937, the year in which we made the enormous crop of over 19,000,000 bales, the crop which contributed to the surplus which bedevils us and plagues us today, the year of our largest American crop, in that year, for the first time, foreign production exceeded American production, and the foreign countries made more cotton than the United States made. If we had had a crop failure in 1937, instead of making a bumper crop, and had pursued the policy we have pursued, there would still be a large world surplus of cotton.

Mr. President, it has been freely stated, and I have never heard it denied, that American capital, displeased with some phases of our farm program, was financing the foreign production of cotton, particularly in some of the South American countries. I believe that an export subsidy program seeking to recapture the foreign markets, which have meant so much to the entire financial progress and economy of the United States, would discourage this investment in foreign production, and would enable us to regain some of our foreign trade, which has shrunk from an average of seven and a half million bales to three and a half million bales. Believing that we might recapture this foreign market, I was favorable to the export subsidy plan. We must remove this huge surplus, which is depressing prices, before cotton can go up.

There has been very bitter opposition to this plan from the time it was first announced. Many of those who are as sincerely interested in the cotton industry as anyone on earth can possibly be see in it disaster and ruin for the cotton industry in the United States in all of its ramifications.

The textile industry has been particularly opposed to the program. The textile industry in my own State is the largest single industry there. It is the most important industry to my State, not only to the economy of the State and employment in the State, but it figures large in all of the various activities of the life of my people. Naturally I do not want to see anything done which would injure the cotton textile industry in the United States. I would be the last to do anything to hurt the cotton spinner. But, Mr. President, I cannot share the fears and apprehensions of this industry as to the effect of this export program trying to recapture foreign markets. In my opinion, the fears expressed by the cotton mills and other parts of the industry, other than the farmer, about this plan are unfounded. The fears I entertain are that cotton will be much lower this fall if some such export program is not tried.

I have considered this matter, Mr. President. The bill provides a subsidy to the cotton mills on the export of cotton goods which have been manufactured and processed equal to the amount of the subsidy on the raw cotton. Further than that, it provides a limitation of imports of cotton cloth. It has not been many months since the cotton textile industry was here clamoring to Congress for protection against the importation of foreign processed material and of textiles from Japan and from other lands. I favored that protection. True it is that the cotton textile industry has almost lost its foreign markets. I believe that its foreign market is less than 1 percent of the total amount of cotton that is spun in the United States. I believe less than that amount finds its way into foreign markets. This bill does not affect that. If something is not done the cotton farmer will find himself in the same position. The cotton exports of raw cotton are shrinking at a tremendous rate. If they had remained at the normal figure of 7,500,000 bales, the surplus would not be a problem.

Mr. President, I have heard two arguments which have been advanced against the program that is provided for in the amendment of the Senator from Alabama. One argument is that the program should be voted down and defeated because it will bring about in this country a two-price system as regards cotton. I am one of those who believe that the future of all American agriculture, not only cotton, but wheat and corn and dairy products, cattle and hogs, depend upon a two-price system. We have in this country artificial devices to protect other lines of industry. With respect to industry, artificial devices are in existence to assure a higher domestic price than the same commodity or product brings in the world markets.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BARKLEY. What is the difference between a two-price cotton market for raw cotton, if that is what it is, and what we have for many years in this country known as a two-price steel market, under which the manufacturers of American steel products shipped their goods abroad and sold them at prices that would be competitive with the foreign market, and in many cases cheaper than they sold it to the American consumer? For instance, take harvesting machinery. Take steel rails. In every tariff bill that has been before Congress in the last quarter of a century we have run into the situation of American producers being protected by a tariff, a matter to which the Senator referred, and who shipped their goods abroad and sold them to foreigners cheaper than they sold them to the American consumer. What is the difference between that sort of a situation and the situation envisaged by the Senator from Georgia [Mr. RUSSELL] in regard to a so-called two-price market with respect to cotton?

Mr. RUSSELL. I am unable to see any difference, and that is one of the reasons why I am supporting this proposal. I believe in the two-price system for cotton and all other agricultural commodities. The farmer has to buy the high-priced, protected article. He is entitled to the same privileges in selling his product.

Mr. BARKLEY. Can the Senator tell me whether the American producers of textile goods made out of the very

cotton that we are talking about now likewise sell their product in foreign markets on a competitive basis and in some instances cheaper than they sell it on the American market?

Mr. RUSSELL. I am not familiar with the prices in foreign markets of textiles produced in the United States.

Mr. BARKLEY. I am not making that as a statement. I am wondering if that is true.

Mr. RUSSELL. I am not familiar with the facts in that case. I do know that there is a very small exportation of the finished textile products from the United States today. But undoubtedly in selling farm machinery and most all lines of manufactured goods——

Mr. BARKLEY. And Singer sewing machines.

Mr. RUSSELL. Undoubtedly in selling those goods they are operating on a two-price system today that is protected by what we call a tariff. This unfair situation whereby the farmer buys in a protected market and sells in competition with the world has brought chaos in our agricultural economy. It makes a mockery of our boasted equality and equal rights.

Mr. BARKLEY. One of the arguments which has been made before committees of Congress, in Congress, and in public generally for reduction in the tariff on certain goods was that identical articles with those sold here were sent abroad, the freight was paid on them, as well as all the expenses of distribution, yet the producers were able to compete with foreign producers in the sale of those things at prices much cheaper than they required the American purchaser to pay.

Mr. RUSSELL. That is the reason why, in justice to the farmer, not only the cotton farmer but any other agricultural producer, we either should not have any tariff system at all or we should afford to the farmer protection, or such other artificial devices to advance the price of his commodity or his income that would enable him to live and buy in a protected market on the same footing with the protected manufacturer.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to my colleague.

Mr. GEORGE. I ask the Senator from Kentucky [Mr. BARKLEY] if he makes no distinction between an individual selling his merchandise abroad cheaper to foreign purchasers, and the Government of the United States, which is all of the taxpayers of the United States, selling cotton merchandise cheaper to foreign purchasers than to its own citizens in the United States?

Mr. BARKLEY. Yes; I would make a distinction, but I do not understand that the amendment applies particularly to cotton held by the Government. Preference is given, as I understand, to free cotton in existence.

Mr. GEORGE. But the money is going to be paid out of the money of the people of the United States, every dime of it.

Mr. BARKLEY. I realize that, but that does not seem to bear importantly on the actual question of a two-price market in the world. We have been used to that in many other commodities. The fact that the Government might contribute to it may be an unfortunate circumstance, but still it does not change the situation as to the two-market situation that we have had to deal with heretofore.

Mr. GEORGE. Mr. President, if my colleague will indulge me, it seems to me there is all the difference in the world between what individuals do, whoever enables them to do it, and what the Government of the United States does, and I am delighted and charmed that my distinguished friend, the leader, is taking a lesson out of the book of the high protectionists.

Mr. BARKLEY. I did not understand the Senator.

Mr. GEORGE. I say I was delighted that the leader was taking a leaf out of the book of the high protectionists.

Mr. BARKLEY. I am not taking a leaf out of it. I have called attention on many former occasions to the injustice of the foreign consumer being able to buy the same product from an American producer at prices cheaper than the prices at which the articles were sold to the American consumer. My interjection was in order to say that if this does create what is called a two-price market for cotton it is not different from the situation which has confronted us in regard to other products for half a century.

Mr. GEORGE. I thoroughly agree with what the Senator has said, and I am going just a little further and insisting that at least the Government do not follow that practice.

Mr. RUSSELL. Mr. President, I may say that the Government of the United States is today engaged in the export subsidy business. This year we have exported 100,000,000 bushels of wheat through a subsidy device. So this proposal of the Senator from Alabama will not be a new thing, because for the past 12 months the Government of the United States, out of tax funds from the common Treasury of the United States, has already engaged in exporting wheat under a plan that is similar to that which is embraced in the amendment suggested by the Senator from Alabama. We are seeking the same thing for cotton.

The Department of Agriculture, I understand, is also formulating plans for the exportation of an anticipated surplus in lard under a similar program. True it is that there is a difference between a two-price system as provided by tariffs when an individual exports at a lower price, and when the Government exports, but the Government is already exporting, so this proposition, as it affects cotton, will not set any precedent. It only places cotton on a parity with wheat and lard and is a step—a very short step—toward giving the cotton farmer a taste of the special privileges the manufacturing and industrial interests have reveled in for years.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CONNALLY. Is it not true that when the Government gives the manufacturer a tariff which enables him to sell abroad at a less price than the foreigner, the Government itself is doing it?

Mr. RUSSELL. Why of course it is an artificial device, just as this proposal provides for an artificial device to protect the cotton farmer and better his condition. Both plans spring out of governmental action. The farmer is 70 years late. He is not organized. Not until his plight is affecting all business can he be heard. Of course, the tariff is a special privilege, causing a two-price system to the detriment of the American consumer, for the benefit of a chosen group.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LUCAS. The Senator from Georgia spoke a moment ago about the Secretary of Agriculture, through the Credit Commodity Corporation, spending some $25,000,000 as a subsidy in exporting wheat. I want to make an observation, as one who is vitally interested in the wheat problem in my section of the country, that in my humble opinion, and what I say can be corroborated by some of the best agricultural thought in my section—persons who deal in wheat—that without that export subsidy last year wheat at the present time would be selling in my section of the country at anywhere from 20 to 25 cents a bushel less than it is at the present time.

Mr. RUSSELL. The statement made by the Senator from Illinois was in substance made by witnesses before the committee, who stated that this expenditure of approximately $23,000,000 to export 100,000,000 bushels of wheat had multiplied many times the income of the wheat farmers of the Nation.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. RUSSELL. I yield.

Mr. LUCAS. Was there a single witness who appeared before the Senator's committee against the export subsidy on wheat?

Mr. RUSSELL. Not a single word was said against the export subsidy on wheat now in effect or the proposed export subsidy on lard. It was only when we came to the proposition of exporting cotton that opposition developed and witnesses appeared before the committee.

Mr. President, as I have said, in the committee it developed that the attitude of the witnesses opposing this program was

largely influenced by the fact that it set up in the country what is known as a two-price system for cotton, causing cotton to sell for more in the United States than abroad. I have already briefly touched upon that point, and at this late hour I shall not tire the Senate by elaborating the reasons which I have advanced as to why there should be a two-price system for cotton. However, I should like to point out that if there is any group in the Nation, other than the cotton farmers, which is expected to sell in a free and competitive market, in competition with the coolie labor of China, the peon labor of Mexico, and the low standard of living of the peon cotton producers in South America, and buy in a protected market, I have yet to hear of it.

We have a tariff on wheat of 42 cents a bushel. Today wheat is selling in this country at 20 or 25 cents more per bushel than the price on the Liverpool exchange. We have a two-price system for wheat in this country, and so far as I know, no complaint has been made. There is a tariff on corn. There is a tariff on beef. There is a tariff on pork. There is a tariff, or some artificial protection or stimulation, for every single, solitary product of mill, mine, and field in the country of which I know anything, except cotton. The cotton farmer has been cut adrift to shift for himself, alone and unprotected, in an economic sea wherein all with whom he does business are protected and subsidized.

Mr. President, there is one other thing: The only suggestion that was made before the committee for relief to the cotton producer was to cut the price of cotton. Today cotton is selling for 8½ cents a pound. The representatives of the textile industry opposed to the proposal to subsidize exports have the suggestion to make that we must make cotton cheaper in order to move the surplus. I could read several references from the hearings in which that view was reflected. I shall refer to only two of them. On page 26 of the supplemental hearings, Dr. Murchison, the head of the textile institute, said:

> We have got to keep cotton cheap.

Cotton is now selling for less than half of parity, for less than the cost of production, with the cotton farmers living in abject misery and poverty. They would be actually in privation and starvation but for the pitiful benefit payments which they receive from the hands of their Government.

On page 29, Dr. Murchison made this suggestion, which will be found by reference to the hearings:

> Cotton would be helped very materially by a decline of 2 cents a pound.

There we have the suggestion that the price of cotton in the United States, where the cotton farmer buys in a protected market everything that he needs, ought to be put down to 6½ cents a pound. This could only accentuate the distress of the lowest income group in the United States, the cotton farmers.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BYRNES. Dr. Murchison said that cotton would be helped. He did not say that the cotton farmer would be helped.

Mr. RUSSELL. He said that cotton would be helped. However, it appears from Dr. Murchison's testimony that he was not considering the interest of the cotton farmer alone. In fairness to him, it should be said that his testimony before the committee was to the effect that the cotton exchange would be wiped out if we adopted any subsidy program, in addition to the fears he entertained for the cotton spinners.

Mr. BYRNES. Does not the Senator think that the cotton farmer will be wiped out if we do not do something?

Mr. RUSSELL. The cotton farmer is already practically wiped out.

Mr. GEORGE. Mr. President, will my colleague yield?

Mr. RUSSELL. I yield.

Mr. GEORGE. I should like to ask my colleague if Dr. Murchison did not say that the subsidy should be paid directly to the farmer, so as to bring his price up to what he would receive under the program as it now stands?

Mr. RUSSELL. Yes. Dr. Murchison did testify that he would like to see an increase in the subsidy payments made directly to the farmer; but when asked if he would be willing to approve a processing tax to obtain the money to make the payments, the doctor threw up his hands in holy horror and said, "No; the money must be obtained somewhere else." So the committee, not having any power to levy taxes, and knowing of no means of obtaining the revenue other than through a processing tax, was compelled to consider that Dr. Murchison's plan did not have any substantial chance of enactment by the Congress. I am for a proposal to subsidize the cotton farmer such as is contemplated by the Smith bill, but no one has much hope of passing it due to the cost.

Mr. GEORGE. May I ask my colleague if the committee did not succeed in finding some money to give to the foreign purchaser of the cotton?

Mr. RUSSELL. We have funds which can be used to subsidize exports, if my colleague calls that subsidizing the foreign purchaser.

Mr. GEORGE. That is subsidizing the foreign purchasers, of course.

Mr. RUSSELL. It is, in a measure. It is an effort to recapture our foreign markets. We found the funds in the same place from which the money came to subsidize the exports of wheat, and thereby keep the price of wheat in the American market at 20 to 25 cents above the price of wheat in Liverpool. We want to do the same thing for the cotton farmer. If we lose our foreign markets the acreage planted to cotton will be cut in half.

Mr. President, as I stated at the outset, I did not become very much concerned about this proposal when it was first advanced, because I did not think it was as material as both its advocates and its opponents claimed. But when we have a proposal to break down the domestic price of cotton to the American farmer to the low price of 6½ cents a pound, with no tangible means to subsidize him to make up for that loss of income, I do become concerned, and gravely concerned. I become concerned because I know that every set of statistics that can be found will disclose that the cotton farmers are the lowest-income group in the United States. It is a tribute to their tenacity, to their endurance, to their ability to exist on branch water and maypops that they have been able to survive through all the years in a free and competitive market when selling their products, while paying tribute to a two-price system in all their purchases.

The cotton farmers are the only producers in the United States who have no protection. They are forced to compete with rayon and other new textile fibers. They are forced to compete with jute in an ever-rising tide, with no protection afforded them, because the Congress listens to the pleas of the jute lobby and the jute trust when that question is brought forward and we try to protect them. The cotton farmer cannot stand any further reduction in the market price of cotton or in his acreage and production without much larger subsidies; and the only hope I can see to assist him is through the proposal before us. This seems to be the only proposal that the Congress of the United States is willing to consider.

Mr. President, something has been said about the effort which is required by a cotton farmer to produce a bale of cotton. I sometimes think that those of us who live in the cotton country and who are dulled by familiarity with living standards of the cotton farmer to his real status in life—and when I say cotton farmer I mean the man who actually produces it with his own hands—when we see him and his wife and children toiling in the field day after day, do not realize how hopeless his situation is, and how discriminated against he has been for so many years. We have legislation to abolish the sweat shop and to stop child labor. When we go down to the cotton fields of the South we find every child who is large enough to carry a hoe out in the

cotton fields chopping cotton from the break of day until it is too dark to see whether or not he is chopping up the stalks. We see mere babies dragging cotton sacks down the rows, picking cotton under the hottest sun in this country. Then, when the year's work is done, many a cotton farmer does not have more than $100 or $150 in cash to pay him and his entire family for a year of unremitting toil.

Mr. President, the pending proposal may not work any wonders. It may not have all the virtues we would like for it to have; but it is one which the President of the United States has said he would approve. It is one which the Secretary of Agriculture today advocates, without regard to what his position may have been in some speech he made last fall. As I see it, it is the one last chance to do something for the most underprivilged people in the United States today, the one last chance to attempt to provide a decent price for this great commodity, which has built the wealth of the United States, because it has been our one great export through all the years. It is the one last chance to avoid cheap cotton this fall and give the cotton farmer a small measure of the privileges others have enjoyed for years.

For my part, though I realize the result may be in some doubt, and knowing that the proposal has powerful opposition, I am willing to embrace that chance, and I hope the Senate will suspend the rule and give all of its Members a chance to vote either for or against the amendment on its merits. I appeal to the sense of fairness of those who are opposed to the merits of the proposition to vote to suspend the rule in order that the Senate may pass judgment on the proposal on its merits, just as it passes judgment on any other proposal which comes up on a legislative bill.

SEVERAL SENATORS. Vote! Vote!

Mr. BANKHEAD. Mr. President, I had intended to make the closing argument on this subject; but the question has been so well presented on both sides and so thoroughly discussed that, recognizing the present temper of the Senate, I am not going to take any further time.

I ask for a vote.

The PRESIDING OFFICER. The question is on the motion of the Senator from Alabama [Mr. BANKHEAD] to suspend paragraph 4 of rule XVI for the purpose of offering a certain amendment.

Several Senators called for the yeas and nays, and they were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SHIPSTEAD. I have a pair with the senior Senator from Virginia [Mr. GLASS], who is absent. I am informed that if he were present he would vote "nay" on this question. If I were at liberty to vote, I should vote "yea." I withhold my vote.

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is detained from the Senate because of illness.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business for the Committee on the Judiciary.

The Senator from North Carolina [Mr. BAILEY], the Senator from Iowa [Mr. HERRING], the Senator from Missouri [Mr. TRUMAN], and the Senator from Maryland [Mr. TYDINGS] are detained on important public business.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Iowa [Mr. HERRING] are paired with the Senator from North Carolina [Mr. BAILEY]. I am advised that if present and voting, the Senator from Nevada and the Senator from Iowa would vote "yea" and the Senator from North Carolina would vote "nay."

The Senator from New Mexico [Mr. HATCH] and the Senator from Wyoming [Mr. SCHWARTZ] are paired on this question with the Senator from Maryland [Mr. TYDINGS]. If present and voting, the Senator from New Mexico and the Senator from Wyoming would vote "yea," and the Senator from Maryland would vote "nay."

The Senator from Utah [Mr. THOMAS] is detained at a meeting of the Committee on Education and Labor.

The Senator from Wyoming [Mr. SCHWARTZ], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Nevada [Mr. PITTMAN], the Senator from New Mexico [Mr. HATCH], the Senator from Virginia [Mr. GLASS], the Senator from California [Mr. DOWNEY], the Senator from Ohio [Mr. DONAHEY], the Senator from Idaho [Mr. CLARK], the Senator from Arkansas [Mrs. CARAWAY], and the Senator from South Dakota [Mr. BULOW] are unavoidably detained.

Mr. MCNARY. The Senator from Vermont [Mr. AUSTIN] has a general pair with the Senator from Missouri [Mr. TRUMAN].

On this question the Senator from Maine [Mr. WHITE] has a pair with the Senators from North Dakota [Mr. FRAZIER and Mr. NYE]. If present, the Senator from Maine would vote "nay," and the senior and junior Senators from North Dakota would vote "yea." These Senators are necessarily absent.

The roll call resulted—yeas 36, nays 37, as follows:

YEAS—36

Andrews	Connally	Lucas	Reed
Bankhead	Ellender	Lundeen	Russell
Barkley	Gillette	Miller	Schwellenbach
Bone	Guffey	Minton	Sheppard
Brown	Hayden	Murray	Slattery
Burke	Hill	Neely	Smathers
Byrnes	Hughes	Norris	Stewart
Capper	La Follette	Overton	Thomas, Okla.
Clark, Mo.	Lee	Pepper	Wheeler

NAYS—37

Adams	George	Johnson, Colo.	Smith
Ashurst	Gerry	King	Taft
Barbour	Gibson	Lodge	Tobey
Bilbo	Green	Logan	Townsend
Borah	Gurney	McKellar	Vandenberg
Bridges	Hale	McNary	Wagner
Byrd	Harrison	Maloney	Walsh
Chavez	Holman	Mead	
Danaher	Holt	O'Mahoney	
Davis	Johnson, Calif.	Reynolds	

NOT VOTING—23

Austin	Downey	Nye	Truman
Bailey	Frazier	Pittman	Tydings
Bulow	Glass	Radcliffe	Van Nuys
Caraway	Hatch	Schwartz	White
Clark, Idaho	Herring	Shipstead	Wiley
Donahey	McCarran	Thomas, Utah	

The PRESIDING OFFICER. On this question the yeas are 36 and the nays are 37. Two-thirds of the Senators present not having voted for a suspension of the rule, the motion is lost.

ADDITIONAL COPIES OF REPORT ON INVESTIGATION OF UN-AMERICAN ACTIVITIES AND PROPAGANDA

The PRESIDING OFFICER laid before the Senate a concurrent resolution (H. Con. Res. 16), which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 25,000 additional copies of House Report No. 2, current Congress, entitled "Investigation of Un-American Activities and Propaganda," of which 3,000 copies shall be for the use of the Senate document room and 22,000 copies shall be for the use of the House document room.

Mr. HAYDEN. I ask unanimous consent for the immediate consideration of the concurrent resolution.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona? The Chair hears none.

Mr. HAYDEN. I move that the Senate concur in the concurrent resolution.

The motion was agreed to.

RECESS

Mr. BARKLEY. Mr. President, it is obvious that we cannot conclude today the consideration of the agricultural appropriation bill without holding the Senate in session later than usual. Therefore, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 8 minutes p. m.) the Senate took a recess until tomorrow, Thursday, May 11, 1939, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 10, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Father of this troubled world, with its disturbing and subversive forces, as we lift our praying eyes to Thee, show us the power that makes men free. The throb of its surging life needs anew the pressure of Thy pierced hands. Let Thy pleading spirit that flows from Thine infinite heart work its way in bringing vital forms of faith, hope, and courage to all the elements of Christian civilization. Notwithstanding the darkness of the earthly atmosphere, the fogs and the vapors which rise from its valleys, we humbly entreat Thee to extend our horizon that we may see a glorious future gleaming through gates ajar. O Thou who didst feed the loveless, whose gentle hand led the blind, redress the human hearts which are in anguish on the breast of Mother Earth. In the name of the Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1515. An act for the relief of the Louisiana National Bank of Baton Rouge and the Hibernia Bank & Trust Co. of New Orleans.

EXTENSION OF REMARKS

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered on the presentation of a gavel.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. O'NEAL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein some comments on national defense by Col. Henry J. Stites.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MICHAEL J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address made by Hon. John J. Bennett, Jr., attorney general of the State of New York.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LARRABEE asked and was given permission to extend his own remarks in the RECORD.

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein a report from the Governor of Puerto Rico on the wage-and-hour law.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

HON. MAURY MAVERICK

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Without objection, it is so ordered.

Mr. VOORHIS of California. Mr. Speaker, it gives me very great pleasure to be able to announce to the House the election on yesterday as mayor of San Antonio, Tex., of that most colorful of American political figures, our former colleague, and my own very good friend, Mr. Maury Maverick. [Applause.]

THE AMERICAN MOTHER'S DECLARATION

Mr. BARTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

Mr. BARTON. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein the American Mother's Declaration.

The SPEAKER. Without objection it is so ordered.

Mr. BARTON. Mr. Speaker, on next Sunday, Mother's Day, a large and devoted company of American women under the leadership of Carrie Chapman Catt, honorary chairman, and Constance A. Sporborg, chairman, will begin the circulation for signatures of what is known as the American Mother's Declaration. It is expected that millions of women all over the land will sign this declaration. The collected signatures will then be officially presented to the Government of the United States from both the San Francisco and New York World Fairs on a predetermined date in July, as an expression of the united womanhood of our country.

At the invitation of Mrs. Catt and Mrs. Sporborg, I take special pleasure in calling the attention of the membership of the House and of patriotic citizens everywhere to the text of this splendid declaration, which is as follows:

THE AMERICAN MOTHER'S DECLARATION

Thankful for the benefits of a free country, I, an American mother, will do my utmost to help my children understand, cherish, and guard the five freedoms upon which this Nation was founded: Freedom of speech, press, assembly, worship, and petition. I will teach my children by my own example that they should respect the rights and opinions of others if they would defend their own, and thus preserve our heritage of liberty against any and all doctrines opposed to the traditions of our nation.

CONSTANCE A. SPORBORG,
Chairman.
CARRIE CHAPMAN CATT,
Honorary Chairman.

MILLERS AND THE A. A. A. WHEAT PROGRAM

Mr. GILCHRIST. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GILCHRIST. Mr. Speaker, this morning in Chicago my fellow townsman and constituent, the Administrator of the Agricultural Adjustment Act, made a speech before the Millers' National Federation, of Chicago.

I ask unanimous consent to extend my remarks by including this speech.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The address referred to follows:

ADDRESS BY R. M. EVANS, ADMINISTRATOR OF THE AGRICULTURAL ADJUSTMENT ACT, BEFORE THE MILLERS' NATIONAL FEDERATION AT CHICAGO, ILL., MAY 10, 1939

You have asked me to speak today on the commercial aspects of the wheat loan program. However, the loan is only one part in the Government's comprehensive program for wheat farmers, and without consideration of the essentials of the entire program, we cannot grasp the significance of the loan itself. We have to remind ourselves why we have such a program. Before doing that, however, I wish to emphasize that growing wheat and milling flour are all part of the continuous process of providing food for our people. Farmers and millers are part of the same industry. The fact that you have asked me to come here and the fact that I am here are an expression of agriculture's good-neighbor policy.

Things happen so fast in the modern world that even those, like you, who have yourselves been part of the great changes affecting the wheat industry, are in constant danger of forgetting how serious was the crisis, how real was the need, which caused the wheat farmers of America to realize that they must unite in a program and call on all elements in the wheat industry, and upon the Government, for help in carrying it out.

In other words, no man is going to understand the program unless he first understands the problem. The problem produced the program as surely as wheat flour comes from wheat.

Briefly, when the wheat-adjustment program was first launched in 1933, wheat farmers had found themselves producing more wheat and using more machinery and fewer men to do it. They had found that domestic consumption was not keeping pace with increased production. They had found more and more countries abroad determined not to buy American wheat. Stated concisely, this didn't sound like a problem; it sounded like a calamity—a catastrophe; and that's exactly what it was and what it will be, if the wheat industry doesn't stick together to solve it.

You can amuse your imagination any way you like. You can look back at all the good old days when expanding markets took care of an expanding agriculture. You can lull yourself with the false hopes of farm-relief panaceas. But in the end—and I want to emphasize this—you come right back up against the stubborn fact that the American farmer has to adjust his farm plant to the actual situation which he faces today.

As millers, your business is to buy wheat and to sell flour and to do this at a profit. The farmer's business is to grow wheat and to sell it to the men who mill it. He, too, hopes to do this at a profit.

First, as to the problem, the United States wheat farmer in the 1930's has been face to face with conditions he has never before known. Forces over which the United States farmer has had little or no control have assailed him from all sides. World political and trade factors have reached into the Wheat Belt. Without mercy, they have determined his return for providing a hungry world with food. He has been caught in a world-wide economic storm.

Nationalism, with its trade barriers; the change of the United States from a debtor to a creditor nation; and the growing competition from foreign producers have cut the American export wheat market. As an individual, the farmer cannot match such forces.

Some of these new conditions have resulted from changes in agriculture itself. Farming today is no more like it was half a century ago than a modern flour mill is like the old-fashioned grist mill. But even though agriculture of today has made mechanical advances as great as those of industry, many farmers and, I regret to say, many business and industrial leaders of our country still continue to think of agriculture in terms of past situations and not in terms of things as they are. The good old days we hark back to are gone. Our hope lies in looking ahead to good new days.

Business was simple in the old grist-mill days. There wasn't much dealing through the middleman. But as time went on the mill on the little stream became too small. Our economy developed into the specialized forms we have today and the milling industry grew to its present proportions.

The same period and conditions which brought this great development in milling had much the same effect on the farmer. His business has changed nearly as much. Look, for example, at wheat production half a century ago and compare it with what we have today.

Back in 1888 United States farmers harvested 35,000,000 acres of wheat. In 1938 they had doubled this acreage. Half a century ago the wheat production in this country was 424,000,000 bushels and last year this had been more than doubled with a 931,000,000-bushel crop. In 1888 wheat farmers sold their crop for an average of about 93 cents a bushel. In 1938 they got 55 cents.

The milling industry has changed, too, but always you have carefully guided your production by your outlets. Inspired by that energetic enterprise which has characterized the growth of America, you have developed your industry and expanded your profitable markets. But you know better than anyone else that the per capita bread consumption in the United States probably fluctuates less than that of any other single commodity. You know that if you mill more flour than you can sell your warehouses soon will clog with flour that you will have to sell at a loss. You wisely keep your hand on the expansion brake. The same is true of the bakers of bread.

Not so with the farmer. For decades it has been the farmer's philosophy to produce all that he could because he has always had a market for his products. Even after times changed and his markets stopped expanding, he didn't have the brake to stop his production machine. As a matter of fact, his fixed charges have often forced him into a vicious circle that found him vainly trying to jack up his volume fast enough to offset falling prices. So far it hasn't worked.

As long as he was producing for an expanding market, his prices were comparatively good. During the war days he got more than 80 cents out of every dollar's worth of flour wholesaled. Through the twenties he continued to get better than 70 cents out of that dollar. But by the early thirties he found himself facing tremendous surpluses. His price went down so that by 1932 he was getting only 44 cents out of the flour wholesale dollar.

In the cycles of the last 20 years he has seen his share of the dollar spent by the consumer for bread vary from 35 cents to 9 cents.

The farmer discovered that while he was working to feed the world more abundantly, he had been doing it at the cost of the fertility of his soil and a lower standard of living for himself and his family.

Such are some of the changing conditions. What are the causes? Two of the major factors which make the farm problem are:

First, our production has gone up.

Second, our markets have shrunk. Our big farm plant has been geared to a large foreign trade in wheat. World forces beyond our control have slashed this market. Our domestic market has remained fairly constant.

The problem which these two factors have to such a large extent created, can be summed up in one word—surplus.

This surplus is concrete evidence that new conditions have thrown our agriculture out of balance. It is a clear danger signal and a warning that we must make fundamental adjustments.

I have reviewed the problem, and I want to repeat: Once the problem is really considered, you come right back up against the stubborn fact that the American farmer has to adjust his farm plant to the actual situation which he faces today. That is why we have a farm program.

Underneath the visible evidence of the surpluses lie the roots of the farm problem and the suggestions for solving it. These roots may be summed up in the words "income and soil fertility." Farmers must have an income which will hold up their standard of living. They must be permitted a system of farming that will not force them to rob their soil of its fertility.

Surpluses of agricultural products mean less net farm income and low income forces a ruthless waste of soil fertility.

There comes a time in the life of nations when important decisions are made profoundly affecting the welfare of groups of their citizens. England made such a decision when she repealed the corn laws in the nineteenth century. At that time she legislated against her relatively uneconomic agricultural class and encouraged imports of foodstuffs in order to concentrate upon industrial exports.

America has made no such decision. America recognizes that agriculture is the bedrock of our democracy and has resolved that the farmer shall not be sacrificed in our industrial civilization. Let me quote from Prof. Charles A. Beard:

"There was a time, not many years ago, when writers on economics and public policies seemed to imagine that the United States was destined to follow the lines of British development—that manufacturing industry would continue to expand, while agriculture would be reduced to a smaller and smaller role in the affairs of the country. Books on industrial economy multiplied, outstripping in number and weight of thought treatises on land economy. For a brief time after the World War experience seemed to confirm the prophecy. An upward swing in American loans abroad was followed by an increased export of manufactured goods. The proportion of agricultural produce in the total export kept on its downward trend. Thus decided countenance was given to the old idea that agriculture was destined to drop in pecuniary and cultural importance and that urban industry was bound to rise indefinitely, if not forever.

"Now the outlook for ever-expanding outlets abroad to absorb the ever-expanding potentials of manufacturing industry is clouded and the idea of endless urbanization fades. The very course of events has forced a reconsideration of the place of agriculture in the United States—as a way of life, as a source of enlarged buying power, and as a cornerstone of democratic liberties. With growing insistence the thought of industrialists and statesmen is directed to the new turn in American affairs. The Federal Government, which for generations has favored manufacturing and shipping by tariffs, subsidies, bounties, and technical assistance, now grapples with the problem of an economic balance, seriously and tenaciously. And as foreign economies are being transformed, it is likely that the landward trend in American thought and practice will take on increasingly the character of an unavoidable necessity."

That is the end of the quotation from Professor Beard.

The Triple A and related agricultural programs are the symbols of this American policy. This policy, as expressed by the Triple A program, is based upon soil conservation and a better income for the farmer.

But just as there are many factors in the problem facing the farmer, so the program has many parts, all of them working in combination.

With this well-founded program the farmer is prepared to meet the changed conditions I have outlined. With this program he has the tools for a modern business approach to the complex problems of modern agriculture.

For the surplus problem, the farmer has the tools of acreage allotments, marketing quotas, the export sales program, surplus purchases for relief, and a program for finding new uses.

For the problem of protecting the food supply for both the consumer and himself, the farmer has the tools of crop insurance, loans, marketing quotas, and the ever-normal granary.

For the problem of farm income, the farmer has acreage allotments, parity payments, conservation payments, loans, and a program which calls for a study of freight rates in farming areas.

For the problem of soil conservation, the farmer has payments for soil-building practices, as well as acreage allotments, which help him to lessen wastes of soil and labor in useless overproduction.

In general, this program gives the farmer the power to adjust agriculture so as to protect the soil and the people who live upon it, and thereby the welfare of the Nation.

Woven into every part of the Triple A program is the ever-normal-granary principle, which aims at continuance and permanent abundance. The ever-normal granary protects the wheat farmer against surpluses and low income and protects the consumer against scarcity. It has its advantages for millers, too. You are not speculators, but processors. Assurance of a stable and ample supply from year to year at fair prices is good for millers, consumers, farmers.

The wheat loan program is an essential part of the ever-normal granary. The loan is intended to help the farmer store his wheat when supplies are large and prices low. It is both a stop-loss measure and a measure to give the farmer greater freedom in marketing his crop.

In the past farmers have been one of the few groups which have had to market an entire year's output at one time. On many occasions they have been forced to sell their wheat at harvest time regardless of price. The wheat loan program gives the farmer any benefit there may be in storing the wheat at harvest time for better prices later.

We are approaching the end of the first year of operation of the wheat loan program. About 85,000,000 bushels were placed under loan by some 77,000 wheat farmers last fall. Of this total about 75 percent was in commercial storage and about 25 percent was in farm storage. To build up the ever-normal granary of hard wheats, we are offering farmers in the major hard wheat areas an opportunity to extend their loans for a 10-month period. For wheat of which there is normally a considerable surplus, we are now in the process of liquidating the loans which were made last fall. By April 19, nearly 10,000,000 bushels had been released upon payment of nearly $5,000,000. The farm storage loans do not fall due until May 31, while the commercial storage loans become pay-

able at various dates up to July 31, depending upon the date the loan was made.

Several options are open to the borrower in settling his loan.

First, he may pay up his note and get his wheat, and, in the case of farm storage, he can collect the 7 cents a bushel for storing the wheat on his farm.

Second, he may extend the loan. As I have pointed out, this is open only on farm storage wheat in some areas.

Third, he may buy back his wheat from the Commodity Credit Corporation at the market price. This option enables him to get the benefit of any protein premium his wheat may bring upon resale. The 7-cents-a-bushel storage fee is paid on farm storage, and, in the case of a commercial storage loan, allowance is made in the borrower's favor to cover the storage charges.

Fourth, he may merely turn the wheat over to the Commodity Credit Corporation. Here again the borrower can collect his fee for storing on the farm. If the wheat is in commercial storage the producer may turn it over without further charge.

Under a plan announced last month, the Commodity Credit Corporation will dispose of all wheat it takes over to the Federal Surplus Commodities Corporation. This wheat, except for a small amount to be used for domestic relief purposes, will then become part of the stocks available for future exports.

In special cases, if the wheat received by the F. S. C. C. is of types needed for domestic milling or is of low quality, it will be exchanged for other wheat which is suitable for export.

The wheat loan will continue to be a part of the A. A. A. farm program whenever the crop is large or the price low. The act provides that loans are to be offered whenever the farm price of wheat falls below 52 percent of parity or the July crop estimate of wheat is in excess of a normal year's domestic consumption and exports. Only in years when marketing quotas are proclaimed and not approved by growers does the law specifically prohibit the operation of a loan program for that year.

I have thus far reviewed the main points of the A. A. A. program. The present season is the first that the program as a whole has been in full operation. Acreage adjustment measures are now being applied to some crops, notably wheat, for the first time since 1935. These measures were added to the agricultural conservation program with the passage of the Agricultural Adjustment Act of 1938 in February of last year. The act was not passed until after some crops, especially wheat, had been seeded.

The 1939 program goes into operation in the face of surpluses piled up during the years when farmers had no effective machinery for adjusting the acreage of individual crops. In this period our national wheat acreage reached an all-time high of 81,000,000 acres. What the farmers will do when they have the chance and how effective the allotment provisions can be is shown by the record that wheat farmers are making this year.

This year wheat acerage is less than 66,000,000 acres. This is 14,000,000 acress less than was seeded in 1938, and represents the greatest adjustment in wheat acreage ever made in any two consecutive years in our history.

Wheat farmers have shown that they will adjust their acreage when the situation demands it if they have effective machinery for doing it.

In the meantime surplus wheat has harassed farmer and trade alike. We have seen total world exports drop from 950,000,000 bushels 10 years ago to 550,000,000 bushels last year. Our own exports, due in large part to manipulations of other countries, dwindled to almost nothing. We have met this situation. We regained our share of the export market last year. We used the powers given by the A. A. A. Act to bring exports up to 100,000,000 bushels and more through aid of subsidies.

We fitted our action to the situation. It is the rule of business to do this. The business world is strewn with the wrecks of businesses whose managers could not adapt themselves to changing conditions.

Last December, at Winnipeg, I outlined our wheat export program. This policy was undertaken to meet the world wheat-trade conditions throughout the world. As such this policy remains the same today as it was in December. I will quote from my remarks at that time:

"Faced with the extreme situation of 1938, it has been necessary for the United States Government to embark upon a much broader export program than was necessary during previous years. The United States is financing the operation of exporters who find it necessary to sell to buyers in other countries at prices lower than the current market prices paid to domestic producers. This program, however, aims to export 100,000,000 bushels, which represents a little less than 20 percent of the estimated net exports of all countries for the 12 months ending June 30, 1939. In view of the fact that the United States exported an average of 31 percent for the 5 years 1920–24 and 20 percent for the 5 years 1925–29, this objective for the current year appears entirely reasonable.

"The program is designed to maintain for the United States a fair share of the reduced world wheat trade in the face of direct intervention by the governments of all other wheat-exporting countries. In this export operation we are looking toward the maintenance of returns to wheat producers in the United States while at the same time facilitating wheat exports. It is the sincere hope of our people that governmental financing of exports is only a temporary measure and that some way will be found to bring about sufficient improvement in the world wheat situation so that such action will not be necessary on the part of our Government and the governments of other wheat-exporting countries."

That is the end of the quotation from my Winnipeg talk.

Since I made this statement last December, the United States has continued to make its wheat competitive in the world markets. With this program we have up to the present sold for export during the 1938–39 crop year more than 100,000,000 bushels of wheat or wheat in the form of flour, and about three-fourths of this amount has moved under our export subsidy.

Our export policy has served notice to other wheat-producing countries of the world that we are not going to give up our export markets. I repeat that the export subsidy is not a measure the Government or the farmer wants or should use permanently. We hope international action may help the situation. At the present time in London, representatives from the world wheat-producing countries, including the United States, are studying proposals for cooperative action. They hope to end this necessity of buying export markets. What definite program will come of the conference remains to be seen, but it is the first step toward an agreement which must come if the wheat-producing countries of the world are going to be able to continue in the export business on a profitable basis.

The London conference shows a growing recognition that a wheat surplus is an international as well as a domestic problem. It is international recognition of governmental responsibility in the problem.

Governments are not alone in recognizing the need for stabilizing the incomes of farmers. Industry both in this country and abroad is rapidly becoming aware of the interdependence of agriculture and industry. For example, the Chamber of Commerce of Birmingham, England, early this year issued a memorandum which I believe presents a clear understanding of the fundamental problems affecting the agricultural and industrial welfare.

"Is there any reason," asks this group of Birmingham businessmen, "why the agriculturalist should not be on an equality with the manufacturer in the matter of maintaining a command on the selling price of his products?"

They go on to the heart of the problem by saying: "Today there is no assurance of any balance in exchange values of * * * agricultural for * * * manufactured goods, for the reason that prices of the latter remain fairly constant due to the automatic control of supply to demand, whereas prices of the former fluctuate violently due to the absence of control of supply."

In suggesting an answer to that problem, they declare: "The point now arises as to whether agricultural production can be controlled. It is submitted that it can be, and, if for no other reason, that it must be. The present position is illogical and its indefinite continuance cannot be contemplated in view of the recurring want and misery that accompanies it."

This statement of the Birmingham Chamber of Commerce is significant because it comes from a group which represents one of the most important industrial communities in the world.

A recent statement of policy made by the National Association of Manufacturers is an indication that thinking business leaders in the United States also have a growing understanding of the close kinship between agriculture and industry.

The association's committee on agricultural cooperation declared that:

"It is essential to the welfare of manufacturing industry that the farmers receive fair prices for what they produce." They added:

"It seems to us there are but two ways to achieve an equitable price relationship—bring manufacturing prices down or farm prices up."

This report shows a considerable advance in thinking among our industrial leaders. This understanding attitude toward the farmer speaks well for the future of the farm program.

Likewise, agriculture has a friendly attitude toward business. The Triple A farm program is built upon business lines. As I have shown, it benefits business and all classes of people. It is fixed in our policy that we shall assist the normal processes of business. Our program has been developed in the light of accepted American business practice.

A businesslike farm program requires businesslike financing. Processing taxes can be used to help get the fair prices and buying power advocated by these British and American industrial groups. The processing tax under the old A. A. A. program did the job. There has been some discussion about adding the processing tax feature to the present program. It has been one of many plans considered among farm leaders and in Congress.

As I summarize I wish to point out that the agricultural policy on which the United States has embarked is receiving widespread endorsement. Participation in the 1939 Triple A program is breaking all previous records. Nearly 6,000,000 farmers have indicated their intention to cooperate with each other and with the Government in this broad program this year. This endorsement of agricultural policy extends to other groups as well. A recent poll conducted by the American Institute of Public Opinion indicated that a cross section of American opinion places agricultural benefits with social security and national defense as proper Federal expenditures. The poll indicated that 62 percent of our people do not favor reducing farm benefit payments.

Let me repeat six of the points I have made in my talk to you.

First. The wheat program is the American response to a real wheat problem.

Second. Conservation of our soil resources and the protection of our farm income are the foundation of our farm program.

Third. The ever-normal granary protects the farmer, the consumer, and the trade.

Fourth. The wheat loan extends to farmers the benefits of the common business practices of orderly marketing.

Fifth. The export sales policy is an emergency measure to be used only as long as necessary to insure the United States its fair share of world markets.

Sixth. The Triple A program will continue to be administered so as to assist the normal processes of private business.

In conclusion, I state my opinion that this is the best piece of farm legislation ever enacted in this country. It is not a political accident but an economic development of years in the making. It is a loan of Federal power to farmers to use for the welfare of the Nation as well as in their own interests. It is a workable program, and it is working.

THE JOHN MARSHALL STATUE

Mr. BREWSTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

Mr. BREWSTER. Mr. Speaker, removing the statue of John Marshall from the Capitol Grounds to the immediate vicinity of the Municipal Court Building of the District of Columbia would seem a Hollywood fantasy if it were not now seriously proposed in the Congress of the United States.

A proposal is now pending to erect the Ward statue of Washington in the Capitol Grounds apparently on the site now occupied by the statue of John Marshall on the west front or back side of the Capitol. I refer to H. R. 6158. With this proposal I am not here concerned except as the same bill proposes to demote John Marshall to the municipal court.

Since the recent court episode it would seem time that John Marshall was given the permanent place in the Capitol that properly belongs to him as one of the makers of our Nation and as the one who above all others symbolizes the place of the judiciary in the Government of the United States.

H. R. 6158 was introduced in the House 1 month after the introduction by myself of House Joint Resolution 260, proposing to place the statue of John Marshall in the vicinity of the Supreme Court Building.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

Mr. REES of Kansas. Mr. Speaker, on Monday of this week the gentlewoman from New Jersey [Mrs. NORTON], chairman of the Labor Committee, notified the House that she expects to bring to the House floor for consideration her bill to amend the Fair Labor Standards Act of 1938. She also advised that the bill would be brought up under a suspension of the rules. It is to this situation that I want to direct my criticism this morning.

I do not believe it is fair to the membership of the House that such an important piece of legislation, in which we are all interested and in which the country is vitally interested, should be brought to the floor in this manner. In bringing this bill up under a suspension of the rules, there will be little chance for debate and no chance whatever on the part of the membership of the House to offer amendments.

I can hardly understand why legislation affecting a question of such great importance to the people of this country should be brought to the floor under a rule which prevents the Members of Congress from offering any amendments thereto and from giving them a fair chance to discuss the merits of the bill.

It is not altogether the measure to which I direct my criticism this morning, but it is the manner in which legislation of such great importance is being submitted to Congress. I am quite sure the membership of the House will not want to turn down all of the legislation that is offered under this bill. In all probability it contains some legislation that ought to be passed. But it comes to the floor of the House without having been submitted to public hearings. The farm organizations, the National Grange, the Farm Bureau, and other organizations have not, as I understand it, had a chance to be heard on amendments that they have proposed to the present wage-hour law. Certainly these organizations, as well as the farmers and other groups throughout the country, are entitled to be heard on the merits of legislation of such great importance. Certainly the Members of Congress ought to have a right to submit amendments to this proposed legislation if they want to do so. If the amendments submitted are not what the House wants, they can be rejected. But it is only fair to all parties interested and concerned, and especially to the people whom the Members represent, that they be given a chance to speak on this bill and offer amendments if they desire to do so. We do it in other cases. Why impose the "gag" rule in the consideration of such an important piece of legislation in which the country is so much interested? We have spent hours debating matters of much less importance, but on next Monday we are going to pass this bill with debate of less than an hour and without permission to offer any amendments, and we will be required to vote the bill up or down, with no choice in the matter. I submit to you, Members of the House, that it is not the proper method of legislation. It is not fair, and you know it.

ARKANSAS-MISSISSIPPI BRIDGE COMMISSION

Mr. CHAPMAN. Mr. Speaker, I call up the conference report on the bill (S. 964) creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.; and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. CHAPMAN]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is this a unanimous report from the committee?

Mr. CHAPMAN. This is a unanimous report from the conference committee.

Mr. MARTIN of Massachusetts. What is the change?

Mr. CHAPMAN. The principal difference between the two bills as passed by the respective Houses of Congress is as to the amortization period for the bonds. The bill as passed by the Senate provided 30 years, then authorized a refunding for an additional 20 years. The House provided that maturity of the original bonds should be 20 years and any refunding bonds 30 years from the date of the approval of the act. The result of the conference, as reported back, is that the bill would provide the original bonds would mature in not less than 25 years from the date of the approval of the act, and any refunding bonds, if issued, shall mature within 40 years from the date of the approval of the act. That is the principal difference.

Mr. MARTIN of Massachusetts. Mr. Speaker, I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. CHAPMAN]?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 964) creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 1 and 4.

That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree

to the same with an amendment as follows: In lieu of the word "thirty", insert the word "forty"; and the House agree to the same.

VIRGIL CHAPMAN,
PEHR G. HOLMES,
Managers on the part of the House.
HATTIE W. CARAWAY,
JOHN H. OVERTON,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 964) creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.; and for other purposes, submit the following detailed statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments. The bill, as agreed to in conference, provides that the bonds issued for the cost of the bridge shall mature at such time or times not exceeding 25 years from their respective dates as the Arkansas-Mississippi Bridge Commission shall determine and authorize the issuance of refunding bonds to repurchase and redeem any outstanding bonds before the maturity thereof, with the provision that the refunding bonds shall mature at such time or times, not exceeding 40 years from the date of the approval of this act, as the commission may determine. The bill as it originally passed the Senate provided that the maturity date of the bonds originally issued should not exceed 25 years. The House amendment changed that period from 25 to 20 years. The Senate bill provided that the life of the refunding bonds, if any, should not exceed 50 years from the date of approval of this act. The House changed that period from 50 to 30 years. The conference recommends that the life of the original bonds shall not exceed 25 years and that the final maturity of any refunding bonds that may be issued shall not exceed 40 years from the date of approval of this act.

The conference agreed to the House amendments striking out a provision of the Senate bill providing for the exemption from tolls of officials or employees of the commission, officials of the Government of the United States, members of fire departments or peace officers on official business, and armed forces of the United States.

The conference agreed to the language of the bill as it originally passed the Senate, which provides for the adjustment of rates of tolls to provide a fund to not exceed the amount necessary for the maintenance, repair, and operation of the bridge and approaches under economical management until such time as the bridge may be accepted by the States of Arkansas and Mississippi, or some municipality or agency of such States duly authorized by law to accept such bridge, the bridge thereafter to be maintained, operated, and repaired as a free bridge.

VIRGIL CHAPMAN,
PEHR G. HOLMES,
Managers on the part of the House.

Mr. CHAPMAN. Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1515. An act for the relief of the Louisiana National Bank of Baton Rouge and the Hibernia Bank & Trust Co. of New Orleans.

RECESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the House may stand in recess for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection; accordingly (at 12 o'clock and 20 minutes p. m.) the House stood in recess for 30 minutes.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12:50 p. m.

EXTENSION OF REMARKS

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. THORKELSON. Mr. Speaker, on the 20th of January I addressed the House on the responsibility of Congress, and in review I quote this paragraph:

> The people should now take the law into their own hands by insisting that all departments in the Federal Government adhere to the Constitution; that all laws enacted in conflict with the Constitution be repealed, one by one, so that the people's rights may be restored. That will start the wheels of industry going, furnish employment, increase consumption, build prosperity, and return the American smile to our people.

In the following issues of the CONGRESSIONAL RECORD, January 20, 23, 30; February 7, 14, 16, 22, 23, and 27; March 6, 7, 9, 16, 21, 22, and 29; April 4, 13, 17, 20, 21, and 25; May 1 and 8, 1939, appear certain articles dealing with problems which are responsible for the deplorable condition in which we find our Nation and industrial structure today. In writing these articles I have attempted to set forth not only my own opinion but the opinions of others, which I believe are pertinent and applicable to problems which we will be called upon to solve in the near future. To those who seem to be apprehensive of exposure because of the opinions expressed by myself, I want to say that I hold no malice toward anyone; yet if a choice is to be made, I shall not be diverted by special pressure groups, but I shall, instead, adhere to my obligation as I understand it in the defense of the fundamental principles of the Republic.

In further clarification of my position, and so that there will be no misunderstanding in regard to my attitude or principles, I can only say that I stand without fear, evasion, or reservation for the sovereign rights of the States and the rights of the people as expressed in the tenth amendment, in which they, after having delegated certain restricted powers to the Federal Government, reserve all remaining power and rights to the States and to themselves. This is only logical because it is the type of government promulgated in the Constitution and the only form of popular government that will stand stress and survive. The founders were aware of this so they provided in article IV:

> The United States shall guarantee to every State in the Union a republican form of government, shall protect each of them against invasion, and on application of the legislature or of the Executive (when the legislature cannot be convened) against domestic violence.

This does not say "the United States Government," which seems to be the prevailing popular interpretation, but it says instead, the United States shall guarantee each other protection. This is very important, because it carries with it the very life of our Government, namely, the supreme sovereign powers of all these United States. This power is now destroyed and if the Republic of the United States is to be saved, this power must be restored to the States.

My only interest in making these statements is to warn the people to save the Republic before it is too late.

The Constitution carries a provision which will take care of individual offenders. This provision, in article III, section 3, should be used to paint a sign reading "Treason" for those who do not adhere to the fundamental basic principles as set forth in the Constitution. This power is impeachment. It is a harsh word, but we have sworn "to preserve, to protect, and defend the Constitution of the United States," and it is a solemn obligation. The safety of the Republic comes first and last.

The Socialist and his ilk wave the flag. The true patriot should nail the Stars and Stripes to the masthead as a symbol of freedom of all the United States forever and forever.

President Washington, in his Farewell Address to Congress, gave much sound advice, and in comparing the greater soundness of the Constitution with the Articles of Confederation he said:

> Sensible of this momentous truth, you have improved upon your first essay by the adoption of a constitution of government better calculated than your former for an intimate union and for the efficacious management of your common concerns. * * * Respect for its authority, compliance with its laws, acquiescence in its measures are duties enjoined by the fundamental maxims of true liberty. * * * The very idea of the power and the right of the

people to establish government presupposes the duty of every individual to obey the established government. * * *

It is important, likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominates in the human heart is sufficient to satisfy us of the truth of this position.

This should set right any doubt as to intent, but if there is any question of uncertainty in the understanding of the Constitution, amendment IX prevails:

The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people.

This amendment was incorporated in the Constitution to assure greater protection for the people and to inform the legislative, the executive, and the judiciary departments that they must hew to the line when tempted by the Socialist to widen the meaning of the document itself.

Upon further reading of the Constitution, it will be found that article I, section 1, to and including section 8, enumerates specific powers delegated to Congress, and for which no provision of transfer is made in the document itself. This is important, for we find in section 1:

All legislative powers herein granted shall be vested in a Congress of the United States which shall consist of a Senate and House of Representatives.

In the wording of this section, the word "shall" is a definite command to Congress, to which, unfortunately, it has not adhered. Upon further reading, we find in section 8, "The Congress shall have power—" which again expresses a definite command that Congress "shall" carry out those provisions found in article I, section 8, of the Constitution. As we read this section, we find that there is no provision made for the transfer of this regulatory power to anyone or to any department. This should be significant to every Member of Congress, for it is a command given by the people to Congress and to which this body has not adhered.

In article I, section 9, we find expressed a limitation of the power given to Congress, to which it has not adhered. Article I, section 10, expresses limits or restrictions upon the States, to which the States have adhered until Congress made it impossible for the States to comply with section 10.

It is not my intention at this time to confine myself to a discussion dealing with congressional dereliction of duty, but in having referred to congressional abuses of the Constitution, I can only say that I shall be glad to prove every assertion made in this statement. Before passing to article II, I cannot help making this observation: Congress cannot erase the blotch upon its escutcheon until it resumes its constitutional duty to the States and to the people, which Congress actually should represent and has sworn to protect.

Article II in clear language delineates the powers of the President, and—

Before he enter on the execution of his office, he shall take the following oath or affirmation:

"I do solemnly swear (or affirm) that I will faithfully execute the office of President of the United States, and will to the best of my ability preserve, protect, and defend the Constitution of the United States."

This is the obligation that the President takes as President of the United States, and each and every one of us takes the same obligation according to our position in the Government. Let us now honor this obligation, for upon its strict observance hangs the life of this Republic. This is of vital importance to preserve the Nation. If Congress fails in this duty, it becomes responsible for the consequence of such dereliction.

Article II, section 2, prescribes this power to the President:

The President shall be Commander in Chief of the Army and Navy of the United States, and of the militia of the several States when called into the actual service of the United States; he may

of duties re-

prieves and pardons for offenses against the United States, except in cases of impeachment.

Allow me to call your attention to this provision:

He shall have power to grant reprieves and pardons for offenses against the United States.

This is just about all the power delegated to the President in article II of the Constitution without the aid and approval of the Senate. We find, however, this expression:

He shall take care that the laws are faithfully executed.

No one can deny that the Constitution is the most vital and fundamental law of the land, and when it is violated it is the President's duty to stop such violation.

I mention this so that my colleagues may clearly understand the mess Congress has made of the Government by delegating unwarrantable, unreasonable, and unconstitutional power to the President. He cannot execute even the smallest part of the duties delegated to him by Congress, but must, as he has said, hire his help. Are we now to assume that this hired help possesses greater ability than the Members of Congress? Personally, I reply "No," for there is no evidence of remarkable ability of anyone in this "White House Congress." Yet the majority in Congress admits that the President's hired help is more capable to direct the destiny of the Nation than they are themselves.

In this action Congress has put the stamp of incompetence on themselves each and every time legislation has been enacted giving the President and his hired help greater and greater power. If anyone questions this statement, I can only refer him to special acts of Congress which have created federally owned corporations; the Gold Reserve Act; the Reorganization Act of 1939; the Mutual Taxing Act between State and Federal Governments; and last, but not least, crazy plans and planning. If this evidence is not satisfactory or sufficient, I shall be glad to mention many more unconstitutional measures which have been enacted wherein Congress has shifted its power to the President, to bureaus and departments in the Federal Government where they do not belong, and for which there is no provision of transfer to be found any place in the Constitution.

If Congress will now investigate the President's hired help, his social pests, his embryonic statesmen, his statistical experts, his economists, who have never been able to earn 1 cent in competitive industry, owned and operated by themselves, greater information may be had as to their ability. In such investigation it will be found that these employees, in their unsound attempts to regulate industry and business which they do not understand, are the real causes which are sending a great people and the richest nation in the world on greased skids into oblivion. These experts are our sorrow, so look them over, for they are a liability upon the responsibility of Congress which the people are going to ask you about when you return home.

Let us rebuild the Republic by repeal of the seventeenth amendment and stop using the socialistic term "democracy," for that is not our form of government. The history of democracies is written in red, in retrogression, misery, poverty, and suffering, and, finally in the red monster despotism.

I have always had the most profound respect for the Supreme Court, and I believe such feeling has been universal. I, with many others, have felt secure in the Supreme Court, until it became a political football. I, for one, sallied forth in the Court's defense when the President accused the judges of senile degeneration because at times they understood the Constitution. I live and hope that light may strike again within this magnificent white marble sanctuary of justice on Capitol Hill. It is so strange to us old timers since the Constitution has been quietly folded away.

Now, what is the duty of the Supreme Court? Let us determine facts according to the Constitution instead of by abstract opinions. We find in article III, section 2—

The judicial power shall extend to all cases, in law and equity, arising under this Constitution, the laws of the United States, and treaties made, or which shall be made, under their authority; to all cases affecting ambassadors, other public ministers and consuls; to

all cases of admiralty and maritime jurisdiction; to controversies to which the United States shall be a party; to controversies between two or more States; between a State and citizens of another State; between citizens of different States; between citizens of the same State claiming lands under grants of different States; and between a State, or the citizens thereof, and foreign states, citizens, or subjects.

In all cases affecting ambassadors, other public ministers and consuls, and those in which a State shall be a party, the Supreme Court shall have original jurisdiction. In all the other cases before mentioned the Supreme Court shall have appellate jurisdiction, both as to law and fact, with such exceptions and under such regulations as the Congress shall make.

These are the judicial powers of the Supreme Court, and it is also the Court's limitation of power. The judges of the Supreme Court, and other judges, must adhere to the Constitution as it is written, without interpolation or stretching the meaning of it. Decisions must be rendered as set forth in the document without evasion or mental reservation.

For these services the judges on the Supreme Court are paid $20,000 per year. When they retire a pension of $20,000 per year is paid to them as long as they live. The duty for which they receive such compensation is to administer impartial justice, and, in case of legislation where constitutionality is a question, base their decision on the Constitution instead of upon unconstitutional legislation, even though it is an act passed in good faith by Congress.

When the Supreme Court adheres to the Constitution in its decisions, the Nation respects and protects the Court, but when the Supreme Court departs from the Constitution it stands in public contempt and alone. The Court is standing alone today.

It is, of course, the duty of the Court to render decisions involving constitutionality on matters before the Court, not upon legislation enacted by Congress, but instead upon the Constitution. Congress, of course, should not enact legislation which is unconstitutional, but no one is infallible, so if it should happen that questionable legislation is enacted by Congress, the Supreme Court is duty bound to hold it unconstitutional. This is as it should be, because if all decisions are based upon the Constitution itself there will be few if any dissenters.

The general public opinion prevails that nearly all legislation enacted by Congress is unconstitutional, and in this the people are right. The Supreme Court, however, should have declared such legislation unconstitutional instead of upholding it, as it has done. It is not my intention to go into detail, but if any member of the Supreme Court should question my statements, I shall be glad to reply to such interrogator.

In the meantime I challenge anyone to prove constitutionality and designate where in the Constitution authority is found for the creation of Federal corporations, created by special acts of Congress. I refer to the corporations operated by the Federal Government, which have been created by special acts of Congress as a result of emergency legislation. In addition to these Federal corporate activities, Congress has set up by special legislation the Gold Reserve Act, the stabilization fund, the Labor Relations Act, the Wage and Hour Act, the Social Security Act, Unemployment Compensation Act, the Reorganization Act, the Mutual Taxing Act, and other emergency measures. I now ask, Where is the sense or soundness in using the taxpayer' money to destroy business?

These are a few of the problems that are a thorn in the side of United States industry and business. When they have been solved in a sound and sensible manner we will be back on the road to recovery, but not until then.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of Mother's Day.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent that on Monday next, after the disposition of the legislative business of the day, I may be permitted to address the House for 1 hour to make an analysis of reorganization plan No. II.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL, 1940

Mr. SNYDER, from the Committee on Appropriations, reported the bill (H. R. 6260) making appropriations for the fiscal year ending June 30, 1940, for civil functions administered by the War Department, and for other purposes (Rept. No. 604), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. POWERS reserved all points of order on the bill.

Mr. SNYDER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House for the consideration of H. R. 6260, the War Department civil functions appropriation bill, 1940; and pending that motion, I ask unanimous consent that the general debate be limited to what, may I ask the gentleman from New Jersey?

Mr. POWERS. I would suggest, Mr. Speaker, that the general debate be limited to 2 hours, and may I ask the gentleman from Pennsylvania how much time he will require out of the 2 hours?

Mr. SNYDER. Suppose we make it 50–50. Perhaps we will not use our full time.

Mr. POWERS. I will agree to that, Mr. Speaker, an hour on each side.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that general debate on the bill be limited to 2 hours, to be equally divided and controlled by himself and the gentleman from New Jersey. Is there objection?

Mr. MARTIN of Colorado. Reserving the right to object, Mr. Speaker, as the chairman of the subcommittee knows there is a question of very great interest to a lot of Members involved in this bill. Nobody has yet seen the bill. I believe we ought to have more than 2 hours for debate on such an important matter as is involved in this legislation.

Mr. SNYDER. I may say to the gentleman from Colorado that I believe the Members who will speak in general debate are probably those who may have amendments to offer. I will give the gentleman 10 minutes.

Mr. MARTIN of Colorado. I would like to have 10 minutes, anyway.

Mr. SNYDER. I will agree to give the gentleman that time.

Mr. WHITTINGTON. Reserving the right to object, Mr. Speaker, I should like to know if copies of this bill are available for the use of Members?

Mr. SNYDER. They are.

Mr. WHITTINGTON. I have tried to get a copy but have been unable to locate one so far.

Mr. MARTIN of Colorado. I have been trying to get a copy all morning but have not been able to do so.

Mr. SNYDER. They will be here in a moment.

Mr. WHITTINGTON. They will be here when we begin consideration of the bill?

Mr. SNYDER. They will.

Mr. BRADLEY of Pennsylvania. Reserving the right to object, Mr. Speaker, due to the fact I have not seen the bill but have heard some rumors with regard to certain of its provisions, I should like to ask my colleague from Pennsylvania if there is anything in the bill that in any way relates to utilizing present funds of the W. P. A. in connection with some of these appropriations?

Mr. SNYDER. There is no such provision in the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6260, with Mr. DELANEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SNYDER. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, it is said that big things ofttimes come in small packages. That aptly describes the War Department civil functions appropriation bill, the consideration of which we are about to begin.

The items in this measure are few, but in the aggregate they call for the appropriation of a tidy sum; the total is $255,188,514.

That amount compares with current appropriations aggregating $239,147,867, in which reappropriations are included amounting to $24,005,000.

The increase is $16,040,647.

We have effected reductions amounting to $445,940.

The increase falls principally under three heads—namely, river and harbor and flood-control projects and the Panama Canal.

The first two I shall address myself to in a moment. The latter, almost wholly, is responsive to a confidential project, the nature of which I am not at liberty publicly to divulge.

For other objects embraced by the bill we propose a net increase of $54,060. A reduction of $500,000 in the confidential Canal project occasions the net reduction I stated previously of $445,940. By other objects I refer to cemeterial expenses, the Alaska Communication System, our High Commissioner to the Philippines, and the local Soldiers' Home. There are no consequential changes involved as to any of such activities, except as to cemeteries. Under that head you will be interested to know that we have added $50,000 to the Budget estimate of $334,020 for the purchase of headstones, in order that applications may be promptly filled. There should be no protracted delay in placing these modest monuments at the graves of our one-time boys who bore arms in the Nation's defense.

Without this increase many months would go by during which these boys would not have markers at their graves, so this will enable the markers to be provided promptly.

Mr. Chairman, interest in this bill centers mainly in two propositions—rivers and harbors and flood control. For the former we have a regular Budget estimate of $30,000,000 for new work, and for the latter the regular Budget includes $110,000,000.

The first amount, applying to rivers and harbors, is $44,520,000 less than the amount made available for the current fiscal year.

The flood-control amount, that is, general flood control, is stepped up $28,000,000 above the current appropriation.

The proposed application of both amounts is set out in the hearings—rivers and harbors, commencing on page 58, and flood control commencing on page 92.

For rivers and harbors the $30,000,000 in the Budget would be applied toward authorized projects requiring an additional appropriation for their completion of $227,048,150.

For flood control, general, the amount of $110,000,000 would be applied toward projects under way or which are now ready or shortly will be ready to be undertaken, requiring a total additional appropriation for their completion of $473,540,000.

For rivers and harbors the Budget estimate would be at a rate of progress which would spread completion over a period extending somewhat over 7 years. For flood control the Budget estimate would be at a rate of progress which would spread completion over a period somewhat in excess of 4 years.

Mr. Chairman, it is no revelation to state that widespread dissatisfaction prevails with the amounts included in the regular Budget on account of rivers and harbors and flood control. No question is involved as to the relative importance of the two propositions. There is no question as to the component projects embraced by the regular Budget estimate under each proposition. The question that has arisen is whether or not the rate of progress permissible under the original Budget estimates should be stepped up. Your committe heard many delegations, it heard many Members of Congress, and all strongly advocated that we should disregard the Budget estimates.

Personally, I am in sympathy with both of these classes of improvements.

Very frankly, Mr. Chairman, it is my view that new work in connection with river and harbor and that flood-control projects under way and ready to be undertaken should be prosecuted more vigorously than would be possible with appropriations of proportions submitted in the Budget; but, at the same time, I am one of those who believe that it is a violation of the spirit of the Budget and Acounting Act for the Committee on Appropriations to waive aside budgetary principles and bring to the House measures exceeding Budget estimates without knowledge of the effect such course may have upon the financial program which the administration has laid out.

It has been my privilege to present to the House since the beginning of the Seventy-fifth Congress six annual appropriation measures, all prepared under my direction. No one of those measures has exceeded Budget recommendations; and of the five that already have been enacted into law, not one of them has occasioned Treasury demands in excess of Budget approved sums. I point to that record with some measure of pride.

I had hoped, I may say, Mr. Chairman, that the President could be persuaded to supplement his original recommendations for rivers and harbors and flood control. He has submitted a supplemental estimate of $6,000,000 on account of the Mississippi River flood-control project, but is averse, I understand, to any further submissions. As an alternative, however, I understand he is willing and ready at the proper time to make an allotment of not less than $50,000,000 of the appropriation later to be provided for work relief for the fiscal year 1940 to the Chief of Engineers for augmenting the amounts included in the Budget for river and harbor and flood-control projects.

If that is done, it seems to me it would take care of the situation very nicely, and from conferences and conversations I have had I understand would be quite agreeable to those of my colleagues representing districts where river and harbor projects and flood-control projects are matters of considerable concern. Of course, they would prefer something in black and white, but the President's assurances, I feel confident, will be quite satisfactory to all.

As to rivers and harbors, you will find a table showing the proposed application of the original $30,000,000 commencing on page 58 of the hearings. On page 520 begins a table showing how an additional $20,000,000 would be employed, and on page 114 there begins another table showing how an additional appropriation of $30,000,000 would be applied.

The break-down of the original flood-control estimate of $110,000,000 begins on page 92 of the hearings. There is another table commencing on page 116 allocating an additional $20,000,000, and on page 519 another table commences giving the proposed employment of an additional allowance of $30,000,000.

Mr. Chairman, I do not believe I need to take any more time of the Committee. We have worked faithfully to discharge our duty as the agent of the House in a creditable and generally acceptable manner, and I hope the recommendations we present may have undivided support.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman from Montana.

Mr. O'CONNOR. I appeared before the gentleman's subcommittee with regard to an item of $54,000 for the completion of the survey of the Yellowstone River. The Army engineers have already made a partial survey at a cost of $84,000, and they have advised me that with an additional $54,000 they can complete this survey. I should like to inquire if that amount is contemplated to be used for this purpose under the present bill?

Mr. SNYDER. I cannot answer the gentleman definitely. The gentleman understands that the Army engineers make up the estimates and the allocations and the set-up for the expenditure of these funds and send them to the committee. As to survey money, however, no allocation is submitted.

Mr. O'CONNOR. How much money appropriated in this bill is to be allotted to the Army engineers for the purpose of making surveys of such rivers as the Yellowstone River?

Mr. SNYDER. Three million dollars.

Mr. O'CONNOR. And that is to be used in the discretion of the Army engineers?

Mr. SNYDER. Yes.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield.

Mr. CULKIN. I find on page 8 of the bill $91,000,000 stricken out and $71,000,000 substituted in regard to the disbursements for rivers and harbors.

Mr. SNYDER. Yes.

Mr. CULKIN. Does that include maintenance and new construction?

Mr. SNYDER. Seventy-one million dollars?

Mr. CULKIN. Yes.

Mr. SNYDER. That amount applies to both maintenance and improvements.

Mr. CULKIN. Can the gentleman break that down?

Mr. SNYDER. The gentleman will find the break-down in the hearings.

Mr. CULKIN. The gentleman does not have it in mind. Can the gentleman tell me what is the total allocation for new work for rivers and harbors?

Mr. SNYDER. Thirty million dollars and one hundred and ten million dollars for flood control.

Mr. CULKIN. When was the original figure of $96,000,000 changed, if I may ask?

Mr. SNYDER. The original figure was $71,000,000. The subcommittee increased the amount to $96,000,000. That was changed after the Committee on Appropriations as a whole acted on reporting out the bill.

Mr. Chairman, I reserve the balance of my time and yield 10 minutes to the gentleman from Mississippi [Mr. COLLINS].

Mr. POWERS. Mr. Chairman, I yield the gentleman from Mississippi 5 additional minutes.

Mr. COLLINS. Mr. Chairman, I do not know of any bill that is brought before the House by the Appropriations Committee which concerns Members generally as much as does the pending measure.

It involves all of our ocean- and gulf-bound areas; it involves all of our navigable rivers, and more recently it has encompassed all of the headwaters and drainage areas of such streams. There is scarcely an area, I should say, that is not touched in some measure by the projects which the engineers are charged with prosecuting under the appropriations embraced by this bill.

One line of such work is in the interest of producing wealth through the provision of better and more extensive means of water transportation. The other line is in the interest of the preservation of wealth, and, more important, making secure human lives in areas which in the past have been ravaged by devastating floods.

We can and should lend our whole-hearted support to undertakings of this character. It is a class of public works which has a general and popular appeal.

When I occupied the position of chairman of the subcommittee on War Department appropriations, the nonmilitary appropriations were included in the bill with the military appropriations. They were carried in the latter part of the bill, and it was always a sort of relief to me, after spending weeks delving into money requests for objects of destruction—means and methods of killing human beings, to meet with propositions which had the dual objective of preserving both life and property.

Mr. Chairman, in view of the fact that this bill was reported only a few minutes ago, and the further fact that the hearings on the bill and the report have not been available to the membership of the House, I feel it is my duty to give to the Members of the House certain facts, particularly about three items in the bill about which I am sure they would wish to be informed in order that they make up their minds particularly about the sufficiency of these items.

This bill, as it is written at the present time, carries $110,000,000 for flood control. The Engineer Corps of the Army has indicated that $195,000,000 could be well and economically expended.

The bill carries $30,000,000 for rivers and harbors. The Engineer Corps of the Army has indicated that $102,000,000 could be economically expended.

For the lower Mississippi, $37,000,000 is carried in this bill, $6,000,000 of which is set aside, almost in toto, for work on the Morganza floodway and Atchafalaya Basin. The fact is that the $6,000,000 supplemental estimate was submitted primarily for work on these two floodways. With this amount eliminated, there would be only $31,000,000 available for expenditure on the lower Mississippi. The Engineer Corps of the Army has indicated that $50,000,000 could be economically expended for work on the lower Mississippi.

This gives you, in brief, a picture as to the situation with respect to those three propositions as they are provided for in this bill.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield at that point?

Mr. COLLINS. I yield.

Mr. WHITTINGTON. In stating that the bill carries $30,000,000 for rivers and harbors, I am wondering if my colleague did not overlook the fact that the bill carries an additional $41,000,000 for maintenance of rivers and harbors.

Mr. COLLINS. I am just going into that at the present time.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Just for the present let me go along and I will yield in a moment.

If you will turn to page 75 of the hearings, you will find for maintenance of river and harbor work, $41,135,000. In reality there is $41,000,000 carried in this bill for maintenance of river and harbor work. The $135,000 is merely a carry-over.

On general flood-control projects $3,000,000 is carried for maintenance.

If you will further examine page 75, you will find there itemized the yearly appropriations or the yearly amounts available for expenditure by the Engineer Corps for river and harbor work and a similar itemization for general flood-control work; and on page 103 of the hearings you will find a similar statement with regard to work on the lower Mississippi.

So much for the bill. The subcommittee having in charge this bill heard about 100 Members testify, all advocating increases either for river and harbor work or for flood-control work generally, while there were others who asked for additional appropriations for flood control on the lower Mississippi.

There was such strong sentiment among the membership of the House for additional appropriations that the subcommittee thought it wise to recommend an appropriation of $50,000,000 additional for these three projects, that amount to be deducted at a later date from the appropriations later to be recommended for work relief, the idea being that if the amounts proposed in the Budget for river and harbor work and flood-control work were augmented by $50,000,000, that many persons who would be on relief would be given employment by the Engineer Corps of the Army upon these types of work. That would conform with the present practice of the Engineer Corps of the Army. So we members of the subcommittee made that addition to the bill, dividing the money, first, $30,000,000 for rivers and harbors, and, secondly, $20,000,000 for general flood control. Later, after conferences with members of the Flood Control Committee and the Rivers and Harbors Committee, we changed that allocation and recommended to the Committee on Appropriations a division as follows: $25,000,000 to rivers and harbors, $23,000,000 to general flood control, and $2,000,000 to

flood control on the lower Mississippi. The Committee on Appropriations did not approve our action and eliminated the additions we had made. Had our recommendations been approved, the bill before you on its face would carry $50,000,000, or nearly $50,000,000, over Budget estimates. We did not, as members of this subcommittee, however, feel that we were actually appropriating $50,000,000 over the Budget, because we expected to vote and to recommend to the Congress that $50,000,000 be deducted from the work-relief appropriation for 1940, later to be provided, in order to carry on this very worthy work, upon which relief labor very largely would be used.

Actually, if our recommendations had been supported, no more money, in my opinion, would have been appropriated in toto in the end than would have been appropriated if this bill had been presented and passed as was recommended by the subcommittee, with $50,000,000 later eliminated from the 1940 relief appropriation. However, the recommendations of the subcommittee were not carried out, and we find this bill written and presented to you today under the Budget by about $500,000.

That, Mr. Chairman, gives a general picture of what has gone on, what has been presented, what the subcommittee had in mind, what we felt should have been carried in the bill.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Yes.

Mr. WHITTINGTON. If the gentleman is in position to answer the question, I should like him to state if there has not been a general understanding that the Executive is willing to allocate to the Chief of Engineers $50,000,000 when the relief appropriation is made?

Mr. COLLINS. It is my understanding that the Executive was perfectly willing to recommend $50,000,000 from the 1940 relief appropriation, and so stated to the gentleman from Texas [Mr. RAYBURN], and, I understand, to the chairman of the subcommittee. In other words, that when that bill was passed, $50,000,000 would be allotted for work on rivers and harbors and general flood control.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield further for a brief question?

Mr. COLLINS. Yes.

Mr. WHITTINGTON. In order to make it satisfactory, and in order to provide for its being utilized as regular funds, your subcommittee recommended the increases to be divided, of the $50,000,000 one-half to rivers and harbors and one-half to flood control.

Mr. COLLINS. The gentleman is correct. I was told just a few minutes ago by the Chief of the Engineer Corps of the Army that relief appropriations, used strictly as such by the engineers, were by no means satisfactory, and I think that those of you who are familiar with relief and the regulations governing the expenditure of relief money are cognizant of that fact.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Yes.

Mr. JENKINS of Ohio. I assume that the gentleman's subcommittee is practically unanimously in favor of giving flood control and rivers and harbors this extra $50,000,000 if it can be done. The gentleman has indicated it ought to be done out of relief. What would be the best parliamentary procedure by which that could be brought about?

Mr. COLLINS. There is but one way that you can increase these items, and that is to adopt the method that this subcommittee recommended, namely, to increase these items by the amount the subcommittee undertook to increase them. Any other method would be subject to a point of order.

Mr. JENKINS of Ohio. And if it is the general impression that that is satisfactory to the gentleman's subcommittee, and we have enough votes to do that——

Mr. COLLINS. Oh, I cannot speak for the subcommittee. Frankly, I am going to vote as I originally voted.

Mr. JENKINS of Ohio. How can we best make the President understand that in good faith, when the appropriation comes up for relief, we will carry out what we propose to do with him, if we carry the $50,000,000 today. We must keep faith with the President.

Mr. COLLINS. I have not conferred with the President, but it is my understanding that the method we adopted would be—I would not say approved, I would not say satisfactory to the President—but I have the idea that he would sign the bill.

[Here the gavel fell.]

Mr. SNYDER. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. O'CONNOR. Will the gentleman yield?

Mr. COLLINS. I yield.

Mr. O'CONNOR. On page 314 of the hearings is a letter addressed to myself from M. C. Taylor, brigadier general, assistant to the Chief of Engineers, in which he stated, among other things:

> There are now before the Department flood-control examinations and surveys estimated to cost $5,600,000 in addition to the funds presently allotted. The Budget estimate for the next fiscal year for this purpose is $3,000,000.

I want to be clear on this. Has this $3,000,000 which the Budget recommended been increased in this bill to $4,000,000? I understood the gentleman from Pennsylvania to say it was $3,000,000.

Mr. COLLINS. The amount carried in this bill for survey work, I understand, is $3,000,000.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. POWERS. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr. WOODRUFF].

Mr. WOODRUFF of Michigan. Mr. Chairman, ladies and gentlemen of the Committee, I propose to digress in my remarks today and to review certain things in connection with something entirely foreign to the bill before us. I wish to speak to the question of the New Deal misadministration of the Sugar Control Act.

Mr. Chairman, the policy of the New Deal administration, which for the past 6 years has constantly been to gradually eliminate the sugar industry of the United States—particularly the beet-sugar industry—is still being pursued.

All of the protestations that the New Deal administration wants to increase wages, that it wants to restore the American standard of living; that it wants to help the American farmer; that it wants to increase employment and reduce relief are in absolute contradiction to the polices being followed by the Department of Agriculture toward the sugar industry of the United States.

These are not empty phrases. They are not expressions of mere political disagreement or discontent. They are facts borne out by the figures contained in the proposed 1939 beet-sugar marketing allotments for the United States.

Not only has there been willful and needless discrimination against the beet-sugar industry of the United States, but we begin to trace the pattern into which this policy is resolving itself, and in that pattern we find that sugar allotments are being manipulated in such a way as to kill off the beet-sugar industry in those sections where it is believed to be the most vulnerable, then to proceed to those sections where the industry is better entrenched, and finally to strangle to death the entire industry in favor of offshore producers.

Mr. Chairman, a recent development marked another milestone in the progress toward eventual elimination of the American sugar-beet industry, particularly that part of it in the eastern growing area. The development I allude to was the threatened closing of the Mount Clemens plant of the Northeastern Sugar Co. at Mount Clemens, Mich. This would have made the fourth sugar refinery in Michigan to be closed since March 4, 1933, and because of the misadministration of the sugar-control legislation by the Department of Agriculture.

Representatives of 1,000 sugar-beet growers in the Mount Clemens growing area were in Washington recently urging

Government officials to recognize their fundamental right to continue to produce and sell sugar for the use of the American people. These farmers were most emphatic and earnest in their demands. They spoke not only for themselves but also for the 1,200 field laborers and 300 factory workers who, because of the un-American administration of the law, would be denied the opportunity to work and support themselves and their families. The Washington bureaucrats were adamant in their refusal to interpret the law as the Congress intended it should be interpreted.

The Secretary of Agriculture, under date of February 2, 1939, by authority granted to him by the Sugar Act of 1937, made a finding to the effect that a marketing allotment was necessary to prevent "disorderly marketing of beet sugar" by the processors.

Accordingly, under dates of February 21 and 22, 1939, a hearing was held in Chicago, Ill., for the purpose of receiving evidence to enable the Secretary of Agriculture to make a "fair, efficient, and equitable distribution of the 1939 beet-sugar quota among persons who market such sugar." Oral testimony was taken and briefs were filed.

Under date of April 7, 1939, the officer presiding over the hearings announced the marketing allotment he would recommend to the Secretary of Agriculture. Briefs disagreeing with the proposed recommendation were permitted to be filed up to April 17, 1939. The presiding officer considered the objections raised in the briefs and, without changing his original findings, transmitted the record of the proceedings to the Secretary of Agriculture for such action as he might deem appropriate. The Secretary approved the findings without change and issued the final order. This order jeopardized continued operation of another beet-sugar refinery in the State of Michigan.

Now, Mr. Chairman, under both the Jones-Costigan Act and the Sugar Act of 1937, allotments of planted acreage were made. In my city of Bay City, Mich., when Mr. Roosevelt assumed the responsibility of administering the affairs of the Nation, there were three beet-sugar refineries employing a total of about 1,800 workers and utilizing the products of something like 35,000 acres of land. Today, as a result of the New Deal policy of hostility to the beet-sugar industry, there is only one refinery operating instead of three. There has been, of course, a corresponding reduction in the number of wage earners employed in the refining of beet sugar and also in the tillage of acreage employed in the growing of beets.

Under the Jones-Costigan Act the Monitor Sugar Co., the only one of the three factories now surviving in my home city, was allotted an acreage of 17,234; while for 1939, under the Sugar Act of 1937, it was allotted a sugar acreage of 16,687.

Not only were the planted acreage allotments to Michigan decreased materially under the present act, but they were especially stringent on the Bay City area. This reduction in planted acres is of itself a severe hardship on the industry in Michigan, because it reduces the days of factory operation and reduces the extent to which growers may participate in the program.

Under the law American farmers are told how many acres of beets they can grow. The refiners are told how many pounds of the sugar crop they will be permitted to sell and when they can sell it.

The total marketing allotment for beet sugar in the United States for 1939 under the present consumption estimate is 29,284,470 bags of 100 pounds. Therefore, inasmuch as the total which can be marketed in 1939 exceeds the January 1, 1939, inventory, every company, if all were given equal consideration, could market its entire inventory plus some new crop sugar. However, under the arbitrary and unfair marketing allotment, the industry in Michigan cannot market in the year of 1939 its inventory on hand January 1, 1939.

So far as the plant in my own city is concerned, its inventory on January 1, 1939, was 379,747 bags. Its proposed marketing allotment is 366,037 bags, which means that on January 1, 1940, it would have left on hand 13,710 bags of sugar grown during the crop year of 1938 plus all the sugar produced during 1939.

Thus while the beet-sugar industry in the United States can collectively market in 1939 all of the inventory on hand as of January 1, 1939, plus 2,377,765 bags of new crop sugar made in 1939, the industry in Michigan is denied the opportunity to market the total of its inventory on hand January 1, 1939, and is further denied, if you please, the chance to market a single bag of new crop sugar during that year.

Normally the beet-sugar industry in Michigan markets in every calendar year all of its January 1 effective inventory, plus about one-third of the new crop sugar produced in the fall of the year. Due to the large effective inventory on January 1, 1939, the substantial amount of new crop sugar which normally would be sold cannot be expected to be sold this year. However, if every processor in the United States were permitted to market all of his January 1, 1939, effective inventory, each could still market about one-third of the new crop sugar which he normally would have marketed.

If this were the status, the Monitor refinery in my home city would be able to market, on a parity with the rest of the country not only 13,710 bags of inventory sugar but it would be able also to market about 30,783 bags of new crop sugar.

Under equitable marketing allotments and under usual conditions, the industry in Michigan would sell 756,509 bags of new crop sugar this fall, in addition to the whole of the January 1, 1939, effective inventory. However, if the amount of new crop sales for Michigan were reduced only in the same proportion as the new crop sales of the entire industry in the United States, the Michigan refiners would be permitted to market 244,915 bags of new crop sugar this fall, in addition to all of their January 1, 1939, effective inventories. But under the plan approved by the Secretary of Agriculture, the industry in Michigan, because of heavy imports, can only market in 1939 its January 1, 1939, effective inventory, minus about 26,000 bags, and, in addition, will not be able to market a single bag of 1939 crop sugar.

Now, Mr. Chairman, the discrimination against the State of Michigan as a whole, in relation to the treatment afforded the balance of the United States, can readily be seen, and surely the recommended formula cannot be said to be "fair, efficient, and equitable," as provided in the Sugar Act of 1937.

This formula creates a number of hardships for the industry in Michigan:

First. Under the contracts with the producers advance payments for beets are made in November and December. The financial structures of the companies are such that they contemplated selling a certain amount of new crop sugar in the fall to meet these advance payments to growers. Serious financial difficulties must necessarily arise when the normal new crop sales of 756,509 bags are by bureaucratic mandate prohibited, and about 26,000 bags of the 1938 crop are also barred from the 1939 market.

That means, of course, that in Michigan our sugar growers can neither market all of their 1938 crop in 1939, nor can they market a pound of their 1939 crop in 1939.

Second. The climate of Michigan is humid, and the storage until 1940 of sugar made in 1938 presents very serious problems. Indeed, it is questionable whether this sugar can be marketed in 1940 without reprocessing at considerable expense.

Third. If the industry is prevented from supplying the home market this fall with new crop sugar, this market will be supplied with other sugar. Every grower of sugar beets in Michigan, as well as every processor, is vitally interested in selling every bag of sugar as near the factory as possible, because it increases his returns.

Fourth. The avowed purpose of marketing allotments is to prevent disorderly marketing. Under the very conditions which would be caused by the recommended marketing allotment, disorderly marketing will be bound to occur in January

1940. The industry in Michigan will be forced to sell sugar in distant territories, probably at a discount—which will be to the detriment of every grower in the State of Michigan.

Fifth. Since all sugar on hand as of January 1, 1939, was produced in good faith from sugar beets to which 1938 acreage allotments pertain, and inasmuch as the total inventory on hand on January 1, 1939, was less than the total 1939 marketing allotment, there certainly is no justification for refusing permission to every processor to market all of his January 1, 1939, effective inventory plus his fair proportion of the new crop sugar which can be sold.

Now, Mr. Chairman, underlying this whole question is the one great question of why the New Deal administration is so intent upon destroying the sugar industry of the United States, acre by acre, factory by factory, and State by State.

It has been said on different occasions that the reason is that many of those high in the New Deal administration believe the sugar industry of the United States ought to be throttled to death. They simply do not believe that the American sugar market ought to be reserved in any part for the American cane grower or the American beet grower. They simply do not believe that the American market ought to be reserved for the American wage earners in the cane-sugar factories or in the beet-sugar factories. They simply do not believe that the American sugar market ought to be reserved for American capital and American profits.

Time and again I have called attention on this floor to the fact that the whole policy of the New Deal administration has been to sacrifice the American sugar growers and sugar processors and the wage earners engaged in the business to the growers and the processors of Cuba and of the Philippine Islands.

The theory which has been enunciated from time to time by spokesmen for the New Deal in explaining their hostility to the American sugar industry is that American sugar producers and processors cannot produce sugar as cheaply as it can be produced in those offshore areas where labor is paid less—where wages are lower, if you please—and where the living conditions of the wage earners are not comparable to the living standards of American wage earners.

I am perfectly ready to concede that that is true. I will say this: If we are willing to scrap the National Labor Relations Act, if we are willing to repeal the Wage-Hour Act, if we are willing to abandon any effort to do anything for the American farmer, if we are willing to oppress our wage earners, if we are willing to abolish labor unions and reduce the workers of the United States to the status of those workers in offshore fields, then we can produce sugar as cheaply in the United States as it can be produced anywhere.

But, Mr. Chairman, so long as I am able to raise by voice we will not reduce the American farmers to a state of serfdom. We will not reduce the American wage earners to a state of peonage. We will not countenance the oppression of American labor to the low living standards and the miserable living conditions of those workers in those offshore, tropical areas who can produce sugar cheaper than we in the United States.

The contradiction of New Deal philosophy is so glaring that it cannot escape the most casual observation. The New Deal cries to high heaven that it wants to increase the income of the American farmers and to preserve the American market for the American farmers; but, if you please, not where the American sugar-beet grower is concerned.

The New Deal administration cries to the high heaven that it wants to increase employment, so that the one-third ill-fed, ill-clad, ill-housed shall have jobs at good wages; but not where the workers in American sugar factories are concerned, if you please.

The New Deal administration cries to high heaven that it wants to maintain and even to increase the standard of living of the American people; but not where the sugar growers and the sugar processors and the wage earners engaged in this industry are concerned, if you please.

The New Deal administration cries to the high heaven that it wants an adequate national defense, and yet it deliberately closes its eyes to the fact that during the World War not only were Americans put on sugar rations, but when domestic supplies were exhausted the American housewives had to go to the grocers and plead for the opportunity to buy a pound of sugar at 32 cents.

We hear nothing from the administration, Mr. Chairman, of the millions piled upon millions that were wrung from the pocketbooks of the American consumers because a short-sighted policy had permitted foreign sugar producers to gain control of the American market. No; they carefully refrain from mentioning that experience. I shall in the near future discuss this experience in greater detail.

We all know—the administration knows—that if the sugar industries of America are paralyzed, if the factories are dismantled, if the fields are fallow or are planted to other crops, we could not reestablish the sugar industry to produce even 25 percent of our domestic needs for 2 years or longer. It would take 3, 4, 5 years for America to be able to produce 50 or 75 percent of her domestic needs.

Mr. Chairman, if it were not for the courage of the Michigan sugar producers, who are willing to risk their capital and to face probable losses in 1940 rather than submit to annihilation at the hands of these bureaucrats, the beet farmers of Michigan would today face a serious and most disturbing situation. In the face of these inequitable and unfair and arbitrary allotments which penalize the Michigan growers and processors, the producers of my State have determined to continue operations for at least another year. The attitude of the Michigan producers is summed up in the words of one producer who has written me. He said:

> We came to the conclusion that we had an obligation to fulfill with these farmers, and whether we lose money or make any money this year, we decided that we would operate the plant. We also felt that if this plant did not operate this year it would never operate again. The farmers would lose their acreage allotments, and that would be the end of the sugar industry in this area.

Here is a situation, Mr. Chairman, in which every promise of the administration to try to encourage private industry has been violated wantonly. Here is a situation in which every declaration of the administration that it desires to help the businessman and the wage earner has been violated, and if it were not for the sound patriotism, the fine type of citizenship, the high character of the Michigan sugar producers in recognizing an obligation to the growers and in translating it for the Michigan farmers into a practical mode of relief, the Michigan beet farmers would be left facing a dreary future by the administration.

Is this action by the sugar-beet processors of my State to be branded as the acts of "economic royalists" and "princes of privilege," or is this attitude to be recognized for what it is, a sound, basic American attitude on the part of the sugar processors to carry out to the extreme limit, even at the risk of their own capital, what they conceive to be an obligation to the American farmers, an obligation which rests upon the administration and which the administration has refused to recognize, and which now will be carried out for the administration?

Now we have heard a great deal about protecting the consumer in this matter of quotas. I, for one, am ready to face the question of the consumer interest in this problem. This I shall also discuss in detail in the near future.

Mr. Chairman, there simply is no rational basis on which any such policy as the New Deal policy toward the sugar industry can be justified. If we are going to deal with the sugar industry of the United States on the basis of the New Deal philosophy that because sugar can be produced offshore cheaper than it can be produced here, then to be economically logical we ought to follow the same principle with regard to the manufacture of textiles, of shoes, of thousands of other things which can be produced more cheaply in those countries which pay miserable pittances to their workers, which compel their people to live under standards so low that Americans would rebel. Of course, such a thing is unthinkable. But it remains an absolute fact that if such a policy with regard to shoes or textiles

or all of the other commodities would not be a sound policy, then it is not a sound policy so far as the sugar industry is concerned.

The fact is that the American sugar industry is being sacrificed to the whims and the mistaken views of a few individuals in the New Deal who are in positions sufficiently powerful to enable them to carry out their warped ideas of an American economy.

Let me say in conclusion that every time you deny the planting of an acre of sugar beets you have kept some farmer in the plight he is in today. Every time you deny the planting of an acre of sugar beets you send some farm hand into the bread lines in the city or onto the relief rolls. Every time you close a sugar factory you throw hundreds of people onto the relief rolls and you deny many farmers and farm hands the opportunity to make a decent living for themselves.

We might just as well face this fact now: Every dictate of a sound and sensible national defense, of a sound and sensible internal economy, of consideration for the wage earners and for the farmers of America, compels the conclusion that not only is the administration sugar-control policy unjust, inequitable, unfair, but it is economically and nationally suicidal. [Applause.]

Mr. Speaker, I shall discuss this question further in the near future.

Mr. TERRY. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. MARTIN].

Mr. MARTIN of Colorado. Mr. Chairman, when a mere mine-run Congressman is hanging around one of these powerful congressional committees trying to find out what is going on about a very important bill in which he and many other Members are vitally interested and what they are going to do about it, he really does not know whether he is a Congressman or a tramp trespassing on the premises. [Laughter.]

Ella Wheeler Wilcox said, "Nothing is ever settled until it is settled right." But I always thought that Ella used about twice too much language, and I know it now. "Nothing is ever settled." Because if many Members of this body ever had a right to think that a bill reported by a subcommittee to the full committee settled a controversy that has been going on for 3 months, we had a right to think so here.

In the first place, that subcommittee and its members state that more Members of Congress appeared before that subcommittee in behalf of this legislation than ever appeared before the Committee on Appropriations in its history. Apparently the full committee does not rate Congressmen very highly.

But it dates back beyond that. It dates back to the middle of February when 40 Members of Congress, on a single written request, appeared in the committee room of the Committee on Food Control for the purpose of considering whether or not they would support the estimate and figures of the Army engineers on the flood-control program for 1940, on which program the engineers said they could profitably expend $195,000,000.

Those 40 Members of Congress unanimously endorsed that proposition, unanimously endorsed the $195,500,000 estimate of the Army engineers. Thereafter it was decided to lay this matter before the President. A committee of 31 Members, representing 29 States and 2 Territories—and, mind you, 47 of the 48 States of the Union are interested in this legislation—went to lay the situation before the President. We received an appointment with him at 11 o'clock on a Monday morning, a rather unpropitous hour to make a showing, but every single Member was there. When we presented the matter to the President I told him I thought it was of such significance as to be worthy of mention, as showing the interest of Members of Congress; that the 31 members of the committee appointed had appeared down there to the man to ask him to raise his sights, so to speak, and to recommend that more money be carried in the flood-control program.

There was need for more money. Do you know what we have authorized, beginning with the Flood Control Act of 1936 and 10 amendments of 1937–38? We have authorized $710,000,000 worth of flood-control projects, construction costs, to which we have added since about $90,000,000 by shifting the cost of land and local damages from the sponsors to the Federal Government. So that you now have $800,000,000 worth of flood-control program under the act of 1936 and its amendments.

Now, what has been done, how much money has been appropriated, to construct that great program?

The first flood-control act passed Congress too late in the session to be included in the 1937 appropriation bill. For 1938 and 1939 combined only $120,000,000 was appropriated to execute this $800,000,000 program.

All right, let us look at the Budget. There ought to be some reason in the Budget as well as in Congress. I have never recovered from the jolt I got when the first Budget message came in here in January 1937, after we had passed the first flood-control act at the end of the preceding session, with $310,000,000 of projects in it. The Army engineers said they were ready to proceed with $150,000,000 of projects. The Budget estimate that was sent up here to begin that great program carried—I cannot forget it, I was sitting right there in a front seat; it nearly knocked me out of the seat—was $30,000,000 to begin that program.

Now, there are a lot of us fellows who have been going along on these things for 6 years who are out on the ragged edge, who never got a dollar for flood control expended in their districts. Let me say to you now that we feel we would be a damn sight better off if we got licked fighting than if we laid down and took it. [Applause.] So when we get to that stage of the game I have the amendments already up there at the Clerk's desk to restore the figures which the military Subcommittee on Appropriations put in their bill yesterday, but which was thrown out of the window this morning by the full committee on a few minutes' consideration—figures put in there after the most exhaustive hearings, as the chairman of the subcommittee has told you, that were ever held by a subcommittee of the Committee on Appropriations, and those figures did not suit me entirely.

At a recent meeting of this group of Members, and we have never had any trouble to get 35 or 40 fine fellows out there just on a few hours' written notice to these meetings, when we commenced to get down to brass tacks on this thing, I want to show you how much some of us have sacrificed to agree on the small figure that was thrown out the window by the Appropriations Committee. We met and unanimously agreed to go behind just $50,000,000 additional, instead of $85,000,000. We wanted to be reasonable, so we reduced our sights to $50,000,000 additional to the Budget figure of $110,000,000. That additional $50,000,000 was to be for flood control only.

The next thing that transpired, however, was a report that rivers and harbors were to get half of this $50,000,000. In all the 3 months we had been working on this thing we had never heard a word from rivers and harbors or that they wanted any more money. All the work was done by a voluntary group of flood-control Members, and we brought it to the point where it was agreed by everybody, from the President down, that we should get $50,000,000 more for flood control if the grand total of appropriations could be brought within the Budget, and we were positively assured than an allotment in that amount would be made from the work relief appropriation for 1940.

It was not until our final meeting on Friday last that any report reached our group that there was to be a division of this $50,000,000 with rivers and harbors, and that rivers and harbors would get as much or more than flood control.

So we held a meeting yesterday morning and we agreed on this proposition, and I will tell you just what the proposition was, because there were only two votes cast against it after consideration which lasted for an hour and a quarter. The majority leader was present at this meeting. We adopted a motion that we would stand for a split of this $50,000,000—$30,000,000 for flood control and $20,000,000 for rivers and harbors. We further agreed that if the committee accepted this figure we would oppose any attempted increase on the floor of the House, because some of the Members wanted to go the limit. We would be satisfied with these figures.

But the subcommittee changed our figures, and still I am going to follow the subcommittee. The subcommittee gave rivers and harbors $25,000,000 and general flood control $23,000,000, and the Lower Mississippi $2,000,000, making up the $50,000,000. The subcommittee adopted those figures, and we, knowing that that subcommittee has been working earnestly and informedly on this problem for 2 months, decided to abide by the subcommittee action.

Let me say that I was thunderstruck when I learned that the full committee this noon, not 2 hours ago, and not by any possibility having the knowledge the subcommittee have, in a brief session just tossed the whole thing out of the window.

It is my intention to offer amendments at the appropriate time. I got up here just to advise you what is coming and why. I could write a book on this thing—maybe I will after it is over—but all of this is such a small amount on such a tremendous program, a program of such tremendous importance. Do you know that nearly this whole flood-control program is based on the report of the Mississippi Valley Committee, issued in 1934—a national committee of eminent engineers, headed by the eminent Philadelphia engineer, Morris Cooke?

[Here the gavel fell.]

Mr. SNYDER. Mr. Chairman, I yield 2 additional minutes to the gentleman from Colorado.

Mr. MARTIN of Colorado. Mr. Chairman, that body of engineers made a preliminary survey of the Mississippi Basin. The Mississippi Basin comprises all or parts of 31 States. These engineers outlined a program which has in it today—a program issued 5 years ago—if you will search it, every project of any magnitude that is in the Flood Control Acts passed by this Congress. They estimated that the total cost of that program would be seven or eight billions of dollars. That was the start of this whole thing.

When the President dedicated the Fort Peck Dam in November of 1934 he said it was proposed to build dams to stop every drop of this water where it fell and make a use of it, instead of having it destroying the land and running away to the sea. He said—and I agree with him—that this country could well afford to spend $500,000,000 a year over a period of years to put over such a flood-control program. We have been spending only $60,000,000 a year—only about 10 days' relief money.

Let me say—and I bear down on this—that we have fallen down on the execution of our flood-control program more than any other program that has been undertaken in the last 6 years.

We have poured hundreds of millions of dollars of our money into one river. Need I remind anyone present that there are a few other rivers in the United States that need dams?

We had everything lined up here to settle this thing amicably. There was to be no fight. This was a very small increase. They talk about increasing the Budget. Why, we tossed three-quarters of a billion dollars into the naval bill we passed last week and nobody was interested. Nobody was crying about the Budget in connection with that bill. No one asked where we were going to get the money. The Senate has just added $371,000,000 to the House farm bill for 1940, boosting that appropriation to more than $1,200,000,000.

[Here the gavel fell.]

Mr. SNYDER. Mr. Chairman, I yield the gentleman one-half additional minute.

Mr. SHORT. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from Missouri.

Mr. SHORT. What justification can there be for voting for $772,000,000 in the form of a naval bill, which includes battleships that cost $93,000,000, perhaps $115,000,000, each, then refusing to vote $50,000,000 for flood control, rivers and harbors?

Mr. MARTIN of Colorado. I can answer in one word and that word is "none." [Applause.]

Mr. SHORT. I quite agree with the gentleman.

Mr. MARTIN of Colorado. I am going to offer these amendments when we get to it. If you fellows will line up here and vote as you have been talking we will carry them, putting the subcommittee figures back in the bill—$25,000,000 for rivers and harbors, $23,000,000 for general flood control, and $2,000,000 for the lower Mississippi.

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Chairman, it is very unfortunate that opposition has developed in connection with this matter. Only yesterday it seemed assured that this $50,000,000 would be divided amicably between these two groups. Today we find that the $50,000,000 goes out of the window. It will be poor satisfaction to the people along the Ohio, the Mississippi, and the smaller rivers of the country, which include those far out in Arkansas, Colorado, and up in New England, to know that this $50,000,000 has gone out of the window when the experts yesterday all agreed this should be appropriated. We who are not on the Appropriations Committee are not experts. We are just common, everyday Congressmen. We are going to have a little trouble explaining this. The fact of the matter is, it cannot be explained. I call upon these experts, these men who know the finances of the Nation, these men who were in accord yesterday and who are now in rank discord, to get together so that when this bill is read under the 5-minute rule we can do what was agreed to be done yesterday. They should not object. They said they could get so much money yesterday. Today they cannot get it. We do not want to run in opposition to them, we do not want to have to widen this breach, and I therefore call upon them to come back and follow their judgments. Are we going to allow ourselves to lose this? I, for one, am not going to be able to explain to my people, although my own district will not suffer by reason of the failure to appropriate this money. However, there are other people who, if this is not passed, will in the future be in water up to their necks, and I think we ought to get together.

Mr. KNUTSON. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Minnesota.

Mr. KNUTSON. As I understood the preceding speaker, this item would only involve the price of a half battleship.

Mr. JENKINS of Ohio. Less than half of some of the big ones; that is right.

Mr. TERRY. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Arkansas.

Mr. TERRY. The gentleman made the statement that the members of his own party were in agreement as to this amount and called upon us over here to explain why it was thrown out of the window. I think if the gentleman would ask the members of his own party, he will find the true facts.

Mr. JENKINS of Ohio. I still maintain the majority sentiment on our side is favorable to this. It is well recognized that we have been economists, or we try to be economists, but we are sensible economists. There would be no sense in saying today that you cannot spend $50,000,000 when yesterday we were told we could. Nothing has developed between yesterday and today to indicate why we cannot do it.

Mr. ZIMMERMAN. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. The gentleman from Ohio, who has made a very valuable contribution to the cause of flood control, will appreciate the fact that in the 1937 flood the Ohio Valley suffered damages totaling over $400,000,000 from that one flood. The purpose of this money is to carry out a program which was authorized by the Flood Control Act of 1938 to stop all of the damages that have come to the different sections of our country because of these unprecedented floods. That is the purpose of it and it is wise economy, it is an investment and not the wasteful spending of money.

Mr. JENKINS of Ohio. The gentleman is absolutely right. In connection with these programs of spending that we have

been experiencing during the last 3, 4, or 5 years, I defy anybody to show any place where the money has been spent more judiciously, where it has done more good, dollar for dollar, than the money spent along these rivers to keep the water out of the homes and business places of our people.

Mr. ZIMMERMAN. In other words, "a stitch in time saves nine."

Mr. McCORMACK. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I am very glad to know that my friend supports a 100 percent Federal contribution toward flood control or toward projects that will assure flood protection. The gentleman recalls the terrific fight we had in the House last year. It is very refreshing to note that our Republican colleagues have changed their view from the position they took last year and have taken the broad national viewpoint that it is a problem of the Federal Government.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I may say to the gentleman that there were only four votes in the entire House, Republicans and Democrats alike, against that proposition.

[Here the gavel fell.]

Mr. SNYDER. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. BRADLEY] such time as he may desire.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I have been very much interested in reading the accounts in the press of the address of Howard L. Russell, director of public assistance of Pennsylvania, delivered over the radio on April 25 and also the report of his department as outlined in the newspapers of May 8. Mr. Russell in his address deplores the burden placed upon the taxpayer of Pennsylvania in providing for a relief program and from the press accounts of his speech he is apprehensive about the curtailment of Federal W. P. A. funds, which is necessary because of the recent action of the so-called economy bloc in Congress in reducing W. P. A. appropriations. In the same speech Mr. Russell apparently advocates the enactment by the Pennsylvania Legislature of the Van Allsburg bill which would return relief payments over to county boards in Pennsylvania. I do not know what Mr. Russell is more interested in, the return of relief administration to the county boards in Pennsylvania, or the expense to the taxpayer in Pennsylvania, involved in the curtailment of Federal funds for W. P. A. The quickest way to make the unfortunate people, who are obliged to accept relief, the football of politics is to turn the administration of relief back to the county boards in Pennsylvania, which will be dominated by local political organizations. Everyone in Pennsylvania remembers the deplorable conditions which existed in our State when the local county boards controlled the administration of relief. It actually meant that the local Republican committeemen in those days were the dispensers of relief, and that they dominated the relief boards through their political appointees, and that the applicant for relief had emphasized to him the importance of the Republican committeeman in his voting precinct, and was subject to all kinds of intimidation, threats, and pressure and was in constant fear of what would happen to his relief check, should he incur the displeasure of politicians. It was for this reason that a nonpartisan commission made up of men of unquestioned integrity and reputation, who were not identified with political organizations, recommended the establishment of a civil-service system in the selection of employees to administer relief, and the removal of administrative powers from the hands of local county politicians.

Now, Mr. Russell apparently is advocating the return of the administration of relief to the same agencies which were responsible for the evils which existed. No doubt the purpose of this is to provide jobs for the political worker. However, as this is a matter for the Legislature of Pennsylvania to decide itself, and for the people of Pennsylvania to later pass judgment upon, I am not so much interested in it at the moment as I am in that part of Mr. Russell's remarks deploring the curtailment of Federal funds and also the report of his department. I agree with Mr. Russell that curtailment of Federal funds for relief and W. P. A. is a very serious matter to Pennsylvania, and that the taxpayers of my State are going to be penalized because of such curtailment, but I would like to know if Mr. Russell communicated with the Members of Congress from Pennsylvania when the Congress was considering the recommendations of the President for W. P. A., and if he pointed out to them the effect decreased appropriations would have on Pennsylvania, and if he asked them to support adequate appropriations. I think I am safe in saying, that every Republican Member of Congress voted to decrease the amount below the recommendations of the President and of Colonel Harrington. When the first recommendation was sent to Congress and the deficiency W. P. A. appropriation was originally considered by the House, the entire Republican membership from Pennsylvania voted for the reduction from $875,000,000 to $725,000,000, thus clipping $150,000,000 from the estimates submitted as necessary. Further than that, all who were present on the floor during the non-roll-call votes, in the Committee of the Whole, also voted to cut the amount down to $350,000,000, which if the amendment had been successful, would have slashed the amount finally voted by more than one-half. Later when the President sent his message recommending the necessity of an additional $150,000,000, which had been previously slashed from the estimates, they all voted to reduce the amount by $50,000,000 and to provide only $100,000,000. And, believe it or not, those whom I saw on the floor during the vote in the Committee of the Whole, also voted for the amendment which would have trimmed the figure to a bare $55,000,000. Of course, this was a nonrecord vote and perhaps Mr. Russell does not know it.

Now, Mr. Russell complains because the very things the President warned of are taking place and thousands are being thrown back on the relief rolls, but these are the things for which the Republican Party's representatives in Washington voted, and the responsibility for the unemployment of these thousands who are being removed from the W. P. A. rolls belongs to the men in Congress, who should represent Pennsylvania, but who evidently were not much concerned about it when they slashed the W. P. A. funds. I would like also to direct attention to the situation in Philadelphia. If Mr. Russell's figures are correct, there are 78,419 cases in Philadelphia, representing 200,682 people, who are on relief. Millions of dollars have been available to Philadelphia for the past 2 years for W. P. A., which would have provided employment for a great number of these people, and which would have relieved Pennsylvania of the necessity of providing relief funds for them. However, the local authorities in Philadelphia have never exhibited much concern in utilizing this money and providing employment for these people, who themselves prefer to work rather than to receive a dole. Right at this moment enough money is available from the Federal Government to provide employment for approximately 20,000 people in Philadelphia, and Federal authorities cannot understand how it is that other cities in the United States not only utilize available funds but are complaining bitterly about the attitude of those Congressmen who voted to curtail W. P. A. funds, while Philadelphia apparently has no concern for its unemployed, notwithstanding the fact that the State government of Pennsylvania is being saddled with the huge costs of direct relief because of this callous attitude. Only last Monday mayors of four big cities, of different political persuasion, appeared in Washington to testify as to the need of additional funds and the desirability of W. P. A. projects. I would suggest that Mr. Russell could help solve the problem for the taxpayers of Pennsylvania by using his influence and powers of persuasion in an effort to induce Republican Members of Congress from Pennsylvania to vote for adequate funds and also to prevail upon the hard-boiled councilmen

of the city of Philadelphia to accept the funds which the Federal Government is even now ready to provide for the unemployed in that city.

Mr. ENGEL. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Chairman, it seems to me that the whole trend of the Federal Government in the matter of disbursements is the following of strange gods. Agencies which did not exist several years ago now command the power of bureaucracy and millions in appropriations, but when we come to the essential fields of government, the preservation of property by flood-control measures and the maintenance of commerce by river and harbor development, we seem to have gotten into a condition of the doldrums.

Last year there were carried over the inland and coastal waters of the United States 583,000,000 tons of freight. This freight was carried at substantially one-tenth of the cost that would have been incurred if it had been carried over the rails, and this saving went into the national development.

Today we are confronted with the proposition that in this year of our Lord, for the development of our west coast, for the protection of our people there who have no transportation facilities except by water, particularly in Alaska, and for the protection and development of our Gulf ports and ports on the Atlantic coast, we have only the meager sum of $30,000,000, which is definitely inadequate for the needs of the situation and for the true and genuine development of America along industrial and social lines. So I say to you I am in full sympathy with the declaration of the gentleman from Mississippi [Mr. COLLINS] that $50,000,000, to be equally divided between river and harbor projects and flood-control projects, should be added to the present bill. If this is done, it will add substantially to the standard of living of the American people, it will add to their comforts, and it will add to the industrial and steady growth of America. Therefore, I say that when this matter comes up I for one, and I believe I speak for all Members of the House who understand the situation, will get behind the amendment when offered. [Applause.]

Mr. ENGEL. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. HAWKS].

Mr. HAWKS. Mr. Chairman, I am not going to talk about the bill. The gentlemen who have preceded me have covered that pretty thoroughly. Instead I am going to talk about a bill that will come onto the floor of the House next week, H. R. 5435, to amend the Fair Labor Standards Act of 1938.

In the fore part of April I appeared, with some farmers and canners from Wisconsin, before Mr. Andrews, Administrator of the Wage and Hour Act, when he was holding hearings on changes in the administration of the act. At that time we went over the canning industry, I thought, very thoroughly. There were other members of the industry from Wisconsin and other States present, and all of them gave practically the same testimony. All of us were down there with one idea in mind, to have further exemptions in the act so far as agricultural labor was concerned, and to have a clarification of the definition of agricultural labor, area of production, and so forth.

Two weeks after these hearings Mr. Andrews came forth with a new ruling, and this recent ruling—I believe it was dated April 19—absolutely disregarded all the testimony that was offered at the time of these hearings. He paid no attention to the statements of men in business, or to the statements of men interested in agriculture, and he paid no attention to the statements of Representatives of the House. He came out with a perfectly arbitrary ruling which was most injurious to the canning industry and agriculture, and the Lord knows we do not want to hurt the farmers any more. The ruling was absolutely a slap in the face to everybody who went down there to have the act clarified and broadened.

The gentlewoman from New Jersey, Mrs. NORTON, chairman of the Committee on Labor, is bringing a bill before the House next week under a rule which I understand will absolutely prohibit amendments. They have attempted to enlarge and clarify some statements on agricultural labor as well as a lot of other types of labor, but they have stuck some funny things in this bill. The expression has been used, "When those operations are performed at a terminal establishment," and this refers to the grading, cleaning, packing, drying, refrigerating, and so forth, of canned, fresh, and dried fruits and vegetables. Then later in the same section they attempt to define "terminal establishment" as follows:

> As used in this subsection, the term "terminal establishment" means an establishment which (1) is located either in the urban area where the products are to be consumed or at transportation centers for the purpose of servicing consumer markets, (2) receives the major portion of its goods from other establishments at which such goods have been previously concentrated or prepared, and (3) distributes its goods to wholesalers, retailers, consumers, or manufacturers.

Mr. PIERCE of Oregon. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. I yield to the gentleman from Oregon.

Mr. PIERCE of Oregon. Suppose a group of farmers get together in a cooperative organization to wash and pack their apples. Are they exempt under that law?

Mr. HAWKS. What does the gentleman think?

Mr. PIERCE of Oregon. I do not think they are.

Mr. HAWKS. I do not, either, and I do not see how in the world, if you send this language back to the average layman or the average farmer, he is going to understand a definition of this kind.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. I yield to my friend from Missouri.

Mr. SHORT. The gentleman is making a very splendid statement and I wish to corroborate what he has said. I know that in southern Missouri and northern Arkansas we have many small tomato-canning factories, and unless these small tomato-canning factories as well as the sawmills, particularly those that make staves, are exempted in the wage and hour law many of them will be forced to close their doors, which will throw more people out of work.

Mr. HAWKS. I would like to tell the gentleman from Missouri that I have correspondence in my files which indicates that at least 50 percent of the canning factories in Wisconsin are going to be closed this year. I had a letter the other day from one of the real good operators, a man who pays his bills, pays the farmer, and pays his labor, who states that if this amendment to the Fair Labor Standards Act is enacted into law it is going to curtail his operations as much as 50 percent and injure not only his business but injure the farmers and injure the people who work in such factories.

Mr. SHORT. I wish to say to the gentleman that I also have dozens, if not scores, of letters, telegrams, and communications from canners all over my district, as well as the operators of these small sawmills, protesting vehemently about being included in the act.

Mr. DONDERO. Mr. Chairman, if the gentleman will permit, I may say that I also have received letters from my district protesting against this provision of the law that has restricted them so they cannot operate their business.

Mr. HAWKS. What I want to know is whether this Congress is interested in giving jobs to people. Are we interested in helping the farmer market his produce? Are we interested in helping these little businesses and small towns all over the country keep on their feet, help them get along, or are we, through legislation of this kind, going to continue to keep on driving them down, deeper into debt and despair? It is high time we did some common-sense thinking for the small-business man and for the small farmer in this country. [Applause.]

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. I yield.

Mr. SHORT. Is it not the gentleman's opinion that the original law is so broad, and so vague, and so capable of many different interpretations that no one can tell what it is unless it is the Administrator himself?

Mr. HAWKS. Yes; and he has not demonstrated that he knows what it is all about.

Mr. SHORT. No lawyer can tell you what it means. How do they expect the layman to understand it?

Mr. HAWKS. They do not want the layman to do any thinking. Here is what the bill says:

Without limiting the generality of the foregoing, such regulations and orders may define terms used in this act.

The Administrator can go out and do as he pleases.

Mr. SHORT. The law is so ambiguous it is clear as mud.

Mr. HAWKS. Absolutely.

Mr. CLEVENGER. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. I yield to my good friend.

Mr. CLEVENGER. I wonder if the gentleman has not the same situation in his district that I have in mine with regard to the small farmers' telephone companies?

Mr. HAWKS. Yes.

Mr. CLEVENGER. I have eight or nine that will either be driven into curtailment of service, bankruptcy, or into the hands of A. T. & T.

Mr. HAWKS. They started with 250 stations and increased it to 500, when they know darn well the only thing that will give relief is an exemption of 1,000 stations.

[Here the gavel fell.]

Mr. SNYDER. Mr. Chairman, I yield 7 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I think this is one of the most important bills that has been before this Congress during this session. We can appropriate money by the hundreds of millions of dollars for battleships and their manning without any questions being asked, and battleships may come and they may go, but when it comes to appropriating money to conserve the things that not only we here today need but generations yet unborn are going to look to for a living, it seems to me we are mighty short-sighted.

I think we should be the most liberal in connection with appropriations for flood control, and certainly more so than any other one item that comes before the Congress. We have seen our great rivers, such as the Missouri, such as the Mississippi, such as the Ohio, the Yellowstone, the Warrior, take away our best lands and leave nothing in their wake except gaping wounds in the earth and sand bars to challenge us in the future and call us to account for the mistakes we have made.

I want to call your attention to something which I think has been overlooked, and that is the fact that we are constructing our dams to control floods too far down the streams. Those dams in time will be filled up with silt. Our top soils are being washed away by rampant high waters. I do not want to make any disparaging remarks about the dam that was built at Fort Peck, but I have received pretty fair and reliable information to the effect that in 50 years hence it will be filled by silt, and then we will have a great waterfall only. I contend that these dams should be built closer to the source from whence the water comes.

Take the Yellowstone River. It rises in the State of Wyoming, flows into Yellowstone Lake, and thence on in a northeasterly direction to the State of North Dakota. An impounding dam should be constructed at a point where silt would not be a factor, such as is the case at Fort Peck. We should have a dam where the river goes out of the Yellowstone Park. The principal tributary rivers of the Missouri River which cause floods are the Marias and the Yellowstone Rivers. Those rivers should have impounding dams close to the source to prevent the great ravages of the major streams as they flow from the Central States to the State of Mississippi. I was upon the committee that the gentleman from Colorado [Mr. MARTIN] refers to. We got a very sympathetic hearing, but did not get very much encouragement. We should be liberal here today in voting these appropriations. It is true we may have resources enough in this country to take care of the present population, but remember the millions and hundreds of millions that are to come after we are gone, and if we let our resources get away from us, such as our fine bottom lands that are being submerged, flooded, and cut away by these streams, we are denying to future generations what is rightfully theirs and what is within our power to allot to them today. We will increase our greatest and only permanent asset which in the end will take care of the Budget. So I say it is up to us. We need impounding dams on the Yellowstone River. We need them on the Marias River to protect the land through which these streams flow. I have seen the finest of lands along the Yellowstone River producing splendid crops, which were cut away, destroyed, and in time there was nothing left but sand bars. I have seen the same condition happen along the Marias River and the Missouri River as it flowed down through the Central States. We must legislate not only for today but for years and years hence and save the natural resources that Nature gave us, from which we feed and clothe ourselves and provide for the future people. We cannot do less. Let us appropriate the amount of funds the Army engineers say is necessary.

Mr. ENGEL. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Chairman, there is a growing sentiment among the Members of the House of Representatives that the present exclusive appropriating powers of the Committee on Appropriations should be restricted, and that some of the authority over appropriations ought to be restored to the important legislative policy-making committees of the House of Representatives, which formerly had jurisdiction in this field; and the reason for that sentiment is the fact that there is an increasing belief that in many important instances the Committee on Appropriations has abused the exclusive authority that was given to it some years ago.

These policy-making legislative committees of the House spend weeks and months in hearings, taking the testimony of experts, and weighing the opinions of the best minds throughout the country for the purpose of arriving at correct conclusions as to what ought to be done in certain fields of legislative activity, like flood control, rivers and harbors, military and naval affairs, and many other matters.

One of the main purposes of all this consideration by the legislative committee is to determine what amount of money it is necessary to appropriate in order properly to prosecute the governmental activity which the committee has under consideration. When the committee comes to a conclusion upon the subject it reports out a bill authorizing an appropriation in the amount decided upon and submits that bill to the House for its consideration. Such a bill is called an authorization bill. The House may then, after thorough debate, either approve or reject it. If it is approved it goes to the Senate, where it is referred to committee, thoroughly considered, and reported to the Senate for approval or rejection. If the Senate approves it and the President signs it, it then becomes law.

Mr. Chairman, I believe that a majority of the membership of the House are and always have been of the opinion that an authorization act, so considered and so approved, not only by the Congress but by the President, ought to be considered by the Appropriations Committee as a mandate to appropriate, and that this mandate ought not to be ignored by the Appropriations Committee except for the most sound and well-considered reasons.

But time after time these legislative committees have seen their well-considered proposals and recommendations go to the Committee on Appropriations after those proposals in legislative form have received the approval of the House, the Senate, and the President, and they have seen them there disposed of in the most perfunctory and arbitrary manner. They have seen them given a brief hearing by a subcommittee, and then they have seen the recommendations of the subcommittee go before the full committee and receive practically no hearings at all. The Appropriations Committee fixes and

reports to the House such appropriations as it pleases, regardless of the mandate of the House, the Senate, and the President as expressed in the authorization bill.

That has been the case with the Appropriations Committee in the bill before us now. I think the action of the Appropriations Committee in this case is an abuse of its authority, and I believe the House is going to correct the action of the Appropriations Committee in ignoring the mandate of the Congress in connection with the flood control and river and harbor appropriations which are now before us. I believe the House is going to increase the appropriation for these items so that they will be somewhat commensurate with the amounts which the House by an overwhelming majority has authorized to be appropriated.

In 1936 the Congress, by enacting the first general flood-control bill, declared it to be the policy of the United States to control the floods of its rivers. It declared flood control to be a national problem, and it declared that the problem should be solved by the Federal Government at Federal expense. After very long and careful hearings in 1938 another flood-control bill was reported to the House, and it passed the House and Senate and became law. That bill authorized a broad, scientific, comprehensive program which has met with universal approval of the country. That bill authorized $300,000,000 for the control of floods. The Army engineers recommended this year there should be expended out of that appropriation $195,000,000, and they made that recommendation after a most careful, thorough, and expert study.

But the Bureau of the Budget, without, so far as anyone knows, making any study of it at all, sent in a Budget estimate of $110,000,000 instead of $195,000,000, and told the Appropriations Committee that that was all it could recommend.

Mr. TERRY. Mr. Chairman, will the gentleman yield?

Mr. MOTT. Yes; I yield to the gentleman.

Mr. TERRY. The gentleman is criticizing the Committee on Appropriations for overruling the legislative committee. Can the gentleman tell us in what way the committee today overruled the legislative committee?

Mr. MOTT. The legislative committee, as I have just stated, authorized an appropriation of $300,000,000 for flood control. The Army engineers recommended there could be profitably expended from that amount this year $195,000,000. The engineers recommended $195,000,000 as the proper, scientific, and economical amount to be spent; but, as I say, the Budget, without any good reason, in my opinion, and, in fact, without any substantiated reason at all, recommended that only $110,000,000 be expended.

This matter then went before the Military Affairs subcommittee on appropriations, and the subcommittee, after some consideration, and at least after hearing the testimony of competent witnesses, recommended that the small amount of $25,000,000 for flood control be added to the Budget estimate. All of the subcommittee, I understand, were agreed to that. Then it went before the full committee, and the full committee, after consideration of about 30 minutes, and without taking any testimony whatever, rejected the recommendation of the subcommittee and reported out the bill only for the amount recommended by the Budget. I say they had no moral authority to do that. I say that in all the circumstances their action was an abuse of the exclusive power over appropriations that has been given them. I hope that the House this afternoon will vote—will rebuke that abuse of authority—and that it will vote to restore at least a part of this appropriation.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. MOTT] has expired.

Mr. ENGEL. Mr. Chairman, I yield myself 1 minute.

As a matter of fact, the Army engineers recommended no amount. They said they could profitably expend $95,000,000 for flood control and $105,000,000 for rivers and harbors.

Mr. MOTT. Of course, that is the technical way in which the engineers put in their report or recommendation. Such a report by the engineers is always considered as their recommendation.

Mr. ENGEL. They said they could profitably expend that amount, but they did not recommend anything.

Mr. MOTT. Well, we call that a recommendation. It is just a technical difference in the use of words.

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, as a member of the Appropriations Committee, I could not let pass without some observation the remarks made by the distinguished gentleman from Oregon [Mr. MOTT] to the effect that there is a growing sentiment in behalf of abolishing the appropriation function of that committee and revesting it in the legislative committees of the House.

Some Members may be interested to know that that was the procedure up to 1921, but when we passed the Budget and Accounting Act and at that time set up the Bureau of the Budget, we also changed the situation in Congress, so that the appropriating power should be vested exclusively in the Appropriations Committee. There was good reason for that, and the reason was to escape the constant charge of "pork," for one thing, and to be able at the end of the congressional session to tell what the fiscal state of the Nation was. We had the expression "the old pork barrel" back before 1921, and for good reason. Here was the Military Affairs Committee first legislating for the War Department, then providing the appropriations, without any check. Here was the Naval Affairs Committee legislating for the Navy, and then providing the money for the Navy. Too often there was a sense of gratitude that made the appropriation climb up pretty high. Here is the Flood Control Committee, first of all initiating and authorizing the projects that shall be approved by the Congress, and then spending the dough for them.

There was no check or balance, and if you will examine the history of supply bills and appropriations before the Congress you will find it was often months and months before the fiscal agencies of Government could tell where we stood. They could not tell you how much had been expended; they could not tell you how much had been appropriated; they could not tell what the revenues were. There was no budgetary system. The whole fiscal situation in the country was in a confused and chaotic state. So it became necessary, in the interest of orderly procedure, in the interest of checking the legislative committees, that there should be an Appropriations Committee, which on occasion would sit down on the lid, when it became necessary. That was the reason for the Appropriations Committee, with exclusive power for one thing; and if you ask me, I think in my humble way I can say to you that they have done a pretty splendid job for the taxpayers of the country. We have to sit there behind the table day after day listening to Members from both the House and Senate come here and ask that these appropriations be increased no end. If there were not some kind of check, Heaven only knows what would happen to the United States of America.

The President right now is quoted in the press as saying that the Congress had welched on its obligation to the Executive in not providing tax revenues necessary in order to approximate some kind of a state of balance for the Budget. The Appropriations Committee has been doing some kind of a job in assisting the Chief Executive in that direction.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MOTT. Was more money appropriated by the Naval Affairs Committee and by the Military Affairs Committee and by the Rivers and Harbors Committee when the legislative committees did the appropriating than has been appropriated since?

Mr. DIRKSEN. You can draw no parallel, for the simple reason that only 40 years ago our naval appropriations were around $40,000,000. There was no occasion for more appropriations at that time. The only way you could properly contrast the matter would be if they were having that power today and there would not be an Appropriations Committee

to sit down and take off a few million here and there. The whole impulse is always to get all the money there is in the Treasury. There is only one agency that stands between the Members of Congress and the Federal Treasury, and that is the Appropriations Committee, and I will say to you that they have a very hard time doing a little job in that direction.

Mr. MOTT. Will the gentleman tell me why the Appropriations Committee almost as often as not has increased the Budget estimate as well as decreased it?

Mr. DIRKSEN. Oh, there is a difference of opinion on the Appropriations Committee, just as there are differences of opinion in this whole body.

Mr. MOTT. Certainly; and the point I am making is that all of these matters are carefully and minutely considered by the policy-making legislative committees, and then it comes before the full Committee on Appropriations, and it is given a half hour consideration and in their discretion they raise or lower it. That is not fair. I say in this particular instance it was an abuse of authority, in my opinion.

Mr. DIRKSEN. I will say to you, as far as the half hour's consideration is concerned, that we held hearings for 6 weeks on the Agriculture Department appropriation bill.

Mr. MOTT. But how long on this bill before the full committee?

Mr. DIRKSEN. The full committee was only on this bill this morning, but the subcommittee labored behind closed doors day after day and day after day for weeks, and if an incessant and relentless pressure had not been exerted on the members of the subcommittee handling this bill the amount carried would have been smaller than it is.

Mr. MOTT. And you turned down the recommendation of the subcommittee in half an hour.

Mr. DIRKSEN. Yes; quite true; and for very good reason, as probably will be explained on this floor before we finally finish the bill. But I started on the premise that the Appropriations Committee is essentially a kind of check upon the spending proclivities of the legislative committees and, for that matter, the spending proclivities of every Member of the House.

Mr. MOTT. I understand; but certainly it has not been put into practice in some instances.

Mr. DIRKSEN. I say it very impersonally. I am no different from any other Member of Congress. I get requests from my constituents for projects of one kind and another, and I do the same identical thing that other Members do; but here is the Appropriations Committee, and it is supposed to operate as a check. I think the gentleman himself would not care to go back to the bewildering and confusing situation we had prior to 1921, when nobody knew for at least 6 months after Congress adjourned how much actually had been expended.

Mr. MOTT. That is not my point.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. DONDERO. I was interested in the statement that the Appropriations Committee had been sitting on the lid. Does the gentleman know that there is a movement in this House now to pry that lid open again and to add $50,000,000 to this bill for just two objects?

Mr. DIRKSEN. I may say to the gentleman from Michigan that that effort to pry off the lid has been going on ever since 1932. He knows it and I know it, and that is the reason we are in the $9,500,000,000 bracket of expenditures per fiscal year, and soon we will be going up to the $11,000,000,000 bracket if we are not careful.

Mr. DONDERO. If the gentleman will permit, let me say that if there is one thing the American people are asking this Congress to do it is to sit on the lid.

Mr. DIRKSEN. There is no question about it, and that is the sentiment that comes from the people back home who have to pay the taxes and carry this tremendous load.

I pointed out here 2 weeks ago that the interest on the national debt for the single fiscal year 1940, as reported by the subcommittee on the Treasury and Post Office appropriations, will be $1,050,000,000 for the fiscal year 1940. This is more money than the entire cost of government in the year 1914, when for the first time since the Civil War we got into the $1,000,000,000 class. If we keep on spending, the interest on the national debt goes up and the burden on the taxpayer increases year by year. Mr. Chairman, there has got to be an end to it, and the Appropriations Committee has been trying to make a start. [Applause.]

Mr. ENGEL. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I call the attention of the House to the fact that this bill now carries $28,000,000 more for flood control than the flood-control bill caried last year. On the other hand, it carries $42,000,000 less for rivers and harbors construction than last year's bill did. I live in the Great Lakes region of Michigan, and I am going to go along with the bill.

Referring to the statement made by the gentleman from Oregon, he has echoed the sentiment that has been expressed several times in this House. I call the attention of the House to the fact that I sat in the Appropriations Committee last year and watched more than $12,000,000,000 go across the table in one session of Congress. The present Budget, not figuring trust funds, will before we get through amount to about $10,500,000,000. Congress in the Appropriations Committee for the fiscal years 1934, 1935, 1936, 1937, 1938, and 1939 and 1940, if we carry out this Budget and stay within the Budget, will have appropriated over $65,000,000,000, or 48 percent of the assessed value of every piece of real and personal property placed on the assessment rolls by the local assessing officers of the 48 States. Were we to appropriate everything authorized by the legislative committees of Congress, where would we be?

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I yield.

Mr. ZIMMERMAN. Does the gentleman not think it good economy to spend $1 if by so doing you can save $10?

Mr. ENGEL. The gentleman is assuming that we are going to have disastrous floods every year. I am willing to go along with a reasonable flood-control appropriation. I am willing to give $110,000,000 for flood control, which is $28,000,000 more than was appropriated last year. However, I, for one, am going to insist on being shown where the money is coming from before I go beyond the Budget.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield further?

Mr. ENGEL. I yield.

Mr. ZIMMERMAN. Congress last year, with I think only four dissenting votes, passed the 1938 Flood Control Act authorizing the construction of projects which they thought would solve this pressing problem in our country. No appropriation was made last year to carry out that program. This is the first year Congress has had the opportunity of appropriating any sizable sum to carry out a program which will save this country billions of dollars, the very thing the gentleman is talking about.

Mr. ENGEL. The flood-control program runs to somewhere around $400,000,000. Again I ask, Where are we going if we appropriate everything authorized within a year or two? Right now more than $2,000,000,000 has been authorized by Congress without appropriations having been made to cover these authorizations.

Are you going to accuse the Appropriations Committee of thwarting the will of the legislative committees because we do not bring in here two or three billions of dollars in additional appropriation bills beyond what is authorized by the Budget?

Mr. MOTT. Will the gentleman yield?

Mr. ENGEL. I yield to the gentleman from Oregon.

Mr. MOTT. I know the gentleman will give me a frank answer to this question.

Mr. ENGEL. I will try to.

Mr. MOTT. The gentleman knows the history of flood-control legislation in the past couple of years?

Mr. ENGEL. Yes.

Mr. MOTT. The gentleman knows what the subcommittee did after several weeks of careful hearings. It recommended to the full committee that $25,000,000 over the Budget estimate be reported to the House today. What I want to know is what justification there is in the gentleman's mind for the full committee, after considering the proposition for less than 30 minutes, turning down the recommendation of its own subcommittee?

Mr. ENGEL. I shall answer the gentleman and answer him fairly. In the first place, the subcommittee was divided. The subcommittee, I may say, was evenly divided. I understood the subcommittee was going to refer the question to the full committee. I was called out. When we got into the full committee, some of the members were under the impression that we could earmark $50,000,000 of relief funds. We found we could not do that, because the relief bill has not been passed.

In the second place, the committee felt if the President wanted $50,000,000 for flood control, the President should send down a Budget estimate, then the committee would act upon it and keep within the Budget.

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, the members of the committee felt they did not want to go beyond the Budget. They did not want to place themselves in a position where the Executive could say they jumped the gun on him, that we had increased the appropriation above the Budget allowance.

Mr. SHORT. Will the gentleman yield?

Mr. ENGEL. I yield to the gentleman from Missouri.

Mr. SHORT. I have no criticism whatever of the Committee on Appropriations. I think it serves a very important and essential function in this House. I will go further and say I think every serious-thinking Member of this body is genuinely alarmed at the continuing deficit and the constantly rising public debt. But I think I speak the truth when I say the American people are more concerned not as to the amount of money that is spent but the manner in which it is spent and the purposes for which it is spent. This money, Mr. Chairman, is not going to be wasted on "boondoggling" projects—the raking of leaves, building of outhouses on the sides of hills in North Carolina, the constructing of a dog pound in Memphis, or monkey houses in Little Rock. This money is going to be spent to save human life and to save hundreds of millions of dollars' worth of property.

I want to remind you also that every dollar that has been spent in our past history by the Army engineers has been wisely spent, and never has anyone raised his voice in protest or questioned the integrity and honesty of the men who construct these projects. It seems to me when we come in here and vote hundreds of millions of dollars for so many different things, then vote against an increased appropriation of $50,000,000 for these useful projects which will serve the public all alike, indiscriminately, without partisanship, without favor or discrimination, is simply straining at the gnat and swallowing the camel.

I am heartily in favor of increasing this appropriation $50,000,000—$25,000,000 for flood control and the other $25,000,000 for rivers and harbors—because it is really an investment and will yield interest on the money that is spent.

Mr. ENGEL. The gentleman has asked me a very interesting question. [Laughter and applause.] In answer, may I say that I agree with the gentleman with one exception. I am not going to jump the gun. When you bring in a relief bill and show me that you can use relief labor to advantage on these projects, and I think you can, I am willing to earmark the $50,000,000 for flood control and rivers and harbors.

Mr. HINSHAW. Will the gentleman yield?

Mr. ENGEL. I yield to the gentleman from California.

Mr. HINSHAW. Does the gentleman recognize the fact that when relief funds are allotted to this purpose it is required by the contract let by the Corps of Engineers that as much relief labor as possible shall be employed. Thereby those able workmen who are unemployed but not on relief cannot get jobs on those projects. I feel this money for flood control ought to be allotted directly to the Corps of Engineers to expend as the corps sees fit and that the work be given to regular unemployed workmen who are entitled to the jobs whether they are on relief or not. Relief status should not be required. [Applause.]

[Here the gavel fell.]

Mr. SNYDER. Mr. Chairman, I ask that the Clerk read the bill for amendment.

The Clerk read as follows:

CORPS OF ENGINEERS

RIVERS AND HARBORS

To be immediately available and to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers, and to remain available until expended:

For the preservation and maintenance of existing river and harbor works, and for the prosecution of such projects heretofore authorized as may be most desirable in the interests of commerce and navigation; for survey of northern and northwestern lakes and other boundary and connecting waters as heretofore authorized, including the preparation, correction, printing, and issuing of charts and bulletins and the investigation of lake levels; for prevention of obstructive and injurious deposits within the harbor and adjacent waters of New York City; for expenses of the California Debris Commission in carrying on the work authorized by the act approved March 1, 1893, as amended (33 U. S. C. 661, 678, and 683); for removing sunken vessels or craft obstructing or endangering navigation as authorized by law; for operating and maintaining, keeping in repair, and continuing in use without interruption any lock, canal (except the Panama Canal), canalized river, or other public works for the use and benefit of navigation belonging to the United States, including maintenance of the Hennepin Canal in Illinois; for payment annually of tuition fees of not to exceed 50 student officers of the Corps of Engineers at civil technical institutions under the provisions of section 127a of the National Defense Act, as amended (10 U. S. C. 535); for examinations, surveys, and contingencies of rivers and harbors; for printing and binding, newspapers, law books, books of reference, periodicals, and office supplies and equipment required in the Office of the Chief of Engineers to carry out the purposes of this appropriation, including such printing as may be authorized by the Committee on Printing of the House of Representatives, either during a recess or session of Congress, of surveys authorized by law, and such surveys as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress, and for the purchase (not to exceed $220,708) of motor-propelled passenger-carrying vehicles and motorboats, for official use: *Provided*, That no part of this appropriation shall be expended for any preliminary examination, survey, project, or estimate not authorized by law, nor for any work upon or incident to the project to extend the channel of the Mississippi River above St. Anthony Falls, $71,000,000: *Provided*, That from this appropriation the Secretary of War may, in his discretion and on the recommendation of the Chief of Engineers based on the recommendation by the Board of Rivers and Harbors in the review of a report or reports authorized by law, expend such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality, or other public agency, outside of harbor lines and serving essential needs of general commerce and navigation, such work to be subject to the conditions recommended by the Chief of Engineers in his report or reports thereon: *Provided further*, That no appropriation under the Corps of Engineers for the fiscal year 1940 shall be available for any expenses incident to operating any power-driven boat or vessel on other than Government business: *Provided further*, That not to exceed $3,000 of the amount herein appropriated shall be available for the support and maintenance of the Permanent International Commission of the Congresses of Navigation and for the payment of the actual expenses of the properly accredited delegates of the United States to the meeting of the congresses and of the commission.

Mr. COLLINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLLINS: Page 8, line 4, strike out "$71,000,000" and insert in lieu thereof "$96,000,000."

Mr. COLLINS. Mr. Chairman, this amendment adds $25,000,000 to the amount in the bill for new river and harbor work. I plan to offer an amendment to the flood-control paragraph increasing the amount in the bill by $23,000,000, and to offer another amendment to the Mississippi River project paragraph increasing the amount therein by $2,000,000. These are the amounts the subcommittee had approved, and in the aggregate they amount to $50,000,000, which is the amount the President has indicated he would later allot of the work-relief appropriation for 1940.

A representative of the Engineer Corps of the Army has indicated that relief appropriations are not designed for this character of work. I dare say that he would state to you that

he would prefer not to have it. He has indicated he can spend in an economical way about twice as much, or nearly twice as much, as the bill will carry with these amendments. Personally I am convinced there will be no increase over the Budget estimates when we take into consideration the fact that it is the determination of the House later to decrease relief appropriations by the amount of $50,000,000.

In a sense, the proposals in the three amendments I have referred to are related, and in view of that fact, Mr. Chairman, I ask unanimous consent to offer the other two amendments at this time and ask that all three be considered together.

Mr. WADSWORTH. Reserving the right to object, Mr. Chairman, do I understand the gentleman to request that his three amendments be voted upon as one amendment?

Mr. COLLINS. That is right; they are all closely related. They are identical with the amounts in the bill as reported by the subcommittee to the full Committee on Appropriations. Considering the three amendments together would very much expedite the consideration of the bill. You cannot discuss one without discussing the other.

Mr. WADSWORTH. Then, according to the gentleman's request, the subject may not be divided?

Mr. COLLINS. No; it would not be divided.

Mr. WADSWORTH. Suppose some Members agree with the first increase and do not agree with the second increase?

Mr. COLLINS. I believe it would be very much better to consider them together, I may say to the gentleman.

Mr. WADSWORTH. It is a very unusual parliamentary procedure to have three amendments voted on as one amendment.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent that the three amendments be considered together. If the gentleman from New York desires to object, he may do so.

Mr. WADSWORTH. I object, Mr. Chairman.

Mr. HEALEY. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. HEALEY. Do I understand that the only amendment now being considered is the proposed increase of $25,000,000 in the rivers and harbors section of the bill?

Mr. COLLINS. That is right.

The CHAIRMAN. That is the status now.

Mr. STARNES of Alabama. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if this series of amendments to be offered by my colleague from Mississippi is adopted, it will have the effect of increasing the amount in this bill over the Budget estimate by almost 30 percent. If this increase is carried on throughout the entire Budget for this fiscal year, this Congress will appropriate approximately $13,500,000,000, instead of the $9,500,000,000 recommended by the Chief Executive. Unquestionably many of these projets are highly desirable. They touch the districts of many of our people and of many Members of the Congress. I am quite sure that is one of the reasons my good colleague from Ohio today said he was for sensible economy and that sensible economy impelled him on this occasion to vote for an increase of $50,000,000 over the Budget estimate in a bill which carries $187,000,000.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. STARNES of Alabama. I yield to the gentleman from Ohio, because he is the gentleman who made that statement.

Mr. JENKINS of Ohio. Where is there any sanctity about the Budget? Does anybody want to say that the members of the Bureau of the Budget resolve all these figures by definite calculation? Does not the gentleman know that whenever the Budget arrives at a conclusion they look at geography, they look at politics, and they look at a good many factors? Who is it that wants to put a halo around the Budget? Nobody on the gentleman's side pays any attention to the Budget. If the gentleman's side does not pay any attention to the Budget, why does the gentleman raise a hue and cry about the Budget today, when the people in many sections need this relief?

Mr. STARNES of Alabama. I yielded only for a question.

I place no halo about the Budget, but I do place a halo about sound common sense and a sound fiscal policy for the Federal Government. I believe the time has come when we must call a halt to unauthorized and unbudgeted expenditures. Sooner or later, regardless of what you think of the Budget, this Government must get upon an even keel financially or repudiate governmental obligations. This is the reason I call it to your attention. Of course, there is no halo about the Budget. In the long run, the financial salvation of the country depends on the sound, common sense, good judgment, and patriotism of the Members of this House. Every sensible person knows, regardless of his own enlightened self-interest in some of these projects, that sooner or later the Budget must be balanced, and we plead with you to stand by the Appropriations Committee in this respect.

The time is coming when you can obtain sufficient funds to carry on additional projects if you so desire, but do not run over your committee and do not run over the Budget, and do not disregard the plea of the President of the United States in voting for an increase in this bill of $50,000,000 and thereby add that much to the total indebtedness of this country.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. STARNES of Alabama. I yield for a question.

Mr. ZIMMERMAN. Does not my distinguished colleague from Alabama know and realize, as does the membership of this House, that the expenditure of this $50,000,000 will help to balance the Budget by saving the resources of this Nation?

Mr. STARNES of Alabama. May I say to my colleague from Missouri, who has rendered service of such inestimable value to the people and the country in this connection, that I appreciate our difficulties here. I appreciate the value of river and harbor work and of flood-control work, but I also appreciate the value of a sound public credit. When we destroy the faith and credit of the Federal Government, we have destroyed everything worth while and we have nothing to save. I will remind the gentleman that 2 years ago I stood on the floor of this House and fought for flood-control money in the relief bill and had his assistance at that time. The time is coming when we will get a sufficient amount of money to carry on some of these projects you are so much interested in at this time.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. STARNES of Alabama. I yield.

Mr. HEALEY. The gentleman talked about unauthorized expenditures——

Mr. STARNES of Alabama. I said unauthorized and unbudgeted expenditures.

Mr. HEALEY. All the projects that are covered by the increase that was introduced by the gentleman from Mississippi have been authorized and have been recommended by the Army engineers, have they not?

Mr. STARNES of Alabama. I call the gentleman's attention to the fact that I said unauthorized and unbudgeted expenditures.

[Here the gavel fell.]

Mr. IZAC. Mr. Chairman, I move to strike out the last two words.

Mr. RAYBURN. Mr. Chairman, will the gentleman from California yield so that the gentleman from Pennsylvania may submit a unanimous-consent request?

Mr. IZAC. I yield.

Mr. SNYDER. Mr. Chairman, I ask unanimous consent that all time on this amendment and all amendments thereto be limited to 20 minutes.

Mr. WHITTINGTON. Mr. Chairman, reserving the right to object, I would like to have 5 minutes.

Mr. CULKIN. I object, Mr. Chairman.

Mr. SNYDER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. IZAC. Mr. Chairman, the Board of Army Engineers asked for $102,000,000 for works already authorized by the Congress. When their request went before the Budget it was reduced to $30,000,000—some reduction, you will agree.

Now, is this for relief or is it for worth-while projects that have to be accomplished in the interest of all the people of this country? Naturally, we took this out of the hands of the "pork barrel" committees that formerly handled it and gave it into the hands of the Army engineers for the express purpose of having them do the work that was considered necessary in the interests of all the people of this country. If we cannot get this money any other way than by taking it out of the relief funds, of course, let us do it in that way; and I understand from the author of the amendment that is the only way we can put this in the bill at this time. Surely, if there are the people unemployed that we read about, this money could well be spent in taking care of the unemployed. But let me tell you further about the inconsistency with which we approach this problem.

We appropriated $775,000,000 for the Navy just a day or two ago. We have an increase provided for of 20 percent over the normal size of the Navy.

Mr. STARNES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. IZAC. In just a moment, please.

That 20 percent requires that we build a certain number of battleships, cruisers, and lighter craft. Mr. Chairman, part of the funds asked for by the Army engineers was needed for the dredging of harbors in which to place those ships when they are built. Already the building program is turning out from 30 to 40 ships a year. Where are we going to put them? The $30,000,000 allowed by the Budget will not take care of the necessary items for the needs of the United States Fleet, and you do not have to take my word for that. All ycu have to do is to ask the Navy Department.

It so happens that part of this fund was to be spent in my district, but that is a minor detail. If you have not the room in my district you can put the fleet somewhere else, but it also happens that is the proper place for part of the fleet at the present time. National policies demand it. And I am not asking anything for my district that I would not ask for your districts, but I am asking this in the name of national defense.

When we spend $775,000,000 for the maintenance of the fleet for 1 year and cannot spend more than $30,000,000 for the maintenance of the harbors of this great Nation for 1 year, there is something vitally wrong with our fiscal policy.

Mr. STARNES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. IZAC. Yes.

Mr. STARNES of Alabama. The gentleman wants to be fair. Thirty million dollars is for new construction. This is not for maintenance.

Mr. IZAC. That is correct. The maintenance of a harbor merely means keeping the lanes open. New construction means dredging which has to take place before you can put ships in certain places in the harbors. If the harbors are congested, you will not be able to do away with the merchant shipping to make place for the Navy, so it simply means that we have to do some dredging in order to provide the space necessary for naval defense. I hope everyone will support the three amendments offered by the gentleman from Mississippi.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAYBURN. Mr. Chairman, I ask for recognition. During all of my service in Congress I have been a friend of river and harbor legislation, and since it has come in, of flood-control legislation, and never have had a dollar of that money for either purpose spent in the district that I represent. I rise to call attention to one matter. The President of the United States made a statement about exceeding the Budget in appropriations, and I think 90 percent of the people of the United States applauded him for making the statement. If we today in this one bill, which already carries something over $200,000,000, add to it, for two things, rivers and harbors and flood control, a sufficient sum to carry it over the Budget estimate by $50,000,000, I do not think the people of the country will sustain us. I think already we have made a rather liberal allotment.

Mr. COLLINS. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. Just let me get through with this $50,000,000 matter. Further than that, it will be remembered that in 1938, when earmarking the relief bill, the President agreed to spend $50,000,000 for flood control and river and harbor work, and on Friday last the President told me—and I said to him that I asked the question in order that I might quote him—that I could assure the House of Representatives that he would, out of the relief funds voted for 1940, allot or spend as much as $50,000,000 for flood control and river and harbor work. With that assurance I do not believe that this Committee this afternoon, considering the condition of the Treasury, considering how much the people are worked up about Government expenditure, should hazard placing in this bill an additional $50,000,000 over the Budget estimates. [Applause.]

Mr. COLLINS rose.

Mr. RAYBURN. If I have any time remaining I yield to the gentleman from Mississippi.

Mr. COLLINS. If this House votes $50,000,000 in this bill, and the relief bill is reduced by $50,000,000, then we have gotten very much better river and harbor and flood control work, and no more money has been expended. Is not that true?

Mr. RAYBURN. I very much hope that this earmarking of the relief bill will not be begun, as I tried to prevent it last year, but that these things may be done voluntarily, because when you begin earmarking relief money, when you take free money away from the man who administers relief money, then you have no real relief money.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MARTIN of Colorado. Mr. Chairman, I know how long and hard and how faithfully the majority leader has worked to bring about an accommodation of this controversy, and I thank him for his efforts, and also for yielding me a half minute of his brief time in which to make the statement that the amendments offered by the gentleman from Mississippi [Mr. COLLINS] are the first of three amendments I said in general debate I proposed to offer, and we are very glad to have a member of the Committee on Appropriations offer those amendments and I urge all Members present to vote for all three amendments. These three amendments, $25,000,000 for rivers and harbors, offered by the gentleman from Mississippi [Mr. COLLINS] and the amendments yet to be offered by him, $23,000,000 for projects under these flood control acts and $2,000,000 for the lower Mississippi, totaling $50,000,000, should all three be voted up or voted down. No group of Members could have been fairer than our flood-control group.

Mr. DONDERO. Mr. Chairman, when we consider an appropriation bill in this House, I think we ought to stand up here at the desk the figure of an American taxpayer and put a sign across his breast, and that sign ought to read, "What chance have I in this Chamber?" [Applause.] For 6 years and more I have stood in the Well of this House and supported river and harbor legislation and appropriations, and I propose to go along with this bill as it stands in spite of the fact that out of $256,000,000 which the bill carries only $1,493,000 is carried for the State of Michigan, which has a coast line of 1,700 miles. In spite of that fact, I propose to support the bill as it stands. I call attention to the fact that with every appropriation bill when it reaches this floor there is a tendency to increase the amount. Money is voted and appropriated by Congress with utter abandon and recklessness. There is no attempt to economize. How long is the American Nation going to travel along this road before we

reach the point when the credit of the country is no longer good—that is the question the American taxpayer and the American citizen is asking himself and the country today. The first line in this bill reads "out of any money in the Treasury not otherwise appropriated." Every Member of the House knows that the Treasury of the United States is empty, and this money must be borrowed to carry on this work. There is no money in the Treasury not otherwise appropriated. I echo the sentiment that has been advanced by my genial and able friend from Alabama [Mr. STARNES], when he says that one of the things that is required in this country in order to keep it on an even keel is a sound financial policy. There is not a Member on the floor of this House who does not agree with that. How long are we going to have a sound financial policy when the Secretary of the Treasury of the United States has already publicly stated that he would not dare make any forecast as to what might happen in this country if the national debt went above $50,000,000,000. But how long will it be if we travel the pace we are now going before we reach the point when the national debt is $50,000,000,000 and will be above it? Every time we put an extra burden on the back of the taxpayers we take just that much more money out of private industry and business. The price and cost of government is becoming a staggering burden most detrimental to the welfare of the American people. We must return to common sense in this Nation. Let us vote down the amendment of the gentleman from Mississippi to add $50,000,000 more to this bill. [Applause.]

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, in voting for the amendment under consideration I am taking into consideration the appropriation for relief that has been recommended by the Budget.

As far as I am concerned, I propose to stay within the Budget recommendations in connection with these two matters. As a friend of the pending amendment I trust that all those who vote for it will pursue the policy outlined by my colleague from Mississippi [Mr. COLLINS].

Mr. Chairman, if the suggestions of the President that flood control and rivers and harbors are to be increased by $50,000,000 out of relief funds, is to be adopted, substantially this amendment must be approved; for otherwise neither the Congress nor the Chief Executive can make available $50,000,000 for rivers and harbors and flood control for effective use. If we are to make effective the agreement outlined by my friend, the majority leader, substantially the pending amendment must be adopted. Otherwise that $50,000,000 will not be available for flood control or rivers and harbors.

Under the relief and emergency acts passed in 1938, and under all prior relief and emergency acts passed, we have included flood control, but in reality neither the President nor the Congress, when they have undertaken to provide for flood-control projects that have been appropriated for out of relief funds, have succeeded, and both the President and the Congress have signally failed. For the fiscal year 1938 the Congress appropriated $30,000,000 for flood control and appropriated an additional $30,000,000 out of the Emergency Relief Appropriation Act of 1937; that is, the Congress under took to earmark out of relief funds. The Corps of Engineers was unable to spend that $30,000,000 relief funds, and after spending every dollar they could, $11,000,000 of that amount was reappropriated a year thereafter for rivers and harbors with the relief limitations removed. For the Mississippi, in the same act, there was appropriated an additional $15,000,000, earmarked by Congress out of said relief appropriation act. Congress could do no more nor less than the Chief Executive. The only way that relief funds can be used by either Congress or the President for flood control and for rivers and harbors is to remove the W. P. A. restrictions. We can only remove those restrictions by passing substantially the pending amendment. We appropriate $1,425,000,000 for relief and tell the country we are going to provide for flood-control work, street improvements, and other similar work, to aid unemployment, but these relief funds cannot be used satisfactorily for flood control and river and harbor works. We might as well understand that if the President's agreement to increase this appropriation is to be made effective, substantially this amendment must be adopted. We should vote to adopt the amendment and reduce the appropriation in the emergency relief measure by $50,000,000. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from New York [Mr. CULKIN] is recognized.

Mr. SHORT. Will the gentleman yield?

Mr. CULKIN. I yield.

Mr. SHORT. Is it not strange to see some men stand on this floor today and talk about balancing the Budget, when they voted for billions of dollars to be spent for the politicians, to keep themselves in office, and they object to the Army engineers spending a few hundred millions for permanent projects?

Mr. CULKIN. I agree with the gentleman, and that is the very proposition to which I intend to address myself.

Mr. SHORT. That is fine.

Mr. CULKIN. Mr. Chairman, of course, the past 6 years have been a period of extraordinary emergency, but there has been approximately $8,000,000,000 foolishly spent. It might just as well have been thrown into the sewer. Today we heard the gentleman from Alabama and certain Members on my own side of the aisle protesting appropriations for things that are part of the true functions and true business of government. Rivers and harbors is one of those functions. Flood control is another. I ask you gentlemen, are we to treat the Budget as a sacrosanct when it comes to these important and vital functions of the Government, and when it gives an inadequate sum to flood control? I say to the dignified Appropriations Committee that they should pare this budget in places where it can be pared without doing violence to the essential functions of government. I say to you Members from the farming areas that adequate water navigation in the Western States, in the Mississippi Valley, in the South, everywhere, depends upon carrying out the projects which are provided for by this amendment. [Applause.] They cannot be carried out without adequate money. I say to those of you who yesterday, in common with myself, voted $730,000,000 for the Navy, based largely on war psychology created in a certain quarter, that the people of the United States, the farmers, the industrialists, and the consumers, are truly served by this river and harbor development. If they are abandoned, as there seems to be an apparent intention in some quarters to abandon them, the American people are the ones who will suffer. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Missouri [Mr. ZIMMERMAN] is recognized for 3½ minutes.

Mr. ZIMMERMAN. Mr. Chairman, it is not very often that I inflict myself upon the Members of the House, but I do feel very keenly about this amendment, which I want to see adopted.

In 1938 Congress by practically a unanimous vote, gentlemen on both sides of the aisle voted for a national flood-control bill which would inaugurate a system of flood control that in their judgment would save the great valleys of our Nation from future devastation and ruin. We realized that the floods that come in different sections of our country had become in recent years so serious that something must be done about it, that it was a national problem, a problem which should be dealt with by the Federal Government. We all remember what happened in New England, New York, and other sections where millions of dollars of property were swept away in a few hours. On the Ohio River $400,000,000 were lost to the people of that section of the country in a few weeks' time. For these reasons we voted almost unanimously that the time had come when we should inaugurate a program which would avert in the future these calamities which lead to these sections of our country.

Mr. Chairman, we must remember that the wealth of this Nation is wrapped up in our great valleys. They are the food basket of the Nation, if you please, not only in time of

peace but in time of war; and we must preserve these rich, fertile, agricultural sections of our country for the future as well as use them in the day in which we live. Mr. Chairman, this is the first opportunity we have had to make a liberal appropriation to inaugurate this program which I think will add to the national income largely, help balance the Budget—and that is what a lot of Members have been concerned with here today.

It seems to me that in opposing these amendments we are penny-wise and pound-poor. If we are ever going to balance the Budget we have got to increase the income and assets of the country, and the only way we can do it so far as the agricultural sections are concerned—and I will include the industrial sections too—is to prevent these billions of losses that come to our country periodically by devastating floods. [Applause.] It seems to me it is highly logical that we appropriate enough money to make a fair start on these authorized projects. I earnestly urge the adoption of this amendment.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from California [Mr. HINSHAW] is recognized for 3½ minutes.

Mr. HINSHAW. Mr. Chairman, I want to read a paragraph from a communication from the War Department that deals with this question:

> The funds for flood-control works contained in the appropriation for the fiscal year 1938 contain balances transferred from Emergency Relief Act appropriations. The Department was instructed to insure that these funds be used to employ as many local people in need of relief as possible. To comply with these instructions, the specifications for all contracts for flood-control work to be financed from the flood-control appropriation of 1938 have been drawn to include a provision that labor be obtained from relief rolls as far as possible, provided that such labor is qualified for the job and can be secured from the vicinity of the work.

That policy is followed through by a paragraph inserted in the contracts let by the War Department for flood-control works, which reads as follows—and this is quoted from a letter addressed to me by the Los Angeles Building Trades Council, signed by Mr. C. J. Haggerty, secretary:

> 1-37. Relief labor: The contractor shall employ as many laborers (skilled and unskilled) as possible from relief rolls: *Provided*, That such labor is qualified for the job and can be secured from the vicinity of the site of the work: *And provided further*, That such relief labor shall be subject to the same wage, hour, and other conditions applicable to labor generally under the terms of this contract.

Mr. Haggerty goes on to say:

> I am sure that you will agree that this mandatory specification is unfair to the contractor, as well as every independent building tradesman and construction worker who has had sufficient courage, stamina, and pride to maintain himself as best he could without making application for relief. This specification is something new and was not effective until August of 1938, and has, to me, the implications of a political maneuver and should not be permitted to remain in these specifications. I am sure that you will also agree this country is unfairly penalizing independent construction workers when it places a premium upon relief clients by giving preference to those people on relief with the thousands of unemployed independent building and construction workers who are forced to remain unemployed while the relief client who has been supported by the Government for years and has made a career of relief work is given preference in private contract jobs which exist between a contractor and a governmental body.

Mr. HEALEY. Mr. Chairman, will the gentleman yield for one observation?

Mr. HINSHAW. I hope the gentleman will let me complete my statement. My time is very limited.

The fact of the matter is, Mr. Chairman, that when money appropriated for W. P. A. is allocated by the President to flood-control work it is then mandatory to employ relief labor on flood-control works. This means that if a man is out of a job he has to be also on relief before he can actually be employed by the War Department on these works. I have some projects in my district and I know whereof I speak. The unemployed worker who is not on relief does not have an opportunity on these projects under such an arrangement. I have letters in this file from individuals, from labor unions, from contractors, and from every element involved in the district protesting against this sort of thing.

I propose that we adopt this amendment. So far as the Budget is concerned, no man in this room can lay claim to being more earnestly interested in reducing the Budget than I; but if we are later going to appropriate $1,700,000,000 for relief in 1940, I would rather see $1,000,000,000 cut off the W. P. A. and appropriated to the P. W. A. or the Corps of Engineers for the building of public works to preserve the lives and property of the people of the United States than see it used in "boondoggling." [Applause.] I will do my utmost to see to it that as much of this money as possible is spent for valuable and useful public works and not for such things as—well, I need not enumerate them.

Mr. TERRY. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. Briefly.

Mr. TERRY. I may say to the gentleman that it appears from page 90 of the hearings, from the engineers' report, that they had taken men off the relief rolls to the extent of 20,976,000 hours of employment from July 1, 1938, to April 1, 1939.

Mr. HINSHAW. I understand that, but what I want to say is that it ought not to be necessary for a man to be on the relief rolls in order to get one of these jobs. I object to the idea that they have to take the pauper's oath and do a lot of other things in order to get a job on this kind of work. I think it is silly. I think we ought to adopt this amendment and to reduce the relief appropriation accordingly. I think, too, that we should add to the P. W. A. bill sponsored by the gentleman from Alabama [Mr. STARNES] for public works and the building of useful projects and reduce the relief appropriations again. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from North Carolina [Mr. BARDEN] is recognized for 3½ minutes.

Mr. BARDEN. Mr. Chairman, this situation strikes me as being rather unique. No one has opposed this appropriation on the ground that it is not needed. No one has opposed it on the ground that it would not be a wise expenditure. No one has opposed it on the ground that the committee did not recommend it. The serious block seems to be that since it has been indicated that the President wants to allocate $50,000,000 from relief funds to this use, it should not be incorporated in this bill.

Mr. Chairman, I know of no agency of this Government that enjoys the confidence and respect of this body and of the American people any more than the Corps of Army Engineers. [Applause.] I believe they act wisely, they spend wisely, and they do constructive work. Why should we allow this $50,000,000 to come out of W. P. A., with a lot of strings tied to it, so that the Army engineers could not handle it as they could were it included in this bill where it belongs?

Mr. STARNES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. Briefly.

Mr. STARNES of Alabama. I may say for the gentleman's information that the Chief of Engineers testified that they did not have any strings tied to it; that they used these men profitably and paid the prevailing rates of wages and got very fine work out of them.

Mr. BARDEN. May I say to the gentleman from Alabama, as much as I like him and as much as I would like to follow his reasoning, to save my life I cannot have any patience with the proposition of cutting out $50,000,000 from this bill, where it should be put, and attaching it to the relief bill. [Applause.] I do not believe there is a man on this floor who will not readily agree that the engineers can do more with the $50,000,000 provided in this bill than they can do with it tied up in a W. P. A. appropriation bill.

We discuss relief labor and all other kinds of labor. I want the engineers to have the same unrestricted use of this money that they have had in connection with the spending of other funds which we have seen fit to place in their hands. I see my friend from Alabama nods his head. If that is true, I ask you the question, Please tell me why it is going to put the Budget out of balance any more to restore the $50,000,000 to this bill than it would to add $50,000,000 to the relief bill?

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Massachusetts [Mr. HEALEY] is recognized.

Mr. HEALEY. Mr. Chairman, I heartily subscribe to the amendment that has been offered by the gentleman from Mississippi, which is a proposal to increase the amount for improvements in rivers and harbors by $25,000,000. All of the projects that will be covered by this increase have been previously recommended by the Army engineers after a thorough study and survey by this highly efficient organization. The Army engineers have been motivated in recommending these vital improvements solely on the basis of urgency and need. Furthermore, the Subcommittee on Appropriations spent many hours in hearings and executive session, heard many Members of Congress, engineers, and experts, and finally recommended that the Budget estimate be increased by $50,000,000 for the projects that will be provided for by this amendment for rivers and harbors improvements and the amendment which will be subsequently offered to the section of the bill dealing with flood control.

Mr. TREADWAY. Will the gentleman yield?

Mr. HEALEY. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. May I ask the gentleman if there is any emergency in Government expenditure greater than taking care of the flood conditions in New England?

Mr. HEALEY. I cannot conceive of any greater emergency.

Mr. TREADWAY. Is it not perfectly justifiable to vote this money into the bill then?

Mr. HEALEY. In my opinion, it is, and I am arguing for it. It would be a very small flood, indeed, that would not cause $50,000,000 worth of damage to life and property. I earnestly urge my colleagues to vote for the amendment we are now considering and to also vote for the increases that will be provided for in the amendments to be offered later by the gentleman from Mississippi [Mr. COLLINS].

Mr. TERRY. Will the gentleman yield?

Mr. HEALEY. I yield to the gentleman from Arkansas.

Mr. TERRY. If this vote had come during the time of the great flood in the Ohio Valley, when hundreds of people were losing their lives and millions of dollars of property was being destroyed, there would be but one answer today, would there not?

Mr. HEALEY. Yes; enthusiastic support for these amendments. I call the attention of the Committee to the fact that relief labor has been used in the past on these projects and there is nothing to prevent the employment of relief labor in the future. By the adoption of this and the companion amendment for flood-control projects we will make certain that funds will be provided for at least part of the program for the improvement of our waterways which the Army engineers have asserted are vital and necessary to facilitate the movement of commerce and trade and to protect the lives and property of our people by erecting safeguards against the havoc of floods.

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Mississippi [Mr. COLLINS].

The question was taken; and on a division (demanded by Mr. WADSWORTH) there were—ayes 108, noes 92.

Mr. STARNES of Alabama. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. SNYDER and Mr. COLLINS to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 139, noes 102.

So the amendment was agreed to.

Mr. ALEXANDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ALEXANDER: On page 8, beginning in line 2, strike out the words "nor for any work upon or incident to the project to extend the channel of the Mississippi River above St. Anthony Falls."

Mr. ALEXANDER rose.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. Will this be taken out of my time?

Mr. SNYDER. I do not believe the gentleman will need any time. If I accept the amendment, that will save the gentleman's making a speech.

Mr. ALEXANDER. I yield to the gentleman from Pennsylvania.

Mr. SNYDER. I accept the amendment.

Mr. ALEXANDER. I thank the gentleman very much.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk again reported the Alexander amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the full committee an amendment was adopted to page 7 of the bill to include maintenance of the Hennepin Canal in Illinois. Since the amendment has been approved, the only purpose of these observations is to briefly set forth the situation with respect to the canal and indicate to the War Department that it was the sense of the full Committee on Appropriations that navigation on the Hennepin Canal should be continued for the ensuing year of 1940.

The canal in question is about 75 miles long and traverses the western part of Illinois, uniting the Illinois and Mississippi Rivers. It is navigable. It is being used at the present time for shipment of bulk and heavy material such as grain, cement, and steel. It was built as a joint venture of the Federal Government and the State of Illinois about 40 years ago. It contains 32 locks.

In the pending bill there is an item of $75,000 for the care of the canal and maintenance of the structures along the canal. Another $100,000 per year will keep the canal in operation for navigation purposes. To me it would seem a bit short-sighted to spend $75,000 on the care of a canal that is now navigable and not add the additional amount required to make navigation possible, and I trust the War Department will interpret the action of the full committee as a desire to continue navigation.

Last year I had some conversations with the War Department relative to conveying the canal to the State of Illinois for the purpose of converting it into a recreational parkway and watering place. I believe the War Department senses certain commercial potentialities of this canal as well as its possibilities in the program of national defense and, hence, will retain title in the Federal Government until its possibilities develop.

Under such circumstances, despite the fact that the canal generated but 18,000 tons of commerce last year, its maintenance and operation for navigation at an additional cost of $100,000 is fully justified when we realize that it might cost many times that amount to put the locks and structures in proper and usable repair after they have fallen into disuse.

Approval of this item represents an appreciation of the possibilities of this canal, and I am grateful to the chairman of the subcommittee [Mr. SNYDER] for accepting the amendment.

The Clerk read as follows:

FLOOD CONTROL

Flood control, general: For the construction and maintenance of certain public works on rivers and harbors for flood control, and for other purposes, in accordance with the provisions of the Flood Control Act, approved June 22, 1936, as amended and supplemented, including printing and binding, newspapers, law books, books of reference, periodicals, and office supplies and equipment required in the Office of the Chief of Engineers to carry out the purposes of this appropriation, the purchase (not to exceed $149,500) of motor-propelled passenger-carrying vehicles and motorboats for official use, and for preliminary examinations and surveys of flood-control projects authorized by law, $110,000,000: *Provided*, That $3,000,000 of this appropriation shall be transferred and made available to the Secretary of Agriculture for preliminary examinations and surveys,

as authorized by law, for run-off and water-flow retardation and soil-erosion prevention on the watersheds of flood-control projects, including the employment of persons in the District of Columbia and elsewhere, purchase of books and periodicals, printing and binding, rent in the District of Columbia, the purchase (not to exceed $75,000) of motor-propelled passenger-carrying vehicles and motorboats, and for other necessary expenses: *Provided further*, That funds appropriated herein may be used for flood-control work on the Salmon River, Alaska, as authorized by law.

Mr. COLLINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLLINS: On page 9, line 13, strike out "$110,000,000" and insert "$133,000,000."

Mr. COLLINS. Mr. Chairman, this amendment and a $2,000,000 amendment in the next paragraph regarding flood control on the Mississippi River and its tributaries comprise the other $25,000,000 of the $50,000,000 the subcommittee placed in this bill.

In view of the fact that they are both flood-control amendments, Mr. Chairman, I ask unanimous consent that they may be considered together.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

Mr. VORYS of Ohio. I object, Mr. Chairman.

Mr. COLLINS. Mr. Chairman, this amendment provides an increase of $23,000,000, which would make the total expendable for flood control $133,000,000. The Chief of the Corps of Engineers testified that $195,000,000 could be economically expended for this particular activity. Of course, it is understood that a reduction similar in amount to this increase will be made in relief expenditures when the next relief bill reaches the House, so the sum total of moneys appropriated will not be any larger as the result of the adoption of this amendment. [Applause.]

Mr. WOODRUM of Virginia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, to me this has been a very interesting, although a very remarkable, procedure. We live to learn. I witnessed a few minutes ago a large line, an imposing line of my brethren, voting for overriding the budgetary estimates and further increasing the public deficit, and disregarding the wishes of the President. We all do those things sometimes, but the remarkable part of it was that in that line I saw my brethren from New York, from Philadelphia, from Chicago, from the great congested centers of the country, where, we are told, men and women are begging for bread and for shelter, voting for a proposition the announced purpose of which is to take money out of the relief bill that comes later and turn it over to river and harbor improvements.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield at that point?

Mr. WOODRUM of Virginia. Just a moment.

The purpose announced here is to put in this additional $50,000,000 with the understanding that whatever amount is decided upon for relief will be reduced by $50,000,000. If that is not right, I will yield to someone to correct me.

Mr. ZIMMERMAN. I would like to ask the gentleman if the statement has not been made that $50,000,000 is to be taken from relief and applied to flood control and river and harbor improvements? If that is to be done, why not put it in a bill for the work of rivers and harbors and flood control and let the honest-to-goodness relief bill go through?

Mr. WOODRUM of Virginia. Yes; but I will say to my distinguished friend, you have not yet passed a relief bill and there are a great many Members of Congress who believe that when we do, the money that the Congress votes for relief should be tied down so it will be spent for relief, and not go to the country with the picture that we have spent $21,000,000,000 for relief when hundreds of millions of dollars have been diverted and given out to all sorts of propositions and procedures that are in no way, under high heaven, connected with relief activities.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. In just a moment. There will be plenty of time, and you gentlemen can have your say.

Now, here is what I wish to suggest to my brethren. If it is true that the administration approves of this $50,000,000 for flood control and river and harbor improvement, then why is it not legislatively honest to have a Budget estimate for it and put it in the bill in the regular way and not have a spendthrift Congress held up to the country as overriding the wishes of the President of the United States?

Now, I warn you, my brethren, that the press of yesterday and today carried statements from our President and from the Secretary of the Treasury warning Congress against overriding Budget estimates and embarking upon a spendthrift course. The Department of Agriculture bill will be before you in a day or two, coming back from the other body with nearly one-half billion dollars added there over the specific protest of the President and the Secretary of the Treasury.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. In just a few moments.

Now, I say if it is true that the administration approves of this $50,000,000 for flood control and river and harbor improvement—and I do not question the merit of those activities, but I do say why put the Congress in the attitude before the country and before your constituents and mine of overriding Budget estimates upon the flimsy pretext of saying later on that if and when money is appropriated for relief we will take enough out of it to make up for the $50,000,000. [Applause.]

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I move to strike out the last word.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield.

Mr. SNYDER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto be limited to 45 minutes.

Mr. HINSHAW. Mr. Chairman, reserving the right to object——

Mr. SNYDER. That takes care of the gentleman.

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, what about those Republicans who are talking about a spending President? What position are they to take on this?

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MAY. Mr. Chairman, I have just been engaged in conducting hearings on a Tennessee Valley Authority matter, and I ran over here to vote on the teller vote, and I am about out of breath, but I hope you will endure me if you can while I make a few remarks.

I was somewhat amazed at the remarks of my good friend from Virginia, who has just yielded the floor, particularly with reference to overriding budgetary estimates and reducing relief appropriations. The gentleman made a very correct statement when he said that hundreds of millions of dollars of relief funds are being squandered and spent in endeavors we knew not of. I agree with that, and what I want to do here this afternoon is to allocate some money so that we will know where it will be spent.

For 6 long years I have been voting, and you have been voting for the expenditure of billions, not millions of dollars, but billions of dollars for relief, and, as stated very correctly by the distinguished gentleman from Virginia, that money has largely been squandered in many directions. Here we have a bureau of the Government known as the Corps of Engineers of the War Department that has made a recommendation to the Congress that they can legitimately and economically expend to advantage $195,000,000. The Budget Bureau has said $110,000,000.

The President in his annual message to Congress in January stated that the Congress is the appropriating body, and I agree with him that it is, provided it will function. It is the duty of this House this afternoon to do what it wants to do about this appropriation, regardless of where the money comes from. It will all come out of the taxpayers'

pockets in the end. So far as I am concerned, I think I shall offer a substitute amendment for the amendment of the gentleman from Mississippi [Mr. COLLINS], to raise the amount to $195,000,000, and why? Because if there is anybody in the Government service today that knows exactly what ought to be expended and where, it is the Board of Engineers of the War Department and they have said $195,000,000. It is economy because it will give widespread employment and take thousands off relief. I think it is begging the question for anyone on the floor of the House to raise the point when we propose to make a little addition of $23,000,000, raising it from $110,000,000 to $133,000,000. So far as I know, the President believes, and I believe with him, that one of the greatest sources of expanding employment in all communities of the country is to expend money for flood control, because flood control is an activity that employs labor and buys material, and it is widespread over the entire country; it is not confined to any particular district or section; it is spread over the entire country. It will provide protection from flood damage and save multiplied millions of valuable property throughout the country.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. MAY. Yes.

Mr. SHORT. What the gentleman says is true; and is not the point at issue not as to how much money is to be expended, because it is not a matter of increasing or decreasing expenditure, but the manner in which this money shall be expended and by whom?

Mr. MAY. It is a matter of whether Congress will say what it wants expended and for what it wants it expended, or whether we shall leave it to a Budget Director to say whether it shall be spent for this, that, or the other.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. MAY. Yes.

Mr. KNUTSON. And flood control always has another advantage in that there is just enough "pork" in it to make it palatable?

Mr. MAY. And I suppose the gentleman from Minnesota will get his slice of "pork" with the rest of us. [Laughter.]

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. TREADWAY. Mr. Chairman, I was particularly interested in what the gentleman from Virginia [Mr. WOODRUM], whom we all recognize as an able debater and a splendid Member of Congress, said about relief. If there is any one thing that means relief to the people of this country, particularly in the New England area, it is better flood control. Those of you who have visited the New England sections that suffered in the flood of last September can well realize how much our section of the country needs this most necessary relief. This extra appropriation that is being asked for here of $23,000,000 is greatly desired, for a portion will be applied to that relief. It does not seem to me it is good policy to accept the idea that we will expend money for any particular line of relief that may be suggested by the administration. Let us spend it where the relief is most needed.

The destruction of property in the New England area that will benefit by this additional sum was so tremendous last autumn that the word "relief" means a tremendous lot to the people in that area. The business interests that were destroyed, the homes that were ruined, the industries that were leveled and the destitution in the flooded area cannot be overestimated. Therefore, we are right, I think, in asking for a small portion of actual relief in that territory in the form of better control of the flood areas of that section. There is just that difference between my conception of relief and that of the gentleman from Virginia. It seems to me the word "relief" should be taken in its most general terms and not applied to one particular line. Let us have the form of relief that means something not only to the people themselves, but to industry and to the well-being of an entire section of this great country of ours. Therefore, I hope the amendment offered by the gentleman from Mississippi increasing this sum or changing it from one type of appropriation to another will be adopted.

Mr. SHORT. And even if we increase the sum $50,000,000 it will be far below the sum that the Army engineers have suggested.

Mr. TREADWAY. It is the Army engineers' estimate that we are going on when we ask for this additional $23,000,000. It is the impartial judgment of men we have designated to make these selections. Therefore we are justified in asking this additional sum be voted in this bill.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. VOORHIS of California. Mr. Chairman, as a matter of fact in periods of unemployment the carrying on of worthwhile public works is really a saving from the standpoint of true national wealth, because otherwise labor is wasted and people must be given some form of relief from which there is no return. In connection with this flood-control program, the time element is important, because if at any time money is to be expended on flood-control improvements, it necessarily follows that the sooner those improvements are got into shape, the greater the saving to property will be, the less loss of life there will be, and therefore, the cheaper the real, over-all cost. In my own section of the country I know this to be true: That the sooner we can complete our flood-control program there the less likelihood there will be of portions of the works now completed being torn out by sudden floods coming down before the retarding basins and channel work are sufficiently far along to protect the existing works. If there were any likelihood of our getting all our unemployed people back to work right away there might be some of us who would feel differently about this. But my own view of the matter is that a portion of our duty at least is to get those people to work, get them to work at the best jobs, the most necessary jobs, the most useful jobs, and the most productive jobs from a standpoint of national welfare that we can find for them. That is the reason I am going to support this amendment. Insofar as future action on W. P. A. and other agencies of that kind is concerned, I believe we will have to cross that bridge when we come to it. I think we should cross it from the standpoint of the real volume of unemployment in this country, the real need of the Nation to have its people of proper working age employed on useful work, instead of attempting to support able-bodied, willing workers in any kind of idleness. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Ohio [Mr. JENKINS] is recognized for 3 minutes.

Mr. JENKINS of Ohio. Mr. Chairman, it strikes me there is one thing we must stress in the consideration of this amendment more than anything else. A few moments ago the House, after fair and sufficient debate, spoke its mind. It voted in favor of increasing the appropriation for rivers and harbors. I voted for that amendment. There is no harbor anywhere in my district that I know of that will be benefited one nickel, but I voted for that because it represents a principle.

Now, we are considering another proposition in which many people are more interested than in the rivers and harbors proposition. As far as river and harbor appropriation is concerned, that is a matter in which the Government as such is interested. It is not a matter that is so meaningful to many people as an onrushing tide of floodwater that threatens to engulf them. Now we are going to vote on whether or not we are going to extend relief to these human beings, the great common people. Anyone who knows anything about floods knows that in every town along the river, the person who suffers first and most is the poor man, the man in the lowlands, the man who has a little store off on some side street where he cannot have flood protection. I speak for those people today. Not one penny of the money covered in this amendment will come into my district. I am not personally interested in it, but all along these rivers from the headwaters of the Monongahela to the mouth of the Mississippi River, people of all classes will be affected. Not one thousand, not one million, but many millions of

people. The great Mississippi River, with its tributaries, drains 36 States. All of the people along those streams which flow into the Mississippi will be eligible to receive some of this money. This money has not been definitely earmarked. So this is a gigantic proposition when we consider the territory it covers. This may not be sufficient to provide for any great extension improvements, but, as I see it, it may mean safety and peace and pleasure to millions of people, especially the poor people.

I plead with all of you who in times gone by have stood so valiantly for flood-control propositions to stand by this today. The President is not against this proposition. He has sent word up here that he is willing to go on record by giving $50,000,000 out of relief money. What is the use worrying about that? Let us do this in a logical, sincere way, and our duty will have been done. We had experience with this relief matter before. The gentleman from Mississippi [Mr WHITTINGTON] and I in times gone by have tried to make compromises like this one, but it is unwise to attempt to earmark relief money that has not yet been appropriated. I am not a spokesman for the President, but the President himself found a year or so ago that he was unable to go forward with a program that had been arranged much like the relief trade discussed here today. I know he wanted to do it, but because he was bound by certain constructions which he could not help he could not follow that program. Today we are going to provide that the money be appropriated directly by Congress to the finest corps of engineers in the world, to be spent in the best way possible for the most people possible all over the United States. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Arkansas [Mr. TERRY] is recognized for 3 minutes.

Mr. TERRY. Mr. Chairman, as one of the members of the subcommittee in charge of the civil functions of the War Department, I voted with the majority of the subcommittee to support this supplementary amount of $50,000,000 to be obtained from the relief bill which will be passed later in the session. As you know, that action of the subcommittee was disapproved by the full committee this morning. I feel that it is my duty as a member of the subcommittee which agreed to this increase to go along with the increase as proposed in the amendment. If any one proposition in this House has received universal approval over the course of the past 6 years, it has been the question of the national flood-control policy. Last year we passed the river and harbor bill and the flood-control bill with about four dissenting votes. That was the history in 1936 and 1937. This House has approved and has authorized, subject to the approval of the Army engineers, $669,074,000 worth of flood-control projects. These are not pork-barrel projects. They have had the studied and careful consideration of the Army engineers. I say to you that when this Congress adopts this $50,000,000 increase, which has been agreed to by the President of the United States, we are not going above the Budget. An equal amount will be deducted from the relief bill when it is reported, according to the agreement of the President. The Army engineers say at page 90 of the hearings that they have taken people from relief rolls and have given them work on the flood-control projects. I say that by adopting this amendment you are carrying out the 100-percent desire and wishes of the Congress as has been expressed in their universal approval over the past several years. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from California [Mr. HINSHAW] is recognized for 3 minutes.

Mr. HINSHAW. Mr. Chairman, I shall address myself particularly to the Members on my left, my colleagues in the Republican ranks. You all are interested in seeing the relief rolls reduced, so am I. I am interested in seeing them reduced, as you are, through the return of those on the relief rolls to private employment. One of the best ways to accomplish this is to give them something to do under private employment and not under relief. I do not see how we can expect these people to have to go on relief in order to get employment on these jobs. The adoption of these amendments is one of the ways to accomplish the thing you have in mind. I believe that if you will consider it in this light you will vote favorably on this amendment.

Aside from that particular subject, some of you have told me about the floods in your own districts, how 5 and 6 inches of rain have fallen in 24 hours, and what a terrific flood it brought to your particular districts. Let me tell you that in my district 12 inches of rain have fallen in 24 hours in the mountains, and there is only one place for it to go—on its way to the sea.

Mr. GEYER of California. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. GEYER of California. And I may add that that water eventually gets down into my district; we get it.

Mr. HINSHAW. That is right; you do.

Mr. GEYER of California. Then we try to swim out of it.

Mr. HINSHAW. It is 30 miles from the crest of the mountains to the ocean. In the first few miles the water, after it hits the ground, falls a distance of something in the neighborhood of 5,000 feet. In the next 3 or 4 miles it drops another 1,000 feet, and in the next 20 miles it piles up 8, 10, and 12 feet deep while it is trying to get into the ocean.

The adoption of this amendment will enable more work to be done in my district, among others, for the protection of human life and property; and I hope you will consider this amendment favorably.

From my standpoint, I do not altogether agree with the others. It is not an increase in the Budget; it certainly is not, from the statement we heard attributed to the President a few moments ago. I cannot agree with my friend the gentleman from Virginia on this subject. He is a very able protector of the interests of his own State and his own district. I could name several ways in which he has protected them. In the matter of aeronautical research, for instance, he has protected his own State and his own district very well.

I say to the Members on this side of the House, please consider this amendment favorably. We need this additional help in the worst possible way, and in California there are plenty of people unemployed who do not want to go on relief in order to get work. Thank you. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Pennsylvania [Mr. BRADLEY] is recognized for 3 minutes.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I am afraid the gentleman from Virginia [Mr. WOODRUM] has confused the issue. I think he has not done this intentionally; nevertheless, he has confused the issue, and he has created the impression that possibly the Members of Congress from the large cities did not know what they were doing when they voted for the previous amendment.

Now, we are not considering a relief bill, we are not considering a W. P. A. appropriation bill, and we cannot vote upon what might be in anybody's mind. [Applause.] The only thing we can legislate upon is the provisions of the bill before us or the language and the provisions of the particular amendment now under consideration. The amendment we just adopted, and the pending amendment, as well as the third one, which is to follow, merely reinsert in the bill figures that were originally written into the bill by the subcommittee but which were taken out by the full Committee on Appropriations. We knew what we were doing. I hope the gentleman from Virginia is not insulting our intelligence to the point of conveying the impression that we voted in ignorance with regard to the provisions of this amendment. We voted for the figures set up by the subcommittee in connection with projects that were authorized by previous acts of this House.

I can assure the gentleman he will find the Members from the industrial sections fighting vigorously for W. P. A. appropriations, and I hope that when the new W. P. A. appropriation bill comes in here the gentleman from Virginia will have

the regard for our difficulties that he indicates he has at the present time and that he will give us more help than he has on previous occasions, and I hope he is going to follow the recommendations of the President with respect to these things in the same manner as we have in the past. I hope also, in view of his concern about the Budget, that when the Agricultural bill comes back into this House with $327,000,000 or more written into it over and above the estimate of the Budget, that the gentleman from Virginia will give to the House the advantage of his able and competent leadership in preserving the estimates set up by the Budget Bureau. [Applause.]

Mr. FLAHERTY. Mr. Chairman, will the gentleman yield?

Mr. BRADLEY of Pennsylvania. I yield.

Mr. FLAHERTY. I have no flood-control project in my district, but I am concerned, as is the gentleman from Pennsylvania, with the unemployed in the cities of this country. The gentleman overheard, as I did, the remarks of the majority leader when he stated that in a conference with the President the President agreed that $50,000,000 of the relief appropriation for 1939–40 would be diverted for this very purpose. For this reason I am voting to insert this increase in this bill, because it is not so long ago that in this very Chamber we had a terrific battle in connection with the proposed reduction of $50,000,000 from a relief bill. Since that time our offices have been flooded with the mail of these people, from the cities particularly, who have been dismissed from the W. P. A. program. [Applause.]

Mr. BRADLEY of Pennsylvania. Let me say to the gentleman that I agree with him, that it is our duty to vote for those things which are needed by other sections of the country. We are doing it with the hope that the Members from those sections will give us their cooperation for the W. P. A. bill later on when it is before the House. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Ohio [Mr. SECCOMBE] is recognized for 3½ minutes.

Mr. SECCOMBE. Mr. Chairman, first of all may I commend my colleague from Pennsylvania [Mr. BRADLEY] for his very kind remarks. I would have gladly turned over to him my time if he had needed it. At this time, Mr. Chairman, I rise in support of the amendment. I want to also commend the subcommittee on Army appropriations for their fairness and for the consideration shown the Members from the various States that have no rivers and harbors.

It is amusing today to find that some of the Members have turned suddenly economy minded. This is a matter of life and death to many people throughout the various States.

I call your attention to the fact that the Army engineers have made this recommendation, and I support them wholeheartedly in their recommendations. I would have voted for the $195,000,000 had it been reported.

The great State of Ohio in the year 1937 experienced floods which did damage to the extent of $400,000,000. There are some districts and some cities there that unless they receive this year some appropriation in the form of relief will be wiped out. They are paying assessments at the present time of 50 percent on their property. In the State of Ohio it is impossible to pay the regular taxes now unless you pay the special assessment.

The Army engineers have recommended a flood-control program, and unless the pending amendment is agreed to approximately 66 projects will have to be stopped immediately. I would much rather turn $50,000,000 over to the Army engineers, who may use W. P. A. workers, and who get dollar for dollar in a more constructive program, than I would turn $50,000,000 over to the W. P. A. to use politically. This is only a case of using good, common sense so far as economy is concerned.

I believe in economy, and I have supported various economy measures. Today, however, I believe in supporting those cities that are depending on this proposition. To be specific may I mention one city alone in the Muskingum conservancy district, the city of Newcomerstown, Ohio, a city of approximately four or five thousand people. In that city the assessment runs one-third above the total real estate value and unless some relief is given that city, it is going to be wiped out. The schools will have to close. Our Senator from Ohio, Senator DONAHEY, has told the people, "Band yourselves together and strike." They have refused to pay their regular taxes into the county treasury and if the present school year was not coming to a close, the schools would have to close. These people will lose their homes.

Mr. Chairman, I make the plea today to my colleagues on both sides of the House to use good, common sense. This is false economy. It is not a question of whether you have a river or harbor but a question involving millions of people and worth-while projects. Instead of us appropriating millions of dollars to build battleships to kill millions of helpless people, let us vote for this amendment and save hundreds of homes for working people who have saved and sacrificed to build their homes. Congress at the last session authorized the amount of $4,500,000 for the Muskingum conservancy district for completing and carrying out the terms of the act of 1938 authorizing the reimbursements. Therefore, I plead with you in the name of justice and fair play for the people against this unjust watershed tax of the Muskingum conservancy district. [Applause.]

The Muskingum conservancy district has been termed America's pioneer conservation and flood-control project. It marks the first time a local unit of government has cooperated with State and Federal Governments in an effort to control a great river and correct a critical soil-erosion and water-conservation problem. With the recent completion of 14 large dams the control of destructive flood crests has been made possible with protection afforded not only to the river communities of the conservancy district but, in a lesser degree, to the Ohio and Mississippi Valleys below. Great progress has likewise been made in water and soil conservation.

When the project was first proposed to the Public Works Administration it was asked that the local costs be limited to the planning of the project. However, as Federal policies of conservation and flood control had not yet been established, the district was required to either assume a heavy local burden of cost or abandon the project. In the belief that conservation and flood control were of such great national importance as to soon necessitate the establishment of such policies and with the understanding that their benefits would be extended to the district when established, the project was started.

As a result of conditions beyond the district's control, the local cost ran much higher than was estimated and the assessable benefits were greatly reduced. Despite the sale of $1,600,000 of lands to the United States, it was necessary for the district to make a 50-percent assessment against benefited property. While such a burden might not have been excessive in prosperous times it has proven itself impossible under present conditions.

At the very time the district's first tax levy was being made the Congress passed the 1938 Flood Control Act, which authorized the Federal Government to pay the entire cost of projects such as the district's. An amendment to this act directed the Secretary of War to pay to the district the sum of $4,500,000. Officials of the district at once announced that the receipt of this payment would reduce the local assessments by at least one-half. While it was then understood that these funds would be immediately available and such information was generally circulated throughout the district, this was later found impossible. The district officials were then compelled to make the annual levy based on the full 50-percent assessment.

Confronted with such an excessively heavy local burden of cost at a time when the Federal Government was offering the same protection to other communities at no local cost, and with no reduction in their levies despite their understanding such reduction was promised, the people of the district

became incensed to the point of establishing a general tax strike. By their statements, such a course of action was recommended to them by Members of Congress.

It is impossible at this time to determine the far-reaching effects of this strike. Already the credit of the district has been destroyed. With more than a million dollars of short-term notes coming due within the next few months and with the absolute necessity of raising one and one-half million dollars additional to complete its land-purchase program, the district finds itself without funds or credit except as relief is afforded by the Congress.

Under Ohio law, regular taxes cannot be accepted by taxing officials except as special assessments are also paid. Due to this condition the tax strike has a very serious effect on other local units of government. Except as prompt relief is afforded, schools must be closed and other public services reduced or eliminated. Municipal credit must likewise suffer.

By the terms of the Ohio Conservancy Act the district must pay 6 percent interest on defaulted notes. Except as the district's land-purchase program is completed it is continually confronted with the possibility of flooding lands above the dams which it does not own. Already this item of damage has cost the district more than $200,000. Continued delay in purchasing these lands must represent many hundreds of thousands of dollars of additional losses.

It is the firm belief of thinking people within the district that it was the full intent of Congress to promptly pay the $4,500,000 it authorized. With this payment made the full flood protection will be almost immediately available, the credit of the district will be restored and the faith of the people in their Government renewed. It is respectfully urged that this committee recommend payment of the full amount of the appropriation at this time.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Mississippi [Mr. WHITTINGTON] is recognized for 3 minutes.

Mr. WHITTINGTON. Mr. Chairman, I want to make this statement: Flood control is a national question. The committee has made appropriations for the National Flood Control Act, the act of June 22, 1936, as amended by the acts of 1937 and 1938, and has made appropriations for the Mississippi River. There has been a general understanding that the $50,000,000 which the Chief Executive stated he wanted to allocate out of relief funds would be divided equally between rivers and harbors and flood control, as proposed in the amendments offered by the gentleman from Mississippi [Mr. COLLINS]. Personally, I regret we are not voting on the other flood-control amendment, which is for the Mississippi River, at this time.

Mr. Chairman, in emphasis of what I have previously stated, I call attention to the fact that Congress itself in the appropriation act for the fiscal year 1938 undertook to appropriate $60,000,000 for national flood control by appropriating $30,000,000 regularly and, quoting from the appropriation act, "$30,000,000 in addition of the $1,500,000,000 contained in the Emergency Relief Appropriation Act of 1937."

To reinforce my previous statement, those funds could not be expended and upon the expiration of the fiscal year 1938 there were $11,000,000 unallocated and unexpended. For the Mississippi River in the same act there was appropriated $15,000,000 out of relief funds. Thirteen million dollars of that amount were not spent. For the next fiscal year, 1939, and I am reading from the appropriation acts themselves, these two balances that we understood we were going to get for flood control out of the relief appropriation act were reappropriated in the sum of $24,000,000 for rivers and harbors.

Mr. Chairman, I say the only way to effectuate what the Chief Executive has said he is willing to do, to wit, increase these appropriations by $50,000,000, and the only way that the Congress can do it effectively, is to follow substantially the language of the gentleman from Mississippi by increasing this appropriation $23,000,000 and the other appropriation $2,000,000, for the Mississippi River and its tributaries. [Applause.]

Under leave to extend my remarks, I think it well to call attention to the flood-control acts passed by Congress and the appropriations made under those acts. There are two general flood-control acts—one for the Mississippi River and its tributaries, and the other for the other rivers of the country. The Flood Control Act for the Mississippi River and its tributaries was approved June 15, 1936, and it authorized the expenditure of $272,000,000 over a period of 6 years. It thus contemplated an annual appropriation of approximately $45,000,000. For the fiscal year 1938 there was appropriated $22,500,000 of regular funds, and in addition, $22,500,000 from the Emergency Relief Appropriation Act of 1937. I call attention to the significant fact that in the appropriation in the War Department Civil Appropriation Act of 1938 the following language was used with respect to the $22,500,000 of relief funds, and I quote:

> And of such additional amount, $7,500,000 shall be used in augmentation of the foregoing appropriation of $22,500,000.

Of the $15,000,000 thus appropriated out of relief funds, only $2,000,000 was used. The Chief of Engineers was unable to use the remaining $13,000,000 in flood-control works along the lower Mississippi River. The restrictions of the Emergency Relief Appropriation Act made it impossible for the Chief of Engineers to buy materials and otherwise to do effective flood-control work. Thirteen million dollars of the money appropriated by Congress and intended for flood control in the lower Mississippi Valley was thus not used.

For the fiscal year 1939 there was appropriated $31,000,000 for the Mississippi River and its tributaries.

The other flood control act is known as the National Flood Control Act. It was passed on June 22, 1936; it authorized appropriations aggregating $310,000,000, $10,000,000 being for examinations and surveys. This act was amended on August 28, 1937, and increased authorizations of not to exceed $24,877,000 over a period of 2 years were made. The act was again amended on June 28, 1938, and appropriations authorized aggregating $375,000,000, based on a 5-year program. Thus far no appropriations have been made under the act of 1938.

The first appropriation for national flood control was made for the fiscal year 1938. The Civil Appropriation Act of that year appropriated $30,000,000, and I quote from the act:

> And in addition $30,000,000 of the appropriation of $1,500,000,000 contained in the Emergency Relief Appropriation Act of 1937.

Congress thus undertook to earmark relief funds for flood-control work. The Chief of Engineers was able to use only $19,000,000 of the $30,000,000 thus appropriated, and he was only able to use that amount because of the regularly appropriated funds that he could use in purchasing materials and in making contracts.

Eleven million dollars of the money authorized by Congress was not used.

The $13,000,000 appropriated out of relief funds for the Lower Mississippi River above mentioned, and the $11,000,000 appropriated for national flood control, aggregating $24,000,000, was not used by the Chief of Engineers but was reappropriated for the fiscal year 1939, and I quote from the Civil Appropriation Act of that year:

> And there is hereby reappropriated for the objects embraced in this paragraph for rivers and harbors, $24,000,000.

And the act describes the $24,000,000 as "the balances of the two appropriations mentioned."

For the fiscal year 1939 there is appropriated for national flood control $82,000,000, but $14,000,000 of that amount was used by the Department of Agriculture and for preliminary examinations and surveys.

There has thus been authorized for national flood control approximately $700,000,000. There has been appropriated for construction, during the past 2 years, approximately $120,000,000; in other words, one-sixth of the program has thus become available.

The annual report of the Chief of Engineers shows that approximately $195,000,000 could be profitably expended during the fiscal year 1940 on authorized flood control projects

in the above acts. These funds would enable the continuation of the construction of 69 projects, and would provide for the initiation of construction of 91 additional projects.

The President in his Budget message recommended $110,000,000 for national flood control, and in his Budget message, and in a supplemental Budget message, he recommended $37,000,000 for the Mississippi River and its tributaries.

The Chief of Engineers stated that he could use profitably for the Mississippi River and its tributaries, $50,000,000 for flood control for the next fiscal year.

The gentleman from Colorado [Mr. MARTIN] has stated that representatives from approximately 30 States have held numerous conferences, have requested an additional Budget recommendation, have conferred with the President, and while they have asked for an increase in the Budget of some $85,000,000, it was finally agreed that if an additional $50,000,000 could be provided out of relief and emergency funds, to be used as regularly appropriated funds and to be equally divided between rivers and harbors in the sum of $25,000,000, and national flood control and flood control along the lower Mississippi River in the sum of $25,000,000, the advocates for increased appropriations would not insist upon the appropriation of a larger amount than an aggregate of $50,000,000. The President evidently was sympathetic. As has been stated by the majority leader, the President indicated that he would allocate to the Chief of Engineers a total of $50,000,000, without strings on it, out of the Relief and Emergency Appropriation Act. I thereupon proposed an amendment that would have provided that the amounts recommended for flood control in the sum of $110,000,000 be augmented by $23,000,000, in the following language:

> And that in augmentation of the foregoing appropriation of $110,000,000, $23,000,000 of the amount heretofore or hereafter appropriated for the public projects in the Emergency Relief Appropriation Acts for the fiscal year ending June 30, 1940, shall be transferred to this appropriation and made available for expenditure by the Corps of Engineers for the objects embraced by this paragraph in the same manner as if appropriated under this section.

Moreover, it was my thought to offer a similar amendment for increasing the river and harbor item by $25,000,000 and a similar amendment in identical language to increase the appropriation for the Mississippi River and its tributaries from $37,000,000 to $39,000,000, making a total increase of $50,000,000 available only if a relief and emergency act were passed for the fiscal year 1940.

The President had agreed to the allocation. The subcommittee was agreeable to the allocation, the group representing the 30 or more States that had held numerous conferences urging that inasmuch as Congress had authorized $375,000,000 for flood control in 1938, an increase be made in the Budget recommendation as no appropriation had been made, were agreeable to the $50,000,000 increase, to be equally divided between rivers and harbors and flood control.

It was immediately pointed out that the amendment in the language that I proposed would be subject to a point of order on the ground that the Relief and Emergency Appropriation Act for the fiscal year 1940 had not been passed. There was therefore no other valid means for the Subcommittee on Civil Military Appropriations to adopt except to increase the appropriation as has been proposed by the gentleman from Mississippi [Mr. COLLINS]. The language that I proposed was exactly the language that was used in making available for the Mississippi River and its tributaries for the fiscal year 1938, $7,500,000. If a point of order had not been made, or if it had not been stated that it would be made, my amendment, if adopted, would have secured the $50,000,000 as we understood the President had agreed. But, after all, the end was the same. The purpose was to provide $50,000,000 additional of regular funds for river and harbor and flood control without relief limitations. I have urged that all appropriations remain within the recommendations of the Budget. Such will continue to be my policy. Inasmuch as the President stated that he would allocate $50,000,000 out of the Relief and Emergency Act, I can see no difference between increasing the pending appropriation by $50,000,000 and reducing the relief and emergency appropriation by the same amount. The Budget will be in the same condition as if the amount of both Budget recommendations had remained the same. The point is that the aggregate of both recommendations would be as recommended by the Budget.

I have therefore stated that the amendments proposed by the gentleman from Mississippi are substantially the only amendments that could be offered to make effective the $50,000,000 which the President has indicated he would allocate out of relief and emergency act without strings to the Corps of Engineers. The Subcommittee on Appropriations undertook to make effective the so-called gentleman's agreement between the President and Congress. Congress tried to allocate relief funds for the fiscal year 1938; they were ineffective. If the President allocated funds, assuming that the act for 1940 would be substantially in accordance with the acts of 1937 and 1938, he would be without power to do effectively that which he had agreed to do. The only relief funds that have been effectively used for flood control and river and harbor work have been funds in augmentation of regular funds that could be expended just as regular funds are expended.

The country is sold on flood protection. Congress has provided the authorizations. The projects have been selected. The Subcommittee on Appropriations has reported the projects that will be constructed. Congress has thus selected the projects after being authorized by Congress. The works will protect lives and property; they will provide for employment; they will thus aid unemployment. All relief and emergency acts have provided for flood-control works, but it is fair to say that only local works, with local sponsors, have been constructed. The limitations prevent the construction of the works that have been approved by Congress and recommended by the Chief of Engineers. If we mean what we say, if relief and emergency acts are to provide for flood control and other improvements, the effective way is to allocate the amount intended for flood control so that the amount can be used, as proposed by the gentleman from Mississippi, effectively for flood control.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Missouri [Mr. SHORT] is recognized for 3 minutes.

Mr. SHORT. Mr. Chairman, I care not whether you live on the Connecticut, the Hudson, Monongahela, Susquehanna, the James, the Ohio, the Wabash, the Illinois, the Mississippi, the Missouri, the Arkansas, the White, the Red, the Rio Grande, the Columbia, or the Colorado, you know you are naturally and justifiably interested in the problem of improvement of navigation and flood control, which is a national problem. Whether or not you live in Boston, Philadelphia, Wilmington, New York, Baltimore, Charleston, New Orleans, San Diego, San Francisco, or Seattle, you are interested in rivers and harbors improvement and development. The enactment of this bill will benefit not one or a few but practically all sections of our great country.

May I say to the Members present that none of this money will be spent in my district; but my district, though it is 250 miles long and 150 miles wide, is a very small portion of the United States. By helping other people I will help my own. This Nation stands or falls together.

I am for the amendment of the gentleman from Mississippi because I think it is sane and sound; I think it is a good investment, and one that will yield dividends in years to come. Not the size but the wisdom of expenditures is the vital point. Do we get value for the money spent is the significant question. In this particular measure we do. Why confuse the issue by mixing rivers and harbors and flood control with relief? We will later consider W. P. A. on its own merits. Why should not Congress now exercise its own constitutional right and duty by allocating this money for these specific purposes that appropriately belong in this particular bill instead of handing it over to the President in a W. P. A. bill, who is reported to have agreed to spend an additional $50,000,000 of W. P. A. appropriations on river and harbor development and flood control?

The only assurance we have that this would be done is the President's promise. Lately we have had too much government by promise and often the President's memory fails him. It is the function of the Congress and not the President to earmark all funds. The responsibility is ours today to determine how much money shall be appropriated for rivers and harbors and flood control and later to determine how much shall be given to W. P. A.

I was surprised that the gentleman from Virginia intimated and left the impression that by voting for this increase of $50,000,000 we will be taking that amount of money from the W. P. A. appropriation. In the name of common sense, how can you take money from the W. P. A. appropriation before we ever bring it in here? You might as well say no; instead you are taking $50,000,000 from the river and harbor development and flood control and adding it to W. P. A. That position would be just as sound as the position taken by the gentleman from Virginia. It will require something more than his suavity and the smoothness of his golden tongue to convince Members of the soundness of the position he has taken.

Of course, the Budget recommended only $30,000,000, whereas the Army engineers recommended over $100,000,000. I do not need to remind you that the Director of the Budget is appointed by the President and holds office at the pleasure and will of the President. If the President and the Director of the Budget had their own way, the Army engineers perhaps would not be given a dime to spend because the President would like to have complete control of the entire purse strings of this Nation. The only issue here is whether one man is going to spend this money or whether we are going to invest the Army engineers with the power and responsibility of discharging their duties fearlessly and courageously in the future as they always have done in the past.

I trust that you will support the amendment. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Colorado [Mr. MARTIN] is recognized for 3 minutes.

Mr. MARTIN of Colorado. Mr. Chairman, oh, how a Democrat can love a Republican when the Republican is helping him out in a fight! I never knew before what a persuasive fellow my friend, the Honorable DEWEY SHORT, from Missouri, was. He has just now completely won my heart with his argument to the point where it is my purpose to vote for this amendment. After all, when a fellow needs a friend, politics is not even skin deep.

The greatest fight which has occurred so far in the Seventy-sixth Congress, the result of which was heralded to the country as the first major defeat for the President, was led by the very able gentleman from Virginia [Mr. WOODRUM]. He was not very much concerned in that fight about what the President wanted, as he is today, but that fight is only a skirmish compared to the one he is going to lead against what the President wants when he brings in the 1940 relief bill. I am satisfied that when he gets through with the W. P. A. if he can have his way neither the President nor Harry Hopkins will recognize it. So let us not be too deeply moved by his plea to stand by the President.

There has been no legislation before this House that is of as much general interest as the pending amendment. Forty-seven of the forty-eight States have flood-control projects, for which the Army engineers have asked $60,000,000 beyond what we are proposing to allot them in the pending amendment, and if there is any agency of the Government that has its program blueprinted it is the Army engineers.

I am going to say something to you frankly, if it costs me votes: I am not particularly worrying about whether we are going to get this money before this bill reaches the White House. What I would like to see would be the House of Representatives do something on its own motion and not sit around here and wait for the Senate to do everything.

In 1938 the Committee on Flood Control and a majority of the Members of this House wanted the local damages where flood-control projects were being built to be paid 100 percent by the Federal Government, but a bill was brought in assessing 30 percent locally and 70 percent against the Government because there was fear of a veto, they were afraid if they brought in the 100-percent provision the President would veto it. The first thing the Senate did within a few minutes after consideration of the bill was begun was to put in the remaining 30-percent provision, and the President signed the bill. I believe the same thing is liable to happen with reference to this bill. There will be ways found to finance it. Let us do a little legislating on our own hook. [Applause.] Why should the Bureau of the Budget dictate everything to us? I never saw the Director of the Budget in my life; I never was in his office; I never asked him for anything, and I never got anything. I am voting on my judgment and for the interests of my State rather than for some arbitrary figure guessed at by the Director of the Budget and sent up here to the Appropriations Committee. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER] for 3 minutes.

Mr. TABER. Mr. Chairman, on the 4th day of May, at the close of business, the Federal deficit was $2,936,000,000. Here we are voting on the question of whether or not we shall raise the amount to be appropriated by $25,000,000. What is the situation? A year ago this Congress appropriated for flood control $82,000,000. Here the bill without any amendment carries $110,000,000, or $28,000,000 more than last year. If you will look at the projects that are set forth in the hearings on page 92, you will find that very liberal amounts are provided for all the flood-control projects. A $280,000,000 increase ought to be enough in these times of Federal deficits to satisfy anyone who believes in large appropriations.

It seems to me that at this time we should have regard for our responsibility to the American people. We should not raise the appropriations so rapidly on this kind of a big job that we cannot have efficient expenditure. We should not try to do the whole job in 1 year, when we know if we set it up that way the only result we can expect is a balance left over at the end of the year.

I hope the Members of this House will vote on this amendment on its merits and stick to the $110,000,000 the committee has provided. The bill as it came from the committee carried enough to take care in all reason of all the problems that are to be met by the bill. I hope the Committee will reject this amendment. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. ELLIS] for 3 minutes.

Mr. ELLIS. Mr. Chairman, the remarks of the gentleman from New York [Mr. TABER] are very interesting, but the fact remains we are just now beginning the program of flood control in this Nation. It is not a matter now of increasing the appropriation. Let us see where we stand. By the Flood Control Acts of 1936, 1937, and 1938 the Congress authorized a total of $1,148,877,000 for flood control in this Nation. That was not the total appropriations authorized but the total authorized projects themselves. Here is the difference, and I think it is very important. In those bills the Congress set up another figure, a much lower figure, a figure of $698,877,000, which is the total authorization for all appropriations.

For instance, in my district and in my State the White River, one of the greatest undeveloped rivers in this Nation, has a total authorization on it under these acts of six projects. Those six projects would cost $75,000,000, but the Congress permitted an authorization of only $25,000,000 for the six, and only two of them can be built for the $25,000,000.

Sixty-nine projects are now under construction throughout the Nation—but none in my State; and Arkansas, next to Louisiana, suffers the heaviest average annual flood losses of any State. Had we appropriated the $195,000,000 this year, 91 new projects would have been begun and given enough money to make a good showing this coming fiscal year.

We are being ultraconservative. Yes, indeed, the Army engineers are conservative, but they have based their figure not on the more than $1,000,000,000 but on the $698,877,000, and then the Budget Director cut their figure down 43 percent, reducing it to $110,000,000.

Mr. Chairman, every single one of these projects has been determined by the Army engineers to be economically sound. Every one of these projects, when completed, will add to the total wealth of this Nation. It is not a question of extravagance; it is not a question of expenditures; it is a question of saving human life and adding to the wealth of this Nation.

I think the greatest thing we could do here today for the generations yet unborn would be to support this amendment. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Oregon [Mr. MOTT] is recognized for 3 minutes.

Mr. MOTT. Mr. Chairman, I think the House ought to be congratulated on the way it has handled this question this afternoon. The seriousness and the importance which Members have attached to these amendments is shown by the fact that throughout the debate they have dealt with them strictly from the national viewpoint. Although perhaps one-half of the Members of the House have flood-control and river and harbor projects in their districts, none of those projects has been specifically mentioned in the debate and none of them individually has been brought to the attention of the House for the purpose of urging adoption of the amendments. They have shown by their action, moreover, that this is not a political question. They have considered it as a national issue on which opinion is not divided along party lines.

It was intimated here a while ago by the gentleman from Virginia that a majority of the Republicans are supporting what he referred to as the President's economy program, so far as this bill is concerned, and that a majority of the Democrats, judging from their action on this bill, are opposed to that program. I do not think that is quite correct. At any rate I do not think it is important. But the gentleman from Virginia did raise an issue which I think ought to be mentioned.

The gentleman said that support of these amendments seemed to be predicated upon the idea that the President intended to take $50,000,000 out of work relief and apply it on flood control and river and harbor projects, and that that being the case it was unnecessary for the House to increase the appropriation by that amount in this bill. Now, I do not understand that to be the situation at all. The President has consistently declined to ask for a supplementary Budget estimate. So far as anyone knows, the President is not in favor of these amendments. He does not want this additional $50,000,000 to be carried in this bill. It may be true, as has been stated on the floor, that the President told some members of the Appropriations Committee that he intended to take $50,000,000 of the work-relief money and allocate it to flood control and river and harbor projects. I think that is true. So now, since he says he will spend $50,000,000 of relief money for flood control, he has asked the Congress, for that reason, not to legislate upon this subject at all. For my own part I think that is a highly improper proposal on the part of the President. Here is a legitimate activity of the Government. The question before the House is whether the House, by its vote, ought to increase this appropriation by $50,000,000. It is the exclusive business of the House to decide that question. Whether the President intends to take work-relief money and apply it to flood-control work has nothing at all to do with the issue before the House. This matter should be decided by the House upon its own responsibility. The only question here is whether this amendment is proper or not. If it is, we should vote for it regardless of what the President may or may not do with relief money. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, today the proposition is the expenditure of Federal funds for flood control. Tomorrow it may be an appropriation of funds for reclamation of land in the Dust Bowl. The next day it will be something else, and the day following there will be another proposition to spend more money. Always there is a spending program, regardless of the taxpayers' ability to pay. The hard, cold fact remains that the situation is the same today as it has been during the past 2 or 3 or 4 or 6 years. Each year we go into debt two or three billion dollars more.

In 1932 we were on the verge of national bankruptcy, we were told by Candidate Roosevelt. Since then the national debt of 20-odd billion dollars has been doubled. The Republicans have been criticizing the President because of his spending and because of his wastefulness, because he each year has increased the public debt. If there is anything that we can do to make ourselves more ridiculous as critics, if there is anything that we can do to convince the people back home of our lack of sincerity, I do not know how we could go about it more effectively than to continue to make appropriations when we know that we lack the money to meet them; when we refuse or neglect to levy taxes to pay the debts we make. In the Senate yesterday that body voted something over $300,000,000 to be added to a bill, not at the request of the President, but because some Senators wanted to see that money spent. Here today we are adding $50,000,000, not at the request of the President, but because we here in the House want to spend some money.

Just how can we go back home—just how can we go before our people in the next election and advocate economy, advocate living within our income, advocate balancing the Budget, if we who have criticized the President week in and week out, year after year, not only refuse to accept the estimates of the Director of the Budget, but continually add millions to the figures that he recommends that we spend? For myself I would like, if I can, to be consistent. I would like, if I may, to have the people back home believe that when I told them last fall I intended to vote to live within the revenues of the Government I meant what I said; that I really intended to do that very thing, and I would like to show the people back home now, when the time comes to vote, that I was honest and sincere; that I keep the promises I make. Let us keep faith; otherwise let us cease our criticism of a spending program. When the President wants to economize, let us stand behind him, support him.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Oh, yes; I am very glad to yield to the great economic expert from the State of Missouri, who has been after the President here on the floor day in and day out, and who now wants to tell him how best to spend the money. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The Chair recognizes the gentleman from Alabama.

Mr. PATRICK. Mr. Chairman, I have decided to give the Congress of the United States a break and not make a speech. [Applause.] And I do not wish permission to extend nor to revise my remarks, but now ask unanimous consent to retire from the Hall and yield back the balance of my time.

The CHAIRMAN. Without objection, the request of the gentleman from Alabama is granted.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. STARNES].

Mr. STARNES of Alabama. Mr. Chairman, all of us individually know of many things that we would like to purchase for ourselves or to acquire for ourselves and for the happiness of our families, but if they are beyond our means financially, we forego that pleasure. That same rule applies to governmental expenses. Many things are highly desirable as governmental activities. There are many things which have social and economic values that our Government would like to embark upon and you and I as legislators, representing our people, would like it to embark upon, but if the financial condition of the country is such that the embarkation upon such a policy would place a strain on the credit and resources of our Nation, then we cannot afford to undertake many of the things that we would like. Those of you who would criticize the whole committee in following the recommendation of the Budget in respect to this bill, should remember, particularly those who advocate flood control, that this bill carries over $28,000,000 above the amount

provided for in the last appropriation bill for flood control, and, therefore, your committee has not been niggardly in treating this national problem. To those of you who have seen fit to criticize the remarks and conduct of the able and distinguished gentleman from Virginia [Mr. WOODRUM], I say that he has been honest and sincere and consistent in his attitude at all times in the Committee on Appropriations, and on the floor of this House. [Applause.] The time is coming when many of you will regret that you failed to follow the sound advice and sagacious leadership of the very able and distinguished gentleman from Virginia [Mr. WOODRUM]. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired. All time has expired.

Mr. RAYBURN. Mr. Chairman, I rise to proffer a unanimous-consent request. The pending amendment is to add $23,000,000 to flood control. Another amendment for $2,000,000 for the lower Mississippi will be presented by the gentleman from Mississippi [Mr. COLLINS]. I, therefore, ask unanimous consent that that amendment may be read at this time and that the two amendments may be acted upon as one.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the two amendments be read together and voted on as one. Is there objection?

Mr. WADSWORTH. Mr. Chairman, reserving the right to object, may the Clerk read the next proposed amendment?

The CHAIRMAN. The Clerk will read the proposed amendment.

Mr. WADSWORTH. Perhaps the gentleman from Texas will indicate to the Committee how the two amendments relate to the same subject?

Mr. RAYBURN. They are both flood control. It is adding $2,000,000 to the lower Mississippi for flood control; $23,000,000 is the general flood-control proposition.

Mr. WADSWORTH. I would not have the same objection that I had to the first request because the first request involved the House of Representatives voting on a river and harbor appropriation and a flood-control appropriation at one and the same time, which I think would be establishing a wretched precedent. I objected at that time.

Mr. RAYBURN. Yes. I did not make that request, I will say to the gentleman.

Mr. WADSWORTH. May the amendment be read with the text?

The CHAIRMAN. The Clerk will read the paragraph and then report the amendment.

The Clerk read as follows:

Flood control, Mississippi River and tributaries: For prosecuting work of flood control in accordance with the provisions of the Flood Control Act approved May 15, 1928, as amended (33 U. S. C. 702a), including printing and binding, newspapers, law books, books of reference, periodicals, and office supplies and equipment required in the office of the Chief of Engineers to carry out the purposes of this appropriation, and for the purchase (not to exceed $51,400) of motor-propelled passenger-carrying vehicles and motorboats for official use, $37,000,000.

Amendment offered by Mr. COLLINS: Page 10, line 12, strike out "$37,000,000" and insert "$39,000,000."

Mr. WADSWORTH. Mr. Chairman, in view of the fact that the two amendments do relate very closely one to the other, I shall not object.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. COLLINS], both amendments to be voted upon at the same time.

The question was taken; and on a division (demanded by Mr. COLLINS, Mr. SHORT, and Mr. MOTT) there were ayes 101 and noes 83.

So the amendments were agreed to.

The Clerk concluded the reading of the bill.

Mr. SNYDER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. RAYBURN] having resumed the chair, Mr. DELANEY, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 6260, directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill do pass.

Mr. SNYDER. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER pro tempore (Mr. RAYBURN). Is a separate vote demanded on any amendment?

Mr. STARNES of Alabama. Mr. Speaker, I ask for a separate vote on the two Collins amendments as they were adopted in Committee of the Whole.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment?

Mr. POWERS. Mr. Speaker, does that request of the gentleman mean that the gentleman from Alabama is demanding a separate vote on all three amendments?

Mr. STARNES of Alabama. There were only two votes.

Mr. POWERS. There were only two votes, but three amendments.

Mr. STARNES of Alabama. They are to be included. I ask unanimous consent that there be one roll call, Mr. Speaker.

Mr. POWERS. Mr. Speaker, I object.

Mr. STARNES of Alabama. Mr. Speaker, I ask unanimous consent that we have a second roll call on the two amendments relating to flood control; that we have one vote on those two amendments.

The SPEAKER. That is one amendment now, because they were voted on together in the Committee.

Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The other amendments were agreed to.

Mr. MARTIN of Massachusetts. Mr. Speaker, the agreement was there would be a separate vote on all amendments. Is that the understanding?

The SPEAKER pro tempore. There are two amendments upon which separate votes have been demanded.

The other amendments have been agreed to.

The Clerk will report the first amendment upon which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. COLLINS: On page 8, line 4, strike out "$71,000,000" and insert "$96,000,000."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

Mr. WOODRUM of Virginia. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

Mr. WHITTINGTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WHITTINGTON. Would it be in order to ask unanimous consent to consider both amendments on this roll call?

The SPEAKER pro tempore. Not at this time. A roll-call vote has been ordered.

The question was taken; and there were—yeas 171, nays 165, answered "present" 1, not voting 93, as follows:

[Roll No. 68]

YEAS—171

Alexander	Brooks	Connery	Eberharter
Allen, La.	Brown, Ga.	Cooley	Elliott
Andersen, H. Carl	Buck	Cooper	Ellis
Anderson, Calif.	Burch	Corbett	Elston
Anderson, Mo	Burdick	Costello	Englebright
Andresen, A. H.	Byrns, Tenn.	Crowe	Fenton
Angell	Caldwell	Culkin	Ferguson
Barden	Cannon, Fla.	Curtis	Flaherty
Barnes	Cartwright	D'Alesandro	Flannagan
Barry	Casey, Mass.	Darden	Folger
Bates, Ky.	Chandler	DeRouen	Ford, Leland M.
Bell	Clason	Dies	Ford, Miss.
	Claypool	Disney	Ford, Thomas F.
Bland	Coffee, Wash.	Doxey	Fries
Bolles	Cole, Md.	Duncan	Garrett
Bradley, Pa.	Collins	Dunn	Gathings
			Gearhart

Gerlach	Kilday	Murdock, Ariz.	Short
Geyer, Calif.	Kirwan	Myers	Smith, Ill.
Gibbs	Kocialkowski	Nelson	Smith, Wash.
Green	Larrabee	Nichols	Smith, W. Va.
Griffith	Lea	Norrell	South
Guyer, Kans.	Leavy	Norton	Sparkman
Harrington	Lemke	O'Connor	Spence
Havenner	Lesinski	O'Day	Stearns, N. H.
Healey	Lewis, Ohio	O'Leary	Stefan
Hendricks	McAndrews	Owen	Tenerowicz
Hennings	McArdle	Parsons	Terry
Hess	McCormack	Patrick	Thomas, Tex.
Hill	McGranery	Patton	Tibbott
Hinshaw	McLaughlin	Peterson, Ga.	Tolan
Hobbs	Maciejewski	Pittenger	Treadway
Hook	Maloney	Poage	Voorhis, Calif.
Izac	Mansfield	Rankin	Walter
Jacobsen	Marcantonio	Rogers, Okla.	Welch
Jenkins, Ohio	Marshall	Sasscer	West
Johns	Martin, Colo.	Schaefer, Ill.	Whelchel
Johnson, Lyndon	Martin, Ill.	Schuetz	White, Ohio
Johnson, Okla.	Massingale	Schulte	Whittington
Johnson, W. Va.	May	Schwert	Williams, Mo.
Kee	Mills, La.	Seccombe	Wood
Kennedy, Md.	Mott	Shanley	Zimmerman
Kerr	Mundt	Sheppard	

NAYS—165

Allen, Pa.	Durham	Kitchens	Richards
Andrews	Dworshak	Knutson	Risk
Arends	Engel	Lanham	Robertson
Arnold	Evans	LeCompte	Robinson, Utah
Ashbrook	Flannery	Lewis, Colo.	Robsion, Ky.
Barton	Fulmer	Lord	Rodgers, Pa.
Beckworth	Gamble	Luce	Rogers, Mass.
Bloom	Gehrmann	Ludlow	Rutherford
Boehne	Gifford	McDowell	Ryan
Boland	Gilchrist	McLean	Schafer, Wis.
Bolton	Gillie	McMillan, John L.	Shafer, Mich.
Boren	Gore	McMillan, Thos. S.	Simpson
Bradley, Mich.	Gossett	Maas	Smith, Conn.
Brown, Ohio	Graham	Mahon	Smith, Maine
Bryson	Grant, Ala.	Mapes	Smith, Ohio
Bulwinkle	Grant, Ind.	Martin, Iowa	Smith, Va.
Burgin	Griswold	Martin, Mass.	Springer
Byrne, N. Y.	Gross	Mason	Starnes, Ala.
Cannon, Mo.	Gwynne	Michener	Steagall
Carlson	Hall	Mills, Ark.	Sumner, Ill.
Case, S. Dak.	Halleck	Monkiewicz	Taber
Chiperfield	Hancock	Monroney	Talle
Church	Hare	Moser	Tarver
Clark	Harness	Murdock, Utah	Taylor, Tenn.
Clevenger	Hart	Murray	Thill
Cluett	Hawks	O'Brien	Thomason
Cochran	Heinke	O'Neal	Van Zandt
Coffee, Nebr.	Hoffman	Osmers	Vincent, Ky.
Cole, N. Y.	Hope	Pace	Vorys, Ohio
Crawford	Horton	Patman	Wadsworth
Creal	Houston	Pearson	Warren
Crosser	Hull	Pierce, Oreg.	Wheat
Cullen	Hunter	Polk	Wigglesworth
Darrow	Jarman	Powers	Williams, Del.
Delaney	Jensen	Rabaut	Wolcott
Dickstein	Johnson, Ill.	Ramspeck	Wolfenden, Pa.
Dingell	Johnson, Ind.	Rayburn	Woodruff, Mich.
Dirksen	Johnson, Luther A.	Reece, Tenn.	Woodrum, Va.
Dondero	Jones, Ohio	Reed, Ill.	Youngdahl
Doughton	Kean	Reed, N. Y.	
Dowell	Keefe	Rees, Kans.	
Drewry	Kinzer	Rich	

ANSWERED "PRESENT"—1

Chapman

NOT VOTING—93

Allen, Ill.	Fish	McKeough	Secrest
Austin	Fitzpatrick	McLeod	Seger
Ball	Gartner	McReynolds	Shannon
Bates, Mass.	Gavagan	Magnuson	Sirovich
Beam	Gregory	Merritt	Snyder
Blackney	Harter, N. Y.	Miller	Somers, N. Y.
Boykin	Harter, Ohio	Mitchell	Sullivan
Buckler, Minn.	Hartley	Mouton	Sumners, Tex.
Buckley, N. Y.	Holmes	Oliver	Sutphin
Byron	Jarrett	O'Toole	Sweeney
Carter	Jeffries	Peterson, Fla.	Taylor, Colo.
Celler	Jenks, N. H.	Pfeifer	Thomas, N. J.
Cox	Jones, Tex.	Pierce, N. Y.	Thorkelson
Crowther	Keller	Plumley	Tinkham
Cummings	Kelly	Randolph	Vinson, Ga.
Curley	Kennedy, Martin	Rockefeller	Vreeland
Dempsey	Kennedy, Michael	Romjue	Wallgren
Ditter	Keogh	Routzohn	Weaver
Douglas	Kleberg	Sabath	White, Idaho
Eaton, N. J.	Kramer	Sacks	Winter
Edmiston	Kunkel	Sandager	Wolverton, N. J.
Faddis	Lambertson	Satterfield	
Fay	Landis	Schiffler	
Fernandez	McGehee	Scrugham	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Gregory (for) with Mr. Chapman (against).
Mr. Ball (for) with Mr. McLeod (against).
Mr. Thorkelson (for) with Mr. Ditter (against).
Mr. Seger (for) with Mr. Pierce of New York (against).
Mr. Secrest (for) with Mr. Blackney (against).
Mr. Mouton (for) with Mr. Rockefeller (against).

Until further notice:

Mr. Beam with Mr. Eaton of New Jersey.
Mr. Sullivan with Mr. Allen of Illinois.
Mr. Romjue with Mr. Crowther.
Mr. Dempsey with Mr. Plumley.
Mr. Gavagan with Mr. Wolverton of New Jersey.
Mr. Vinson of Georgia with Mr. Holmes.
Mr. Kleberg with Mr. Lambertson.
Mr. McGehee with Mr. Gartner.
Mr. Keogh with Mr. Douglas.
Mr. Jones of Texas with Mr. Carter.
Mr. Fernandez with Mr. Schiffler.
Mr. Cox with Mr. Vreeland.
Mr. Pfeifer with Mr. Fish.
Mr. Boykin with Mr. Jeffries.
Mr. McReynolds with Mr. Winter.
Mr. Martin J. Kennedy with Mr. Thomas of New Jersey.
Mr. Randolph with Mr. Jarrett.
Mr. Weaver with Mr. Miller.
Mr. Celler with Mr. Tinkham.
Mr. Kelly with Mr. Hartley.
Mr. Faddis with Mr. Jenks of New Hampshire.
Mr. Magnuson with Mr. Oliver.
Mr. Scrugham with Mr. Landis.
Mr. Merritt with Mr. Harter of New York.
Mr. Sumners of Texas with Mr. Bates of Massachusetts.
Mr. Taylor of Colorado with Mr. Sandager.
Mr. O'Toole with Mr. Routzohn.
Mr. Kramer with Mr. Austin.
Mr. Fitzpatrick with Mr. Buckler of Minnesota.
Mr. Walgren with Mr. Buckley of New York.
Mr. McKeough with Mr. Cummings.
Mr. Sachs with Mr. Harter of Ohio.
Mr. Snyder with Mr. Sweeney.
Mr. Fay with Mr. Byron.
Mr. Sabath with Mr. Peterson of Florida.
Mr. Sutphin with Mr. Michael J. Kennedy.
Mr. Keller with Mr. Somers of New York.
Mr. Sirovich with Mr. Satterfield.
Mr. Curley with Mr. Kunkel.

Mr. CREAL changed his vote from "yea" to "nay."

Mr. CHAPMAN. Mr. Speaker, I have a pair with the gentleman from Kentucky, Mr. GREGORY, who, if present, would vote "yea." He is unavoidably detained. I desire to have my vote of "nay" withdrawn and be recorded as "present."

Mr. WIGGLESWORTH. Mr. Speaker, the gentleman from Connecticut [Mr. MILLER] is unavoidably absent, due to illness. If present, he would vote "yea."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The Clerk will report the next amendment on which a separate vote is demanded.

The Clerk read as follows:

Page 9, line 13, strike out "$110,000,000" and insert in lieu thereof "$133,000,000"; and on page 10, line 12, strike out "$37,000,000" and insert in lieu thereof "$39,000,000."

The SPEAKER pro tempore. The question is on the amendment.

Mr. TABER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 182, nays 153, answered "present" 1, not voting 94, as follows:

[Roll No. 69]

YEAS—182

Alexander	Buck	Crowe	Ford, Thomas F.
Allen, La.	Burch	Culkin	Fries
Andersen, H. Carl	Burdick	Cullen	Garrett
Anderson, Calif.	Byrns, Tenn.	Curtis	Gathings
Anderson, Mo.	Caldwell	D'Alesandro	Gearhart
Andresen, A. H.	Cannon, Fla.	DeRouen	Gerlach
Angell	Carlson	Dies	Geyer, Calif.
Arnold	Cartwright	Disney	Gibbs
Barden	Case, S. Dak.	Doxey	Green
Barnes	Casey, Mass.	Duncan	Griffith
Barry	Chandler	Dunn	Guyer, Kans.
Bates, Ky.	Clason	Eaton, Calif.	Harrington
Bell	Claypool	Eberharter	Havenner
Bender	Coffee, Wash.	Elliott	Healey
Bland	Collins	Ellis	Hendricks
Boehne	Colmer	Elston	Hennings
Bolles	Connery	Englebright	Hess
Boren	Cooley	Fenton	Hill
Bradley, Pa.	Cooper	Ferguson	Hinshaw
Brewster	Corbett	Flaherty	Hobbs
Brooks	Costello	Flannagan	Hook
Brown, Ga.	Creal	Ford, Leland M.	Izac
Brown, Ohio	Crosser	Ford, Miss.	Jacobsen

Jenkins, Ohio	McLaughlin	O'Day	South
Jensen	Maciejewski	Parsons	Sparkman
Johnson, Lyndon	Maloney	Patman	Spence
Johnson, Okla.	Mansfield	Patton	Stearns, N. H.
Johnson, W. Va.	Marcantonio	Pittenger	Tenerowicz
Kee	Marshall	Poage	Terry
Kennedy, Md.	Martin, Colo.	Polk	Thomas, Tex.
Kerr	Martin, Ill.	Rankin	Tibbott
Kilday	Martin, Iowa	Rogers, Okla.	Tolan
Kirwan	Massingale	Sasscer	Treadway
Kitchens	May	Schaefer, Ill.	Vincent, Ky.
Kocialkowski	Mills, Ark.	Schuetz	Voorhis, Calif.
Larrabee	Mills, La.	Schulte	Walter
Lea	Monkiewicz	Schwert	Welch
Leavy	Monroney	Seccombe	West
Lemke	Mott	Shanley	Whelchel
Lesinski	Mundt	Sheppard	White, Ohio
Lewis, Ohio	Murdock, Ariz.	Short	Whittington
Lord	Myers	Smith, Conn.	Williams, Mo.
McAndrews	Nelson	Smith, Ill.	Wood
McArdle	Nichols	Smith, Wash.	Zimmerman
McCormack	Norrell	Smith, W. Va.	
McGranery	O'Connor	Snyder	

NAYS—153

Allen, Pa.	Flannery	Knutson	Risk
Andrews	Folger	Lanham	Robertson
Arends	Fulmer	LeCompte	Robinson, Utah
Ashbrook	Gamble	Lewis, Colo.	Robsion, Ky.
Barton	Gehrmann	Luce	Rodgers, Pa.
Beckworth	Gifford	Ludlow	Rogers, Mass.
Bloom	Gilchrist	McDowell	Rutherford
Boland	Gillie	McLean	Sandager
Bolton	Gore	McMillan, John L.	Schafer, Wis.
Bradley, Mich.	Gossett	McMillan, Thos. S.	Shafer, Mich.
Bryson	Graham	Maas	Simpson
Bulwinkle	Grant, Ala.	Mahon	Smith, Maine
Burgin	Grant, Ind.	Mapes	Smith, Ohio
Byrne, N. Y.	Griswold	Martin, Mass.	Smith, Va.
Cannon, Mo.	Gross	Mason	Springer
Chiperfield	Gwynne	Michener	Starnes, Ala.
Church	Hall	Moser	Steagall
Clark	Halleck	Murdock, Utah	Stefan
Clevenger	Hancock	Murray	Sumner, Ill.
Cluett	Hare	Norton	Taber
Cochran	Harness	O'Brien	Talle
Coffee, Nebr.	Hart	O'Leary	Tarver
Cole, Md.	Hawks	O'Neal	Taylor, Tenn.
Cole, N. Y.	Heinke	Osmers	Thill
Crawford	Hoffman	Owen	Thomason
Darden	Hope	Pace	Van Zandt
Darrow	Horton	Patrick	Vorys, Ohio
Delaney	Houston	Pearson	Wadsworth
Dickstein	Hull	Peterson, Ga.	Warren
Dingell	Hunter	Pierce, Oreg.	Wigglesworth
Dirksen	Jarman	Powers	Williams, Del.
Dondero	Johns	Rabaut	Wolcott
Doughton	Johnson, Ill.	Ramspeck	Wolfenden, Pa.
Dowell	Johnson, Ind.	Rayburn	Woodruff, Mich.
Drewry	Johnson, Luther A.	Reece, Tenn.	Woodrum, Va.
Durham	Jones, Ohio	Reed, Ill.	Youngdahl
Dworshak	Kean	Reed, N. Y.	
Engel	Keefe	Rich	
Evans	Kinzer	Richards	

ANSWERED "PRESENT"—1

Chapman

NOT VOTING—94

Allen, Ill.	Fish	McKeough	Scrugham
Austin	Fitzpatrick	McLeod	Secrest
Ball	Gartner	McReynolds	Seger
Bates, Mass.	Gavagan	Magnuson	Shannon
Beam	Gregory	Merritt	Sirovich
Blackney	Harter, N. Y.	Miller	Somers, N. Y.
Boykin	Harter, Ohio	Mitchell	Sullivan
Buckler, Minn.	Hartley	Mouton	Sumners, Tex.
Buckley, N. Y.	Holmes	Oliver	Sutphin
Byron	Jarrett	O'Toole	Sweeney
Carter	Jeffries	Peterson, Fla.	Taylor, Colo.
Celler	Jenks, N. H.	Pfeifer	Thomas, N. J.
Cox	Jones, Tex.	Pierce, N. Y.	Thorkelson
Crowther	Keller	Plumley	Tinkham
Cummings	Kelly	Randolph	Vinson, Ga.
Curley	Kennedy, Martin	Rees, Kans.	Vreeland
Dempsey	Kennedy, Michael	Rockefeller	Wallgren
Ditter	Keogh	Romjue	Weaver
Douglas	Kleberg	Routzohn	Wheat
Eaton, N. J.	Kramer	Ryan	White, Idaho
Edmiston	Kunkel	Sabath	Winter
Faddis	Lambertson	Sacks	Wolverton, N. J.
Fay	Landis	Satterfield	
Fernandez	McGehee	Schiffler	

So the amendment was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Secrest (for) with Mr. Rees of Kansas (against).
Mr. Seger (for) with Mr. Pierce of New York (against).
Mr. Thorkelson (for) with Mr. Ditter (against).
Mr. Ball (for) with Mr. McLeod (against).
Mr. McGehee (for) with Mr. Blackney (against).
Mr. Mouton (for) with Mr. Rockefeller (against).
Mr. Gregory (for) with Mr. Chapman (against).
Mr. Miller (for) with Mr. Douglas (against).

Until further notice:

Mr. Beam with Mr. Eaton of New Jersey.
Mr. Sullivan with Mr. Allen of Illinois.
Mr. Romjue with Mr. Crowther.
Mr. Dempsey with Mr. Plumley.
Mr. Gavagan with Mr. Wolverton of New Jersey.
Mr. Vinson of Georgia with Mr. Holmes.
Mr. Kleberg with Mr. Lambertson.
Mr. Jones of Texas with Mr. Carter.
Mr. Keogh with Mr. Gartner.
Mr. Fernandez with Mr. Schiffler.
Mr. Cox with Mr. Vreeland.
Mr. Pfeifer with Mr. Fish.
Mr. Boykin with Mr. Jeffries.
Mr. McReynolds with Mr. Winter.
Mr. Kennedy, Martin J., with Mr. Thomas of New Jersey.
Mr. Randolph with Mr. Jarrett.
Mr. Weaver with Mr. Wheat.
Mr. Celler with Mr. Tinkham.
Mr. Kelly with Mr. Hartley.
Mr. Faddis with Mr. Jenks of New Hampshire.
Mr. Magnuson with Mr. Oliver.
Mr. Scrugham with Mr. Landis.
Mr. Merritt with Mr. Harter of New York.
Mr. Sumners of Texas with Mr. Bates of Massachusetts.
Mr. Taylor of Colorado with Mr. Sweeney.
Mr. O'Toole with Mr. Routzohn.
Mr. Kramer with Mr. Austin.
Mr. Fitzpatrick with Mr. Buckler of Minnesota.
Mr. Walgren with Mr. Buckley of New York.
Mr. McKeough with Mr. Cummings.
Mr. Sacks with Mr. Harter of Ohio.
Mr. Fay with Mr. Byron.
Mr. Sabath with Mr. Peterson of Florida.
Mr. Sutphin with Mr. Kennedy, Michael J.
Mr. Keller with Mr. Somers of New York.
Mr. Sirovich with Mr. Satterfield.
Mr. Seger with Mr. Pierce of New York.
Mr. Curley with Mr. Kunkel.

Mr. BREWSTER changed his vote from "nay" to "yea."

Mr. CHAPMAN. Mr. Speaker, I have a pair with the gentleman from Kentucky, Mr. GREGORY, who if present, would vote "yea." He is unavoidably detained. I desire to have my vote of "nay" withdrawn and be recorded as "present."

Mr. WIGGLESWORTH. Mr. Speaker, the gentleman from Connecticut, Mr. MILLER, is unavoidably absent on account of illness. If present, he would vote "yea."

Mr. CARTWRIGHT. Mr. Speaker, I was in the Chamber listening, but got my name mixed with that of the gentleman from California [Mr. CARTER]. How am I recorded?

The SPEAKER pro tempore. The gentleman is not recorded. How does the gentleman vote?

Mr. CARTWRIGHT. Mr. Speaker, I vote "yea."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the third reading of the bill.

The bill was ordered to be read a third time.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I demand the reading of the engrossed copy of the bill.

The SPEAKER pro tempore. It is, of course, physically impossible to read the engrossed bill at this time. The vote on the final passage of the bill will have to be later.

I desire to make the statement that I have made the promise to many Members that on tomorrow and next day, Thursday, Friday, and Saturday of this week, there would be no votes taken and I intend to carry out my promise. This bill cannot be voted on until Monday, under the demand made by the gentleman from Wisconsin.

EXTENSION OF REMARKS

Mr. WHITTINGTON asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement I made before a committee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington [Mr. SMITH]?

There was no objection.

Mr. MAPES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MAPES. Mr. Speaker, with the bill in the status it is in at the present time, and the House having to meet tomorrow, will there not have to be a unanimous agreement that the bill go over until Monday next?

The SPEAKER pro tempore. The Chair thinks not.

EXTENSION OF REMARKS

Mr. SNYDER. Mr. Speaker, I ask unanimous consent that all those who have spoken on the War Department civil functions appropriation bill may have 5 legislative days in which to extend their own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. TREADWAY. Mr. Speaker, was the announcement made that the vote would come on the final passage of this bill on Monday? Could it be on Tuesday or must it come on Monday?

The SPEAKER pro tempore. It will come on Monday next.

EXTENSION OF REMARKS

Mr. GREEN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a memorial from the Florida Legislature with reference to prohibiting the exportation of scrap iron.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida [Mr. GREEN]?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks on two subjects and to include certain tables and extracts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to withdraw my request to address the House for 20 minutes today on account of the lateness of the hour, and that I may address the House for 20 minutes tomorrow after the reading of the Journal.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON]?

There was no objection.

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER pro tempore (Mr. RANKIN). Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTINGTON]?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, may I ask the gentleman from Texas with reference to the pending bill? Is it now up to the point of a final vote or will a motion to recommit be in order when this matter comes up again?

Mr. RAYBURN. I think a motion to recommit will be in order at that time.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent that the special order granted me for today may be vacated and that I may have permission to address the House tomorrow in the same position as it existed today; namely, following the special order granted the gentlewoman from New Jersey [Mrs. NORTON].

The SPEAKER pro tempore (Mr. RAYBURN). Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, can the gentleman's request be granted in view of the unanimous consent given the gentleman from Texas?

The SPEAKER pro tempore. The gentleman from Texas asked unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday. There will not be any business transacted tomorrow of any congressional nature. No legislation will be taken up tomorrow.

Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

There was no objection.

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to extend his own remarks in the RECORD.

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two letters.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. HOOK]?

There was no objection.

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a speech made by my distinguished colleague the gentleman from Louisiana [Mr. MOUTON].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut [Mr. SHANLEY]?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a short article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the May 5 issue of the Washington Star.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. MURRAY]?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD in addition to the remarks which I made yesterday entitled "The Only Way to Peace" and to insert in those remarks an article entitled "Lessons From the Past."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

NEW DEAL RECIPROCAL-TRADE TREATIES A FAILURE

The SPEAKER pro tempore. Under a previous special order of the House, the gentleman from Wisconsin [Mr. THILL] is recognized for 20 minutes.

Mr. THILL. Mr. Speaker, on April 24, 1939, the minority leader in the House of Representatives, the Honorable JOSEPH W. MARTIN of Massachusetts, called upon all Members of the House and Senate to work earnestly to bring about 12 objectives to restore normal conditions. Objective No. 10 was to "create a special committee of Congress to inquire into the effect of the reciprocal trade agreement policy on American industry and agriculture."

On April 26, 1939, the Honorable ALLEN T. TREADWAY, of Massachusetts, submitted a concurrent resolution to the House of Representatives asking for the establishment of a Joint Committee on Trade Agreements to determine the economic effect of reciprocal-trade agreements upon domestic agriculture, labor, and industry.

This is the least that should be done! The unsound idealism which urged the making of reciprocal-trade agreements also prompted the boasts of the promoters of these treaties.

It was claimed that such trade treaties would promote peace, would bring prosperity, and would stimulate world trade to the benefit of American labor, industry, and agriculture.

Has the trade-treaty program brought about peace? Why no! This is clear to everyone. Since the inauguration of trade treaties we have seen a bloody civil war over in Spain, a cruel hard-fought war in China, the conquest of Abyssinia, and the destruction of the republic of Czechoslovakia. And at the present time all of the leading countries on the face of the globe are speeding the production of arms and munitions. More airplanes, more battleships is the cry—war is imminent!

Have reciprocal-trade agreements brought prosperity? Millions of unemployed say no! Business is stagnant, capital is fearful, commodity prices are very low, and the businessman and farmer are hanging on by a mere thread.

Have the trade treaties been of benefit to American labor, industry, and agriculture? Certainly not! The prostrate economic condition of this country indicates the only answer is "No!"

How can we attain prosperity in this country if we give up our domestic market to foreign nations? What worth is there in the argument, that by permitting foreigners to sell here, they will buy more of our goods, when there is no binding agreement upon them to purchase any of our products? Foreign countries, like individuals, usually buy where they can get the goods they want, at the best price. And they must not, will not, and have not, to any corresponding degree, bought American goods with the purchasing power gained through selling their products in the American markets.

The markets of the world are open. There is no political direction or control through goodwill tours and good-neighbor policies. Production costs chiefly set the price of our articles. And the amount of business we get in the world arena depends upon the attractiveness of the price at which we can sell our goods in competition with other nations. The money foreigners get by selling their goods to Americans can be used, and has been used, to purchase goods from non-Americans.

Up to the present time we have made about 20 trade treaties. The most recent treaty with Great Britain was made at great sacrifice. Hundreds of concessions were made by us, for which we received benefits of little or no value whatsoever. In many instances all we did was to bind the present tariff treatment of our products. That the United States has had its leg pulled in making these treaties is putting it mildly. Perhaps that is to be expected from our present Secretary of State and New Deal leaders who passionately desire to make these trade treaties. The other nations know this and they drive hard bargains! If the Congress or the Senate were to ratify these treaties the result would be different, for the chosen representatives of the people would never tolerate the ignominious treatment accorded Americans under the trade-treaty arrangements.

The Reciprocal Trade Agreements Act gives the President the power to negotiate trade treaties without the advice and consent of Congress, to raise and lower duties without any definite standards having been established by Congress for such action. This is contrary to principles embodied in the Constitution, and is another blow at our republican form of government. Congress has in effect surrendered its right to levy tariffs, and placed an unwarranted amount of power in the hands of the Chief Executive. Like so many other powers given to the President, as emergency measures, a limited time period was placed upon the Trade Treaty Act. But in 1937 Congress approved a resolution extending the act for another 3-year period. Now, the duty of Congress has always been to protect and promote the interests of the people it represents. The trade-treaty program affects the interests of every man, woman, and child in this country; yet these individuals have not been represented by their Senators in the making of reciprocal-trade treaties.

Article II, section 2, clause 2, of the Constitution reads as follows:

> He [the President] shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur. * * *

This demonstrates that the reciprocal trade-treaty program is not in accordance with the rules of our Republic, and clearly violates our Constitution.

One of the principles of the New Deal is that of cutting down production to raise prices. This runs counter to a policy of selling our surplus products to the world, and actually benefits foreigners at the expense of the American taxpayer.

It is essential to this Nation's welfare that we exchange our surplus goods for things we do not produce. A policy which is designed to curtail our surpluses by distributing the taxpayers' money to those who plough under their cotton, corn, and other commodities, and then permits and encourages foreigners to sell us the same surplus products, just does not make sense.

We give foreign nations a joker when they play cards with us in the game of international trade. And that joker is the most-favored-nation policy. Under this policy, the concessions which this country makes under all trade treaties, except the Cuban, are extended freely to all other countries, Germany excepted. And the other countries give us no such treatment. Under the British treaty, for example, we made hundreds of tariff reductions, practically all on competitive articles. The whole world will get the benefit of these reductions. Every country, except Germany, will now be able to send these articles into our country under the low tariffs to the detriment of the American producer. Every trade treaty that is made goes one step further in bringing about a general downward tariff revision, and a general downward trend in our standard of living.

The last Congress enacted the Fair Labor Standards Act. A great deal of time, effort, and money have been spent, trying to put this act into operation with a view toward raising wages and lowering hours of labor. This act was to elevate the standards of labor in America. The present foreign-trade policy makes the promise of better wages and hours ridiculous. How can we in America compete with cheap foreign labor which does not conform to any wage or hour standard, and is paid one-third to one-tenth of what we pay in America for similar work. If we want to raise the standards of labor in this country and enact laws for that purpose, we cannot open our markets to the products of cheap foreign labor.

Our tariffs have been lowered, seemingly, without any regard to domestic production costs, thereby jeopardizing American agriculture, labor, and industry, undermining our wage level, and threatening our standard of living. This policy is taking away from the American farmer the first opportunity to supply the needs of our domestic markets. When the prices of industrial products have to be reduced to meet foreign competition there is a resulting loss of income and jobs to the workers in our industries. And if prices of our products cannot be reduced sufficiently to meet foreign competition it means factories will close, mines will be boarded up, and millions of men will be added to those now walking the streets looking for jobs.

Wisconsin industries have been serious victims of the disastrous effects which began with the signing of reciprocal-trade agreements. The Canadian treaty has put Canadian dairy products in direct competition with those of Wisconsin. The dairy industry, upon which the well-being of our entire country is largely dependent, has been seriously affected. The treaty with Canada brought about a tariff decrease, and in many cases a quota increase, on dairy cows, calves, milk, dried buttermilk, cream, and cheese. Under the Tariff Act of 1930 a tariff of 3 cents a pound was placed upon the dairy cattle imported from Canada. On January 1, 1936, a trade treaty was made, which reduced the tariff on dairy cattle to 1½ cents a pound. But a limit of 20,000 head of cattle was permitted to come into this country under that agreement. The recent trade arrangement made retains the duty at 1½ cents, but lifts any restriction, and an unlimited number of dairy cattle can now enter the United States. The Canadian treaty has brought about an actual decrease in the market value of every dairy cow in the State.

One of Wisconsin's most important products is cheese. In 1930 a duty of 7 cents a pound was imposed on imported cheese. Under the recent trade treaty with Canada the duty has been reduced to 4 cents a pound and there is no limit on the amount that might be imported. Because of this condition the control of cheese prices can be said to be in the hands of foreign countries. Under the 1939 trade-treaty arrangement the duty on whole milk has been reduced from 6½ cents to 3¼ cents per gallon; the duty on cream has been reduced from 56.6 cents to 28.3 cents per gallon; and the duty on dried buttermilk has been reduced from 3 to 1½ cents per

pound. The resultant low prices in the dairy industry will affect other industries. They will cause a decrease in the dairy farmer's purchasing power, which will prevent him from buying farm machinery and equipment and prevent the improvement of buildings and grounds. In the more extreme cases the low prices cause the farmer to abandon the dairy industry altogether.

If all nations had the same wage scale, if all nations had the same standard of living, if all nations had a stable monetary system, with fair fixed relationships between all currencies, and if all nations had a sound form of government, then reciprocal-trade agreements, equitably made, could do much good. But such a condition among nations does not exist and will not exist for many generations to come. The New Deal dreamers in Washington cannot see realities. It is doubtful whether they will ever wake up.

Where is that prosperity we were told would come? Where can we see world peace? Who can find the benefits American labor, industry, and agriculture were to get from these trade treaties?

If anyone offered a prize for some half-baked system to undermine the economic structure of this country, that prize would go to the New Dealers for their reciprocal trade agreement program, coupled with their scarcity policy to raise prices. Something must be done. Congress should immediately make a thorough investigation of the effects of the reciprocal trade agreement program with a view toward revising the Trade Agreements Act of 1934 or discarding the act entirely.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that on tomorrow, following any special orders heretofore entered, the gentleman from Pennsylvania [Mr. DARROW] may be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 221. Joint resolution authorizing the President to invite other nations to participate in the Sacramento Golden Empire Centennial commemorating the one hundredth anniversary of the founding of Sacramento by Capt. John A. Sutter.

ADJOURNMENT

Mr. SNYDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 9 minutes p. m.) the House adjourned until tomorrow, Thursday, May 11, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE POST OFFICE AND POST ROADS

The Committee on the Post Office and Post Roads will hold public hearings on Tuesday, May 16, 1939, at 10 a. m., for the consideration of H. R. 3835, a bill to authorize the Post Office Department to cooperate with the several States in the collection of State taxes.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents will hold hearings in the committee room, 1015, House Office Building, on Tuesday, May 23, 1939, at 10:30 a. m., on H. R. 3605, a bill to provide a permanent force to classify patents, etc., in the Patent Office. Hon. JOHN M. COFFEE (Washington) is chairman of the subcommittee.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4985, relating to fishery educational service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

734. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Isle de Cane Bayou, La., authorized by the River and Harbor Act approved June 20, 1938; to the Committee on Rivers and Harbors.

735. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Pond Village Landing, Truro, Mass., authorized by the River and Harbor Act approved June 20, 1938; to the Committee on Rivers and Harbors.

736. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Floyd River, Iowa, authorized by the Flood Control Act approved August 28, 1937; to the Committee on Flood Control.

737. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on reexamination of Boston Canal, La., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted April 4, 1938; to the Committee on Rivers and Harbors.

738. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Grantley Harbor at Teller, Alaska, authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

739. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Skagway River in the vicinity of Skagway, Alaska, authorized by the Flood Control Act approved August 28, 1937; to the Committee on Flood Control.

740. A letter from the Secretary of Agriculture, transmitting the draft of a proposed bill for the relief of W. R. Fuchs, former disbursing clerk, and G. L. Summers, former disbursing clerk, and G. F. Allen, chief disbursing officer; to the Committee on Claims.

741. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Navy Department for the fiscal year 1940, amounting to $13,000 (H. Doc. No. 289); to the Committee on Appropriations and ordered to be printed.

742. A letter from the Secretary of Agriculture, transmitting a full report of the investigation conducted by the Mediterannean Fruit Fly Board and the transmittal by the Secretary of Agriculture, together with such recommendations as the Secretary of Agriculture might in his judgment deem advisable (H. Doc. No. 290); to the Committee on Agriculture and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SNYDER: Committee on Appropriations. H. R. 6260. A bill making appropriations for the fiscal year ending June 30, 1940, for civil functions administered by the War Department, and for other purposes; without amendment

(Rept. No. 604). Referred to the Committee of the Whole House on the state of the Union.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 5401. A bill to provide for the naturalization of certain alien spouses of citizens of the United States, and to validate the naturalization of certain persons; without amendment (Rept. No. 606). Referred to the Committee of the Whole House on the state of the Union.

Mr. MASON: Committee on Immigration and Naturalization. H. R. 5403. A bill to provide for the deposit of certain collections for overtime immigration services to the credit of the appropriation chargeable with the payment for such services, and for other purposes; without amendment (Rept. No. 607). Referred to the Committee of the Whole House on the state of the Union.

Mr. REED of Illinois: Committee on the Judiciary. S. 189. An act to provide for the confiscation of firearms in possession of persons convicted of felony, and disposition thereof; with an amendment (Rept. No. 608). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEAVER: Committee on the Judiciary. H. R. 6075. A bill to increase the punishment for espionage; without amendment (Rept. No 609). Referred to the House Calendar.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 5748. A bill to amend the Second Liberty Bond Act, as amended; without amendment (Rept. No. 610). Referred to the Committee of the Whole House on the state of the Union.

Mr. MANSFIELD: Committee on Rivers and Harbors. S. 685. An act to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes; with amendment (Rept. No. 611). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 268. Joint resolution to provide for the establishment and maintenance of the Franklin D. Roosevelt Library, and for other purposes; without amendment (Rept. No. 612). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 183. Joint resolution authorizing the Librarian of Congress to return to Williamsburg Lodge, No. 6, Ancient Free and Accepted Masons, of Virginia, the original manuscript of the record of the proceedings of said lodge; without amendment (Rept. No. 613). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 6261. A bill for the relief of sundry claimants, and for other purposes; with amendment (Rept. No. 605). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 5356) to pay the adjusted-compensation benefits due to Nola McKnight; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 2815) granting a pension to Mamie G. Poindexter; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 2116) granting an increase of pension to Artie York; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 1841) granting an increase of pension to Thomas G. Nesseth; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KOCIALKOWSKI:

H. R. 6262. A bill to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes"; to the Committee on Insular Affairs.

By Mr. ANDERSON of Missouri:

H. R. 6263. A bill to punish persons convicted for the second time of the commission of a felony in the District of Columbia by imprisonment for life; to the Committee on the District of Columbia.

By Mr. MANSFIELD:

H. R. 6264. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. MILLER:

H. R. 6265. A bill authorizing the issuance of a special postage stamp in honor of the late Elihu Burritt for his services as the original pleader of low international postage rates; to the Committee on the Post Office and Post Roads.

By Mr. NICHOLS:

H. R. 6266. A bill providing for the incorporation of certain persons as Group Hospitalization, Inc.; to the Committee on the District of Columbia.

By Mr. SHAFER of Michigan:

H. R. 6267. A bill to provide promotion procedure for custodial-service employees of all departments and agencies of the Government, excepting the Post Office Department; to the Committee on the Civil Service.

By Mr. BUCK:

H. R. 6268. A bill to authorize the Commissioner of Internal Revenue to make certain allowances for losses by leakage and evaporation upon withdrawal of packages of brandy or fruit spirits, under certain conditions; to the Committee on Ways and Means.

By Mr. CLEVENGER:

H. R. 6269. A bill to authorize a survey of the military route of Gen. Anthony Wayne during the Indian wars, with a view to constructing a national parkway to be known as "The General Anthony Wayne Memorial Parkway"; to the Committee on the Public Lands.

By Mr. MYERS:

H. R. 6270. A bill to extend the Federal old-age benefit provisions of the Social Security Act to certain nurses in respect of their employment outside of religious, charitable, and other nonprofit institutions; to the Committee on Ways and Means.

By Mr. LEAVY:

H. R. 6271. A bill granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate a combined highway and railroad bridge across the Columbia River at or near Kettle Falls, Wash.; to the Committee on Interstate and Foreign Commerce.

By Mr. COCHRAN:

H. R. 6272. A bill to relieve disbursing officers and certifying officers of the Veterans' Administration from liability for payment where recovery of such payment is waived under existing laws administered by the Veterans' Administration; to the Committee on Expenditures in the Executive Departments.

By Mr. BOYKIN:

H. R. 6273. A bill to amend certain sections of the Motorboat Act of June 9, 1910, the act of Congress approved June 7, 1897, the act of Congress approved February 8, 1895, and section 4412 of the Revised Statutes, with respect to boats equipped with detachable motors and other motorboats; to the Committee on Merchant Marine and Fisheries.

By Mr. KENNEDY of Maryland:

H. R. 6274. A bill to amend the act of Congress approved June 16, 1938, in respect to requirements, qualifications, and regulations as to crews of certain vessels, referred to as section 672b of the United States Code Annotated, title 46; to the Committee on Merchant Marine and Fisheries.

By Mr. NICHOLS:

H. R. 6275. A bill to authorize the construction of reservoirs at Markhams Ferry and Fort Gibson on the Grand (Neosho) River for flood control and other purposes; to the Committee on Flood Control.

By Mr. DISNEY:

H. R. 6276. A bill to authorize the construction of reservoirs at Markhams Ferry and Fort Gibson on the Grand (Neosho) River for flood control and other purposes; to the Committee on Flood Control.

By Mr. PIERCE of Oregon:

H. R. 6277. A bill to amend the Bonneville Project Act; to the Committee on Rivers and Harbors.

By Mr. TABER:

H. R. 6278. A bill to authorize a preliminary examination and survey of Owasco Inlet, Owasco Outlet, and their tributaries, Cayuga and Tompkins Counties, in the State of New York; Crane Brook (the creek draining Spring Lake) and Jericho Brook and Cold Spring Brook, in Cayuga County, N. Y., for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. HENDRICKS:

H. Res. 189. Resolution making H. R. 2 a special order of business; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to consider their House Memorial No. 5, requesting the Congress to enact legislation to prohibit the exportation of scrap iron and other materials designed for armaments; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCK:

H. R. 6279. A bill for the relief of Frank Ross; to the Committee on Claims.

By Mr. COCHRAN:

H. R. 6280. A bill granting a pension to Mary E. Ferris; to the Committee on Invalid Pensions.

By Mr. CONNERY:

H. R. 6281. A bill granting a pension to Catherine C. Haigh; to the Committee on Pensions.

By Mr. DELANEY:

H. R. 6282. A bill granting a pension to Sophie Feiner; to the Committee on Invalid Pensions.

By Mr. HEALEY:

H. R. 6283. A bill authorizing the Railroad Retirement Board to pay an annuity to Sylvia C. Baker; to the Committee on Claims.

By Mr. LeCOMPTE:

H. R. 6284. A bill granting an increase of pension to Sarah L. Mackey; to the Committee on Invalid Pensions.

By Mr. McDOWELL:

H. R. 6285. A bill to correct the naval record of Earl Emmett Carson; to the Committee on Naval Affairs.

By Mr. McLEOD:

H. R. 6286. A bill authorizing the Secretary of War to award a Distinguished Service Cross to James Bieha; to the Committee on Military Affairs.

By Mr. THOMAS S. McMILLAN:

H. R. 6287. A bill for the relief of Alfred P. Hay; to the Committee on Naval Affairs.

By Mr. SMITH of Virginia:

H. R. 6288. A bill to confer jurisdiction on the Court of Claims to hear and determine the claim of Mount Vernon, Alexandria & Washington Railway Co., a corporation; to the Committee on Claims.

By Mr. VINCENT of Kentucky:

H. R. 6289. A bill granting a pension to Oliver Grimes; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3006. By Mr. ANDREWS: Resolution adopted by the Niagara Falls (N. Y.) Chapter of the National Committee to Uphold Constitutional Government having to do with the neutrality question; to the Committee on Foreign Affairs.

3007. By Mr. CURLEY: Resolution of the American Legion, Bronx County, N. Y., endorsing House bill 4042; to the Committee on World War Veterans' Legislation.

3008. By Mr. HINSHAW: Petition of Geraldine Fitch, of Pasadena, Calif., containing 17,561 signatures of residents of the State of California, urging the United States Government to stop selling scrap iron and war material to Japan; to the Committee on Foreign Affairs.

3009. By Mr. JOHNSON of Illinois: Petition of eight members of Student Council of Buckley Community High School; to the Committee on Foreign Affairs.

3010. By Mr. KEOGH: Petition of Wayne Baking Corporation, Newark, N. J., concerning the National Labor Relations Act; to the Committee on Labor.

3011. By Mr. LUTHER A. JOHNSON: Petition of N. Suttle Roberts, president, the State National Bank, of Corsicana, Tex., favoring House Resolution 73, by Mr. Anderson of Missouri; to the Committee on Labor.

3012. By Mr. KEOGH: Petition of Walter Scott Free Industrial School for Crippled Children, Inc., New York, concerning the Wheeler bill (S. 2009); to the Committee on Education.

3013. By Mr. MARTIN J. KENNEDY: Petition of Lodge No. 197, International Brotherhood of Boilermakers, Iron Ship Builders and Helpers, Albany, N. Y., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

3014. Also, petition of Lodge No. 1520, International Association of Machinists, Erie, Pa., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

3015. By Mr. KEOGH: Petition of Delaware County Teachers Association, Collingdale, Pa., concerning Senate bill 1305 and House bill 3517, Federal-aid bill; to the Committee on Appropriations.

3016. Also, petition of Victor Metal Products Corporation, Brooklyn, N. Y., concerning tariff laws in connection with the classification of brushes of the type used in the application of fingernail polish; to the Committee on Ways and Means.

3017. Also, petition of Plazine Lubricants, New York City, concerning the extension of the Connally Act (S. 1302); to the Committee on Military Affairs.

3018. By Mr. KRAMER: Resolution of the Southern District, California Federation of Business and Professional Women's Club, relative to saving the Redwood Mountain area of big trees; to the Committee on the Public Lands.

3019. Also, resolution of the Riverside County Chamber of Commerce, Riverside, Calif., relative to authorizing an appropriation for the purpose of providing the necessary control of fire, control of erosion, and conservation of water; to the Committee on Appropriations.

3020. By Mr. LEAVY: Petition of some 50 citizens of Metaline Falls and Ione, Wash., transmitted by T. R. McCarthy,

(Rept. No. 604). Referred to the Committee of the Whole House on the state of the Union.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 5401. A bill to provide for the naturalization of certain alien spouses of citizens of the United States, and to validate the naturalization of certain persons; without amendment (Rept. No. 606). Referred to the Committee of the Whole House on the state of the Union.

Mr. MASON: Committee on Immigration and Naturalization. H. R. 5403. A bill to provide for the deposit of certain collections for overtime immigration services to the credit of the appropriation chargeable with the payment for such services, and for other purposes; without amendment (Rept. No. 607). Referred to the Committee of the Whole House on the state of the Union.

Mr. REED of Illinois: Committee on the Judiciary. S. 189. An act to provide for the confiscation of firearms in possession of persons convicted of felony, and disposition thereof; with an amendment (Rept. No. 608). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEAVER: Committee on the Judiciary. H. R. 6075. A bill to increase the punishment for espionage; without amendment (Rept. No 609). Referred to the House Calendar.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 5748. A bill to amend the Second Liberty Bond Act, as amended; without amendment (Rept. No. 610). Referred to the Committee of the Whole House on the state of the Union.

Mr. MANSFIELD: Committee on Rivers and Harbors. S. 685. An act to create a Division of Water Pollution Control in the United States Public Health Service, and for other purposes; with amendment (Rept. No. 611). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 268. Joint resolution to provide for the establishment and maintenance of the Franklin D. Roosevelt Library, and for other purposes; without amendment (Rept. No. 612). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 183. Joint resolution authorizing the Librarian of Congress to return to Williamsburg Lodge, No. 6, Ancient Free and Accepted Masons, of Virginia, the original manuscript of the record of the proceedings of said lodge; without amendment (Rept. No. 613). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 6261. A bill for the relief of sundry claimants, and for other purposes; with amendment (Rept. No. 605). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 5356) to pay the adjusted-compensation benefits due to Nola McKnight; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 2815) granting a pension to Mamie G. Poindexter; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 2116) granting an increase of pension to Artie York; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 1841) granting an increase of pension to Thomas G. Nesseth; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KOCIALKOWSKI:

H. R. 6262. A bill to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes"; to the Committee on Insular Affairs.

By Mr. ANDERSON of Missouri:

H. R. 6263. A bill to punish persons convicted for the second time of the commission of a felony in the District of Columbia by imprisonment for life; to the Committee on the District of Columbia.

By Mr. MANSFIELD:

H. R. 6264. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. MILLER:

H. R. 6265. A bill authorizing the issuance of a special postage stamp in honor of the late Elihu Burritt for his services as the original pleader of low international postage rates; to the Committee on the Post Office and Post Roads.

By Mr. NICHOLS:

H. R. 6266. A bill providing for the incorporation of certain persons as Group Hospitalization, Inc.; to the Committee on the District of Columbia.

By Mr. SHAFER of Michigan:

H. R. 6267. A bill to provide promotion procedure for custodial-service employees of all departments and agencies of the Government, excepting the Post Office Department; to the Committee on the Civil Service.

By Mr. BUCK:

H. R. 6268. A bill to authorize the Commissioner of Internal Revenue to make certain allowances for losses by leakage and evaporation upon withdrawal of packages of brandy or fruit spirits, under certain conditions; to the Committee on Ways and Means.

By Mr. CLEVENGER:

H. R. 6269. A bill to authorize a survey of the military route of Gen. Anthony Wayne during the Indian wars, with a view to constructing a national parkway to be known as "The General Anthony Wayne Memorial Parkway"; to the Committee on the Public Lands.

By Mr. MYERS:

H. R. 6270. A bill to extend the Federal old-age benefit provisions of the Social Security Act to certain nurses in respect of their employment outside of religious, charitable, and other nonprofit institutions; to the Committee on Ways and Means.

By Mr. LEAVY:

H. R. 6271. A bill granting the consent of Congress to the Secretary of the Interior, the State of Washington, and the Great Northern Railway Co. to construct, maintain, and operate a combined highway and railroad bridge across the Columbia River at or near Kettle Falls, Wash.; to the Committee on Interstate and Foreign Commerce.

By Mr. COCHRAN:

H. R. 6272. A bill to relieve disbursing officers and certifying officers of the Veterans' Administration from liability for payment where recovery of such payment is waived under existing laws administered by the Veterans' Administration; to the Committee on Expenditures in the Executive Departments.

By Mr. BOYKIN:

H. R. 6273. A bill to amend certain sections of the Motorboat Act of June 9, 1910, the act of Congress approved June 7, 1897, the act of Congress approved February 8, 1895, and section 4412 of the Revised Statutes, with respect to boats equipped with detachable motors and other motorboats; to the Committee on Merchant Marine and Fisheries.

By Mr. KENNEDY of Maryland:

H. R. 6274. A bill to amend the act of Congress approved June 16, 1938, in respect to requirements, qualifications, and regulations as to crews of certain vessels, referred to as section 672b of the United States Code Annotated, title 46; to the Committee on Merchant Marine and Fisheries.

By Mr. NICHOLS:

H. R. 6275. A bill to authorize the construction of reservoirs at Markhams Ferry and Fort Gibson on the Grand (Neosho) River for flood control and other purposes; to the Committee on Flood Control.

By Mr. DISNEY:

H. R. 6276. A bill to authorize the construction of reservoirs at Markhams Ferry and Fort Gibson on the Grand (Neosho) River for flood control and other purposes; to the Committee on Flood Control.

By Mr. PIERCE of Oregon:

H. R. 6277. A bill to amend the Bonneville Project Act; to the Committee on Rivers and Harbors.

By Mr. TABER:

H. R. 6278. A bill to authorize a preliminary examination and survey of Owasco Inlet, Owasco Outlet, and their tributaries, Cayuga and Tompkins Counties, in the State of New York; Crane Brook (the creek draining Spring Lake) and Jericho Brook and Cold Spring Brook, in Cayuga County, N. Y., for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. HENDRICKS:

H. Res. 189. Resolution making H. R. 2 a special order of business; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to consider their House Memorial No. 5, requesting the Congress to enact legislation to prohibit the exportation of scrap iron and other materials designed for armaments; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCK:

H. R. 6279. A bill for the relief of Frank Ross; to the Committee on Claims.

By Mr. COCHRAN:

H. R. 6280. A bill granting a pension to Mary E. Ferris; to the Committee on Invalid Pensions.

By Mr. CONNERY:

H. R. 6281. A bill granting a pension to Catherine C. Haigh; to the Committee on Pensions.

By Mr. DELANEY:

H. R. 6282. A bill granting a pension to Sophie Feiner; to the Committee on Invalid Pensions.

By Mr. HEALEY:

H. R. 6283. A bill authorizing the Railroad Retirement Board to pay an annuity to Sylvia C. Baker; to the Committee on Claims.

By Mr. LECOMPTE:

H. R. 6284. A bill granting an increase of pension to Sarah L. Mackey; to the Committee on Invalid Pensions.

By Mr. McDOWELL:

H. R. 6285. A bill to correct the naval record of Earl Emmett Carson; to the Committee on Naval Affairs.

By Mr. McLEOD:

H. R. 6286. A bill authorizing the Secretary of War to award a Distinguished Service Cross to James Bieha; to the Committee on Military Affairs.

By Mr. THOMAS S. McMILLAN:

H. R. 6287. A bill for the relief of Alfred P. Hay; to the Committee on Naval Affairs.

By Mr. SMITH of Virginia:

H. R. 6288. A bill to confer jurisdiction on the Court of Claims to hear and determine the claim of Mount Vernon, Alexandria & Washington Railway Co., a corporation; to the Committee on Claims.

By Mr. VINCENT of Kentucky:

H. R. 6289. A bill granting a pension to Oliver Grimes; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3006. By Mr. ANDREWS: Resolution adopted by the Niagara Falls (N. Y.) Chapter of the National Committee to Uphold Constitutional Government having to do with the neutrality question; to the Committee on Foreign Affairs.

3007. By Mr. CURLEY: Resolution of the American Legion, Bronx County, N. Y., endorsing House bill 4042; to the Committee on World War Veterans' Legislation.

3008. By Mr. HINSHAW: Petition of Geraldine Fitch, of Pasadena, Calif., containing 17,561 signatures of residents of the State of California, urging the United States Government to stop selling scrap iron and war material to Japan; to the Committee on Foreign Affairs.

3009. By Mr. JOHNSON of Illinois: Petition of eight members of Student Council of Buckley Community High School; to the Committee on Foreign Affairs.

3010. By Mr. KEOGH: Petition of Wayne Baking Corporation, Newark, N. J., concerning the National Labor Relations Act; to the Committee on Labor.

3011. By Mr. LUTHER A. JOHNSON: Petition of N. Suttle Roberts, president, the State National Bank, of Corsicana, Tex., favoring House Resolution 73, by Mr. Anderson of Missouri; to the Committee on Labor.

3012. By Mr. KEOGH: Petition of Walter Scott Free Industrial School for Crippled Children, Inc., New York, concerning the Wheeler bill (S. 2009); to the Committee on Education.

3013. By Mr. MARTIN J. KENNEDY: Petition of Lodge No. 197, International Brotherhood of Boilermakers, Iron Ship Builders and Helpers, Albany, N. Y., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

3014. Also, petition of Lodge No. 1520, International Association of Machinists, Erie, Pa., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

3015. By Mr. KEOGH: Petition of Delaware County Teachers Association, Collingdale, Pa., concerning Senate bill 1305 and House bill 3517, Federal-aid bill; to the Committee on Appropriations.

3016. Also, petition of Victor Metal Products Corporation, Brooklyn, N. Y., concerning tariff laws in connection with the classification of brushes of the type used in the application of fingernail polish; to the Committee on Ways and Means.

3017. Also, petition of Plazine Lubricants, New York City, concerning the extension of the Connally Act (S. 1302); to the Committee on Military Affairs.

3018. By Mr. KRAMER: Resolution of the Southern District, California Federation of Business and Professional Women's Club, relative to saving the Redwood Mountain area of big trees; to the Committee on the Public Lands.

3019. Also, resolution of the Riverside County Chamber of Commerce, Riverside, Calif., relative to authorizing an appropriation for the purpose of providing the necessary control of fire, control of erosion, and conservation of water; to the Committee on Appropriations.

3020. By Mr. LEAVY: Petition of some 50 citizens of Metaline Falls and Ione, Wash., transmitted by T. R. McCarthy,

directing attention to the fact that the mining industry is not asking aids or grants of the Government, whereas many others are receiving huge subsidies, and further noting that removal of tariffs on base metals has admitted foreign metals to our markets in such quantities that new capital cannot be induced to invest in the American mining industry, and urging enactment of a resolution by Senator MURRAY, of Montana, to extend the moratorium on mining-claims assessment work; to the Committee on Mines and Mining.

3021. By Mr. O'NEAL: Petition of sundry citizens of Kentucky, protesting against legislation looking toward returning prohibition to the District of Columbia; to the Committee on the District of Columbia.

3022. By Mr. PFEIFER: Petition of the Plazine Oil Co., Inc., New York City, opposing extension of the Connally Act (S. 1302); to the Committee on Interstate and Foreign Commerce.

3023. Also, petition of the Wagner Baking Corporation, Newark, N. J., urging support of certain changes in the National Labor Relations Act; to the Committee on Labor.

3024. Also, petition of Walter Scott Free Industrial School for Crippled Children, Inc., New York City, favoring the Wheeler bill (S. 2009) and the Truman bills (S. 1989 and S. 1990); to the Committee on Interstate and Foreign Commerce.

3025. By Mr. THILL: Resolution of the Republican Men's Forum, of Milwaukee, Wis., adopted on April 29, 1939, urging that the economic welfare of the country, and the general welfare of the employer, the laborer, and the public require and will best be served by the defeat of bill S. 1970, by amendment of the Wagner Act, and by adoption of general labor legislation based upon equitable recognition of the duties and rights of all, and that in the consideration and enactment of labor legislation action is recommended along the lines of bill 154A of the Laws of Wisconsin, 1939; to the Committee on Labor.

3026. By Mr. VAN ZANDT: Petition of C. L. Nonemaker, president, and Mildred B. Dahlberg, secretary, of Townsend Club, No. 2, of Altoona, Pa., deploring the unemployment of thousands of citizens in the Twenty-third Congressional District of Pennsylvania, and urging the Ways and Means Committee to report without any amendment House bill No. 2 to the floor of Congress as indication that the Ways and Means Committee are governed by the voices of millions of citizens and not by the voice of private interests; to the Committee on Ways and Means.

3027. By the SPEAKER: Petition of Army Base Local, No. 43, of the United Federal Workers of America, petitioning consideration of their resolution with reference to the National Labor Relations Act; to the Committee on Labor.

SENATE

THURSDAY, MAY 11, 1939

(Legislative day of Monday, May 8, 1939)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. William S. Abernethy, D. D., pastor of Calvary Baptist Church of Washington, D. C., offered the following prayer:

Eternal God, our Heavenly Father, may we place in Thy hands this day our best powers of mind and body and soul. Even as the disciples of old put their slender resources in the hands of the Saviour, and they were multiplied, and the multitude was fed, so may we today dedicate our talents to the service of our fellow men and, in so doing, dedicate them to Thee.

May God bless today this weary, suffering, bewildered world, and bless the efforts of all who are engaged in the endeavor to afford relief and bring humanity out of its wilderness of despair. So we pray for this honorable body. May God give them health and strength and wisdom, and, above all, may they realize that when they have reached the end of their human resources there are great reservoirs of power still available. May we, when this day shall have closed, experience a certain sense of satisfaction because we have done our best.

We offer this prayer in the name of Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, May 10, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	Lee	Russell
Andrews	Frazier	Lodge	Schwartz
Ashurst	George	Logan	Schwellenbach
Barbour	Gerry	Lucas	Sheppard
Barkley	Gibson	Lundeen	Shipstead
Bilbo	Gillette	McKellar	Slattery
Bone	Glass	McNary	Stewart
Borah	Green	Maloney	Taft
Brown	Guffey	Mead	Thomas, Okla.
Bulow	Gurney	Miller	Thomas, Utah
Burke	Hale	Minton	Tobey
Byrd	Harrison	Murray	Townsend
Byrnes	Hatch	Neely	Truman
Capper	Hayden	Norris	Tydings
Caraway	Hill	Nye	Vandenberg
Chavez	Holman	O'Mahoney	Wagner
Clark, Idaho	Holt	Overton	Walsh
Connally	Hughes	Pepper	Wheeler
Danaher	Johnson, Calif.	Pittman	White
Davis	Johnson, Colo.	Radcliffe	Wiley
Donahey	King	Reed	
Downey	La Follette	Reynolds	

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is detained from the Senate because of illness.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business for the Committee on the Judiciary.

The Senator from South Carolina [Mr. SMITH] is absent because of illness in his family.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Missouri [Mr. CLARK], the Senator from Iowa [Mr. HERRING], and the Senator from New Jersey [Mr. SMATHERS] are detained on important public business.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

ACQUISITION OF STOCKS OF STRATEGIC MILITARY MATERIALS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 572) to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and to encourage, as far as possible, the further development of strategic and critical materials within the United States for common defense, which was to strike out all after the enacting clause and insert:

That the natural resources of the United States in certain strategic and critical materials being deficient or insufficiently developed to supply the industrial, military, and naval needs of the country, it is the policy of Congress and the purpose and intent of this act to provide for the acquisition of stocks of these materials and to encourage the development of mines and deposits of these materials within the United States, and thereby decrease and prevent wherever possible a dangerous and costly dependence of the United States upon foreign nations for supplies of these commodities in times of national emergency.

SEC. 2. To effectuate the policy set forth in section 1 hereof the Secretary of War, the Secretary of the Navy, and the Secretary of the Interior, acting jointly through the agency of the Army and Navy Munitions Board, are hereby authorized and directed to determine which materials are strategic and critical under the provisions of this act and to determine the quality and quantities of such materials which shall be purchased within the amount of the appropriations authorized by this act. In determining the materials which are strategic and critical and the quality and

quantities of same to be purchased, the Secretaries of State, Treasury, Interior, and Commerce shall each designate representatives to cooperate with the Secretary of War and the Secretary of the Navy in carrying out the provisions of this act.

SEC. 3. The Secretary of War and the Secretary of the Navy, when they deem such action appropriate, shall direct the Secretary of the Treasury through the medium of the Procurement Division of his Department and from the funds authorized by the provisions of this act to make purchases of such materials in accordance with specifications prepared by the Procurement Division of the Treasury Department and approved by the Secretary of War and the Secretary of the Navy and to provide for the storage and maintenance, and, where necessary to prevent deterioration, for the rotation of such materials. To accomplish such rotation, the Secretary of the Treasury, with the approval of the Secretary of War and the Secretary of the Navy, is authorized to replace acquired stocks of any material subject to deterioration by equivalent quantities of the same material by such method as he may deem serves best the purposes of this act. The Secretary of the Treasury is empowered to meet, out of the funds authorized in this act, expenses necessary to accomplish this rotation. The commodities so purchased shall be stored by the Procurement Division of the Treasury Department on military and naval reservations or in other locations approved by the Secretary of War and the Secretary of the Navy.

SEC. 4. Materials acquired under this act except for rotation to prevent deterioration shall be used only upon the order of the President in time of war, or when he shall find that a national emergency exists with respect to national defense as a consequence of the threat of war.

SEC. 5. For the procurement, transportation, maintenance, rotation, and storage of the materials to be acquired under this act, there is hereby authorized to be appropriated the sum of $100,000,000, out of any money in the Treasury not otherwise appropriated, during the fiscal years June 30, 1939, to and including June 30, 1943, to be expended under the direction of the Secretary of War and the Secretary of the Navy: *Provided*, That any customs duties paid on such materials, imported from any place not included in the United States, as defined in section 401 (k) of the Tariff Act of 1930, as amended by section 2 of the Customs Administration Act of 1938, shall not be covered into the general fund of the Treasury of the United States, but shall be credited by the Secretary of the Treasury, to be available for expenditure until the expiration of the then next fiscal year: *And provided further*, That materials purchased under this act and imported shall be entered at the customhouse in accordance with regulations to be prescribed by the Secretary of the Treasury: *And provided further*, That purchases under this act shall be made in accordance with the Buy American Act of March 3, 1933 (47 Stat. 1520), and a reasonable time, in the judgment of the Secretary of War and Secretary of the Navy shall be allowed for production and delivery from domestic sources.

SEC. 6. In the acquisition of stocks of materials, as herein authorized, the agency charged with the duty of acquiring the same shall, as to the materials acquired outside the United States—

(a) Request the appropriate department or departments to undertake the acquisition of the same from those nations which are indebted to the United States and which will consent to credit the agreed purchase price on the principal of such indebtedness; and

(b) Further request the appropriate department or departments to undertake the acquisition of the same from those nations which will consent to exchange such materials for surplus agricultural commodities produced in the United States: *Provided*, That the acquisition of such material shall not be delayed on account of the negotiations undertaken under paragraph (a) and (b) of this section.

SEC. 7. That the Secretary of the Interior, through the Director of the Bureau of Mines and the Director of the Geological Survey, is hereby authorized and directed to make scientific, technologic, and economic investigations concerning the extent and mode of occurrence, the development, mining, preparation, treatment, and utilization of ores and other mineral substances found in the United States or its Territories or insular possessions, which are essential to the national defense or the industrial needs of the United States, and the quantities or grades of which are inadequate from known domestic sources, in order to determine and develop domestic sources of supply, to devise new methods for the treatment and utilization of lower grade reserves, and to develop substitutes for such essential ores and mineral products; to explore and develop, on public lands and on privately owned lands, with the consent of the owner, deposits of such minerals, including core drilling, trenching, test pitting, shaft sinking, drifting, crosscutting, sampling, and metallurgical investigations and tests as may be necessary to determine the extent and quality of such deposits, the most suitable methods of mining and beneficiating them, and the cost at which the minerals or metals may be produced.

For the purposes of carrying out the provisions of this section there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, for each of the fiscal years ending June 30, 1940, 1941, 1942, and 1943, the sum of $500,000, of which amount $350,000 shall be appropriated to the Bureau of Mines and $150,000 to the Geological Survey.

Mr. THOMAS of Utah. I move that the Senate disagree to the amendment of the House of Representatives, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. THOMAS of Utah, Mr. JOHNSON of Colorado, Mr. SCHWARTZ, Mr. AUSTIN, and Mr. GURNEY conferees on the part of the Senate.

MISSISSIPPI RIVER BRIDGE NEAR FRIAR POINT, MISS.—CONFERENCE REPORT

Mrs. CARAWAY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 964) creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 1 and 4.

That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment as follows: In lieu of the word "thirty" insert the word "forty"; and the House agree to the same.

HATTIE W. CARAWAY,
JOHN H. OVERTON,
Managers on the part of the Senate.
VIRGIL CHAPMAN,
PEHR G. HOLMES,
Managers on the part of the House.

The report was agreed to.

PETITIONS

The VICE PRESIDENT laid before the Senate resolutions of the Connecticut Osteopathic Society, the Maine Osteopathic Association, the Missouri Association of Osteopathic Physicians and Surgeons, the North Carolina Osteopathic Society, and the Oklahoma Osteopathic Association, favoring the amendment of Senate bill 1620, the so-called Wagner national health bill, so as to preserve the freedom of choice of the physician and school of practice to persons entitled to medical care, and providing osteopathic representation on Federal and State advisory councils, which were referred to the Committee on Education and Labor.

He also laid before the Senate a petition of sundry citizens of Birmingham, Ala., praying for the enactment of the so-called Wagner-Van Nuys-Capper antilynching bill, and favoring a prompt investigation of recent lynchings by the Federal Bureau of Investigation, which was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEE

Mr. SHEPPARD, from the Committee on Military Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 949. A bill for the relief of Robert Clyde Scott (Rept. No. 421);

S. 1033. A bill for the relief of Albert P. Dunbar (Rept. No. 415);

S. 1047. A bill for the relief of Emerson J. French (Rept. No. 422);

S. 1165. A bill for the relief of Fred M. Munn (Rept. No. 416);

S. 1225. A bill for the relief of August R. Lundstrom (Rept. No. 423);

S. 1669. A bill relating to the military record of Irving L. Leafe (Rept. No. 417); and

S. 2183. A bill authorizing the President of the United States to appoint Sgt. Alvin C. York as a colonel in the United States Army and then place him on the retired list (Rept. No. 418).

Mr. MINTON, from the Committee on Military Affairs, to which was referred the bill (S. 1069) for the relief of George Edelman, reported it without amendment and submitted a report (No. 424) thereon.

He also, from the same committee, to which was referred the bill (S. 608) to authorize the Secretary of War to furnish

certain markers for certain graves, reported it with an amendment and submitted a report (No. 425) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the bill (S. 2043) authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 18 to May 25, 1940, reported it with an amendment and submitted a report (No. 419) thereon.

Mr. HAYDEN, from the Committee on Mines and Mining, to which was referred the bill (S. 1288) providing for the suspension of annual assessment work on mining claims held by location in the United States, reported it adversely and submitted a report (No. 420) thereon.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills and joint resolution:

On May 9, 1939:

S. 752. An act to amend section 78 of the Judicial Code, relating to the district of Idaho.

On May 10, 1939:

S. J. Res. 111. Joint resolution designating August 19 of each year as National Aviation Day.

On May 11, 1939:

S. 1515. An act for the relief of the Louisiana National Bank of Baton Rouge and the Hibernia Bank & Trust Co., of New Orleans.

REPORT OF THE FOREIGN RELATIONS COMMITTEE—GENERAL RADIO REGULATIONS (CAIRO REVISION, 1938)

As in executive session,

Mr. WHITE, from the Committee on Foreign Relations, reported favorably Executive B, Seventy-sixth Congress, first session, being a certified copy of the revision of the general radio regulations annexed to the International Telecommunications Convention, signed at Madrid on December 9, 1932, adopted on April 8, 1938, by the International Telecommunication Conferences which convened at Cairo, Egypt, on February 1, 1938, to revise these regulations, the additional radio regulations and the telephone and telegraph regulations also annexed to the Madrid Convention, and a certified copy of the final protocol, with the reservations made by certain governments, and he submitted a report (Exec. Rept. No. 3, 76th Cong., 1st sess.) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HILL:

S. 2401. A bill authorizing the building of a sewage-disposal plant for Florence, Ala.; to the Committee on Military Affairs.

By Mr. GILLETTE:

S. 2402. A bill providing for certain proclamations by the President in the case of war between two or more foreign states, and for other purposes; to the Committee on Foreign Relations.

By Mr. JOHNSON of California:

S. 2403. A bill granting an increase in pension to Ellen F. Clifford; to the Committee on Pensions.

By Mr. McNARY:

S. 2404. A bill to authorize the disposal of the Portland, Oreg., old courthouse building; to the Committee on Public Buildings and Grounds.

By Mr. BILBO:

S. 2405. A bill conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi; to the Committee on Indian Affairs.

By Mr. WHEELER:

S. 2406. A bill authorizing the appointment of John Ogden Kilgore and Ford Trimble as captains in the Regular Army; to the Committee on Military Affairs.

S. 2407. A bill granting the consent of Congress to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge across the Missouri River at or near Frazer, Mont.; to the Committee on Commerce.

By Mr. GEORGE:

S. J. Res. 133. Joint resolution to confer jurisdiction on the Court of Claims or the District Court of the United States for the Northern District of Georgia to hear, determine, and render judgment upon the claim of Mrs. J. W. Marks, of Stephens County, Ga.; to the Committee on Claims.

FLORIDA SHIP CANAL—AMENDMENT

Mr. LEE (for himself and Mr. MEAD) submitted an amendment intended to be proposed by them to the bill (S. 1100) for the completion of the construction of the Atlantic-Gulf ship canal across Florida, which was ordered to lie on the table and to be printed.

AMENDMENT TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. GILLETTE submitted an amendment intended to be proposed by him to House bill 5269, the Agricultural Department appropriation bill, which was ordered to lie on the table and to be printed, as follows:

On page 28, line 12, after the word "thereof", to strike out down to and including the word "condemned" in line 15.

THE FARM PROBLEM—ADDRESS BY SENATOR GILLETTE

[Mr. NORRIS asked and obtained leave to have printed in the RECORD a radio address on the subject of Our National Farm Problem, delivered by Senator GILLETTE on Monday, May 8, 1939, which appears in the Appendix.]

SCHOOL SAFETY PATROLS—ADDRESS BY SENATOR REYNOLDS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a radio address on the subject of school safety patrols delivered by him on the Sunday Drivers' Program of the National Broadcasting Co. on May 7, 1939, which appears in the Appendix.]

INSURANCE AGAINST WORLD ANARCHY—ADDRESS BY SENATOR HERRING

[Mr. HARRISON asked and obtained leave to have printed in the RECORD an address entitled "American's Insurance Against World Anarchy," delivered by Senator HERRING at the annual dinner, Association of Casualty and Surety Executives, Hotel Plaza, New York, N. Y., Tuesday evening, May 2, 1939, which appears in the Appendix.]

LETTER FROM SENATOR HOLT WITH REFERENCE TO W. P. A.

[Mr. HOLT asked and obtained leave to have printed in the RECORD a letter addressed by himself to the people of Lincoln County, W. Va., relative to W. P. A., which appears in the Appendix.]

A FAIR BREAK FOR LABOR—ADDRESS BY EDWARD CORNEABY

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD an address by Edward Corneaby on the subject of A Fair Break for Labor, which appears in the Appendix.]

QUESTION OF PERSONAL PRIVILEGE

The VICE PRESIDENT. When the Senate took a recess yesterday afternoon the Senator from North Carolina [Mr. REYNOLDS] had given notice that today he desired to address the Senate on a matter of personal privilege. The Chair recognizes the Senator from North Carolina.

Mr. REYNOLDS. Mr. President, I desire today to discuss, not at great length, matters which have been brought to my attention during the course of several months, published in a certain column written here in Washington, known as the Merry-Go-Round.

Initially, I desire to state that there is no stronger advocate than myself of freedom of the press, freedom of speech, and freedom of religion. The newspapers have a perfect right to criticize or condemn any legislation that I may recommend or foster if they think such legislation will not prove beneficial to our Nation or if they think it is not worthwhile legislation. Every citizen has the same right and privilege. I for one would not curtail or even weaken one iota of this God-given right in a free America.

But, Mr. President, freedom of the press is not freedom to libel. Freedom of the press is not freedom to slander, whether the object of the slander be a private citizen or a Member of the Senate of the United States of America.

The matter probably would not be so serious if the comments were confined merely to the columns of the Merry-Go-Round; but these reports are picked up by other writers throughout the country even before I have an opportunity to enter a denial, and consequently the general public naturally grows to believe these unwarranted attacks and insinuations, which are written in a clever, left-handed style.

In that connection I may state in passing that I have implicit confidence in the integrity of the press of America. The people of America have the same implicit confidence in the press of America. That confidence has grown out of the fact that for many years here at the National Capital the press of the country has been represented by men of integrity, men of character, men who could be believed, men who send over the wires only statements of truth and fact, and who rarely attempt to color any story they send from here to their respective clients. These reputable correspondents of reputable newspapers throughout America have built for themselves a fine reputation for character, integrity, and truth by relating squarely and fairly and truthfully the facts from day to day and from time to time, until as a result of their integrity and character and of the truthfulness as to statements of fact they have educated the 130,000,000 people of America to rely implicitly upon that which they read in the respective columns of American newspapers as the news which emanates from Washington. The danger we are now experiencing is that some columnists wielding the pen are always endeavoring to color the facts and to lead the people to believe anything but the truth; and, as a result thereof, having been educated by the reputable newspaper correspondents of Washington, when the American people read certain statements from the pens of columnists, such as those who are the authors of the Merry-Go-Round, they immediately assume that the words written by such authors are as truthful as if they came from the pen points of the reputable, truthful reporters residing here in the city of Washington as the representatives of the press of the country.

Mr. President, I have stated time and again on the floor of the Senate, by letter, and in radio addresses and speeches throughout the Nation, that I do not condone the practices of dictators. I have time and time again joined millions of other American citizens in bitterly denouncing the inhuman treatment of defenseless minorities in Germany, Italy, and other foreign countries; but I insist that the United States should remain aloof from foreign political entanglements or embroilments unless we are prepared to be dragged into another world war. Articles falsely accusing me of being lined up with the "bund" merely tend to divide our Nation at a time when perhaps more than at any other period in our Nation's history we need unity. These manufactured stories also have the effect of giving encouragement to the Nazi groups by leading them to believe that I, as a Senator—and, for that matter, other Members of this body whose names I shall later mention—condone their practices, when as a matter of fact I have preached, I might say, from the housetops, that nazi-ism, fascism, and communism should be banished from our shores. I have reiterated in the strongest language I could command that there is no room in this Nation for such philosophies; and I have advocated shipping back to the lands whence they came all those who preach in our country those foreign doctrines that would undermine our democratic form of government.

Unfortunately, the only way a public official can avoid vilification by these two men, the authors of the Washington Merry-Go-Round, is to bow to their will and the will of those whom they serve.

No man enjoyed to a greater degree the confidence and respect of the Members of the Senate of the United States, Republicans and Democrats alike, than did our lamented leader, the late Senator Robinson, of Arkansas. Shortly after I came to the Senate I was outraged when I read the false attacks of these two colmunists upon that great statesman. They referred to his practice of law and reflected upon his integrity. He ignored the attacks. The Senator from Mississippi [Mr. HARRISON], as a matter of fact, was time and again subjected to abuse because he was the friend of Judge Wilson, who, as a judge in the Virgin Islands, denounced Drew Pearson's father, who was then Governor of the Virgin Islands. Pearson was a Hoover appointee, but he continued in office under the Democratic administration, because Mr. Pearson, who was Governor of the Virgin Islands, was an eminently honest and sincere man.

When Judge Wilson and Governor Pearson were asked by the President to resign they did so. Wilson acted in good faith. Pearson was immediately appointed to an office in the Interior Department, where he remained for the rest of his life. When I learned that the President of the United States had appointed Mr. Pearson to a position in the Department of the Interior I was very happy, because personally I was fond of Mr. Pearson. He was one of the most fatherly, one of the most gracious, one of the most kind-hearted men I have ever known in all my life; and, as a matter of fact, when Mr. Pearson, the father of Drew Pearson, experienced difficulty in reference to the Virgin Islands matter, I personally did everything within my power as a Senator of the United States and as a member of the Committee on Territories and Insular Affairs to retain him in that position, because I was convinced of his honesty and his integrity; and, with many thousands of his friends, I grieved when he was called to the Great Beyond.

I speak again of our beloved and departed colleague, Hon. Joseph Robinson, of Arkansas. I recall that once upon a time hurriedly there was handed to me, when I first came to the Senate of the United States, a statement to be inserted in the Appendix of the CONGRESSIONAL RECORD. I did not take time to read the statement. Next morning its contents were called to my attention, and I found that it contained insinuations and a slur upon Joe Robinson, the leader. Without the slightest hesitation, as those who are now here and who were here then know, I came into this Chamber and publicly denounced the article, and asked that it be expunged from the RECORD, and extended my apologies not only to Senator Robinson himself but to the other Members of this body. That I did willingly and without the slightest hesitation, because I felt that I had done that great man a great injustice—not an intended injustice, but an injustice—because I had failed to take the precaution to read that statement prior to inserting it in the CONGRESSIONAL RECORD.

I may add in passing that that was a great lesson to me. It was my first lesson as a Member of the Congress of the United States, because never since then have I inserted in the RECORD any article from the hand of anybody without personally reading it. I want to say further that never during my term here have I cast the slightest slur upon any Member of this body; but in every State into which I go from time to time, as many of the Senators who do me the honor to listen today know, I say nothing but praise for them, regardless of their respective positions and regardless of their political affiliations because for every Member of this body I have the very deepest affection.

In that connection I recall that a few days ago in the city of New York, when I delivered an address in the banquet hall of the Hotel Astor, at Forty-second and Broadway, under the auspices of the American Defense Society, to which address I will refer later for a particular reason, I mentioned the fact that my colleague the senior Senator from New York [Mr. WAGNER] had introduced a bill providing for the admission into the United States of 20,000 refugee children within the next 2 years. I took occasion to say that I honored the Senator from New York, that I knew of no man for whom I had a greater affection, that we differed only in opinion. My colleagues know, as I do, that we would be foolish to become angry at one another because we do not always vote the same way or because our opinions differ upon various questions. We do not consider ourselves as conservatives or liberals, not as Democrats or Republicans, when we are in yonder cloakroom, but as friends affiliated together in the interest of the

American people, here to do that which our consciences dictate to us to do.

I remarked at the time to the constituents of the Senator from New York that he was the busiest man in Washington, that very infrequently did he find it possible to be in his office; that he was chairman of several subcommittees and chairman of the great Banking and Currency Committee. I reminded them of the fact, in order that they might know that I spoke sincerely, that innumerable times school children from his State come to Washington, as they do from all our States. Frequently they cannot see the Senator, and when they do come and I see them I invariably invite them into my office and provide them with little pamphlets giving the history of the Capitol, and provide them with cards with my signature on them admitting them to the galleries of the Senate. In addition to that, I invariably say, "You youngsters go back home and tell your mothers and your fathers that your Senator is the hardest working Senator in Washington. And do not forget to tell them, boys and girls, to vote for BOB WAGNER when he comes up again for election." Our diversity of opinion makes no difference in our personal relations.

Mr. President, I had just spoken in regard to our departed friend, Governor Pearson. While the controversy concerning him was on the Senate committee, of which the Senator from Maryland [Mr. TYDINGS] was chairman, was called upon to make an investigation, and because the Senator from Maryland, in the discharge of a public duty, a duty he was sworn to perform, did not do what Pearson and Allen wanted him to do for the father of Drew Pearson himself, he earned then and there their enimity, and from that day to this has been slandered by them from time to time.

I remember well the time of which I have just spoken, and I believe the Senator from Maryland, the chairman of the Committee on Territories and Insular Affairs, will recall that I supported Mr. Pearson, then the Governor of the Virgin Islands, and tried my best to have him retained in that position. In that connection I well remember the day when the chairman of the Committee on Territories and Insular Affairs, the Senator from Maryland, and our able friend and colleague the senior Senator from Utah [Mr. KING], joined me, and the three of us took a taxicab at the Capitol and drove to the White House, where we conferred with the President of the United States in regard to this matter. These two Senators, who now honor me with their presence, will recall very vividly the conversation we had with the President of the United States.

The newspapers have stated, in reference to the Senator from Maryland, that in the Senator's campaign for reelection last summer, Pearson contributed more than $30,000 to defeat the Senator from Maryland. If that story is true—and I am inclined to believe everything I see in the newspapers except what is written by Pearson and Allen—it would be interesting to know whose money it was they spent for the purpose of defeating the Senator from Maryland, who was so overwhelmingly reelected.

The Senator from Florida [Mr. ANDREWS] has been held up to ridicule by these men. The senior Senator from South Carolina [Mr. SMITH] and the junior Senator from South Carolina [Mr. BYRNES] have been denounced by them. The majority leader, the Senator from Kentucky [Mr. BARKLEY], within the last month has been accused of treachery amounting to treason to the President of the United States, solely because he failed to take orders from Pearson and Allen.

As all my colleagues know, hardly a week passes that the Vice President of the United States, who is respected and loved and admired by every Senator, whether he is a Republican or a Democrat, is not misrepresented before the people of the Nation and ridiculed by these men, because he will not consult them and will not follow the views of those who dictate their conduct from time to time.

We resent those insinuations and statements in regard to the President of this body, and every one of us has from time to time resented and now resents the accusations made against our leader, the Senator from Kentucky, and the accusations made against the beloved Vice President of the United States, who presides over the Senate daily.

Mr. Jesse Jones, the Chairman of the Reconstruction Finance Corporation, a Democrat from the Lone Star State of Texas, as fine a public official as this administration has had, is slandered day after day. The former Secretary of Commerce, the Honorable Daniel Roper, a man who has served his country with honor in many positions, has been held up to the scorn of a nation by those two men. The Assistant Secretary of Commerce, Colonel Johnson, of South Carolina, has been attacked by them. I recall that several years ago the Secretary to the President of the United States, Mr. Marvin McIntyre, who now unfortunately is ill, and is spending some time at his old home town, which is my home, in the mountains of western North Carolina, was attacked by Pearson and Allen, who tried even to reflect upon his character.

Senators, a man in public life has no defense. All he can do, as a matter of fact, is to enter a denial. He cannot write letters to the newspapers defending himself. His letters would be published, if published at all, where, perhaps, they never would be seen.

In view of the character of the Members of the Senate, to be attacked by these writers seems to people who know them to be almost a tribute. But those who read the newspapers of the country do not know them, and they are misled by them. They are misled because, as I stated in the outset of my remarks, the men of honor and of integrity and of character and of truthfulness who for so many years have represented the press of the United States have educated the readers of the various newspapers of the country to believe when they see them in print the articles which come over the wires from their pens here at the Capital. Therein lies the danger as the result of the reputable correspondents having educated the reading public of America to the point where they believe what they read in the American press, because it is a free press.

Mr. President, I determined I would not remain silent, as others have with a few exceptions, but, on the contrary, that I would reply to the utterly false, left-handed statements of these men. I can understand the motive of their attacks upon me. Mr. Allen is a correspondent of the Philadelphia Record. The Philadelphia Record is owned and published by Mr. David Stern. Because of my humble efforts to keep this country out of war, Dave Stern evidently determined to injure me through Allen and Pearson. I know that if I would change my position within a very short time the Merry-Go-Round would hold me up to the Nation as a great statesman and a great patriot. But neither Drew Pearson, Bob Allen, nor Mr. Dave Stern can cause me to change my views on this question, which I believe of such vital importance to the people of America.

I digress here to say that, regardless of any attacks made upon me, the only way anyone will ever make me shut my mouth in my endeavor to do what I think is my duty in this body is to shoot me. They cannot frame me and jail me because I can say with a great deal of happiness that if they were to do so there would be thousands of real, full-blooded, honest-to-God Americans there to take me out. The only way they can stop me from talking in the interests of the people of America, in my humble, feeble endeavor to keep us from being led into foreign entanglements and again into war—the only way they can keep me from trying to keep the foreign elements abroad from coming here and taking the jobs that should go to our unemployed—and there are now 11,000,000 persons out of employment in the United States—the only way they can shut my mouth and stop me is to shoot me; and so long as I am in this body I am going to speak my conscientious convictions.

I know there are many Senators who do not agree with some of my statements made on the floor of the Senate, or with my way of thinking, but I know that those Senators are convinced of the fact that I am honest in my endeavor; and when Senators do not vote as I vote, when their convictions are not parallel with mine, I have for them the

same respect I always have had. What would this body be if it were not a forum for the purpose of discussing the great issues in which we are interested at this time?

Members of the Senate, I made a statement a moment ago as to what would happen if I were to change my position. I will restate what I said. After I mentioned Dave Stern, I said, "I know that if I would change my position, within a very short time the Merry-Go-Round would hold me up to the Nation as a statesman and a patriot."

Let us see about that. Let us see how true that statement is. Let us see how very true it is. Yesterday when I decided to take the floor, I addressed, regardless of the harm that has been done to me, a very respectful telegram to Messrs. Pearson and Allen, as follows:

MAY 10, 1939.

MESSRS. PEARSON and ALLEN,
Washington Merry-Go-Round,
Press Building, City:

Shall appreciate it if you will favor me by sending to me this afternoon, by Western Union messenger, collect, copies of all articles written by you for columns of Washington Merry-Go-Round since January 1 this year which have any reference of any nature whatsoever to myself.

(Signed) ROBERT R. REYNOLDS,
United States Senator.

In order to prove to Senators what the attitude of these men would be if one were to bow to their will and talk and vote as they want one to talk and vote, I will read the answer which I received within an hour thereafter:

DEAR SENATOR: Would like very much to comply with your request but that would entail several hours' work going through the files, and, regretfully, I just haven't the time for that. Why don't you ask the Library of Congress to dig up this material for you?

The fact is, I was desirous of having those gentlemen provide me with those articles for the very reason that I did not want them hereafter to be able to say that the subject matter and the point I am making today had been eliminated.

They have plenty of clerks for that purpose. Have just been informed of your announcement that you intend to discuss us tomorrow. Look forward to the occasion with lively interest though I must confess I feel a bit slighted that you are only going to devote 2 hours to us. We ought to be worth more of a ride than that. After all the nice things—

I hope Senators will note this, which only goes to prove, as I stated a while ago, that if you bow to their will and talk as they think you ought to, and vote as they think you ought to vote, you are an angel, but if you do not, you are a traitor to your fellows.

We ought to be worth more of a ride than that. After all the nice things we said about you last year when you were running for reelection—

Remember, up until the time I was reelected I was all right with them.

After all the nice things we said about you last year when you were running for reelection as a liberal we ought to be worth at least a couple of weeks speechifying on your Nazi activities.

I want Senators to bear in mind those three words: "Your Nazi activities." I am coming to that.

I say that what these men write cannot be believed. I happen to know that there are many Members of the Senate who share the identical opinion, and I happen to know that there are many Members of the House of Representatives who likewise share that opinion. Further than that, there is a member of the Cabinet of the United States who shares their opinion and who shares my opinion in regard to Allen and Pearson. I refer to a member of our beloved President's Cabinet by the name of Cordell Hull. I recall that I served my first short term in the United States Senate with Cordell Hull, who was then the colleague of the Senator from my sister State of Tennessee [Mr. MCKELLAR], and according to my recollection the present Secretary of State occupied the seat in the Senate Chamber I now indicate. The Honorable Cordell Hull, Secretary of State, says that these men are unworthy of belief.

Let us see about that. I shall read to the Senate a statement I read sometime ago in the Merry-Go-Round. I still take the Washington Herald, but I have that portion consigned to the bathroom before I begin to read any other portion. Here is a column of the Washington Herald of Friday, April 14, 1939. Let us see what they said that eventually occasioned the remarks addressed to me by letter and by word of mouth that I have just stated to the Members of the Senate. This article was published in the Times-Herald. I am going to read it to the Senate so Senators can understand its significance.

WASHINGTON DAILY MERRY-GO-ROUND

(By Drew Pearson and Robert S. Allen)

The State Department has just heaved a big sigh of relief after terminating one of the most crucial episodes of international prodding in years.

Objective of the State Department, or perhaps it is more accurate to say of the President himself, has been to push, goad, or cajole the British Empire into the realization that democracy is at stake in Europe.

All this took place during a period of diplomatic double-crossing in which British banks actually were lending money to Germany for rearmament, and the Federation of British Industries was negotiating a secret pact with German industry in violation of the Anglo-American trade agreement.

In other words, they are charging that the British, in violation of the trade-treaty obligation, were lending money to Germany.

British double-crossing finally became so flagrant that when Roosevelt, Hull, and Welles got the full drift of it, they sent a virtual ultimatum to Chamberlain that, as far as the United States was concerned, Great Britain could fish or cut bait.

CZECHOSLOVAK INVASION

Part or all of this may be denied—

They therefore insinuate that it was the truth, but they say:

but the actual facts are that tension in United States-British relations came to a head on or about March 16, one day after Hitler had swallowed the remains of Czechoslovakia.

It will be recalled that on March 14, just as the entire world realized Hitler was about to break his pledge to the Czechs, American correspondents in London cabled that the British Government saw no cause for alarm. This was because the British Foreign Office had called in United States correspondents and told them that the British Government was unperturbed.

British serenity continued next day even with Nazi troops actually on the march, and it was not until 2 days later that the British Government began to burst forth in a fine flare of righteous indignation over Hitler's violation of his pledge at Munich.

Reason for the British rightabout-face was partly British public opinion. But in the interim, also, Chamberlain had received from Roosevelt the message just referred to, in which the President warned that Britain could expect no more support from the United States, moral or material or through the sale of airplanes, if the Munich policy continued.

In effect, Roosevelt bluntly asked whether Britain was a Nazi nation or a democracy, and warned that the United States would watch Chamberlain's future policy for the answer.

HISTORY AFTER MUNICH

To get the full picture of British double-crossing, and to understand what led up to this crisis in Anglo-American relations, it is necessary to trace events after the Munich crisis last October.

Following Munich the Roosevelt administration instructed Ambassador Joe Kennedy to suggest to Chamberlain that the only thing Hitler understood was the straight arm, and that it would be an excellent idea to call an abrupt halt on appeasement.

Supposedly Chamberlain agreed. Whereupon Roosevelt and his State Department mapped out a program carefully calculated to show Hitler that he could give the democracies no more lip.

To this end the United States deliberately recalled its Ambassador from Berlin, deliberately planned that Secretary Ickes should scold the Nazis, and that Acting Secretary Welles, in turn, should scold the German chargé d'affaires for his effrontery in protesting. It was no accident that Roosevelt's address to Congress on the state of the Nation vigorously slapped down the dictators and asked for heavy air armament.

Furthermore, American soundings taken in Europe all showed that this strategy was having an excellent effect, that Hitler and Mussolini both were worried.

BRITISH CHICANERY

But about this time the State Department began to get wind of what the British were up to. In the first place British bankers had engaged in a scramble for business in Sudetenland. They had even started making deals with the Germans before the cession of the Sudetens was decided upon at Munich.

Later it was discovered that whenever the State Department would take a stern stand against Hitler, Sir John Simon or other Tory members of the British Cabinet would go around to the Nazis and tell them that Britain was not in sympathy with these United States pronouncements.

The State Department had known for some time that Sir Auckland Geddes, former British Ambassador to Washington and head of the Rio Tinto mines in Spain, had been subsidizing Franco. But

now it developed that Franco was sending the money back to Germany to buy arms. Thus the British were subsidizing Hitler.

Even more startling, it was discovered that where the Nazis were not able to barter, as with Sweden, which demands cash, British banks were loaning money outright to Germany to finance rearmament. Of course, they were getting a nice, fat interest rate.

Also, it dawned on high officials here that no less a person than Prime Minister Chamberlain himself is heavily interested in German armament, his Imperial Chemical Industries owning a good block of stock in the Dynamit Actien Gesellschaft and in the giant I. G. Farbenindustrie A. G., largest trust in Germany.

Finally, just before the last Czech crisis, the State Department learned that the powerful Federation of British Industries, in which several Cabinet members are represented, had worked out a secret trade agreement with the Nazis undercutting the United States and the Anglo-American trade agreement so laboriously negotiated by Cordell Hull.

UNITED STATES SEES RED

By this time the sentiment of Roosevelt, Hull, et al., toward the British would have burnt up the printed page. Their almost inescapable conclusion was that the oligarchy which actually rules Britain was anxious at heart to preserve the dictators, and secretly feared the strengthening of democratic government similar to the Popular Front in France or the Negrin regime in Spain.

All this came to a head with the Hitler march into Prague, plus the occupation of Memel. Roosevelt issued his strong warning in between these two events.

Indications are that even the British Tories now are worried. They admit their mistake in trusting Hitler after the Munich agreement. There is no question regarding the status of British public opinion. But both Hull and Roosevelt still are keeping their fingers crossed about the British Cabinet and wondering whether it will stay put.

I remember the morning I read that article. I called on the telephone a man whom I consider one of the best-informed Members of the United States Senate, and told him of the article. My recollection is that he had read it. He is now present in the Chamber. I told him I could not believe it, and that I was going to address to the Secretary of State a letter requesting that he advise me whether or not the things related by Pearson and Allen were true. So I wrote a letter to the Secretary of State. Follow me carefully. Let us see what Cordell Hull, former United States Senator, now a member of the President's Cabinet as Secretary of State, says in reply to the following letter which I addressed to him on April 15:

APRIL 15, 1939.

Hon. CORDELL HULL,
Secretary of State, Washington, D. C.

MY DEAR MR. SECRETARY: In the columns of the Times-Herald, issue of Friday, April 14, 1939, under the head of the "Washington Daily Merry-Go-Round," there is an article by Messrs. Drew Pearson and Robert S. Allen concerning the chicanery of Great Britain. This article begins by stating in its first paragraph that "the State Department has just heaved a sigh of relief after terminating one of the most crucial episodes of international prodding in years," etc.

I respectfully request that you write me the full facts in this matter. In other words, I respectfully request that you substantiate in writing the entire article heretofore referred to by Mr. Pearson and Mr. Allen.

Thanking you very much for your prompt attention to this most important matter, I am,

Respectfully yours,

ROBERT R. REYNOLDS,
United States Senator.

On April 19 I received from Hon. Cordell Hull the following letter, on the letterhead of the Department of State, in response to the one I have just read:

DEPARTMENT OF STATE,
Washington, April 19, 1939.

The Honorable ROBERT R. REYNOLDS,
United States Senate.

MY DEAR SENATOR REYNOLDS: I have received your letter of April 15 calling to my attention an article published under the caption of the "Washington Merry-Go-Round," which appeared on Friday, April 14, with regard to Anglo-American relations. I cannot "substantiate in writing the entire article." Those parts of it of which I have knowledge are so thoroughly inaccurate and misleading that they could not, in my judgment, be substantiated by anyone.

The article is one of a series written in a style which would convey the impression to the reader that the author or authors have access to the official files of this Department, or have been informed of the thoughts, words, and actions of this Department, as also of the thoughts, words, and actions of other governments. There is no such access, and the impression conveyed has absolutely no basis so far as this Department is concerned.

Sincerely yours,

CORDELL HULL.

This is Cordell Hull speaking, through his letter of April 19, 1939, which I have in my hand and which any Senator is privileged to inspect. In other words, a man in whom Senators have implicit confidence, a man with whom many Senators now in the Chamber have served, a man who we all know is a man of integrity, our Secretary of State, says that Pearson and Allen try to leave the impression that they, and they only, have access to the private files of the Secretary of State. I say that such statements as are being made by them from day to day relative to international or foreign affairs should be condemned, not only by Cordell Hull, but by every Member of the Congress. Pearson and Allen would lead their reading public of perhaps a million people to believe that they, and they alone, have a right to look through the files of the State Department and obtain all the data they want. Secretary Hull says their statements are absolutely without any basis.

Let me read again what the Secretary says, because I want Senators to remember it:

The article in one of a series written in a style which would convey—

That is how they get away with it. A newspaper in my State published an editorial about me which I intend to read to the Senate today. It was stated in its columns that the newspaper had never been convicted of libel or slander. Why? Because it uses an underhand style of writing to convey an impression, as does the article which I read, which discusses the President of the United States and the Secretary of State.

Mr. Cordell Hull says that the statements of Pearson and Allen are not true. He virtually says there is not a word of truth in the article.

Let us examine the question further. I respect confidences. Perhaps many persons do not, but I do. When Mr. Hull wrote me that letter I brought it to the attention of only one Member of this body; he is present here today, and listens to what I say, and will substantiate, if necessary, every word I say in regard to this letter.

So yesterday when I decided to answer the statement of these gentlemen, and decided to make denial of every single thing they have charged against me in connection with being a representative of the Nazi government and with heading an organization that is financed by mysterious money, I wanted to hear what somebody else thought of them and what somebody else said about them. So in yonder room I took the telephone receiver in hand. Sitting across from me were two Members of this body who overheard my conversation with Secretary Hull. I did not know at the time that they overheard it, but they mentioned it to me after I had walked through the room. I said, "Mr. Hull, tomorrow on the floor of the Senate I am going to take occasion to answer stories from time to time published about me in the Merry-Go-Round column, stories that are absolutely false, absolutely without foundation. I am forced to do it, for if I do not answer them I will be destroyed. Mr. Hull, do you recall that I sent you a clipping of the Merry-Go-Round column several weeks ago, at which time I wrote you a letter and asked you to verify the truth or falsity of the statements in that column?" Secretary Hull said, "Yes, Senator, I recall it." I then said, "Well, Mr. Secretary, tomorrow I am going to answer some malicious, unfounded charges."

I owe it not only to myself to do so, but I owe it to my colleagues with whom I am serving. I have virtually been branded as a traitor, as a scoundrel, as a representative of that government which the American people hate worse than any other government on the face of the earth. The writers of this column are trying to destroy me; I am standing here today in my own defense, and I hope to God that they will never decide to destroy any other Member of the Senate, as they tried to destroy a Member of the Senate from the State of Maryland and others, as they have tried to destroy the Secretary of State by telling the world that they had the inside and could virtually get anything they wanted from the secret files of the State Department. I wonder

if the American people will condone such action on the part of the press? I say now to the American press—and there are honorable gentlemen at the head of it—that such men as those to whom I refer will eventually destroy the confidence of the American people in the American press if the newspapers that subscribe to their column continue to publish it.

I said further to Secretary Hull, "I should like to be able to bring to the attention of the Senate the letter that you wrote me, together with the column, and my letter to you."

Here [exhibiting] is the Secretary's letter. If any Senator wishes to see it, he is at liberty to do so.

The Secretary said, "Senator, I have no objection. I will be glad to have you do it; I will be glad to have you put it in the RECORD."

Here [exhibiting] is the letter which Cordell Hull, the Secretary of State, wrote to me as a result of the letter I addressed to him. Bear in mind, Senators, the underhanded, left-handed style of writing of these men.

I come to statements to which I have objected. I now bring to the attention of the Senate the following under date of January 18, 1939:

Washington Daily Merry-Go-Round—

They head this statement in their column on this date with the caption—

Tar-Heel Fuehrer.
Friends of BOB REYNOLDS, usually shrewd Senator—

I thank them for that compliment; I have never before been referred to as being "shrewd"—

from North Carolina, are worried over his plan to loose a Senate speech praising Adolf Hitler.

The wisecracking REYNOLDS took a trip to Germany last summer and was wined, dined, and flattered by moguls of the Goering-Goebbels clique. He came back singing their praises and acclaiming Hitler as a great man. Nobody took this seriously until Bob unpacked the material he had brought back and began to write a Senate speech proclaiming the virtues of Adolf and describing nazified Germany as a virtual paradise.

Some of Bob's friends are wondering what influences prevailed on him—

Listen to that, Senators—some of my friends, they say, are wondering "what influences" prevailed on me—

in Berlin, and whether his move to get appointed to the Senate Foreign Affairs Committee was not inspired by the Nazis.

Already some of REYNOLDS' colleagues are derisively calling him "The Tar-Heel Fuehrer."

Consider that specimen of underhanded, left-handed writing. In the first place, let us find out as to the truth of this statement. I wish to deny emphatically that when I was in Germany I ever talked with a single German official. The truth about the matter is that after the election last fall I went to Europe. I think I visited about 14 or 15 different countries there. I saw Mr. Chamberlain personally, having been introduced to him by Mr. Kennedy. I saw the Prime Minister of France. I was in a number of other countries. I finally journeyed, by way of Bucharest and old Vienna, up to Prague, where the bank was robbed by Hitler of about $85,000,000 in gold, belonging to a country that was swallowed up by him in his mad desire for territory and for conquest. I left Prague one night on the train and reached Berlin the next morning. I spent 2 nights and 2 days in Berlin. I was on a Thomas Cook & Son's tour. I never talked with a single official of the German Government, and, as a matter of fact, the only official place that I called was the American Embassy, where I talked with those in charge.

What do Pearson and Allen say? Senators, I defy them to prove what they have said. When a man makes a statement he ought to be in a position to prove the statement; otherwise he does great injustice. There is not a Member of this body who would make an accusation against a fellow Member unless he was able to prove it. The danger, the pathetic feature of it is that one can make a charge against anybody, regardless of his innocence, and half the people will believe that charge. Let me refer again to this specimen of underhand writing.

Friends of BOB REYNOLDS, usually shrewd Senator from North Carolina, are worried over his plan to loose a Senate speech praising Adolf Hitler. The wisecracking REYNOLDS took a trip to Germany last summer and was wined—

That is absolutely untrue—

dined—

That is also absolutely untrue—

and flattered—

That is absolutely without foundation of truth—

by moguls of the Goering-Goebbels clique.

That is absolutely false, but the people of the United States who read that column will believe it, because they think that Pearson and Allen are reputable representatives of the press like those who represent the newspapers here at the Capitol.

He came back singing their praises and acclaiming Hitler as a great man.

I came back saying just exactly what the President of the United States said in an address at a joint meeting of the two Houses of Congress of the United States, in which, according to my recollection, Mr. Roosevelt said that the totalitarian states for the time being, at least, had succeeded in solving the unemployment question, and had succeeded in solving the surplus-capital question. I did state, when I got off the boat, that they had made great headway on roads; and every man in the United States Senate who has been there knows that to be a fact. I had not seen those roads, I had not been in Germany since 1933, and I wanted to see the marvelous roads I had heard referred to. I believe, if I recall correctly, I heard the Senator from Tennessee [Mr. MCKELLAR] speak about them. I wanted to see the great stadiums that the Germans had built. I wanted to see what they were doing, in order that I might be able to warn the American people that we had better take our heads out of the sand and wake up to what is going on, or else we would lose all of our trade. But the writers of this column made the accusation, and what in the name of God can a man do?

Well, I have this comfort: When persons do you a grave injustice and you are in a sense defenseless because you have not the medium through which to answer, their day will come. Something will come to their lives that will make them pay for this sort of thing. It always comes home. I have never seen it fail in my life. Make a false accusation against a man that is calculated to destroy him, do your fellow man a great injury, and the chickens always come home to roost. Something will happen. I pray to God it will not happen within their families. If they have wives and are fathers, I pray to God that the punishment will not come upon the members of their families, but the punishment will come. It always does.

Now, let us see what they say:

Nobody took this seriously until Bob unpacked the material he had brought back and began to write a Senate speech—

In the first place, I never in my life wrote a speech to deliver in the Senate except on about two or three different occasions—

proclaiming the virtues of Adolf and describing nazified Germany as a virtual paradise.

Some of Bob's friends are wondering what influences prevailed on him in Berlin, and whether his move to get appointed to the Senate Foreign Affairs Committee was not inspired by the Nazis.

"What influences prevailed on him in Berlin?" What do these men want to do? What impression do they want to leave? They want to leave the impression that I sold out my country. They want to leave the impression that I am a traitor. They want to leave the impression that I sold out and was paid in gold. No other impression could be gained from that article, after saying that I was "wined and dined and flattered."

They say further:

Whether his move to get appointed to the Senate Foreign Affairs Committee was not inspired by the Nazis.

Senators, let me say to you that for 3 long years I have tried my best to be designated as a member of the Foreign Relations Committee, and finally, after worrying them from time to time, the Senator from Mississippi [Mr. HARRISON] and the Senator from South Carolina [Mr. BYRNES] secured for me a place on the committee. The Senator from Kentucky [Mr. BARKLEY] will verify the statement that ever since he has been the leader of this body I have been doing my best to obtain membership upon the Foreign Relations Committee; yet these men would have the 1,000,000 American people who read their column believe that I sold out to Berlin, and that that is why I wanted to become a member of the Foreign Relations Committee.

That was on February 8.

Now, let us see what else they say. They attack, left-handedly, two other Members of this body, for whom everyone has the utmost respect.

I read from the Washington Merry-Go-Round of February 7, 1939. They have a paragraph divided now into "gems"—Gem No. 1, Gem No. 2, Gem No. 3.

Gem No. 2: Senators HIRAM JOHNSON—

Listen to this, Senators:

CLARK, REYNOLDS, and others spent an afternon fuming against the idea of selling airplanes to France.

But—last year it was revealed that Secretary Hull—

They are attacking Cordell Hull again—

was allowing planes to be sold to Germany in violation of the treaty of Berlin, which states that Germany "shall not import" arms or aircraft from the United States; and also in violation of the Neutrality Act which the above Senators wrote, stating that no licenses shall be issued by the State Department "in violation of a treaty." At that time the above Senators said nothing.

By their left-hand writing they would leave the impression that the Senator from California [Mr. JOHNSON], the Senator from Missouri [Mr. CLARK], and I were trying to keep planes from being sold to France for the benefit of Germany, for they follow that statement by stating that Secretary Hull was in on the thing with Senators JOHNSON, CLARK, and REYNOLDS because he permitted airplanes to be shipped to Germany in violation of the treaty. They not only attack me but they attack other Members of this body.

Yes, I was one who protested. Yes, the Senator from California [Mr. JOHNSON] was one who protested. Yes, the Senator from Missouri [Mr. CLARK] was one who protested, and others; but by using that language in that manner they again attack the Secretary of State.

The next article was the very next day, attacking me again. See how cleverly this is done! See how they write so that people will derive certain impressions, and the readers will believe certain things, not knowing the truth, and not knowing that a man here is trying to do his duty to his country; but what can we do?

Let us see the Merry-Go-Round of February 8, under the head of "Nazi Press." That follows the one of the day before which I have just read, an insinuation that the Senator from California, the Senator from Missouri, Secretary Hull, and I were trying to help Germany by preventing the sale of planes on the one hand to France, and Secretary Hull, on the other hand, was permitting American planes to be sold to Germany. What impression does that leave? It leaves the impression that Secretary Hull was violating a treaty, and permitting the sale of planes to Germany to help them, while the Senator from Missouri, the Senator from California, and I were protesting against the unlawful sale of planes to France in order to help Germany, linking us all together.

All right. This article in the Washington Daily Merry-Go-Round of February 8, 1939, has a paragraph entitled:

NAZI PRESS

Immediate effects after January 4 appeared to be good. Rome and Berlin both were scared. Then the Nazi-Fascist-controlled press got to work. They played up the anti-Semitic angle, claimed that Roosevelt had become the tool of Jewish bankers in New York, was pitching the United States of America into war at the behest of the Jews. Naturally, the Nazis knew these reports would be cabled back to the American press.

Nazi papers headlined all the speeches of Representative HAM FISH; also of Senator REYNOLDS, of North Carolina, who visited Berlin last summer.

I was there last December. They may call that summer if they want to.

These eminent statesmen were played up to the German people as representative of the great American masses; Roosevelt as the tyrant. Later—

Listen—

Later Senators CLARK, NYE, and HIRAM JOHNSON became the great heroes of the Nazi-Fascist papers.

There they are. Just the day before they had made that insinuation against the Senator from California, Secretary Hull, and the Senator from Missouri; and the very next day they come back to say:

Nazi papers headlined all the speeches of Representative HAM FISH; also of Senator REYNOLDS, of North Carolina, who visited Berlin last summer. These eminent statesmen were played up to the German people as representative of the great American masses; Roosevelt as the tyrant.

Later Senators CLARK, NYE, and HIRAM JOHNSON became the great heroes of the Nazi-Fascist papers. This press play was partly for the purpose of making the German and Italian people believe they had nothing to worry about from the United States; partly for the effect upon the American public through reprints in the American press.

That was February 8.

On March 21 the Washington Merry-Go-Round—I have in my hand a copy of the Times-Herald—started off with Hitler. They want to connect my name every chance they get with Hitler's name; and in every article it will be noticed that my name, regardless of rhyme or reason, is connected with that of Hitler.

Those who have talked with Adolph Hitler recently report that there are just two things which send him into paroxysms of rage.

One is any suggestion that the German people are not behind him. Even the merest thought that he does not have the 100-percent support of all Germans causes him almost to go berserk.

Second is the fact that the United States Congress passed the recent air armament bill with only 15 votes dissenting. This he considers a direct insult, if not an attack on Nazi Germany.

It is obvious that Hitler followed the reports of the air program debate in Congress very closely, and one very confidential report received in high places states that at first he was both pleased and deceived by the speeches of Senators REYNOLDS, CLARK, and NYE.

Now they have the Senator from North Dakota [Mr. NYE] in it. They first take me in, then they take in the Secretary of State, then the Senator from California, then the Senator from Missouri, and now they have taken in the Senator from North Dakota.

Thinking that they represented American opinion, Hitler was confident that air armament would be defeated.

Then the next thing is headed "Hand of GARNER." They say so much about our Vice President—God bless him—that there is no use reading any of that.

Now I come to the next one. This, dated Thursday, April 27, is a little screed in what they call "Under the Dome." In North Carolina we have a newspaper called "The News and Observer, Under the Dome." It is owned by the Honorable Josephus Daniels, our Ambassador to Mexico. I dare say they took the heading from his paper. It is said they are accustomed to taking things. At least there is a case in court, I understand, in which they are charged with taking some stuff some lady wrote, and that lady is suing them, claiming that it was her writing and not theirs.

This is what they say here:

Senator MINTON, of Indiana, does not conceal his dislike for Senator REYNOLDS.

That is just another knock at me, following up this Nazi business. I remember the morning that came out in the newspaper I laughed at it, because I do not believe I have any better friend in the United States Senate than SHERMAN MINTON. Frequently we do not agree about certain matters pending before the Senate, but at the same time I respect SHERMAN MINTON. I think he has a fine personality, and we have always been the very best of friends. The very morning that was published in the paper SHERMAN MINTON—I call him

"Shay"—called me on the telephone at my office. He was extremely indignant about that statement in the column, and said "Bob, you know that you have not a better friend in the Senate than I. There are times when we differ, but you know that you and I have been friends for the years that I have been here, and I do not believe I have a better friend in the Senate than you."

Because I point out to the American people that England has failed to grant Ireland its absolute independence, must I be labeled an agent of Germany? Because I point out to the American people England's violation of the Balfour treaty, must I be labeled as a Hitlerite? I am asking my colleagues in all fairness about these matters.

Now let me come to the knockout, let me come to that paragraph in the column of these men which attacked me underhandedly, left-handedly, and left the impression with the American people that I am an agent of Hitler, and that my organization, the Vindicators, is financed by Hitler's money, by the money of the "bund." Let me show how cleverly that is done. I want Senators particularly to note this.

This particular column to which I now refer comes from the Daily Press, Newport News, Va., Thursday morning, May 4, 1939. It was sent to me, as a matter of fact, by the president of the Hampton Roads (Va.) Unit of the American Vindictators, the organization which I head. I desire to read the whole thing to the Senate. I want all my colleagues to look at this. They will see that in the middle of what I am going to read I have it marked with a red pencil. The paragraph relating to me is sandwiched right in between all the other propaganda which is published there. Let us see what it is:

WASHINGTON.—Two members of the House Un-Americanism Committee have unearthed evidence that Nazi agents are under orders to conduct an aggressive "smear democracy" campaign throughout the country. The sensational documents show that:

Bund branches are required to compile card indexes of every person in their localities who publicly endorse the administration's foreign policy.

Bund members must write two letters to these individuals denouncing them and produce copies of the letters as proof that they were sent.

Bund members must write letters to Congressmen, Senators, and newspaper editors at regular intervals attacking the President and his anti-Nazi-Fascist views.

Bund members are urged to subscribe to and distribute copies of The Vindicator, Fascist weekly recently launched by Senator REYNOLDS of North Carolina with mysterious financial backing.

What else could they desire to infer and to leave in the minds of the American people than that I sold out to the Germans, sold out my Government to the Germans, when I was in Berlin, when they said I was wined and dined and flattered, and not a word of it is true, so help me God.

How can men be so vile as to attempt to ruin another man? They must be Communists; they must want to flood this country with all the riffraff from all the foreign soil in the world, because consistently on this floor I have fought against our country going into war, and I admit that from day to day I give Britain and France hell because I believe down in my heart of hearts that they are doing their best to take us into war and kill the sons of American mothers. So help me God, so long as I live I will never vote to send the son of an American mother to any foreign shore as a soldier and insofar as all the foreign countries are concerned, they can all go to hell, because none of them are our friends.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from North Carolina yield to the Senator from Minnesota?

Mr. REYNOLDS. I yield.

Mr. SHIPSTEAD. The propaganda the Senator produces here reminds us of the kind of propaganda distributed prior to and during the World War against the late distinguished Senator from Wisconsin, the elder Senator La Follette, Senator Norris, and Senator Gore, and others in the House of Representatives and the Senate who were opposed to our entering the war. Evidently the same thing is going on now.

Mr. REYNOLDS. I thank the Senator for his observation. I have been told the same thing a thousand times. There is propaganda sweeping this country today to take the United States into war. As the Senator from Washington [Mr. BONE] stated on the floor of the Senate a few days ago, any man who is not blind and can read the newspapers and magazines knows that this country is flooded with literature, "hate" literature, to make the American people hate until they get to the burning point, and will want to go further and sacrifice their sons.

My God, think of going into another war, when day after day veterans apply at my office for help in obtaining admission to hospitals, and I am told day after day by the officials of the hospitals that veterans who need hospitalization cannot get into the hospitals because they have not sufficient room for them. Do I not know it?

Someone told me in the cloakroom a day or so ago concerning the position taken by the junior Senator from Minnesota [Mr. LUNDEEN], at the time of the World War. I have not had an opportunity to ask him about it, but I was told that prior to the World War he was a Member of the Congress of the United States, and that he fought courageously and vigorously against our going into the war because he knew it would bring about the murder of many sons of American mothers and would cost the taxpayers billions upon billions of dollars. The Senator from Minnesota, then a Member of the House, fought against our entering the war, and when the fever heat was high, as a result of false propaganda in this country, and the Senator went back to the State of Minnesota, they told him that they wanted to hang him. They wanted to burn him alive. They threw the furniture out of his office into the street; they dragged him down to the railway station and locked him in an ice boxcar and sent him out of town, and said that if he came back they would kill him. But, thank God, the Senator from Minnesota, patriot that he is, is in the United States Senate today, because his constituents in Minnesota knew that he did the right thing, and knew that he felt he was doing the right thing when he voted as he did.

As the senior Senator from Minnesota [Mr. SHIPSTEAD] suggests, the same kind of propaganda is sweeping the country today that was sweeping the country then, and anyone who raises his voice against it is damned. The Communists can go out and speak their say, but the moment an American citizen rises to question their conduct he is called a traitor and a scoundrel. I will bring that to the attention of the Senate in a moment.

Those who are fighting me most bitterly today are the Communists in this country. Every issue of the Daily or Sunday Worker is vilifying and libeling me.

I wish to say in passing that I do not think the American people are awake to what is going on in this country, and I sometimes feel that I will give up the fight. I say to myself, "What is the use of my wasting my energy and all my time gallivanting over the country and making speeches, and speaking on the floor of the Senate, and talking to this club and that club? No one appreciates it." I sometimes feel that I should like to see us go to war; but then a million mothers would spend the rest of their lives in misery. I sometimes feel that we ought to open up the floodgates and let the immigrants from all the world come to this country and take charge of it. If they do not have charge of the country now, they soon will.

Let me continue with what I was reading. In the middle of this article I am sandwiched in, and I want the reporter to have it printed just as it is so the readers of the CONGRESSIONAL RECORD may see the clever writing done by these men.

Sandwiched in the middle of the article is the following:

Bund members are urged to subscribe to and distribute copies of The Vindicator, Fascist weekly recently launched by Senator REYNOLDS, of North Carolina, with mysterious financial backing.

I am coming back to that. They then say:

A special bund-supported organization has been set up to push propaganda among the Indian tribes.

Literature attacking democracy as a Communist device to build up dictatorship is being sent out in large quantities, particularly in the South and West.

One document consists of the stenographic record of a speech made by a Los Angeles Bund leader, in which he declared it was the duty of Hitler supporters to "smear Roosevelt and defame democracy."

"Nowhere in the Constitution is it stated," said he, "that the Union is a democracy, and therefore the 'protect democracy' cry is only a maneuver of the enemies of the United States, the anti-Nazis."

This bund leader also is quoted as saying that when he was in Germany he received special training in how to "expose the evils and crimes of democracy."

I read that to the Senate, and the whole of it, in order that Senators may see what clever propagandists these writers are in sandwiching in that small statement there against me.

Let me read it again:

Bund members are urged to subscribe to and distribute copies of the Vindicator, Fascist weekly recently launched by Senator REYNOLDS, of North Carolina, with mysterious financial backing.

First, by the employment of the words "mysterious financial backing" they would have their readers believe that I sold out to Berlin when I was there in December. No other interpretation could be placed upon it, and in proof of that I will read to the Senate editorials from newspapers of my own State. Before doing so, however, I hope I may be pardoned for making a personal reference.

I am a native of North Carolina. I have lived there all my life. I love my State. I am fighting for what I believe to be right; I am doing all that I can for the State and the country I love, and whether my State ever returns me to the United States Senate or not will be perfectly all right with me. The people of North Carolina have been good to me. If they should never send me back to the Senate I could not complain. I love them all. I love the people of America. I love my country. I have visited most of the countries of the world, and the more countries I visit the more I love America and the more I love the people of America. Pearson and Allen are trying to destroy me in the eyes of the American public, and I defy them; I demand that they prove their allegation; and I am throwing it right back in their lap.

It may be asked, "What harm did it do you?" I have already said to the Senate that the reputable correspondents here at the Capitol have a reputation for telling the truth, giving the facts, and educating the American people to believe what they read in the newspapers. That is why these men are believed.

In North Carolina there is a lovely little city by the name of Burlington, which is in the County of Alamance. The first blood shed in the Revolution was spilled there. I have many friends there. I have carried that county many times. All through my political life I have been opposed by machine politicians. When I campaigned for the United States Senate in 1932, virtually every one of the machines in every one of the 111 counties in North Carolina was against me. The Democratic cangressional set-ups in the 11 congressional districts of North Carolina were against me, and every newspaper in North Carolina was against me, I think, except one little weekly with a circulation of about 900. But I took the stump against the man who was then a Member of the United States Senate, and who had been Governor of my State, and my friends defeated him, and gave me the greatest majority any man ever received in the State of North Carolina during its political history.

In 1932 I was elected for two terms, the short term and the long term. Then came 1938. During the years from 1932 to 1938 the same newspapers were against me. My recollection is now that there were only two newspapers in North Carolina that were for me. One is published at Wilmington, N. C., the Wilmington Star News, a daily, owned by a friend of mine named Rye Page, and the other is just about the finest weekly newspaper in North Carolina, published in tabloid form at Roanoke Rapids, N. C. All the other newspapers in North Carolina fought me viciously, but my friends defeated them, and I am putting them on warning now that when I come up again 6 years from now I am going to crucify them. They had better get busy and write more editorials about me now, for I warn them I am going to beat them worse than I ever beat them in my life. They have been my enemies. I want them to remain my enemies, and all in God's world I want are the friends that I had, because they can do the trick, God bless them!

Senators may ask whether that article hurt me. Let us see. Here is an editorial from the Daily Times News, Burlington, N. C., Alamance County. This publication has been striking at me from time to time since the Merry-Go-Round articles first came out; but it has never been friendly. When a newspaper is against you, it is going to use everything in the world it can. Let us see what this newspaper says. I am going to read the entire editorial. I am not going to read just what the Merry-Go-Round says. It does not make me blush, not at all. I "can take it."

RAMBUNCTIOUS REYNOLDS

Our BOB REYNOLDS, securely ensconced in the Senate for another 6 years, seems to have broken out with a rash of pro-"isms" that is not conducive to building up one's popularity among one's constituents, particularly when one is a Senator from a State that boasts—yea, even as Senator REYNOLDS himself has boasted—that its native-born population is among the highest by ratio of any State in the Union.

And of that I am proud, Mr. President. I am proud that North Carolina has fewer aliens than are found in any other State in the entire Union—less than one-half of 1 percent—and I hope always to keep it as it is. There are many States of the Union whose people wish that their States were in the fortunate position of my State.

North Carolina does not want fascism or communism.

I do not either, and I will prove that to the Senate.

They despise Hitler, loathe Mussolini, and regard Stalin with suspicion and distrust.

I do, too, but I am not blaming them for doing anything in the world they can. I am not standing here and saying that I could wish Stalin and Hitler and Mussolini were lying dead. I do not wish anybody dead. I do not wish anybody any harm. I want to do what I can for my country; and I repeat, I am going to continue to talk about Great Britain and France and Soviet Russia, which is lining up with Great Britain and France, because, as I have stated—and I may be wrong—I believe that they are trying to drive us into war. Some Members of this body do not agree with me, but they do not hear me criticize them and talk behind their backs. I have just as much respect for them as I have for a Senator who is 100 percent with me. What is this but a forum?

Mr. HOLMAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Oregon?

Mr. REYNOLDS. I yield.

Mr. HOLMAN. I have just come into the Chamber, having been engaged in Senate committee work. I do not know what the distinguished Senator has said in his speech up to this moment, but my notion is that the Senator from North Carolina is not on trial. Those who criticize his position in the matter of curtailing immigration into the United States are on trial.

Mr. REYNOLDS. I thank the Senator very much for his contribution.

Continuing the editorial:

But North Carolinians are seeing their junior Senator becoming more and more tarred with unfavorable publicity in which the Tar Heel solon is pictured, time and again, as a pro-Nazi.

"Pictured, time and again, as a pro-Nazi" by the Merry-Go-Round column.

And this is most alarming to a State and a nation where sentiment is overwhelmingly against Hitler in any and all manifestations of his conduct, personality, and methods of "governing."

Who is not against him? Who would condone the persecution of poor, unprotected minorities? I have condemned it time and again.

Senator REYNOLDS probably does not regard himself as a pro-Nazi at all. He perhaps bitterly resents the accusation. Yet something is obviously wrong. A man does not get a sardonic and biting write-up in the magazine Ken—

Get it and read it. Find out the names of those who edit it.

as an American Fascist, nor is he assailed by fellow Senators as something approaching one, nor do responsible columnists castigate him as pro-Hitler—

I wonder to whom he is referring when he uses the words "responsible columnists."

nor do the dailies of his own State seriously question his ideological beliefs—all without cause. Someway, somehow, an incipient fascism has insinuated itself into the REYNOLDS reputation until it has reached really distressing proportions.

This editorial is from my State. How did the writer happen to pen that editorial? He reads the Washington Merry-Go-Round column. He has been reading it this year, since it charged left-handedly that I was wined and dined and flattered and that I sold out when I was in Berlin for 2 days.

The Washington Merry-Go-Round, which steps on many toes but never yet has had a suit for libel against it to stick—

Why? Because of its insinuating, left-handed style of writing—

comes out with an open hint—

That is what it is—

that the Vindicator—

That is my newspaper; I am coming to it shortly—

"Fascist weekly recently launched by Senator REYNOLDS, of North Carolina, with mysterious financial backing," is financed by Nazi money.

That is what the editorial says.

The charge is made that German-American Bund members of this country are urged by their higher-ups to subscribe to the publication and to distribute it in their campaign of propaganda to "smear democracy."

Now, this is bad, very bad, for a Democratic Senator from a Democratic State, who used his allegiance to the present Democratic administration as one of his talking points in his campaign for reelection. Maybe Senator REYNOLDS is the victim of a malicious plot. Maybe he doesn't mean it when he gets up in the Senate to fulminate against Britain and France and to speak in extraordinarily tender terms of Italy and Germany—although that's his right, of course. Maybe where there's a lot of smoke, no fire exists. Maybe. * * * Maybe Senator REYNOLDS had better begin trying to put his house in order. Right now it would seem that an active and vigorous counter-publicity agent is his most pressing need.

If putting my house in order means that I must desist in my efforts from day to day to keep my country out of foreign entanglements or embroilments which might lead to war; if putting my house in order means that I am to keep my mouth shut when I believe that Great Britain, France, and Soviet Russia are trying to get us into a war to save the democracies of imperialistic Britain, socialistic France, and communistic, anarchist Russia—I shall never put my house in order, because I shall never want to put my house in order.

If putting my house in order means that my mouth is to be closed on the floor of the Senate in trying to keep out of this country millions from foreign lands who would take the jobs of American men and women, I do not want to put my house in order.

If putting my house in order means that I must refrain from doing my best to bring about the enactment of laws for the deportation of alien criminals and undesirables who are trying to undermine our Government, I do not want to put my house in order.

If putting my house in order means that never again shall I say that we ought to banish nazi-ism, fascism, and communism because, as I have said a thousand times, there is room in this country only for Americanism, then I do not want to put my house in order.

I want to say to the people of North Carolina and to the American people that if I am to be deprived of the opportunity of talking about these matters in the interest of my country, and doing my bit to save America for Americans, so help me God, I never want to come back to the United States Senate!

If that is the way the Americain people feel about the subjects which I am sponsoring, the best thing to do is to take up arms and get into uniform tomorrow, and go over and tell Great Britain, "Yes; we are going to save you. We saved your democracy once before." Tell France, "Yes; we are going to save you," and say to the other member of the military alliance, Soviet Russia, with its 178,000,000 Communists, "We have come over here, at the sacrifice of the sons of American mothers, to save your democracy." Then, as time goes on, hundreds of thousands of little pine boxes draped with American flags will be greeted at the docks and at the railway stations by American mothers who will look down upon the faces of their sons in cold death.

If American mothers want to give their sons in death for the democracy of any country in the world, even including Soviet Russia, it is all right with me. If the American people now are damning me, as are the authors of the Washington Merry-Go-Round, because of my position in regard to immigration, then open up the floodgates.

We now have between 11,000,000 and 12,000,000 men and women out of employment. In addition, as statistics show, 26,000,000 people are working only part time. We have 3,000,000 men on the W. P. A. rolls, and 1,000,000 more who want to get on. We have 300,000 young men in the C. C. C. camps, and an equal number who want to get in. We have 4,000,000 men on the Government pay roll and on the pay rolls of the 48 States, 10,000 municipalities, 3,100 counties, and thousands upon thousands of political subdivisions. If the American people want to open up the floodgates, particularly in view of the fact that our great President says that one-third of the people today in the United States are undernourished and improperly clothed, that is all right with me. I am becoming sick and tired of the battle. Let the floodgates be opened. Let refugees and aliens from all over the world come to the United States. While we are opening the gates, let us open them to Ethiopia, China, and Japan. It will be all right with me. If I am to be damned for the things which I have advocated, I never want to come back to the United States Senate.

I am going to read something else. I am not going to keep anything from the Senate. I thank Mr. Bernarr Macfadden and the editor of Liberty Magazine for an editorial in that magazine, which, fortunately for me, has a circulation which I understand is about 2,000,000. Bernarr Macfadden stated that any man in this country who takes a stand and tries to help his country, tries to do what he can for America, is immediately branded as a Fascist. However, he said in that editorial, which I shall read, that I "can take it." I can. I wish to say again that I am not going to be run out of the fight. I took the oath for 6 years. I am going to stay here for 6 years. At the end of that time, if my people in North Carolina want to turn me down and damn me for trying to help the American people, then I do not want to be in the United States Senate.

Let me read what my home-town newspapers say about me. First, I want to tell the Senate something about my home-town newspapers. My home-town newspapers are owned by two gentlemen, Mr. Don Elias and Mr. Charles A. Webb, gentlemen of fine character. There are two newspapers in my home town, the Asheville Daily Citizen and the Asheville Daily Times, both owned by the same men. My home-town newspapers all my life have been viciously and violently opposed to me. Sunday will be Mother's Day, and when I go home to visit my mother, as I am going to do again tomorrow—and I thank God here and now that she is living; may God spare her life for many years to come; and I hope all Senators are as fortunate as I am in having their mothers still with them—when I go home they never even mention my name in the newspapers or say that I am there, and they have always "given me hell" in their editorials. I am glad of it, because they are two of the most unpopular sheets anywhere in the United States. Their representative is here today in the gallery, and I hope he wires that to them. [Laughter.] I do not want them ever to be for me. I want them to continue to be against me, as they have always been. Always I have beaten the socks off of them, and when I come up for reelection 5 years from now I will beat them again.

To show what my home-town newspapers say about me, I will read an editorial from the Asheville Citizen. They cannot do me any more harm than they have tried to do from day to day for the past 20 years. During my campaign for the United States Senate in 1932 they would hardly print a notice that I was going to speak. I want them to stay

against me. Let it be understood that we understand one another from now on. Here is what they wrote about me:

SENATOR REYNOLDS SPEAKS FOR HIMSELF

Senator ROBERT R. REYNOLDS made a speech in Boston Sunday night. This is hardly news. The foreign situation weighs heavily on his conscience nowadays, and he expresses his anxiety in frequent speeches.

The burden of his Boston fulmination was denunciation of "imperialistic Britain and communistic France" and a warning to the American people against being poisoned in their judgments of Hitler and Mussolini by propaganda. All this has become for Senator REYNOLDS an old refrain.

The Senator is entitled to have and to hold his own views about the foreign policies of this country. The Citizen would be the last to deny him this elemental right, even though its exercise now brings him into conflict with the administration whose blessing he sought so industriously when he was a candidate for reelection.

That is a reference to the fact that the President and I somewhat differ as to the foreign policy of the country. During the years that have gone by they "cussed" me because I voted for everything the President wanted. Now that I have to differ with the President on this one issue they are "cussing" me again.

What does concern us is the fear that the rest of the country may conclude that Senator REYNOLDS speaks for a large majority of the people of North Carolina when he airs his own views on Britain, France, Italy, and Germany.

Such is not the case. Senator REYNOLDS is not speaking the convictions of his own constituents when he berates France and Britain and defends Hitler and Mussolini left-handedly. The truth of the matter is that if Senator REYNOLDS had spoken in the spring of 1938 as he is speaking today, he would have been overwhelmingly defeated.

During the campaign perhaps I did make one or two speeches in North Carolina. I do not think I made any more than that—and in those speeches I played particularly upon the fact that we ought to stay out of war; that we ought to keep clear of any foreign entanglements and embroilments; and that I wished that George Washington were here in order that his words of wisdom might ring in the ears of every single American.

Taken by and large, the people of North Carolina support the foreign policy of the Roosevelt administration. They agree with President Roosevelt that the best way to keep the United States out of a world war is to prevent a world war, and that the best way to prevent a world war is to apply diplomatic and economic pressure on Hitler and Mussolini.

In other words, sanctions.

North Carolinians realize that France and Britain—

Listen to this. I will show the Senate how much sense is possessed by the fellow who wrote this editorial—

North Carolinians realize—

Do not believe this, because this is not so. The fellow who wrote this editorial is reflecting upon the intelligence of the people of my State when he makes this statement, and I resent it—

North Carolinians realize that France and Britain are about the only friends that the United States has among the larger powers of Europe.

Then why in hell do they not pay us that $20,000,000,000 they owe us? [Laughter.] Why do they not show some appreciation for the 38,000 sons of American mothers who were killed and now lie cold in death in foreign soil? What this fellow is writing is a lot of crap. [Laughter in the galleries.]

The PRESIDING OFFICER. Under the rules of the Senate, no expression of approval or disapproval is permitted and laughter is not permitted in the galleries. The occupants of the galleries will please observe the rules of the Senate.

Mr. REYNOLDS. I continue reading from the editorial:

Senator REYNOLDS may find much to praise in the regimes of Hitler and Mussolini. The people of North Carolina do not. Senator REYNOLDS may distrust and even hate France and Britain. The people of North Carolina do not. It is to be hoped that the rest of the country will thoroughly understand that in the present instance Senator REYNOLDS is not speaking for North Carolina.

Senator REYNOLDS is speaking for North Carolina when he says that North Carolinians have sense enough to know that the American people have not a friend upon the face of the earth. Britain, France, Russia, Germany, Italy—all of them—would double-cross us at the drop of the hat. If we have not sense enough to know that, the mothers of America ought to send their sons over there and let them be slaughtered and brought back to them in death.

No, my home-town newspapers do not like me; they never have; but they hate me now, because I do not vote as they think I ought to vote. I will say to the correspondents for the Asheville Daily Citizen and the Times that, insofar as I am concerned, they can step to hell.

Here is another editorial entitled "Let Them Come In." The editorial reads:

It is difficult to see why such vigorous opposition has been expressed to the Wagner-Rogers bill which would permit the entry to the United States of 20,000 young Germans. The immigration would be spread out over easy periods of 2 years. Responsible committees, working for months, have assured that none of the young newcomers would become public charges, for each would have a home arranged for him in advance.

Men and women of intelligence, both from the liberal and conservative ranks, have given this legislation their endorsement. Mr. Herbert Hoover is one of them. Miss Dorothy Thompson is another. And surely no eyes were entirely dry after reading the moving testimony offered in behalf of the bill by Miss Helen Hayes, our first lady of the stage and a mother.

It is tiresome to iterate the stock but true argument that America traditionally offers a haven to oppressed peoples. Of course, we do that. It is one reason for our greatness. We need not be reluctant, then, in offering security in America for these 20,000 children—a handful, indeed, in comparison with the number that have entered other lands. For, is it not pessimistic to insist that we are no longer a land of opportunity, or to depreciate our acknowledged compassion for humanity, especially the child?

When I read that editorial in the Asheville Times, which is owned by the same bunch, I sat down and wrote the editor and told him that I was against him on that issue; that I was going to fight the Wagner bill which would admit 20,000 refugee children from Germany into this country; that I was going to fight it on the floor of the Senate until the "cows come home." I stated in that letter that I thought our first duty was to take care of the millions of orphans and refugee children in this country before we undertook to care for the refugees and orphan children from other lands in the world; and I mean it. If the American people want the orphans of the world to come here, then, let us be fair; let us bring in the millions from China, the 500,000 from Ethiopia, the 1,500,000 from Spain, the 5,000,000 from the Ukraine in Russia, and several hundred thousand or a million from Germany. Let us bring them all in. I am getting tired of preaching the doctrine of trying to save America for Americans. If Americans do not care, I do not care.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. HOLMAN. Does the Senator's correspondent explain how it is to be guaranteed that the 20,000 refugee children from Germany never at any time will become public charges?

Mr. REYNOLDS. The proponents of the bill say that every child that comes here from Germany must be under 14 years of age. That is correct. But let us remember that 5 years from now they will be 19 years of age, and then we will find the 20,000 boys and girls from Germany competing for jobs with 20,000 sons and daughters of America who cannot now get jobs.

The Senator from Oregon inquires what guaranty will be given that the refugee children will not become public charges.

Mr. HOLMAN. Yes.

Mr. REYNOLDS. The proponents of the bill say they are going to provide bond to guarantee that they will not become public charges. Let me say, remembering the number of unemployed in this country today, that if times do not get better the fellows who give the bond will be on relief themselves.

I am going to take my time today and tell about it all. I am defending myself; my political life is at stake; I have been viciously and violently attacked; but I will again say that "I can take it."

Who are the Vindicators? Ever since I have been in the United States Senate I have been working with the Senator from Pennsylvania [Mr. DAVIS] and a number of others to

try to pass immigration laws which would deport alien criminals and protect the American people. I have never yet been able to get a bill for that purpose out of the committee. I have never yet been able to secure the passage of a bill of that kind, but I have tried. Now I have about five bills before a subcommittee, and I shall come to them in a minute. As a result of speeches that I made throughout the length and breadth of the land in regard to the matters I have been talking about, as a result of innumerable radio speeches upon the subject of foreign relations and immigration—and, by the way, next week, as soon as I come back from North Carolina, I am going to make two more of those speeches over the National and Columbia Broadcasting Systems—I have received thousands upon thousands of letters from persons of all stations in life in the United States, all of them pleading and begging that I and others do something to keep the country out of war, and to stop aliens from coming in and taking the jobs of Americans. When the showdown comes in this country—and it is coming; do not fool yourselves; the enemy is boring from within—when the showdown comes, and it is coming within the next 7 to 10 years, we shall find that people who will save our country will be the workingmen, the poor people, many of whom have not had work for years, and who, during that time, have used up their little savings. That is what I find from my correspondence. I only wish some of the Members of the Senate could see the hundreds of letters I receive from day to day, pleading with me to do something.

Then I decided that I would band together the American people who may be truly interested in their country. I virtually reached into the air, and I pulled out a word called "vindicators." That means, according to the dictionary, to defend from without, and to defend from within. It is one word. It is easily remembered. I knew I could not find a more appropriate word, because I know, as you do, Mr. President, that there is more danger to our country from within than there ever has been from without.

So I decided to organize this movement. I was afraid somebody might think I had an ulterior motive. I have no political ambition except to return to the United States Senate again 6 years from now; but, as I stated a moment ago, if my people of North Carolina want to condemn and damn me for preaching Americanism and trying to help the people of America, I do not want to come back. As for any other political ambition, I have none whatever. Why in the name of heaven should I work as I do, from early morning until late at night, and keep all my office force working, when hundreds of letters come in daily? It means nothing to me, except that I want to help the American people; because I know now that the American form of Government is on trial, as was said by Mark Sullivan in his column this morning in the Washington Post.

So, fearing that it might be thought that there was something selfish about the movement, I incorporated it. I called it "The Vindicators' Association of America." I incorporated it in the District of Columbia; and among other things I provided in the articles of incorporation that I, the president, as long as I am president, could never receive one penny of compensation in the form of a salary or anything else. Before I started this organization, people came to me and said, "Bob, if you 'can take it,' go ahead; but if you 'cannot take it,' keep your mouth shut, and sit in your seat in the Senate every day and say nothing. So long as you keep your mouth shut and never do anything, nobody will ever attack you. If you 'can take it,' go ahead; but, mark my word, you will be attacked by the Communists. You will be attacked by everybody who is in opposition to the things you stand for; and watch! Watch what you drink, and watch what you eat, and look out. They will frame you." I know it. I know the Communists are going to do their best to get me; but the only way they can stop me is to shoot me, because if they put me in jail I shall have an audience of a thousand persons every time I want to talk from between the bars. There are at least a thousand people in the country who believe as I do.

I read the charter of the Vindicators:

We, the undersigned, all citizens of the United States, and a majority citizens of the District of Columbia, desiring to associate ourselves as a corporation pursuant to the provisions of title 5 of chapter 5 of the Code of Law for the District of Columbia, do hereby certify as follows:

First. The name or title by which this corporation shall be known in law shall be The Vindicators, Inc.

Second. The term for which it is organized shall be perpetual.

Third. The particular purpose and objects of said corporation shall be to bring about the association of all American citizens regardless of party affiliation—

Listen—

or religious creed into a Nation-wide association to be known as The Vindicators, as heretofore mentioned, which organization or association of American Vindicators shall be for the sole and exclusive purpose of promoting Americanism, which embodies patriotism and good citizenship. And for the further purpose and particular object of—

If I am a traitor, if I am to be hanged, if I am to be damned, if I am to be destroyed for trying to do something I believe to be for the interest of my country, then I am willing to be condemned as a traitor; I am willing to be destroyed.

Here are the objectives of the Vindicators. Listen well to them, Senators, and if there is anything un-American about them, I should like to know it. But I warn Members of the Senate, be careful how loud from the housetops you preach Americanism. Be careful how loud from the housetops you try to defend your country, regardless of what it is about. Do not become too much interested. There are five objectives of the Vindicators:

(a) To keep America out of war.

If there are American mothers here today who want to sacrifice their sons to save the democracy of Russia, it is all right with me.

This to be accomplished by the enactment and the administration of neutrality laws, by staying clear of any foreign entanglements or becoming involved in foreign embroilments, and by insisting that America look after it own internal affairs without meddling into the internal affairs of other nations.

I am only saying that which was said by George Washington, the Father of his Country. If there is anything un-American about that, I should like to know it.

(b) To provide employment for the millions of American citizens who are today without employment by prohibiting any further immigration to the United States for a period in duration of the next 10 years, or such time as every single employable of our 12,000,000 unemployed has been provided with work. And by deporting aliens who have usurped the jobs of American citizens and who are now enjoying employment which should firstly be provided to American citizens. And by encouraging private industry and increasing the purchasing power of the masses in order that the present overproduction may be enjoyed by those who are underconsuming.

The Senator from Idaho [Mr. BORAH] says that the trouble with this country is underconsumption and not overproduction. Remembering those words of wisdom from that man whom I so greatly respect, I put that expression into the charter when one morning I sat down and dictated the whole thing in 30 minutes.

Should I be condemned, should I be destroyed for trying to save for American citizens the few jobs available in America today?

Objective No. 3:

(c) Deport all undesirable aliens, many of whom—

As we all know—

are now attempting to undermine the Government of the United States by advocating the overthrow of the American Government, and by the preaching of false doctrines in the form of many "isms," including nazi-ism—

That is, Hitler in Germany—

fascism, and communism, and thereby attempting to banish every and all "isms", with the exception of Americanism, with a view to paramounting Americanism in the minds of every man, woman, and child within the confines of the United States of America.

Is there anything objectionable in that, Senators, when our penitentiaries and jails are crowded with criminals who are

not citizens of our country, and their keep, their clothing, and their food are being paid for by the taxpayers of America?

(d) Bring about the mandatory registration and fingerprinting of every alien in the United States in order that there may be actually ascertained the number of aliens residing within the borders thereof at the present time, and for the further purpose of ascertaining the location of these aliens so that their activities may be observed in case of war, since every alien within our midst—

I am not talking about naturalized citizens, Senators. They are just as good as native-born citizens. I am talking about persons who have come here illegally, or who have come here legally and remained illegally, and are not American citizens.

since every alien within our midst would be a potential enemy or spy in case of an invasion. To deport those who came here illegally or who entered legally and have remained here illegally.

If there is any objection to that, I should like to know it.

No. 5 objective:

To encourage and sponsor an adequate national defense by providing such armaments and implements of defense in numbers and quantity sufficient to provide the United States with an army and navy and an air force sufficiently large to protect its borders and its shores from a foreign invasion, and to command the respect of the nations of the world which are bent upon aggression and conquest—

And our destruction. Those are the five objectives.

Fourth, the corporation—

That is, the Vindicators Association of America—

the corporation shall be a nonprofit organization designed purely and simply for the purposes heretofore mentioned in paragraphs first, second, third, and fourth; and it is distinctly understood that any and all surplus funds that might be attained by the corporation shall be used for the purpose of publicizing the corporation itself and for the purpose of making distribution of literature, and carrying out the objects and principles of the corporation by any other modern methods or means, such as the radio, magazines, newspapers, etc.

That the corporation shall be privileged to conduct its affairs as a fraternal organization or association by organizing chapters, camps, lodges, nests, or similar designations, in each and every county of the United States, with the privilege of issuing booklets and pamphlets as to rules and regulations designating the hour and date of meetings, etc.

Seventh. That none of the officers of this association shall be permitted to receive any regular salaries or designated daily, weekly, or monthly compensation.

Mr. President, that is the charter. If there is anyone who can say I am a traitor, that I am untrue to my oath, let him say so now.

Mr. HOLMAN. Mr. President——

The PRESIDING OFFICER (Mr. MILLER in the chair). Does the Senator from North Carolina yield to the Senator from Oregon?

Mr. REYNOLDS. I yield.

Mr. HOLMAN. I am interested particularly in that part of the Senator's discussion which has to do with immigration. As a member of the Committee on Immigration and of the subcommittee which has the Senator's bill in charge, I have endeavored to ascertain the approximate number of aliens now in this country. As nearly as I can ascertain, 4,000,000 is about the correct number.

I remind the Senator that most of us do not know how many 4,000,000 people are. That is more people than the entire population of Oregon, Washington, Idaho, Montana, Wyoming, and Nevada. I agree with the Senator that it is time to prevent more aliens coming into this country.

Mr. REYNOLDS. I thank the Senator. In reference to that matter, I am, unfortunately, unable to tell the Senator how many aliens there are in the country, because we are the only country in the world which does not have a registration act. I have claimed repeatedly that there are from 4,000,000 to 7,000,000. Those who are opposed to my idea about these things claim that there are 3,000,000. I cannot prove they are wrong and they cannot prove that I am wrong, because, unfortunately, we have no law requiring the registration of aliens, and we are the only nation in the world which does not keep track of them.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. REYNOLDS. I gladly yield.

Mr. TYDINGS. The Senator will recall that the recent relief bill did not provide sufficient money to employ all the people who are out of work; so, in order to make the money go as far as we could make it go, an amendment was inserted providing that only American citizens should be eligible to relief. As a result of that amendment I think about 30,000 to 40,000 were taken off the relief rolls because they were not citizens of the United States. In other words, those 40,000 aliens had been getting relief when there was not sufficient relief money to pay to all American citizens who had applied for it.

Mr. REYNOLDS. I desire to say in that connection, and before I forget it, that I have been attacked for not standing by President Roosevelt on this issue. Every Member of the Senate knows that since I have been in the United States Senate I have been classified as a new dealer, have been classified as a liberal. I believed in the things our great President was trying to do. I knew he was doing everything in the world that he could do for the suffering and the unfortunate in this country.

During my first 6 years in the United States Senate the President and I differed several times. I differed with the President in the case of the St. Lawrence treaty; I differed with the President on the question of the United States entering the World Court, and at that time I spoke for hours in this Chamber from this side, while on the other side was that eminent statesman and patriot who sits there now and listens to my words, the distinguished and able Senior Senator from California [Mr. JOHNSON]. I thank God we did not enter the World Court, because, as I stated then, it was the back door to the League of Nations, and if we had been in the League of Nations in 1935, when Great Britain wanted us to join them in oil sanctions against Italy, we would have been in war, and thousands upon thousands of American mothers would have been in mourning today. So much for that.

After Pearson and Allen began their underhanded attacks upon me, their left-handed attacks, in January, by stating that I sold out, virtually, when I was wined and dined and flattered in Berlin, I began to get the reaction from it. Things became so bad after their first statement, and after I had decided upon the organization of the Vindicators to help Americans, I had to issue the letter I hold in my hand to the newspapers of America. In order that my position may be plain, I shall read the letter I sent to the newspapers of America, asking them to print my letter in full in order that the people might know for once and all my position. Some of them printed it, some of them did not; but from the bottom of my heart I thank those newspapers which did print it. The letter, which was dated February 22, 1939, reads:

UNITED STATES SENATE,
February 22, 1939.

DEAR MR. EDITOR: In view of the fact that I have been grossly misrepresented in some quarters in connection with the Vindicators movement, which I started, I respectfully request that, in all fairness to me, you publish the contents of this letter.

I wish to briefly state the aims of this program:

1. Keep America out of war by enacting strict neutrality laws, staying clear of foreign political entanglements and embroilments, and stop meddling in the internal affairs of other nations.

2. Banish all foreign "isms" (nazi-ism, fascism, and communism).

3. Stop all immigration for the next 10 years, or until such time as all of our idle are reemployed.

4. Register and fingerprint all aliens in order that we may ascertain the number of aliens in the United States and where located.

5. Deport all criminals and undesirable aliens and expel those here illegally or those who arrived legally and have remained illegally.

The word "vindicators" merely designates those who are participating in this Nation-wide patriotic movement to bring about the enactment of legislation to carry out the objectives stated above. Any American citizen, regardless of race, political affiliations, or religious creed may become a member of the Vindicators. There is no initiation fee, nor are there any dues.

I am of the opinion that those who have bitterly condemned this movement have done so without having learned the facts. If there are any opponents to the above program, I would appreciate their advising me of their objections, and I would likewise appreciate those in sympathy with the program writing me so that I may have the benefit of their cooperation and encouragement.

Those endorsing this movement are striving to glorify Americanism and patriotism. We are endeavoring to arouse the American people to the realization of the dangers of these foreign "isms"—communism, nazi-ism, and fascism—that now infest our country and threaten to undermine the foundation of our Republic. The time has arrived when we must rekindle the flame of true American democracy, when we must rally and unite to preserve and strengthen the ideals, the doctrines, and the institutions that have made our Nation the world's greatest citadel of freedom and liberty. I do not conceive how any real American would object to these principles and objectives.

With the interest of all Americans in mind we have adopted the slogan "Our citizens, our country, first."

Respectfully yours,

ROBERT R. REYNOLDS,
United States Senator.

Mr. President, it is said that the Vindicator is a Fascist weekly. I will let my colleagues say whether or not the truth has been told in that respect. I desire to tell the Senate a little something about the organization.

Very few people interested in America have any money. I have not. All I have is my salary. I depend entirely upon that every month. Incidentally, in regard to that salary I may add that Mr. Pace, the financial clerk of the Senate, takes out of my salary of $833 per month $500 a month in payment of a home. I never owned a piece of property in my life, and I want to own a home sometime. I never owned a home in my life. I love America. I love our Capital City. So I found a place just a stone's throw from the dome of the Capitol, right down East Capitol Street, on the corner sandwiched in between the United States Supreme Court Building and the Folger Shakespearean Library. I wanted that place. I made up my mind I was going to buy it, because every day when I looked out of my bedroom window I could espy the dome of the Capitol of the greatest country in all the world. So I was successful in buying that place by means of making a down payment of $1,000, which I had saved, and then I made an arrangement to pay off the balance at the rate of $500 a month, and Mr. Pace has an order on my salary for $500 a month.

Perhaps I am too enthusiastic about Americanism, perhaps I am too much interested in trying to do my part to save America for Americans, but I did it. I have never been sorry that I did.

I have here the first copy of the American Vindicator. This week I am going to send to every Member of the Senate a copy of the American Vindicator. This is a copy of the first issue—April 1929. I wish to ask every Member of this body, when they find the time to do so, to read every line in this issue of the American Vindicator. If then they find one single word in it that is un-American, if they find one single word that is friendly to Germany, or Italy, or Rumania, or any totalitarian state, I declare to the Senate that I will submit myself to any punishment which may be prescribed.

I know what is in the Vindicator, because I do not have anyone to edit it. I pick out the material. I edit it myself, and with the exception of a few paragraphs it is all gleaned from other newspapers.

It is said it is a Fascist weekly. On the very front page of the American Vindicator, given a most prominent position, is the following paragraph:

NAZI UNIFORM BAN SOUGHT

Des'gned to drive all Nazi organizations in the United States out of existence, a bill prohibiting wearing of uniforms by persons engaging in foreign propaganda has been introduced in the House by Representative GAVAGAN, Democrat, of New York.

GAVAGAN assailed the appearance of "uniformed Nazis" at the recent rally of the German-American Bund at Madison Square Garden in New York City.

The bill imposes penalties up to 1 year imprisonment for violations.

Following is the editorial at the end of the paragraph I just read:

This bill will apply to all foreign "ism" organizations wearing uniforms and should go further—

This is what I wrote—

should go further in use of flags other than those of the nations themselves.

Here is another article on the front page:

Bring Them All Before Us.

That is the heading.

In a House speech Representative DICKSTEIN, Democrat, of New York, demanded that the Dies committee subpena Fritz Kuhn and other leaders of the German-American Bund.

Representative DICKSTEIN is the chairman of the Immigration Committee in the House. He is violently opposed to every one of my immigration bills. But regardless of that, I give him front-page space.

"If the committee would call them in and expose their activities, people would not have attended such meetings as that in New York the other night," DICKSTEIN said.

Declaring the committee "was organized for a year and didn't subpena a real Nazi leader," DICKSTEIN denounced Nazi and Fascist propaganda in demanding the committee subpena heads of hundreds of organizations alleged to be spreading subversive propaganda.

The very thing my organization seeks to do is to banish nazi-ism and fascism—and let us not forget communism. There is much talk against nazi-ism and fascism, but our people seem to have forgotten the evils of communism.

Let us see what else there is in the American Vindicator. Let us see whether the publication is un-American. On the editorial page appears the following:

The official organ of The Vindicators Association, Inc.
A national patriotic organization, the objectives of which are to—

That is carried in every issue—

1. Keep America out of war.
2. Register and fingerprint all aliens.
3. Stop all immigration for the next 10 years.
4. Deport all alien criminals and undesirables.
5. Banish all foreign "isms."

That means nazi-ism, fascism, and communism.

On the second page I publish an article from a minister of the gospel, who says:

Communism, fascism, and nazi-ism have no place here.

The article takes up nearly the whole page. In that article that minister of the gospel says, and that is included in the columns of the Vindicator:

To all united fronts of nazi-ism, fascism, and communism, let ring in patriotic hearts the language of the President of the United States: "If another form of government can present a united front in its attacks on democracy, the attack must be met by democracy. Such a democracy can and must exist in the United States."

To all these propagandists we say: If you believe that communism, nazi-ism, and fascism are better than Americanism, then go back to Stalin, Hitler, and Mussolini; if you do not, then for the love of God's truth stop propagandizing about them and let us live in peace.

In the first issue I wrote a lead story of about seven columns which I dictated one afternoon. One of the paragraphs is entitled:

DISGRACEFUL DEMONSTRATIONS

The United States today is infested with "isms" of every description and from every corner of the globe.

No other country in the world would permit the disgraceful demonstrations by alien-minded groups that are taking place in the country today. Recently in the city of New York, in Madison Square Garden, 28,000 of the bund assembled, while without the walls of Madison Square Garden more thousands, opposed to nazi-ism, assembled. This is the political battleground of the "isms" of the world. Recently, in Chicago, San Francisco, Los Angeles, and other great metropolitan centers of the country huge demonstrations of foreign groups have been held.

Americanism has been shifted to the background. Foreign "isms" have gone to the front.

Every sort of "ism" on the face of the earth is being preached upon the virgin soil of America with the exception of Americanism.

And that is God's truth.

Senators, let me say something more about the Vindicator. I have read the charter. Pearson and Allen say it has been financed by "mysterious money." To begin with, I issued 17,000 copies of the American Vindicator. I paid for those 17,000 copies with my own savings. They were printed here in the city of Washington, and the masthead evidences the fact that it was printed by union labor. I mailed those 17,000 copies to 17,000 people who had written me only a few

weeks prior thereto in regard to the program I had suggested. As a result of the distribution of the 17,000 copies there was a popular demand for an additional 20,000 copies. I had printed the additional 20,000 copies. As the result of the printing of the 20,000 and 17,000 issues there was a popular demand in the United States for 167,000 copies, every penny of the cost being paid for by the $1 per year subscription for the American Vindicator itself. If any Senator wishes to see that in the books in black and white, I shall be delighted to show him exactly where we stand. But nobody else can see them. The writers of the Merry-Go-Round column cannot see them. This is our business, for the American people. It is our business and not the business of those who would destroy men who are endeavoring to do something for the American people, as I am, by making sacrifices of every conceivable description.

I wish to say that, despite what Messrs. Pearson and Allen say, the American Vindicator within the next 12 months will be a powerful patriotic organization in the United States, because the American people have arrived at a realization of the fact that the time has come to perfect a united front against all the "isms"—nazi-ism, fascism, and communism. The time has come to save their country for their sons and daughters, who today cannot find employment, regardless of how hard they try.

Mr. President, I now wish to bring to the attention of the Senate a few letters and other documents.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. VANDENBERG. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MILLER in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	Lee	Russell
Andrews	Frazier	Lodge	Schwartz
Ashurst	George	Logan	Schwellenbach
Barbour	Gerry	Lucas	Sheppard
Barkley	Gibson	Lundeen	Shipstead
Bilbo	Gillette	McKellar	Slattery
Bone	Glass	McNary	Stewart
Borah	Green	Maloney	Taft
Brown	Guffey	Mead	Thomas, Okla.
Bulow	Gurney	Miller	Thomas, Utah
Burke	Hale	Minton	Tobey
Byrd	Harrison	Murray	Townsend
Byrnes	Hatch	Neely	Truman
Capper	Hayden	Norris	Tydings
Caraway	Hill	Nye	Vandenberg
Chavez	Holman	O'Mahoney	Wagner
Clark, Idaho	Holt	Overton	Walsh
Connally	Hughes	Pepper	Wheeler
Danaher	Johnson, Calif.	Pittman	White
Davis	Johnson, Colo.	Radcliffe	Wiley
Donahey	King	Reed	
Downey	La Follette	Reynolds	

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

Mr. REYNOLDS. Mr. President, I had just stated that in my opinion those boring from within are destroying the Government. I believe I know what I am talking about as well as any man in the United States, because I know that no one receives more letters than I do from every State in the United States on the subject of foreign affairs and on the subject of immigration. I know that no Member of the Senate has been over the country to a greater extent than I have been since the 1st of January, making speeches about our foreign policy and the question of immigration.

A moment ago I stated that right now America needs unity. Right now America needs a united front. Right now America is being called upon to prove that our kind of democracy is the best form of government in the world. In substantiation of that fact I wish to read an article which I mentioned earlier in my remarks, written by Mr. Mark Sullivan.

Mr. Mark Sullivan is right. I do not think Mr. Sullivan is a Nazi. I never heard anybody call him a Nazi. This is what he says. It is not Senator REYNOLDS speaking. It is Mr. Mark Sullivan speaking. This article was published in the Washington Post of today. It is headed, "Our Tepid Workers":

The most pregnant thought I have read in many weeks, the most full of meaning for America, if America can be made to understand, is contained in three short sentences by Columnist John T. Flynn. I quote:

"In the world today there is a great competition going on."

He is right.

"It is a contest between three economic systems"—

He is right—

"the Communist, the Fascist, and the democratic-capitalist systems."

He is right.

"The victory will go to the system which succeeds within its own borders."

Mark that, Mr. President, because that is the thing I have been eternally preaching.

By a system succeeding is meant succeeding in an economic sense.

That is why I want the United States to succeed in an economic sense. That is why I want the people in the United States to forget about the troubles, economic and otherwise, of the people abroad, and concentrate their attention upon the troubles at home, where we have plenty of them.

Mr. Sullivan continues:

As Mr. Flynn explains, that system will win which brings to its people the highest degree of economic contentment.

He is right.

This test of winning can be expressed briefly and roughly as the largest quantity of employment, the minimum of unemployment.

He is right. Let us make our form of government succeed in the face of all the problems with which we are confronted.

He continues:

Whichever of the three systems succeeds in doing this the best and the quickest within its own borders will probably overcome the other systems, will probably dominate the world.

He is right.

In this competition of economic systems, what do we see today?

Let us see what Mr. Mark Sullivan says:

In the Communist country, Russia, we see every government official striving desperately to make his country's system succeed. With passionate devotion he strives to make communism work. If he fails in energy or in faith, he is a traitor, and is shot. Men are executed, groups of them, for mere lack of diligence or zeal, which is regarded as sabotage.

In Russia, with everyone striving for the success of the Government, those who do not succeed are shot.

Mr. Sullivan continues:

In the Fascist countries—more comprehensively the Nazi-Fascist countries, Germany and Italy—we see the same. Every government official believes passionately in his country's system, drives himself with high dedication to make it work, to make it a success. If he fails in diligence he is sent to a concentration camp. If his failure goes to the extent of willful sabotage he would be shot as a traitor.

But turn to the leading democratic-capitalist country. In the United States what do we see? In the body of our Government officials, those in the level well toward the top, the level from which comes much of the spirit of the whole, what do we find?

We find many, a majority, who believe in our American system, believe in it in a tepid, taken-for-granted way.

That is all.

We find some who believe in our system with emotional fervor, a spirit born of realization that our system is in peril. These strive with real zeal to make our system work.

I am one of those, Mr. President, who believe that our system is dangerously imperiled.

Mr. Sullivan continues:

It is these officials who recognize the frictions and obstacles, governmental and otherwise, which tend to make the functioning of our system difficult or impossible. They try earnestly to get these obstacles removed.

MANY HALF-HEARTED WORKERS IN UNITED STATES

We see such men among our Government officials, and we see the larger group of men who, taking the American system for granted, assuming calmly that it will always be, do their work faithfully but calmly.

Millions of Americans are at this hour proceeding, as Mr. Sullivan says, calmly, undisturbed, believing that it will

always be as it was when our Government was founded by our forefathers, but one of these days they will wake up to find that they are under the rule of Communists.

We see those. But we see something else.

If the whole body of American Government officials, below the highest but above the mass, the level from which initiative is supposed to be supplied and which should give color and spirit to the whole—if that level of Government service were carefully surveyed, we would find many officials who fall into one or another of the following categories:

1. Persons who are Communists—

He is referring to persons now employed by our Government. By the way, I may remark that if some of the things that take place in this country were to take place in Germany or Italy or Russia or even England, for that matter, or France, they would not be tolerated for a moment.

The No. 1 classification is:

1. Persons who are Communists or sympathize with Communist philosophy or look with tolerance on Communist activity, some of whom hold important positions in Federal agencies and projects.

2. A class who, sincerely disavowing communism, or even socialism, nevertheless wish to bring about in America something which one of this group describes as "twentieth century collectivism." Any form of collectivism would be, necessarily, such a handicapping of individualism that the latter would die.

3. A class whose attitude toward the American system is one of cynicism, or lackadaisical indifference. With intellectual detachment, they speculate on whether the American system will survive.

TEST OF SUCCESS IS ECONOMIC

As he said in the opening paragraph:

The aggregate of the groups enumerated here, it is tenable to say, prevails in influence over those who work with affirmative zeal to preserve the American system.

Let the reader ask himself: In a world competition in which the American system is supported by some only half-heartedly and in which the Communist and Nazi-Fascist systems are manned and supported by persons having fanatic zeal—in such a competition, can we have complete confidence that our system will win the competition?

That is the question. He concludes by saying:

The test of success is economic. Specifically, the test at this moment is whether America gets business recovery. But if America loses the competition, it loses much more than its economic system. We would lose our democratic institutions of government, with the individual rights and liberties they provide. And we would lose our whole spiritual life. We would lose not merely freedom of religion but religion itself. For if either of the other philosophies dominates the world, it will insist that religion be supplanted by worship of state or of race.

Mr. President, I desire now to bring to the attention of the Senate an editorial from the Evening Journal and New York American of Tuesday, May 9, 1939. The editorial is headed "Real Neutrality Is Only Path of Peace for America," and it reads:

The address of former Secretary of State Bainbridge Colby on neutrality before the United States Senate Committee on Foreign Relations is a veritable textbook for all Americans of today.

I quite agree with that statement. As a member of the Foreign Relations Committee, I had the pleasure and the honor of listening to Mr. Colby when he testified before the committee on May 4, according to my recollection. So thoroughly impressed was I by his statements of fact that yesterday I sought permission of the Senate to have published in the Appendix of the RECORD his statement before the committee. It has been published and may be found in yesterday's RECORD, which is on the desks of Senators. It will be recalled that Mr. Bainbridge Colby was Secretary of State under the administration of Woodrow Wilson.

The editorial continues:

It is the product of the matured judgment of a statesman, a diplomatist and a man who knows at first hand the damage the last war wrought to our well-being.

Mr. Colby did the country an added service when he drew from the files of our state papers the following masterly definition of what constitutes our proper position in a war, of Secretary of State John Hay, March 10, 1904, on the occasion of the breaking out of war between Japan and Russia:

"All officials, civil, military, and naval, are hereby directed not only to observe the President's proclamation of neutrality in the pending war between Russia and Japan, but also to abstain from either action or speech which can legitimately cause irritation to either of the combatants.

"A war inevitably increases and inflames the susceptibilities of the combatants to anything in the nature of an injury or slight by outsiders.

"It is always unfortunate to bring Old World antipathies or jealousies into our life, or by speech or conduct to incite anger and resentment toward our Nation in friendly foreign lands; but in a Government employee, whose official position makes him in some sense the representative of the people, the mischief of such actions is greatly increased."

Contrast this sound, traditional American position of the Secretary of State of Theodore Roosevelt and the position of the Secretary of State of Franklin D. Roosevelt and the President himself in the present European crisis.

It is the difference between real neutrality and a bogus neutrality, between a soothing attitude and a belligerent attitude, which by "notes" and threats inflames the very passions that the administration clumsily seeks to calm.

Moreover, other people than public officials and other instruments and agencies than Government agencies, if utterly intemperate, can also do great harm not only to this country but to themselves, not only to the American people but to their own kin and kind, by inciting to violence of sentiment if not of deed.

I wish to call particular attention of the Members of the Senate to this paragraph:

Obviously, many Fascists claim to be pro-American merely because they are anti-Communist, and many Communists masquerade as true Americans because they are anti-Fascist.

In other words, Mr. President, there is going on in this country today a fight between the Communists and the Fascists; the battle of the "isms" of the world has been transferred from Spain to the soil of the United States of America. The editorial continues:

These pretenders are not Americans at all.

They are aliens indulging in their alien hatreds and conflicts and trying to impose these bitter alien antagonisms on our peaceful people.

These propagandists, alien in spirit, are not pro-American or pro-liberal in any true respect.

They are anti-American, antidemocratic.

They are opposed to one form of tyranny but in favor of another.

They are against their enemies, not for the friends and the hosts of America—not for American institutions.

They abuse American liberties; they sacrifice American interests to their own prejudices; they violate American ideals of peace and isolation and of the wise and just enjoyment of our American privileges.

The mask of Americanism should be torn from the faces of such masqueraders, and they should stand revealed for what they actually are—alien agitators.

Alien agitators. Mr. President, I am doing my best by attempting to secure the enactment of legislation to rid this country of them. Until the Congress passes laws that will bring about the mandatory deportation of alien agitators, present chaotic conditions in the United States will continue.

Mr. Colby speaks of "the fashion which became prevalent after the Great War to encourage grandiose schemes for the creation and preservation of peace."

But, as Mr. Colby logically points out, this interference with the ages-long war tendencies of European nations, however well meant, is the very thing that will put us into war, for in the family rows of Europe the United States is now a third-party meddler.

Even efforts for pacification in matters that do not concern us may be looked on as "intervention," and, therefore, may be construed as an act of war, for, as Mr. Colby again points out, the administration has not been impartial in its effort to promote peace in Europe, but has, by inference, if not directly, already named the aggressor nations.

"The discretion already vested in the President under the Neutrality Act is excessive and dangerous. Instead of enlarging the discretion of the President I think it would be a wise step toward preserving the constitutional distribution of power to reaffirm congressional control of this great issue of war and to devise legislation to safeguard it.

"The unchecked discretion of a single man is not a sufficient guaranty of the Nation's peace amid the pitfalls of discretionary tariffs, embargoes, restrictions, options, and permission, such as are contained in some of the measures proposed.

This is particularly true of the Thomas amendment to the Neutrality Act, which allows the President to name an aggressor nation, even though we have no personal grievance against that nation.

That is tantamount to dictatorship and is in contravention, as Mr. Colby says, of the very spirit of our institutions.

The "will to keep out of war" is our salvation at present.

But I may add that whether or not we shall be able to keep out of war I am now unable to state because so much hatred is being engendered throughout the world by propaganda that shortly we may find ourselves in the same position that

we were in prior to our entrance into the World War on April 6, 1917.

The "will to keep out of war" is our salvation at present.

That will lies in the hearts of the people and in their representatives, the Congress of the United States.

As Mr. Colby urges in his contained and reasoned speech, only three things are necessary to keep us out of Europe and its perpetual blood shambles:

1. Absolute neutrality as outlined by John Hay.

2. The war-making power must never slip from the hands of Congress.

3. The will of the people must always be ascertained, even by Congress, before we ever embark on a foreign war.

The destiny of the American people shall never pass into French, English, or Russian hands.

It must remain in the hands and hearts of our own people, who have repeatedly said: "Isolation, yes; defense, yes; but no participation in foreign wars."

Mr. President, in order that my colleagues may know the injustice done to me as the result of the articles in the columns of the Merry-Go-Round, charging left-handedly that I am in the pay of the Nazi government or the representatives of Germany, I desire to read one of a great many letters which I have received.

I have a letter here from one doctor, and I have a telegram from a group. This letter is from Dr. Carl W. Sawyer, White Oaks Farm, Marion, Ohio.

ROBERT R. REYNOLDS,
Committee on Foreign Relations,
United States Senate, Washington, D. C.

DEAR SIR: Replying to your letter of April 29, 1939, containing an article on the Migration of Members of the Medical Profession From Europe Into the United States, and asking me to write to the Senators and Members of Congress in this State asking them to approve your actions, I wish to reply that under present circumstances it is not possible for me to do that.

I do not know Dr. Sawyer. I sent him a speech that I made in regard to the invasion of professional men from Europe who were taking the practice of physicians in this country.

He continues:

Bob Allen and Drew Pearson, in the Washington Merry-Go-Round of May 7, 1939, state that the student-body publication of the University of North Carolina has attacked your Americanism and that they claim that you are a Fascist.

Evidently the writer of this letter reads the Merry-Go-Round columns.

Naturally, I would be loath to discuss or ask support for any measure dealing with any foreign-relation subject which you might present until sufficient evidence had been brought forth to prove that you were a true American and not allied with foreign organizations.

All of which goes to prove that those who read the columns of Allen and Pearson believe what they say to be the truth; but Cordell Hull, the Secretary of State, says they tell the truth only one-fourth of the time, and one-fourth of the truth only two-thirds of the time. I ask Dr. Sawyer to say whether or not they are telling the truth by listening to the words of Cordell Hull, the Secretary of State of the United States of America.

On the other hand, I happened to pick up this morning one of a number of telegrams on my desk in regard to my bill. This telegram is from La Fayette, Ind., under date of May 10:

Hon. ROBERT R. REYNOLDS,
United States Senate, Washington, D. C.:

Our medical society, 90 strong, solidly back of you, greatly appreciate your loyalty to our profession and devotion to our country. Are writing our Senators and Representatives to support your bill in its entirety.

This telegram is signed by Dr. J. W. Shaffer, chairman of the legislative committee, I assume, of the Medical Society of La Fayette, Ind.

Mr. President, I have here from my State of North Carolina several letters to which are attached the Merry-Go-Round column, in which I have been sandwiched in between all of this propaganda about the Nazis and the German Government, and so forth. I desire to read into the RECORD a letter I received the other day, before I knew I was going to talk on this matter. It is from Duke University, Durham, N. C., from Dr. J. Douglass Poteat:

DEAR SENATOR REYNOLDS: The enclosed clipping appeared in the Durham Sun yesterday afternoon.

The clipping is, The Merry-Go-Round.

It is, of course, only the latest of a series of public references to your espousal of a political and social ideal which is the denial of the democracy which in your campaign for election to the Senate you so heartily proclaimed. In the face of these repeated references you have remained strangely silent.

I had to speak, Senators. I could not remain silent any longer when these enemies were telling the American people left-handedly, backhandedly, underhandedly, absolute falsehoods, which I am throwing back into their laps. If the American people who read the column would believe these enemies let them bring the proof. I dare them. I defy them.

Your only utterances which I have seen have served in fact to lend support to their validity.

For weeks I have gone along with this sort of thing. I talked to friends of mine, and they said, "Do not get into an argument with a newspaper man. Those fellows have a million readers a day. They will never say anything good about you, and the people who read their column will never see your denial of it, and half the people will believe it."

As a public servant representing the people of North Carolina and of the United States in the country's highest legislative hall, you have no right to ask that citizens back your hand without seeing what's in it. The people have a stake in that hand, and they have a right to know what you have in it and how you propose to play it.

In this clipping the authors of the Merry-Go-Round speak of some "mysterious financial backing." I repeat that the "mysterious financial backing" was the cost of a few thousand copies of the American Vindicator. I should like to show you, Mr. President, all that has been spent to date, and I should like further to show you that I have the backing of millions of the American people. I wish to say again that the American people are waking up to the fact that this country is "lousy" with propagandists; and we are coming to a showdown between the 100-percent Americans and those who are against America.

It seems to me (and to not a few others whom I have heard express themselves) that in the face of these charges which seriously question your fundamental loyalties, there is an obligation that you make your position unequivocally clear. I should greatly appreciate your letting me know what that position is.

Mr. President, my friends said that I must take the floor and deny these vicious, malicious untruths. The unfortunate feature is that the statements and allegations, underhanded, left-handed, and malicious, having been made, millions who read that column will believe them and only the 75,000 who read the CONGRESSIONAL RECORD will ever see my denial. That is the only source of denial I have. But at least I have had the opportunity, thank God, to put myself on record and defy Pearson and Allen to prove what they have alleged. It will be remembered that they made those left-handed attacks not only against the Secretary of State but against the Senator from North Dakota [Mr. NYE], the Senator from Missouri [Mr. CLARK], and the Senator from California [Mr. JOHNSON].

I have not answered Dr. Sawyer's letter. I shall send him a copy of today's RECORD, so that he may read my answer.

I received a letter from Mr. Roger Gant, a gentleman of very high character in North Carolina. I am sorry I have not the letter he wrote me. When I answered it I returned his letter to him, because in my answer I asked him to do me the favor of asking the editor of the Burlington Times-News to publish my entire answer in the columns of his newspaper.

I wrote Mr. Gant on May 8 as follows:

MAY 8, 1939.

Mr. ROGER GANT,
Care Glen Raven Cotton Mills, Glen Raven, N. C.

MY DEAR MR. GANT: I thank you so much for your letter of May 5 which I found awaiting me here at the office this morning, and am hastening a response by the earliest possible post.

I want to assure you of my appreciation of your having sent to me clipping from the Burlington (N. C.) Daily Times-News, issue of Thursday, May 4, 1939, in the form of an editorial entitled "Rambunctious Reynolds," which editorial I have read very carefully.

May I say that the editor of that newspaper has done me a very serious injustice. He would have you believe that I am pro-Nazi or pro-Fascist, when the truth of the matter is I am only pro-American.

As you have probably observed through the columns of the CONGRESSIONAL RECORD from time to time, I have interested myself actively upon the floor of the Senate in an earnest endeavor to do my part toward keeping this country out of any foreign entanglements or embroilments that might lead us into another war. I believe that I can say without hesitation that any man who can read or write knows that this country today is being flooded with propaganda which would lead us into entanglements and eventually into war to again save the democracies of England and France. Our last participation in the World War, although brief, has to date cost this Nation more than $60,000,000,000, about sixty-eight billions, and before we will have liquidated finally the obligations incurred during that brief participation the taxpayers of America will have been called upon to pay around the one hundred billion mark. Today our veterans' hospitals are filled with ex-service men of the World War, and many thousands who are endeavoring to gain admission to these respective veterans' hospitals are denied admission on account of the fact that space is limited.

I should dislike very much to see England and France weakened but I am not willing to permit the United States to join forces with Great Britain, France, and perhaps the Soviet Union for the purpose of saving the democracy of those three countries at the expense of the taxpayers of the United States of America.

I have recognized British and French propaganda in this country and I have from time to time attacked those two nations on the ground that they are attempting to lead us into another massacre. I have repeatedly stated that we should attend to our own problems here at home and should cease giving so much time and attention to the troubles of those abroad, and because of these activities on my part to keep my country out of war I have been branded as a Fascist or a Nazi, and this is furthest from the truth.

Yes, I did organize the Vindicators' Association, Inc., of which I am the president. I have merely attempted to band together the Americans for the purpose of preserving America for Americans, and in so doing I am announcing by editorial in the next issue of the Vindicator, May issue, which will be off the press this week, that I am opposed to nazi-ism, fascism, communism, and all "isms," and that there is room in the United States today only for Americanism.

Because I have attacked Britain and France on the grounds that they are attempting to get us into war, and because I am condemning communism, I have been attacked and accused of being a Fascist or Nazi.

The Vindicator had its financial beginning by way of six or seven hundred dollars which I personally advanced to get it organized, and now it is carrying its own burden financially exclusively by way of the $1 per year subscriptions which we obtain for the Vindicator. It is published from month to month, and under separate cover I am asking my secretary to provide you with a copy of this paper, and I respectfully request you to read every line of it very carefully.

I asked him to read every line of it carefully, because Pearson and Allen referred to my paper as a Fascist weekly. Again I wish to say that I am sending every Member of the Senate and every Member of the House of Representatives the April issue and the May issue, and, in justice to myself, I ask every one of my colleagues to read every single line of them. I continue reading:

The Vindicators' Association, Inc., has objectives. They follow:
1. Keep America out of war.
2. Register and fingerprint all aliens.
3. Stop all immigration for the next 10 years.
4. Deport all criminal and undesirable aliens.
5. Banish all foreign "isms"—nazi-ism, fascism, and communism.

If that isn't a real 100-percent American program, I should like to hear of any objections. Well, there are objections. There are objections by minority groups in this country who would have us admit 20,000 refugee children from Germany—

I mention that because the Communist paper, which is constantly attacking me, puts that in the headlines. The Communists are attacking me because I do not see eye to eye with some of my colleagues upon the subject. They have the same right to reason in the matter that I have. I continue reading:

There are objections by minority groups in this country who would have us admit 20,000 refugee children from Germany; who would have us open wide the gates of immigration so that millions from abroad might enter here and usurp jobs which rightly belong to American citizens; and I am being persecuted by those who would have us provide security, collective security, that is to say, by joining Great Britain and France and perhaps Soviet Russia, because we learn through the columns of the press that Great Britain is doing her best to secure an alliance, military or otherwise, with Soviet Russia. I am opposed to uniforming American sons and arming them for the purpose of fighting side by side with the soldiers of Communist Russia, and I am sure that you would likewise oppose any such suggestion.

In particular reference to the editorial heretofore mentioned, I quote: "The Washington Merry-Go-Round, which steps on many toes, but never yet has had a suit for libel against it to stick, comes out with an open hint that the Vindicator, 'Fascist weekly recently launched by Senator REYNOLDS, of North Carolina, with mysterious financial backing,' is financed by Nazi money. The charge is made that German-American Bund members of this country are urged by their higher-ups to subscribe to the publication and to distribute it in their campaign of propaganda to 'smear democracy.'" This is an absolute falsehood. Personally, I don't know a single member of the bund. I have never talked with any of them or corresponded with any of them to my knowledge, and further, to my knowledge the Vindicators' Association has never solicited a subscription from any member of the bund. This is just more propaganda for the purpose of smearing me on account of my attitude toward the administration's so-called foreign policy, which so-called foreign policy has been severely criticized from time to time as you have no doubt noted through the columns of the press.

I am for America for Americans alone. I am against any change in the form of government which we now enjoy. I am bitterly opposed to any minority groups in this country which stand for anything except 100-percent Americanism. I am against nazi-ism, fascism, and communism, as heretofore related. I deplore the persecution of the minorities in German territory and in Italian territory.

With assurances of my highest esteem and trusting that you will favor me by handing this letter to the editor of the Burlington newspaper with the request that he publish same in full, together with your letter to me under date of May 5, I beg to remain,

Faithfully yours,

ROBERT R. REYNOLDS,
United States Senator.

Mr. President, if I have ever seen a member of the bund in my life to know who he was and to recognize him, I am not aware of it. I have never seen or talked to or corresponded with a member of the bund to my knowledge. Many people write to us and want to subscribe to the American Vindicator. They say that it is really the only 100-percent American publication they have seen in the country, and they wish it were a daily instead of a monthly. We will accept a subscription from anyone, whether he is white or whether he is black, whether male or female, whether a Republican or a Democrat, whether a Communist, a Fascist, or a Nazi, a Chinaman, or what not.

When a subscription is sent to the Washington Post or to the Washington Times-Herald do the managers write back and say, "Tell us whether you are white or black, your age, whether you are Democratic or Republican, whether you are Catholic or Protestant. Tell us what your business is, and whether you are a Communist or a Nazi"? Certainly not. Perhaps we have had letters from persons who are members of the bund, but if we have, I do not know it, and no one in my organization knows it; and to my knowledge we have never written anyone concerning whom we had the information that they were members of any foreign "ism" or organization asking him to distribute copies. But those who are desirous of destroying us and those who are working with the group which wants to destroy the ones who are working for the American people and the American Government will grab at anything in order to bring about such destruction.

I have before me the letter which I received from Dr. Poteat, of Duke University. I shall now read my answer to Dr. Poteat:

MAY 8, 1939.

Mr. J. DOUGLAS POTEAT,
Care of School of Law, Duke University, Durham, N. C.

MY DEAR MR. POTEAT: I thank you very much for your letter of May 5, contents of which I have noted carefully.

I am very happy that you wrote me in reference to this matter, and I am pleased indeed to have the opportunity of responding so promptly. You enclosed a clipping from the Durham paper entitled "Nazi Bunds Under Orders to Smear United States Democracy," this article by Messrs. Pearson and Allen.

I have read this article, and I note particularly the paragraph which you had in mind, of course, when you wrote me. This paragraph reads as follows: "Bund members are urged to subscribe to and distribute copies of the Vindicator, Fascist weekly, recently launched by Senator REYNOLDS, of North Carolina, with mysterious financial backing." If this weren't such a serious charge it would really be laughable. Fact is, I do not know personally a single member of the bund, nor have I personally ever seen a member of

the bund. I was informed last Saturday, when I spoke in New York at the Astor Hotel, under the auspices of the American Defense Society, that Fritz Kuhn, who is the head of the bund, was among those present at the luncheon, but he was not pointed out to me, and if I saw him I didn't recognize him, and if I ran into him today I wouldn't know him.

Not to my knowledge have I ever written a single person who belongs to the bund in regard to the Vindicator. Of course, in soliciting subscriptions we have written a great many people who had written me, and everyone who wrote me in support of my objectives of the Vindicators was supplied with a copy of the April issue of the American Vindicator, together with the request that they subscribe and secure other subscriptions, but if any of these people to whom letters have been sent were members of the bund it was unknown to me or anyone connected with the organization itself, so that paragraph above referred to in regard to myself is without foundation of fact or truth. Just why the authors of this column should refer to the American Vindicator as a Fascist weekly is beyond my comprehension, because, in my opinion and the opinion of a great many people, this paper is an all-American publication, serving as the official organ of the Vindicators' Association, Inc. The Vindicators have as their five objectives the following:

1. Keep America out of war.
2. Register and fingerprint all aliens in the United States.
3 Stop all immigration for the next 10 years, or until such time as the millions of Americans now unemployed have been provided with employment.
4. Deport all alien criminals and undesirables.
5. Banish all "isms"—communism, nazi-ism, and fascism.

If that isn't an all-American program, I have never heard of one, and in order, my dear Mr. Poteat, that you may be properly informed in reference to the Vindicators, I am asking Miss Hoke, who takes this letter, to mail you, under separate cover, a copy of the April issue, and after you have read it I should like very much to have your ideas as to whether or not there is anything Fascist about it. I am against fascism, nazi-ism, and communism, and all "isms" foreign to the American form of government.

With assurances of my highest esteem, and again thanking you for having written me, I beg to be,

Faithfully yours,

ROBERT R. REYNOLDS,
United States Senator.

I merely bring this to the attention of the Members of the Senate in order that they may know that I have been done a very grave and great injustice, not only in my State, but throughout the entire Nation, in that I have been virtually charged with being a traitor. I repeat that if trying to do what one can best do in the small way that I have done it is to be a traitor, then I am happy to be labeled a traitor.

In regard to the bund, let me say, Mr. President, that from time to time I make speeches over the country. I have made a number of speeches. I am going to refer only to speeches I have made of recent date. I was invited by the Junior Order of American Mechanics to deliver a patriotic address upon Americanism at Newark, N. J., about 2 weeks ago, on a Saturday night, in a hotel where they were holding their annual State convention.

Lest some Senators may never have heard of the Junior Order of American Mechanics, I may advise them that it is one of the oldest patriotic organizations in America. It is over half a century old. The headquarters are in one of the most historic cities of America—Philadelphia. Its membership consists of approximately 450,000 paid-up patriotic Americans. They believe that an American flag should wave above every schoolhouse in the United States. They believe that the Bible, which is so despised by Stalin and others, should be in every home and in every schoolhouse of the United States. They believe that every child in America should be provided with an education at the expense of the taxpayers. In other words, they believe that the child of the poorest family should be provided the same educational opportunities that are provided the children of the richer families. That is the one thing which has made America the greatest country in all the world. Education of the masses in America has made us the strongest nation in the world; for, as we know, the strength of a nation is measured only by its intelligence, and not by its great numbers, as might be illustrated by bringing to the attention of the Senate the 450,000,000 people of China fighting against about 70,000,000 Japanese.

I went to Newark to make a speech under the auspices of the Junior Order of American Mechanics as the result of a suggestion made to the State councilor by Mr. James L. Wilmeth, who is the national secretary. When these patriots of New Jersey assembled there, the hotel in which I was speaking, and because I was speaking, was picketed by Communists, who walked up and down and distributed literature and said that I should not speak there, that I was opposed to communism. They had parades there. I think it is sad to contemplate that even today there are times when an American citizen is not permitted to express his views upon patriotism, to praise his flag, and to praise his country without being picketed by those who are alien-minded to our form of government.

The next time I spoke was, as I recall, last Friday in the city of New York. I received an invitation to go there from an incorporated society known as the American Defense Society. I do not know how many members the organization has. I know it is a very reputable organization, composed purely of Americans who are extremely desirous of keeping America out of war; and I have been told that most of its members are mothers who have sons of such an age that they would be subject to the draft in case something should happen and we were dragged into war.

I spoke for about an hour and a half. During 30 minutes I spoke over the radio in a national hook-up. I have before me a copy of my speech. Tomorrow I shall ask that it be printed in the RECORD. When I arrived at the hall, which I think was on the eighth floor of the Hotel Astor, a number of newspapermen were there, and one of them said, "Say, do you know this fellow Fritz Kuhn is here?" I said, "No. That is all right. I wish the world could hear my speech today on Americanism." I wish Hitler could have heard it; I wish Mussolini could have heard it; I wish every person within the confines of the United States who believes we should have some other form of government could have heard it.

So I took my seat at the banquet table. I was introduced by a Major Cross, former commander of the American Legion in the State of New York, who is now an assistant attorney general of the State of New York. I spoke for about an hour and a quarter or an hour and a half. I imagine I spoke for about an hour after I went off the radio.

After I had concluded, the Communist Sunday Worker published an article with reference to my speech. The Communists have both a Daily Worker and a Sunday Worker. They not only work every day in the week, but they work on Sunday. They not only work every day in the week and on Sunday, but they work night and day, and, believe it or not, they are making tremendous progress. They have succeeded in putting the Nazis and the Fascists out in front. They have succeeded in making the American people hate Hitler and Mussolini, the Nazis and the Fascists, so much so that we never hear anything more about communism. Communists are snickering up their sleeves because while we are asleep they are working.

This is what the Sunday Worker said:

Nazi bund cheers Senator REYNOLDS.

If I should see Fritz Kuhn in the middle of the street, I would not know him. When I was at the banquet I was not sufficiently interested in him to ask that he be pointed out to me. The meeting was open. So far as I know, anybody could come who would pay the cover charge. According to the National Defense Society's Banner, anybody could come. It did not make any difference whether he was a Communist, Nazi, Republican, Democrat, Independent, male, or female. Even an alien could have gone if he had the money. So the Communist Sunday Worker, which is after me every day, says:

Nazi bund cheers Senator REYNOLDS.

I did not invite Fritz Kuhn to be present. I do not know the man. I have never received a letter from the man. I have never spoken to him. I know nothing about him. But the Communists would have their reading public believe that he is a bosom friend of mine, and that I had invited him to be present. That is propaganda. Listen to what the Sunday Worker says:

Senator REYNOLDS "tickled to death" to see Fritz Kuhn in place of honor at American Defense Society luncheon.

"Tickled to death!" It will be noticed that that expression is in quotations. When I was told Kuhn was present, I said, "That is all right. I wish the world were here." I repeat that I wish Hitler, Mussolini, Stalin, and everyone else could have been present, particularly Stalin, because in my address I think I said that in addition to stopping Hitler and Mussolini we ought to stop Stalin. Perhaps he will be stopped.

The article continues:

United States Senator ROBERT R. REYNOLDS of North Carolina, outspoken admirer of Adolf Hitler—

I never mentioned Hitler. It will be noted from every letter I have brought to the attention of the Senate that I have stated that I am against any such form of government. In every word in my newspaper which I have brought to the attention of the Senate I have denounced that form of government.

The article continues:

United States Senator ROBERT R. REYNOLDS of North Carolina, outspoken admirer of Adolf Hitler, declared here yesterday that he would "filibuster until the cows come home" to block passage of legislation to permit the children of victims of Nazi aggression from entering America.

I did say that, and that is what the Communists are sore about. I intend to vote against the bill. I intend to speak against it. I have received thousands upon thousands of letters from people, some of them even writing a prayer that the bill will be defeated, and stating that their own sons and daughters have never been provided employment, and their own children cannot find work. At that meeting I said, "My heart goes out in sympathy to little children, more so to orphans than refugees. We would like to take them into our arms, but my first duty is to my country."

Some of my colleagues, including the Senator from Utah [Mr. KING] do not see eye-to-eye with me on that question. Nevertheless, I do not condemn the Senator from Utah because the Senator from Utah believes we ought to take in these children. On the other hand, I believe we ought not to take them in, because I think we ought to take care of our own children first.

The article continues:

The Senate's spokesmen for the Fascist axis made this declaration at a luncheon at Hotel Astor, given by the American Defense Society, after declaring to reporters in the lobby he was "tickled to death" to know that Fritz Kuhn, fuehrer of the Nazi-American Bund, had a place of honor in his audience.

I did not say any such thing, and the Communists are simply telling a falsehood.

REYNOLDS' tirade against aliens, democracy, Stalin, W. P. A., and defense appropriations was delivered to an audience which included fascism's elite in America.

Mr. President, when I mentioned the W. P. A., I mentioned the unfortunate men and women upon W. P. A. I voted for every W. P. A. appropriation. I have stood liberally by my President on every single proposal for the benefit of the unemployed in America. I did not vote for the $150,000,000 appropriation, because I thought the W. P. A. could probably get along with $100,000,000, and that that amount would be sufficient until after an investigation had been made. I have voted for everything that was possible for the farmers. I have voted for the unfortunate people of my land. I voted for labor, organized and unorganized. I propose to continue to do so. That is not all. I voted for a tremendous national-defense appropriation to appease the American people, who were afraid that Mussolini and Hitler were coming over here next week to destroy them. I intend to vote to appease the appetites of our unfortunate people; and I invite those who say I have not done everything in the world that I could do for the poor and for the laboring men of this country merely to look at my record.

It was preceded by an introduction by Jeremiah Cross, storm-troop-minded—

I do not know what is responsible for that expression. I had never met Mr. Cross until the day I was seated at the luncheon table—

Jeremiah Cross, storm-troop-minded former commander of the American Legion in New York, and at present assistant State attorney general.

When I read that, I was somewhat exercised. I thought perhaps Mr. Cross was connected with the bund. I had never met Mr. Cross until I took my seat at the table and was introduced to him. I was told that he was a former commander of the American Legion.

Yesterday afternoon I was walking downstairs on my way to a committee room and I met Mr. John Thomas Taylor, who is the legislative representative of the American Legion in Washington. Many Senators know him. I said: "John, tell me, do you know a Major Cross, who was a former commander of the American Legion in New York State?"

He said: "Certainly. There is no man of better character in America. He is now assistant attorney general of the State of New York. Why do you ask?"

I said that Major Cross had introduced me at a luncheon, and that the Communist newspaper called him a storm-troop-minded former commander of the American Legion, and I wanted to know what I had gotten into. Mr. Taylor said: "There is no finer man in America. He is 100 percent American. He is one of the most active men in the American Legion, and he is fighting for the same thing for which you are fighting."

Kuhn lends a hand.

In his introduction Cross made an unconvincing disclaimer of Kuhn's presence in the audience, but the Hitler's United States branch office manager blew this sky high after the luncheon, when he told reporters he liked Senator REYNOLDS' speech "very much."

That is what the Communist newspaper stated Kuhn had said. He liked my speech "very much."

"I underline every word he said," Kuhn declared.

As REYNOLDS spoke, Kuhn listened attentively from table No. 2, immediately in front of the speakers' table. Sitting with him were nine other members of nazidom's high command in America. They included James Wheeler-Hill, national secretary of the bund; Richard J. Mettin (in whose name the table was reserved), national bund treasurer; G. Wilhelm Kunze, national relations director of the bund; and Gustave J. Elmer, national organizer, and four bund office assistants.

Cross' disclaimer of Kuhn's presence was made doubly unconvincing because of the distribution of the following literature at the luncheon:

1. A handbill advertising "grand opening exercises" to be held at Camp Siegfried on May 21.

What that is, I do not know; I never heard of it.

2. Father Coughlin's Social Justice.

I have heard of that and read it.

3. The Vindicator, Senator REYNOLDS' openly Fascist sheet, published in North Carolina.

PRAISES HOOVER AIDE

Although Senator REYNOLDS' tirade against aliens lasted for the better part of an hour and a half, he put forward his theme at the outset: A plea for complete isolation for America. Kuhn, whose cue from Cross' introduction was to keep quiet, immediately forgot himself and burst into applause.

"I see sitting not far from this festive board," said the pro-Nazi Senator—

I am the "pro-Nazi" Senator, declared so to be by the Merry-Go-Round and by this Communist publication.

"I see sitting not far from this festive board," said the pro-Nazi Senator, "the Honorable Bainbridge Colby." He praised Colby, former President Hoover's Assistant Secretary of State, for his testimony in behalf of complete American isolation.

I thought that Bainbridge Colby was Secretary of State in the Cabinet of Woodrow Wilson. That was my recollection, but this Communist newspaper says that he was in the Cabinet of President Hoover.

A friend of the Senator's whispered to newspapermen later that REYNOLDS was having 300,000 copies of Colby's speech printed to be mailed to "professionals" at the Government's expense. It was Colby who virtually invited Hitler to invade Latin America.

I never heard of such a thing as that. Colby was Secretary of State under Wilson, was he not, I will ask the Senator from Georgia?

Mr. GEORGE. He was.

Mr. REYNOLDS. This Communist newspaper says he was Assistant Secretary under President Hoover. That was years ago, before Hitler was ever heard of, was it not?

Mr. GEORGE. It was.

Mr. REYNOLDS. And this Communist newspaper says that Colby invited Hitler to invade Latin America.

REYNOLDS, who has voted against all W. P. A. appropriations—

I have voted for all W. P. A. appropriations; I have voted for every one of them. I failed to vote for the additional $50,000,000, but I will again state that if our President says that our people are suffering I am going to vote the necessary funds, because so long as we can vote billions of dollars for armament we can afford to provide money to appease the hunger of the people of America. I put America on guard to that effect. This Communist publication is just about as accurate as Pearson and Allen; they must be comrades—

REYNOLDS, who has voted against all W. P. A. appropriations, shed crocodile tears for the "millions of Christian Americans who are walking the streets without jobs" and was passionately applauded by the well-fed and well-dressed audience, including a portly white Russian with a double-barreled mustache.

I did not see that gentleman.

From the press table the Senator's sweating, ruddy face, twisting with feigned emotion, bobbed about above the beefy shoulders of Fritz Kuhn, who sat between the speaker's table and reporters.

"I wish the American people might be provided with sleeping powders so that they might not hear all this talk of war," the Senator said, chiding newspapers for printing "so much" foreign news.

I think that what is upsetting our people today and the reason why we cannot get down to hardtack and work is that we have got the war jitters. We are thinking so much about what is going on elsewhere in the world that we cannot get down to business here. I think the newspapers would do the American people a great service if they would not print so much of foreign news.

"I wish the American people would quit talking about war. In my humble opinion those who are injuring America are those who are frightening the American people.

"I regret that while the press seems to be against the President on domestic collective security, it supports him on collective security in foreign affairs."

There are so many mistakes in this article that it would take me some time to read all the article and to cover the mistakes. The hour is growing late, and I will merely hand the article to the Official Reporter and ask unanimous consent that it all be included in the RECORD as a part of my remarks.

Before doing that, however, I will refer to one more statement, as follows:

In attacking Senator WAGNER's resolution to open America's doors to 20,000 child victims of Hitler, REYNOLDS referred to his "good friend, BOB WAGNER."

I told the Senate about that earlier today. I do not think I have a better friend in the Senate than the Senator from New York [Mr. WAGNER]. The fact that he believes other than I do upon this subject is no reason why I should hate him. I have respect for his opinions.

The PRESIDING OFFICER. Without objection, the article to which the Senator has referred will be printed entire in the RECORD.

The article referred to is as follows:

[From the Sunday Worker of May 7, 1939]

NAZI BUND CHEERS SENATOR REYNOLDS; RAPS REFUGEE PLAN—SENATOR REYNOLDS "TICKLED TO DEATH" TO SEE FRITZ KUHN IN PLACE OF HONOR AT AMERICAN DEFENSE SOCIETY LUNCHEON

(By Ernest Moorer)

United States Senator ROBERT R. REYNOLDS, of North Carolina, outspoken admirer of Adolf Hitler, declared here yesterday that he would "filibuster until the cows come home" to block passage of legislation to permit the children of victims of Nazi aggression from entering America.

The Senate's spokesman for the Fascist axis made this declaration at a luncheon at Hotel Astor given by the American Defense Society after declaring to reporters in the lobby that he "was tickled to death" to know that Fritz Kuhn, fuehrer of the Nazi-American Bund, had a place of honor in his audience.

REYNOLDS' tirade against aliens, democracy, Stalin, W. P. A., and defense appropriations was delivered to an audience which included fascism's elite in America. It was preceded by an introduction by Jeremiah Cross, storm-troop-minded former commander of the American Legion in New York and at present assistant State attorney general.

KUHN LENDS A HAND

In his introduction Cross made an unconvincing disclaimer of Kuhn's presence in the audience, but Hitler's United States branch office manager blew this sky high after the luncheon when we told reporters he liked Senator REYNOLD's speech "very much."

"I underline every word he said," Kuhn declared.

As REYNOLDS spoke, Kuhn listened attentively from table No. 2, immediately in front of the speakers' table. Sitting with him were nine other members of nazidom's high command in America. They included James Wheeler-Hill, national secretary of the bund; Richard J. Mettin (in whose name the table was reserved), national bund treasurer; G. Wilhelm Kunze, national relations director of the bund; and Gustave J. Elmer, national organizer, and four bund office assistants.

Cross' disclaimer of Kuhn's presence was made doubly unconvincing because of the distribution of the following literature at the luncheon:

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3. The Vindicator, Senator REYNOLDS' openly Fascist sheet published in North Carolina.

PRAISES HOOVER AIDE

Although Senator REYNOLDS' tirade against "aliens" lasted for the better part of an hour and a half he put forward his theme at the outset: A plea for complete isolation for America. Kuhn, whose cue from Cross' introduction was to keep quiet, immediately forgot himself and burst into applause.

"I see sitting not far from this festive board," said the pro-Nazi Senator, "the Honorable Bainbridge Colby." He praised Colby, former President Hoover's assistant Secretary of State, for his testimony in behalf of complete American isolation. A friend of the Senator's whispered to newspapermen later that REYNOLDS was having 300,000 copies of Colby's speech printed to be mailed to "professionals" at the Government's expense. It was Colby who virtually invited Hitler to invade Latin America.

REYNOLDS, who has voted against all W. P. A. appropriations, shed crocodile tears for "the millions of Christian Americans who are walking the streets without jobs" and was passionately applauded by the well-fed and well-dressed audience, including a portly white Russian with a double-barreled mustache.

From the press table the Senator's sweating, ruddy face, twisting with feigned emotion, bobbed about above the beefy shoulders of Fritz Kuhn who sat between the speaker's table and reporters.

BOWS TO HITLER

"I wish the American people might be provided with sleeping powders so that they might not hear all this talk of war," the Senator said, chiding newspapers for printing "so much" foreign news. He wished Americans had never heard about Czechoslovakia, Austria, or Albania.

"I wish the American people would quite talking about war. In my humble opinion, those who are injuring America are those who are frightening the American people.

"I regret that while the press seems to be against the President on domestic collective security it supports him on collective security in foreign affairs." As proof of this "support" he exhibited a copy of the isolationist New York Post and complained that it had "five columns of its first page devoted to foreign news."

"Have they no care for the millions of Christians who are walking the streets hungry?" he cried.

Egging Hitler into an attack on the Soviet Union, he shouted, "As long as Hitler continues to go east, I'm satisfied. I tell you, it's not Hitler we have got to stop. It's Stalin!"

The Belvedere Roof Garden of Hotel Astor shook with applause. Fritz Kuhn and Wheeler-Hill seemed to be in ecstasies, and the white Russian mustaches fairly danced.

But to make it plain that he was referring to other things than Stalin, he followed up with a right jab at American democracy. Quoting Bainbridge Colby, he said, "There's no such thing as American democracy or American republicanism. There's just Americanism.

ASKS IMMIGRATION BAN

"I observe that an effort is being made to bring the Soviet Union into an alliance for the protection of a certain section of the world. The mothers of America will never permit their sons to don a uniform to save the democracy of the Soviet Union."

Thus, curiously, this devoted disciple of Hitler made the one admission that is most difficult for them: that the Soviet Union is a democracy in the truest sense of the word; and with this admission he coupled an attack upon American democracy.

"Now I come to immigration," he said. "If these bills" (the Wagner and other bills to permit limited numbers of victims of Nazi aggression to come to America) "pass, you will find in our midst four to seven million spies—aliens.

"You wouldn't know how to locate them—that's why I introduced my bill to require mandatory registration and fingerprinting of all aliens upon our soil. I have also introduced a bill to bar all immigration for 10 years. I insist upon the passage of that bill."

In attacking Senator WAGNER's resolution to open America's doors to 20,000 child victims of Hitler, REYNOLDS referred to his "good friend" BOB WAGNER.

"When Bob is away," he said, "and delegations of school children come to visit his office—the children love him, you know—I always invite them over to my office and give them some of my literature and little cards with my name signed on it giving them the right to sit in the Senate visitor's gallery.

"Don't misunderstand me. There's nothing I love more than homeless little children. But before I will let BOB WAGNER'S resolution pass I will filibuster till the cows come home."

After the luncheon was over the Daily's reporter happened to be in the washroom when Fritz Kuhn entered.

A gray-haired little man of about 65 somewhat timidly approached the Nazi fuehrer and said, "Mr. Kuhn, I have always wanted to shake your hand." Kuhn disposed of a towel and obliged. "I," said the little man, "am August Kupka, president of the Federal Grand Jurors Association."

Later, in reply to a question, Mr. Kupka somewhat deflated his position. He was, he told reporters, honorary vice president of the eastern district of the Federal Grand Jurors Association. He lives in Flushing.

Leslie J. Thompson, chairman of the society's committee on immigration which sponsored the luncheon, was a bit jittery when asked about Kuhn's presence.

Two thousand invitations had been given to John J. Cecil, an insurance man, and it was Cecil who invited Kuhn, he said. Anyway, Kuhn's treasurer was listed on the official table list.

Mr. REYNOLDS. Mr. President, I am now going to close by bringing to the attention of the Senate an editorial from Liberty magazine. I wish to thank the writer of this editorial for his contribution. I recognize that grave, serious, and injurious charges have been made against me. I recognize that half the people who read those charges in the columns of the Merry-Go-Round will believe them because the honest men of integrity representing the press of the country here at the Capitol have educated the American people to believe that they send out the truth in fact, and my denial, of course, will never reach the ears or the eyes of many of the American people. I have spoken today, however, merely that I might challenge the men to whom I have referred who attack character. I have spoken today in order that I might challenge them and defy them to prove the truth of a single statement made by them which I have read here today—one single, left-handed, underhanded charge that they have made. Thank God, the American people will certainly know, and I hope the press at least will state, that our Secretary of State, Mr. Hull, says that Drew and Pearson tell the truth only one-fourth of the time and only one-fourth of the truth two-thirds of the time. The Secretary of State is a man in whom we all have faith.

I close Mr. President, by reading a portion of an editorial from Liberty Magazine, which, I am informed, has a circulation of between 1,000,000 and 2,000,000. The editorial is entitled "Immigration Adds to Unemployment." I will merely read one paragraph and then will ask that the entire editorial be printed in the RECORD. The paragraph I desire to read is as follows:

In a recent speech in Congress Senator REYNOLDS stated:

"We have expended billions of dollars in an effort to provide employment for the unfortunate men and women. Unemployment, therefore, is indeed a mammoth problem, and our huge unemployment record exists despite the fact that 3,000,000 of our people are on the relief rolls, and that 4,000,000 people in the United States are working either for the Government of the United States or for the respective State governments. The statement has been made that 80 percent of all the unemployed in the entire world are to be found in the confines of the United States."

Of course, Senator REYNOLDS is branded as a Fascist by the foreign recipients of our beneficence; but if fighting for Americanism of the Washington and Lincoln type subjects him to this libel, he "can take it."

The PRESIDING OFFICER. Without objection, the editorial referred to by the Senator from North Carolina will be printed in its entirety in the RECORD.

The editorial entire is as follows:

[From Liberty of May 20, 1939]

IMMIGRATION ADDS TO UNEMPLOYMENT

It will be everywhere admitted that the unemployment roll in this country is an unspeakable scandal, a disgrace that we will probably never entirely efface; the disastrous situation brought into being largely by the attitude of this administration toward industry.

Capitalists, industrialists, investors, employers, or whatever they might be termed, are all human, although in some instances they are greedy and grasping; but they naturally want to protect their interests.

A business that does not make a profit soon disappears. Throughout the entire history of this country business has been encouraged and stimulated. Government officials have recognized that the more business we have, the more profit carned, the greater will be the rewards of all concerned.

This administration furnishes the first example of officials attacking this source of prosperity.

The great problem we are facing at the present time is the making of more jobs. But notwithstanding the unemployment emergency, we find a desire on the part of many of our officials to open our ports to an increased number of immigrants. This addition to our population should be denounced. Immigration should be stopped altogether.

Suppose these immigrants do secure jobs upon arrival. They put an American citizen out of a job * * * they make one job less for our own people.

If the father of a family was heavily in debt and had to provide for a number of children, and had to borrow money or accept charity to support them, would it be wisdom on his part to accept a few more dependents to add to his burdens?

Well, this accurately represents the situation that exists in this country at the present time. Here we are, with almost a third of our wage earners unemployed, billions required to keep people on the dole or in charity jobs, and what earthly reason have we for adding to our unemployment burdens by allowing immigrants to land on our shores? They are strangers and should be barred out absolutely. Why should we assume the responsibility of their support? Why should we rob our own citizens of employment?

Senator ROBERT REYNOLDS has introduced a bill, No. S. 409, that will stop immigration in the United States for those desiring permanent residence for a period of 10 years, or until such a time as the Department of Labor can certify that unemployment in the United States does not exceed 3,000,000.

The Senator doubtless has in mind Mme. Perkins, who failed to deport immigrants who were unlawfully in this country, for in this bill he has made it a felony for any official who tries to defeat the purpose of this act by failing to enforce it.

It is indeed a sad commentary when we have to make a law to compel an official to respect his oath of office and enforce the law.

In a recent speech in Congress, Senator REYNOLDS stated: "We have expended billions of dollars in an effort to provide employment for the unfortunate men and women. Unemployment, therefore, is indeed a mammoth problem, and our huge unemployment record exists despite the fact that 3,000,000 of our people are on the relief rolls, and that 4,000,000 people in the United States are working either for the Government of the United States or for the respective State governments. The statement has been made that 80 percent of all the unemployed in the entire world are to be found in the confines of the United States."

Of course, Senator REYNOLDS is branded as a Fascist by the foreign recipients of our beneficence; but if fighting for Americanism of the Washington and Lincoln type subjects him to this libel, he "can take it." He has apparently recognized the deplorable need of protecting our own home folks. When foreigners are given jobs and native-born American citizens are denied them, this is indeed cause for caustic criticism. As long as there is a good American citizen on the unemployed list there is no earthly reason why we should be accepting prospective job-seeking citizens from other countries. We should protect our own homes first of all, and after that duty has been properly assumed, humanitarian motives can rightly be encouraged.

BERNARR MACFADDEN.

Mr. REYNOLDS. Mr. President, in closing I ask unanimous consent that a radio address delivered by me in April 1938 on the subject of eliminating the profits of war be included in the RECORD as a part of my remarks in order that the readers of the RECORD may know what my position was more than a year ago.

The PRESIDING OFFICER. Without objection, the address will be printed in the RECORD.

The address referred to is as follows:

Ladies and gentlemen of the radio audience, in discussing a subject as perplexing and vital as eliminating the profits of war, the subject on which I have been invited to speak this evening, it will be helpful to picture in our minds the striking contrast between the United States and other countries.

The United States is a peace-loving nation. Most of the other large countries across the seas are militaristic. Those countries through centuries past have lived, existed, and even thrived on wars. History teaches that the rulers of those countries exploit their own people, keeping them in fear of the iron hand, and from time to time conquer and annex weaker countries.

Today the affairs in foreign countries continue to hold the center of the stage in America.

From all accounts, chaos is spreading among the nations across the seas, playing havoc with commerce and living conditions.

Fear is growing that at any hour a general war may burst on Europe and move in Asia, sweeping defenseless countries in its wake. The rule of reason over there has disappeared—the rule of might prevails in those countries.

And that fear of war has spread to and invaded our shores. Everywhere I go—in Washington or in North Carolina—I am greeted with the similar question, "Senator, do you think we are going to have war?" Our people realize what is taking place "over there."

citizens—born in Germany and whose ancestors had inhabited German territory for centuries—were characterized as non-Aryans, by which it was pretty largely meant "Semites."

However, the Semitic race includes many eastern peoples, among them Arabs; and it was, therefore, more suited to Hitler's purpose to call these victims, whom he was to despoil and denationalize, non-Aryans, thereby placing all citizens of German "blood and soil" into the class of Aryans, and all other citizens, including especially those that had at least one Jewish grandparent—that is, had one-eighth Jewish blood—as non-Aryan. This, of course, furnished the basis for disfranchising them, depriving them of all civil rights, despoiling them of their property, and ultimately driving them forth into other lands without means of subsistence.

Obviously, the real motives in the cruel and relentless persecution of the Jews were, first, to rid nazi-ism of people historically and spiritually seekers of peace, and who created or developed the idea, and believed with unalterable devotion in the conception of one God and in a religion based upon the love of God; second, to rob them of their property, real and personal, including their business enterprises, plants, and houses, and give it to Nazi followers as a reward for their barbarous actions, and, of course, to add to the revenues of the Nazi state; and, third, to establish a precedent for the exploitation and confiscation of Catholic and, later, Protestant church property and to make the state completely totalitarian in religious as well as in political power.

It should be added, however, that the Nazi religion, if it may be so denominated, is paganistic. It is the philosophy of Nietzsche and is the apotheosis of the state. In nazi-ism the state is supreme and the individual is unimportant. His loyalty is only to Hitler, who embodies the power and authority of the state itself.

I fear that Mr. Hitler succeeded in convincing Mr. Chamberlain in his Munich Conference that his purpose was to gather into one nation or empire those of purely German blood. It is known that in Germany and Austria there were hundreds of thousands of citizens who were the result of intermarriages between Jewish and German and other so-called Aryan races. There are some persons who think of the Jews as a homogeneous group, of a uniform racial type in all parts of the world.

Dr. Joseph N. Moody, in his pamphlet, declares that "nothing could be further from the truth." He adds that there is no such thing as a Jewish race in the biological sense of the term. He states that anthropological studies have revealed that from the beginning Jews were not a single people of a like origin, but were composed of Semitic elements, to which had been added large numbers of non-Semitic types. All know that there were many Greeks, Romans, and other nationals who connected themselves with the Jewish faith, particularly during the last two centuries before the beginning of the Christian era. And it is a fact that, in every period since, individuals of different races have attached themselves to the Jewish religious community.

The theory of the purely "German blood" was automatically to include all peoples and groups speaking the German language. However, Hitler did not limit himself to retaking from the Allies of the World War territory that had been taken in that war from Germany. He reached out for the peoples that had been under the dominion of the Austro-Hungarian Empire and had not ever been a part of Germany as such.

Thus we have seen a pseudo knight-errant claiming to rescue persecuted minorities in other lands—Czechoslovakia, Lithuania, and Austria, for example—while at the same time persecuting, in the cruelest ways known in modern times, hundreds of thousands of persons in his own Nazi Germany. Under the coercion of spurious plebiscites, Hitler has succeeded in turning foreign minorities into so-called majorities, and then converting each country into totalitarianisms, thus blotting out all minorities and crushing minority rights. After having, I fear, deluded Prime Minister Chamberlain into crediting the limited theory of strictly "German blood," Hitler proceeded to take by force Czechs, Slavs, and other races under his domination, thus giving the lie to every statement and pledge he made at Munich and at preceding conferences. It would seem that his ambitions for power know no bounds.

I quote as significant on this subject an excerpt from an editorial of the London Observer of Sunday, March 26, 1939:

A full English translation of Mein Kampf is at last available. Any reader among the 200,000,000 of the English-speaking world can at last realize that Herr Hitler's book is the soul of the man and the creed. In this Bible, or Koran, of embattled fanaticism and unbounded ambition there is one towering idea. Herr Hitler not only aims at the most powerful empire yet seen in history, he says plainly that this world domination by a superior race must be impregnably established; and that all powers and forces which might seriously compete with it must be struck down or otherwise disabled.

There has been some criticism of the Versailles Treaty, and undoubtedly some of its terms were unjust, but in the light of the oppressive acts of Hitler and the so-called treaties imposed by him upon Austria and Czechoslovakia, may we not infer what kind of a peace treaty Germany would have imposed on the allied nations if she had won the World War? We recall the oppressive terms which she imposed upon Rumania during that great contest. Does anyone now believe that such a treaty would not have been far worse than the Treaty of Versailles? It is about time we were aroused to a realizing sense of the "brutalitarian" government that holds not only its German citizens in political and military servitude, but pursues this same course with any and every country that has been in process of conquest, thus making the Treaty of Versailles moderate in comparison. As a matter of fact, under the Versailles Treaty, peoples were allowed to move about from country to country and to take their property and effects with them, and to enjoy civic and other advantages, none of which are allowed to the oppressed and persecuted Nazi citizens, and those of other countries as rapidly as Hitler can obtain dominion over them.

While we recognize the right of the people of a country to establish such government as they deem best to meet their needs, a proper regard should be had for the principles of justice and morality, and it should be recognized that a government so established should be promotive of the happiness and welfare of those owing it allegiance.

As civilization advances nations are drawn into closer relationship and constitute what is called the "family of nations."

We recognize the rights of individuals, our neighbors, but we are not forbidden to protest against brutal and inhuman treatment of the children of our neighbors. It is assumed that in this age nations will treat their nationals in a spirit of justice, and certainly in a spirit of humanity.

I do not subscribe to the view that American citizens or our Government may not take cognizance of the conduct of other nations, particularly where such conduct will manifestly bring repercussions in our country as well as in other countries. Our Government has frequently raised its voice in protest against brutal and inhuman treatment by governments of their own nationals. Because of our traditions and our desire to live at peace with all men and nations, we are told by some that no matter what cruel forms of persecution and brutality are practiced in other lands against defenseless human beings, our Government must remain silent and American citizens must express no condemnation.

The editor of Mr. Mussolini's newspaper a short time ago took occasion to tell the United States "to mind its own business"; and undoubtedly there are some Americans who believe that we have no right to raise our voices against the slaughter of innocent Chinese—men, women, and children—or the expulsion from Germany and other European countries of several million people, and the subjection of many of them to the most brutal and cowardly treatment, including robbing them of their properties.

I do not accept the view that our Government must remain absolutely silent, and that the American people shall express no opinion when great wrongs are being done, when hundreds

of thousands of people are being driven from their homes, and thousands placed in concentration camps and subjected to such brutalities as to cause the death of many. The view has been expressed by some that our Government has remained silent when other governments have subjected their nationals to cruel and barbarous persecution. In my opinion, the reverse has been the case. And, because this is a historical fact which should be recognized by American citizens, I wish to invite the attention of the Senate to a recent study of the course pursued by our Government when citizens of other countries have been subjected to cruel and barbarous treatment.

The study was made by Mr. Salmon O. Levinson, a distinguished Chicago lawyer, who gained international fame as a result of his pioneering work in developing what has been called the "outlawry of war" doctrine as a basis of international law. Mr. Levinson has been not infrequently called the "Father of the Kellogg Pact."

He has divided his study into two parts:

In the first, he shows what precedents have been created when, in years passed, our Government has been confronted by persecutions for racial, religious, or political reasons in other lands.

In the second, he indicates the bearing of these precedents on our present situation.

Mr. President, I regard this study as particularly important at this time, in view of what is occurring in Germany, as well as some other countries in Europe. I therefore ask to have it incorporated in the RECORD as part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

AMERICA

We are living in a period of seismic and kaleidoscopic changes. Some are surely of the earthquake variety, and most are so rapid as to make the world gasp for breath. Let us deal with this revolutionary history as it bears upon two vital aspects of our national life.

First, what duty does America owe to outrageous violations of the laws of humanity and what guide do our governmental precedents furnish us?

Secondly, what are our duties and obligations in the protection of our American representative democracy, of our own matchless individual liberties established and cherished for 150 years?

Both these questions need clarification and emphasis in the light of present world conditions and of our own historic past. In some respects they dovetail.

AMERICAN BACKGROUND

Gladstone, the greatest liberal British statesman of modern times, not only paid a superlative tribute to our Constitution but to him is also ascribed the following significant warning:

"The Government of the United States represents what is on a large scale the last experiment in establishing and maintaining free political institutions. Should that experiment fail, the world may well despair of the character and processes of government for an indefinite future."

This is a grave and timely warning. We need to defend our national inheritances not only with battleships and airplanes but with those heroic moral and spiritual qualities which have marked the evolution of the American people. This is not lackadaisical nationalism. For we are composed of all the peoples of Europe, and all who came here craved liberty and freedom of opportunity.

By reason of certain recent developments across the Atlantic it has been said that we are back to the old order—the old order of military alliances, secret diplomacy, imperialistic deals, plots, and counterplots. But America has never belonged to or been a part of the old order. Washington and Jefferson established a new order in a new world. The base of this new order is liberty, security, and peace. In his farewell address, Washington says: "'Tis our true policy to steer clear of permanent alliances. * * * Harmony, liberal intercourse with all nations are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand." And it is but the natural and evolutionary development from "no military alliances" to "no war" which latter is the gist of the Briand-Kellogg Pact, a purely American idea, and the first universal treaty against war between nations in the history of civilization. This Pact of Paris is the law of the world and the cornerstone of the administration's foreign policy. We cannot here refrain from doing honor to one of the leading statesmen of our generation, the senior Senator from Idaho, whose name and devotion are imperishably identified with this fundamental law against war. The Kellogg Pact, which came into effect on July 24, 1929, has continued to be the cardinal foreign policy of three administrations. The nonrecognition of territory seized or annexed by or under the brazen threat of force is an indispensable corollary to that pact.

Washington's Farewell Address furnishes us another vital American principle so pertinent to present-day problems. It should be written in letters of gold in every church, schoolroom, and legislative hall of our country. We quote the entire paragraph:

"Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, Where is the security for property, for reputation, for life, if the sense of religious obligation desert the oaths which are the instruments of investigation in courts of justice? And let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure—reason and experience doth forbid us to expect that national morality can prevail in exclusion of religious principle."

Dr. Arthur H. Compton, famous physicist of the University of Chicago, some months ago put our religious history thus: "Civilization, as we know it in America, has been built up by the inspiration and energy of religious-minded people."

The European scene today emphasizes the enduring wisdom of Washington's political last will and testament. His words of advice shine like stars in the American firmament. Indeed, Washington, Jefferson, Franklin, Madison, and Hamilton are recognized as the greatest government geniuses in history. As Ben Jonson said of Shakespeare, they are "not of an age but for all time."

Let us consider together the position the United States occupies in present world complications: What are our duties, our rights, and what precedents our own political history provide for our guidance. First of all, permit us to make it clear that we hold in our hearts no hostility, no enmity, to any nation, to any peoples on the face of the earth. Our America covets no territory; is, in fact, moving in the other direction in the Philippines; has no traditional or war grudge against any country. On the contrary, our people, comprising naturalized citizens and their descendants from practically every nation of the globe, are deeply interested, spiritually and materially, in the welfare and security of all peoples. To this end America would gladly join in or lead any movement that has for its prime objective a reuniting of the family of nations, the readjustment of the maladjustments—financial, economic, and territorial—resulting from the Great War and its turbulent aftermath, which, without creating new and dangerous problems and precedents, would reasonably serve to promote justice and contentment among all peoples. Our international diplomacy has sometimes been criticized as weak and ineffective. This criticism largely arises from its openness and freedom from intrigue. For example, in the matter of war: In 1898 President McKinley announced as an American policy that we will fight no wars of aggression or conquest and will accept no spoils of war. In 1917 President Wilson reiterated this policy in even broader and more generous terms. On this unprecedented policy, proclaimed by a Republican as well as by a Democratic President, the American people stand firm as a rock.

Consider also our position and conduct in the World War. We were a belligerent in that conflict only 19 months. Yet in that short time we invested a sum far greater than any other participant did in the 4 years of its duration, namely, the colossal amount of $45,000,000,000. Likewise we organized and equipped an army of 4,000,000 boys, who, despite necessarily scant training, won the admiration of the world for their bravery and patriotism. Unquestionably American participation tipped the scales to an allied victory. But when the victors sat around the peace table the United States alone among the victors refused to touch a dollar of the huge German reparations or a foot of conquered territory. Thus by our deeds did we immortalize the American policy announced by Presidents McKinley and Wilson.

No other nation in the history of mankind ever pursued such an unselfish and generous course in war or peace. And though we have suffered the severest economic and financial losses as a part of the shattering effects of the World War, we have since the armistice not only borne no malice nor hostility toward our former enemies, but both our Government and our people have made generous loans for rehabilitation purposes to Germany, to Austria, and to Hungary aggregating billions of dollars. Where can history furnish a parallel to this conduct?

AMERICA'S RIGHT AND DUTY WHEN LAWS OF HUMANITY ARE VIOLATED

In view of these things it is not only the right under the comity of nations but also the moral duty of the United States to make its voice heard in Europe, to protest the inhumane outrages that, to the shame of civilization and Christianity, are being perpetrated on innocent people by the most brutal methods known to modern times. These outrages include persecution of religion and race, denial of freedom of conscience (which is and must always be accompanied by loss of freedom of the press), the destruction of the very texture of Christian civilization, the tortures of concentration camps, the illegal confiscation of property of the persecuted, the denial of all protection of law by making their victims outlaws by sovereign decree, and finally the expulsion of these despoiled and helpless victims, thereby creating hundreds of thousands of homeless refugees who must either starve and die or be foisted without moral or legal right upon the governmental and private charity of other nations.

All these outrages are typified and unbelievably perpetrated by and in Nazi Germany, although some other nations are brazenly violating treaties freely entered into and using violence and inhumane methods to secure imperialistic and dictatorial objectives, other nations are throttling liberty of conscience, of speech, and of the press. And to avoid any possible misunderstanding the fact is, and almost every American knows, that we have no finer quality of patriotic, peace-loving, industrious, and educated citizens than the many millions of our own Germans, both naturalized and native born. If a poll should be taken of all Americans of German descent it would come as near showing unanimous opposition to religious and racial persecutions, denial of due process of law, and lawless confiscations of property as would any other group of our American citizenry.

From Von Steuben, in our Revolutionary struggle, who deservedly stands on a parity with Lafayette as a foreign friend of American liberty, through the great Carl Schurz to the present time, no right-thinking person has ever questioned the marvelous contribution to freedom, culture, art, science, and religion with which the Germans have enriched American soil. But facts inside Nazi Germany, though kept from their own people, are shockingly known here and must be faced and dealt with as a menace to our own country, to the very foundations of religion, and hence to civilization itself.

The persecution of minority groups began in Nazi Germany shortly after the advent of Hitler as Chancelor in January 1933. Spoliation and expulsion of the Jews had been in Hitler's original National Socialist platform. But soon after assuming power he crushed and oppressed labor unions, the social democrats, and all political opposition. It is estimated that labor unions' property to the extent of $50,000,000 was confiscated and the unions destroyed.

In order to give color of justification to the developing cruelties of anti-Semitism and to furnish a basis for excruciating laws, the spurious theory of "Aryanism" was devised for the purpose. If anyone will look into the Encyclopedia Britannica, or the very recent discussion at Cambridge, England, he will find that the word "Aryan" refers only to language or speech. It does not relate to blood or soil or race or color of eyes or hair—solely to language and speech. But the Nazis have corrupted the word to their own uses to mean "Nordic," or, as formerly known, "Norman." A couplet of Tennyson might enlighten the Nazis on their own theory of "Aryanism":

"Kind hearts are more than coronets,
And simple faith than Norman blood."

In order to bring into clearer vision to everyone, and particularly to bring home to the Germans how outrageous these "non-Aryan" persecutions and oppressions are, let us make the following suppositions:

1. Suppose that the United States literally adopted and accepted the Nazi definition of "Aryanism," namely, those of 100-percent pure "Aryan" blood under the present Nazi laws.

2. Then suppose our Government enacted identic punitive laws against all our German "Aryan" citizens. In other words, suppose America should suddenly rise up against German so-called Aryans, deprive them of all political and civic rights, despoil them of their property, put them in concentration camps at the will of our President, and, finally, having drained them dry of money and property, exile them as refugees to wither and die unless these millions of innocent and helpless people were voluntarily befriended by other nations. For we would merely be doing exactly the same thing, only in reverse, that the Nazis have done to their so-called non-Aryan citizens. And we would be doing it with the same moral right, to wit, none, and with the same legal right, if we can imagine the American people enacting such inhumane laws.

3. What is not supposition is that if we did such things, America would rightly be called the pariah of nations; we would surely have lost all sense of morality, humanity, and international honor.

These religious and racial persecutions are so well known to the American people through our most dependable newspapers and international press that it is wholly unnecessary to harrow again our feelings of shame and pity by their recital. But if Herr Hitler challenges the truth of these charges of inhumane conduct the United States will gladly join in the appointment of an independent high-class committee to ascertain and report the real facts. Indeed, we would personally welcome an open and full investigation.

Before calling the roll of great Englishmen and Americans, official and lay, who have protested and condemned acts of inhumanity and religious persecution, we set forth a few of the Nazi persecutions of other religious denominations, Protestant and Catholic.

THE CASE OF DR. NIEMOELLER

Consider the case of Rev. Dr. Martin Niemoeller, the great Lutheran Protestant pastor. He was the minister of the Jesus Christ Evangelical Lutheran Church of Dahlhem, Berlin. During the war he won fame as a patriotic German naval officer, commanding U-boats in the Mediterranean and being decorated over and over again for exceptional bravery. Entering the Christian ministry after the war he had risen swiftly to the pastorate of this famous Berlin church. He had carefully refrained from taking any part in politics, holding that to be out of accord with his position as a Christian minister. He had, however, as an individual German citizen, joined the National Socialist Party and voted the Nazi ticket in the election of 1933, which placed Hitler securely in power.

Pastor Niemoeller, in other words, was ready to support the Nazi government in all its political and social policies. It was only when that Government overstepped the bounds to dictate to the church what it must preach, whom it must elect and obey as its bishops, and to set up a vast bureaucracy of Nazi politicians in charge of church affairs—it was only then that Pastor Niemoeller protested. For nearly 4 years, as head of a company of fearless Protestant ministers, he insisted on freedom for the church from state control. He was warned, he was threatened, his home was constantly entered and searched by the secret police.

In July 1937 Martin Niemoeller was arrested. Taken to prison, he was held incommunicado for 7 months, never being brought into court to find out the charges against him, never even having a copy of any formal indictment served on him in prison. He was simply left there alone behind the bars of his prison, while all that his friends inside and outside Germany could do was to agitate that he at least be tried. Finally he was tried in February and March 1938, in proceedings from which the public, including Niemoeller's own wife, was excluded, proceedings so farcical that Niemoeller's lawyers at one point withdrew from the case, insisting that it was a travesty on justice. The sentence passed on Niemoeller was for 7 months of incarceration and a fine of 1,500 marks ($600). The fine was immediately paid and the court held that Niemoeller, having already spent 8 months in prison, could go free. Yet when this world-famous Christian minister stepped outside the doors of the courtroom, before he could so much as greet the wife and children who were waiting there for his release, he was immediately rearrested by the Nazi secret police and rushed off to a concentration camp, where he is held to this day. That is an almost unbelievable example of religious persecution of Protestant Christians in Germany.

The Niemoeller case is only one of many, but, because of his standing, his ability, his courageous conduct during the war, and his acceptance in very large measure of national-socialist principles, his case is historic and revolting to all sense of governmental decency.

PERSECUTION OF CATHOLICS

The Nazi persecution of Catholics has been shrewdly camouflaged, first by the Concordat with the Pope, which somewhat lulled all suspicion, and then by official denials, and where these would be too obviously false, by reckless and unscrupulous charges of immoral conduct against priests and other Catholics. Here are quoted a few extracts from the reliable London Catholic Herald and the Commonweal.

On December 31, 1937, the Herald contains the following:

"His Holiness has referred in very serious terms to Germany, stating that things must be called by their real names. 'We wish to speak of the very sad fact of persecution in Germany, because we want to give things their proper name.'

"'In Germany,' the Pope went on, 'there is a religious persecution. It is being said and has been said for a long time that that is not true. We know, however, that it is a persecution and a grave one. Seldom there has been a persecution which was so serious, so terrible, so painful, and so sad in its deepest consequences. It is a persecution where neither the use of violence, nor the pressure of menaces, nor the deceptions of cunning and lie are missing.'"

The Commonweal, July 2, 1937, carries an article on Nazi Persecution of Catholics, by Waldemar Curian:

"Waves of filth and fury have swirled up about Germany's priests and religious—waves that have their wellspring in the inner chambers that determine the press policy of the Third Reich. You cannot open a German newspaper without finding at least one account of a trial on statutory charges involving priests or religious as defendants. A newspaper has no choice in the matter of printing these reports. The Nazi policy intends that even the tiniest village should regard rectory and convent alike as dens of abomination. The radio, too, plays its part, and Nazi party organs carry news stories with such headlines as "Can the Church Stand the Truth?" "Incredible Patience of the Hierarchy," "Children Outraged in Convent Schools," "Corruptors of Youth Clad in Cassocks," "Spotless at the Altar but Scandalous as Educators," "A Devil in a Surplice."

"Der Schwarze Korps has a circulation of over 500,000. This is the official journal of the S. S., the 'Black Bodyguard,' whose leader, Himmler, is chief of the coordinated German police. This sheet unfailingly launches most devastating attacks against church and cloister, with respect for neither Pope nor Bishops. A few examples will serve. It carries a caricature of high church dignitaries and creates the impression through the caption that a priest who has not run afoul of decency is 'the individual case.' Another cartoon is directed against the Bishop as follows: 'How will I clean up this pigsty? Can't be done. So the dung stinks to high heaven. That will bring the police, and they'll take care of it.' And the police closed an Episcopal convent with the contention that regulations there were of a sort that 'represented a serious threat to morals.'"

Owing to the complete domination of the press and the courts by the Nazi government it is impossible effectively to refute these degrading charges.

Recent outbreaks against Cardinals Innitzer and Faulhaber and stern condemnation by the Pope of both anti-Catholicism and anti-Semitism show that these persecutions are growing progressively worse and are part and parcel of the Nazi philosophy of totalitarianism.

Under cover of these religious persecutions the Nazi government is not overlooking the vast monetary advantage that is thus offered. The step from oppression, persecution, and "protective imprisonment" in concentration camps to confiscation, baldly or under legal devices, of the victims' property is a small and diabolically logical one. No one outside the Nazi chieftans can possibly estimate the vast total amount of this ingenious sovereign racketeering. But

even a rough guess shows it to run into billions of marks. The recent "Baron Munchhausen" fine extored from German and Austrian Jews when an exiled and half-distracted 17-year-old Polish boy shot a German third secretary in Paris shocked the world as the acme of senseless brutal governmental injustice. And, of course, when these innocent victims are completely cowed and despoiled of all means of subsistence, the stage is set for their exile, leaving their fate of life or death to the mercy of other nations. "Other nations!" What cares the Nazi master of propaganda, Herr Goebbles, about "other nations"? A recent Associated Press dispatch from Berlin reads:

"If the foreign press invokes our human feelings, why we will be glad to present the Jews to them. If people say, 'Why, the Jews aren't doing anything,' I say they provoke us by their very presence. What do we care about foreign countries anyway? The world should leave us alone. We are not harming anybody."

We now quote from state papers and addresses on what rights and duties arise to other nations in the face of persecution and oppression by one nation that violates the laws of humanity and of God, and that also foists heavy and unjust burdens upon other nations. And especially we cite the inspiring words and acts of our own Government, which, in times past, has had the courage and humanitarian impulse and has exercised the right to protest and condemn these inhumane practices.

This right is well recognized and is based on—

(a) The laws of humanity, of Nature, and of God which transcend all man-made laws which violate them;

(b) The right to protection against the inevitable effect of despoiling and banishing by direct or indirect methods large numbers of men and women, who are thereby forced to seek life and home in other countries, thus making the question not a local but an international one; and

(c) The friendly moral right of every nation under the comity of nations to protest against outrages and inhumane conduct occurring in any country. The manner of protest may sometimes be open to criticism but the right of protest is undeniable.

PRECEDENTS OF SOVEREIGN PROTESTS AGAINST OUTRAGES IN OTHER NATIONS

Stowell, in his work in Intervention in International Law (p. 52), says that there are many instances of firm diplomatic protests in both hemispheres on different grounds, including governmental persecutions amounting to inhumane conduct.

Stowell says, on page 63:

"Governmental persecution may be sufficiently gross to amount to inhumane conduct. Particularly frequent have been the instances of intolerance; that is, the denial to large numbers of persons of the liberty to profess their religion."

Both our Government and our people have the proud record of expressing their moral protests against and condemnation of outrages on liberty, religion, and race emphatically and frequently.

In the early days of this Republic President John Quincy Adams wrote:

"This principle, that a whole nation has a right to do whatever it pleases, cannot in any sense whatever be admitted as true. The eternal and immutable laws of justice and of morality are paramount to all human legislation."

The name Kossuth is loved by all who prize liberty. Austria and Russia combined to defeat Kossuth, and after he had taken refuge in Turkey they demanded his surrender. Here was a matter with which our country had no direct concern. Hungary, Austria, Russia, Turkey, all undoubtedly considered that the crushing of the Kossuth forces and whatever punitive action any of them desired to take, were matters altogether of internal policy with which the United States had rightfully nothing to do.

That was not the view of Americans of that day. They did not invite war nor threaten a disruption of friendly relations by voicing the moral indignation of this civilized Nation. Daniel Webster, then a Member of the United States Senate, declared in a speech in Boston:

"We have all had our sympathies enlisted in the Hungarian effort for liberty. We have all wept at its failure. Despotic power from abroad intervened to suppress the hope of free government in Hungary. Gentlemen, there is something on earth greater than arbitrary or despotic power, and that is the aroused indignation of the civilized world."

Thereafter, having in the meantime become Secretary of State, Webster set forth the views of this Government:

"While performing with strict and exact fidelity all their neutral duties, nothing shall deter either the Government or the people of the United States from exercising at their own discretion, the rights belonging to them as an independent nation, and of forming and expressing their own opinions, freely and at all times, upon the great political events which may transpire among the civilized nations of the earth."

Kossuth was not put to death. He was brought to this country on an American public vessel, after a resolution to that effect had been passed by Congress. He was presented to the Chief Executive, to both Houses of Congress, and was honored throughout the land.

Czarist Russia seems to have been the model or prototype which is being followed in persecuting Jews, although the present government of Germany has broadened it to include Catholics and Protestants. On April 15, 1882, Secretary of State Frelinghuysen, dealing with the Russian outrages on Jews, gave instructions to our Ambassador to Russia "to express the hope that the Imperial Government would find means to cause the persecution of these unfortunate fellow beings to cease."

These Russian persecutions called forth two notable meetings, one at the Mansion House in London on February 1, 1882, and the other in New York City, at Chickering Hall, held on the same day.

We quote excerpts from the London speeches of some of the greatest men of England of that day. Resolutions were passed and sent to Prime Minister Gladstone to use his diplomatic influence to stop the outrages.

At this meeting the Earl of Shaftesbury, distinguished philanthropist and statesman, said in part:

"There may be, or there may not be, a precedent for such a meeting; but I hold that in these days of what is called the 'solidarity of nations,' of enlarged responsibilities and greatly increased force of public opinion—if there is not a precedent, it ought to be established on this very day. I am glad that the people of England have come forward to make a solemn declaration that, in their belief, there are moral as well as material weapons; that the moral weapons in the long run are the more effectual and the more permanent; and that it is our duty to resort to those moral weapons when for use of the material we have neither the right nor the power * * *."

Lord Shaftesbury offered the following resolution:

"That in the opinion of this meeting the persecutions and the outrages which the Jews in many parts of the Russian dominion have for several months past suffered, are an offense to civilization to be deeply deplored."

The Bishop of London said:

"A few years back our country was horrified with accounts of atrocities committed in what were then provinces of the Turkish Empire. The country was moved, but it had the consolation of knowing that though the sufferers were Christians, the perpetrators were almost all of another creed. Now, alas, the case is the reverse. Those who have perpetrated these atrocities are men who bear the name of Christians; so that the persecutions of the Middle Ages, on which history has long set the stamp of reprobation, have been reproduced in the latter part of the nineteenth century. * * * Speaking here from this platform, I may without presumption, in the name of every member of the Church of England, second the resolutions which Lord Shaftesbury has proposed."

Cardinal Manning, on behalf of the Catholics, said:

"It is because I believe that we are high above the tumults and conflicts of party politics, that we are in the serene region of human justice, that I am here today. * * * Further, I may say, that while we do not intend to touch upon any question in the internal legislation of Russia, still there are laws larger than any Russian legislation, laws which are equally binding in London, in St. Petersburg, and in Moscow—the laws of humanity, of nature, and of God—which are the foundation of all other laws; and if in any legislation these are violated, all nations of Christian Europe, the whole commonwealth of civilized and Christian men, would instantly acquire a right to speak out loud. * * * Is there any career of public utility, any path of honor, civil or military, in which the Jews have not stood side by side with their countrymen? * * * For uprightness, for refinement, for generosity, for charity, for all the graces and virtues that adorn humanity, where, I ask, will be found examples brighter, or more full of true human excellence, than in this branch of the Hebrew race. * * *

"There is but one word more I have to say. * * * There is a Book, my Lord, which is common to the race of Israel and to us Christians. That Book is a bond between us, and in that Book I read that the people of Israel are the oldest people upon the earth. Russias and Austrias and Englands are but of yesterday compared with the imperishable people, which—with an inextinguishable life and immutable traditions, and faith in God and the laws of God, scattered as it is all over the world, passing through the fires unscathed, trampled into the dust and yet never combining with the dust into which it is trampled—lives on, still a witness to us, a witness and a warning. We are in the bonds of brotherhood with it. The New Testament rests upon the Old. They believe in half of that for which we would give our lives. Let us, then, acknowledge that they are united with us in a common sympathy."

Canon Farrar, at the same meeting, said:

"The Jews are at once the noblest and the most trampled-upon nationality in the world. Their religion was the cradle of Christianity. The Jews have among them names which, as Sir Walter Scott says, as compared with any of our names, are like the gourd to the cedar, and which go back to the time when the voice of God shook the mercy seat between the Cherubim. It is the Jewish nation that humanity owes the deepest debt of gratitude, and it is on that nation that humanity has inflicted the deepest wrongs."

James Bryce also addressed this meeting and said in part:

"I feel honored in being asked to address this meeting * * * to confirm the testimony already given, that those who then spoke out so strongly against atrocities committed by Mohammedans against Christians feel now similar indignation against the attacks made by Christians upon Jews. * * *

"The resolution which I have to propose is as follows: 'That the lord mayor be requested to forward a copy of these resolutions to the Right Honorable W. E. Gladstone and the Right Honorable Earl Granville, in the hope that Her Majesty's Government may be able, when an opportunity arises, to exercise a friendly influence

with the Russian Government in accordance with the spirit of the preceding resolutions.' * * * It is, indeed, enough to make one blush for modern civilization to think that a people like the Jews—a people whose ancient literature is so sacred in our eyes, on whose ancient religion our own is based, who have rendered such eminent services to learning and science—in the nineteenth century should be subjected to such terrible persecution."

A mass meeting in New York City February 1, 1882, at Chickering Hall, was called at the request of ex-President U. S. Grant, Roscoe Conkling, and other distinguished American citizens. Mayor Grace, of New York, presided and made the following brief address:

"In the name of freedom of thought, of religious liberty, I feel that we are called upon to protest against the tyrannical illiberality of a government which permits the persecution of an entire people for the simple reason that they are of a peculiar race and peculiar faith. * * * I am strongly reminded of the words of Pope Innocent IV, in a letter which he wrote in defense of the Jews in 1247, where he says: 'What a shame it is they should be more miserable under Christian princes than their ancestors were under Pharaoh.'"

The chief address was delivered by ex-Secretary of State William H. Evarts, who in part said:

"But it is said, Do not nations correspond only through governments, and are not governments clothed with complete authority within the territories over which they rule, and are they not jealous of any intimations or suggestions made by friendly governments, however close their amity may be? Well, gentlemen, the time has gone when kings, couriers, and ships of war were the only messengers between nations, and when state proclamations and announcements of ambassadors were the only messages that passed between nation and nation. All this wonderful apparatus of communication which the world rejoices in and uses every day, all this vast apparatus was not made for men and the transfusion of people with people, but the common diffusion of the world's common property in the interchange of thought, of feeling, and of purpose. All nations now speak directly to nations, under no constraint or formality, and under no difficulty of making themselves understood."

In 1891 the United States complained to the Russian Government of its harsh treatment of the Jews, which forced them to emigrate in large numbers to this country. On his instructions to the American ministry, February 18, 1891, Secretary of State James G. Blaine spoke of the action taken by the Russian Government as a step which "would not only wound the universal and innate sentiment of humanity but would suggest the difficult problem of affording an immediate asylum to a million or more of exiles without seriously deranging the conditions of labor and social organization in other communities."

Mr. Blaine further observed: "The Government of the United States does not assume to dictate the internal policy of other nations, or to make suggestions as to what their municipal laws should be or as to the manner in which they should be administered. Nevertheless, the mutual duties of nations require that each should use its power with a due regard for the results which its exercise produces on the rest of the world."

The American representative was directed to read this instruction to the Russian Minister of Foreign Affairs. President Benjamin Harrison, in his annual message, December 9, 1891, said:

"This Government has found occasion to express, in a friendly spirit but with much earnestness, to the Government of the Tsar its serious concern because of the harsh measures now being enforced against the Hebrews in Russia. By the revival of anti-Semitic laws, long in abeyance, great numbers of those unfortunate people have been constrained to abandon their homes and leave the empire by reason of the impossibility of finding subsistence within the pale to which it is sought to confine them. The emigration of these to the United States—many other countries being closed to them—is largely increasing and is likely to assume proportions which may make it difficult to find homes and employment for them here and to seriously affect the labor market. It is estimated that over 1,000,000 will be forced from Russia within a few years. The Hebrew is never a beggar; he has always kept the law—life by toil—often under severe and oppressive civil restrictions. It is also true that no race, sect, or class has more fully cared for its own than the Hebrew race. But the sudden transfer of such a multitude, under conditions that tend to strip them of their small accumulations and to depress their energies and courage is neither good for them nor for us. The banishment, whether by direct decree or by not less certain indirect methods, of so large a number of men and women is not a local question. A decree to leave one country is, in the nature of things, an order to enter another—some other. This consideration, as well as the suggestions of humanity, furnishes ample ground for the remonstrances which we have presented to Russia, while our historic friendship for that Government cannot fail to give assurance that our representations are those of a sincere well-wisher."

In 1902 Secretary of State Hay called the attention of the powers to Rumania's violation of the Treaty of Berlin and her unjustifiable oppression of the Jews. Stowell, page 69, comments:

"As the correspondence indicates, Secretary Hay's intention was to demand justice for the oppressed Jews in conformity with the principles of international law and the dictates of humanity. This action was taken, as he said in his dispatch of August 11, 1902, to Mr. McCormick, 'not alone because it (the United States) has unimpeachable grounds to remonstrate against the resulting injury to itself, but in the name of humanity.'"

The French Government also took a hand in this protest. Stowell says, page 67:

"From Paris the French consulate at Jassy had received the following telegram of instructions: 'The persecutions begun against the Jews at Jassy cause here a just and general indignation. Take prompt and energetic steps to put a stop to an iniquity which is a dishonor to the Rumanian Government.'"

The Kishineff massacre in Russia of 1903 led to other meetings of protest in the United States, notably one at Carnegie Hall, New York, May 27, 1903, over which Mayor Seth Low presided. Carl Schurz at this meeting spoke these memorable words:

"The persecution and maltreatment of human beings on account of their race or their religious belief is always an offense not only unjust to the victim, but also degrading to the offender. But the persecution and maltreatment of the Jews, as mankind has witnessed it, and is now witnessing it in several countries, has been not only especially barbarous in the ferocity of its excesses, but in a singular degree self-debasing and cowardly in the invention of the reasons adduced for its justification. These horrors are not only one more revelation of the ulterior tendency of a movement which here and there even assumes the mask of superior respectability. Here is the whole question again brought before the tribunal of the conscience of mankind. May this event serve to put in clearer light the fact that the history of the world exhibits no more monumental record of monstrous injustice than the persecutions inflicted upon the Jews during so many centuries. We may then also hope to see the other fact universally recognized that wherever the Jewish race, with its wonderful vitality and its remarkable productiveness of talent and energy, enjoys the equal protection of just laws and a due appreciation of its self-respect, it will, far from remaining a race of aliens, furnish its full contingent of law-abiding, peaceable, industrious, public-spirited, and patriotic citizenship, vieing with the best."

Ex-President Grover Cleveland, at this meeting, made this notable contribution:

"The influences which have called us together tonight grow out of our recognition of the promptings of Christian civilization and our dutiful devotion to the best and deepest of our national characteristics. This demonstration furnishes cheering and reassuring evidence that our American sympathy for the oppressed and abused, wherever they may be, our American love of humanity, and our attachment to justice and right, are still active and unimpaired. There is another American trait inwoven with the warp and woof of our national character, which is here exhibited in most gratifying freshness and strength. Our people, when their sympathies are touched, when their humane instincts are challenged, and when their hatred of oppression is aroused, are not afraid to speak, and in such circumstances it is not their habits to smother or cautiously soften their words.

"Every American humane sentiment has been shocked by a late attack on the Jews in Russia—an attack murderous, atrocious, and in every way revolting. As members of the family of mankind, and as citizens of a free nation, we are here to give voice to the feeling that should stir every true man, and every American worthy of the name. There is something intensely horrible in the wholesale murder of unoffending, defenseless men, women, and children who have been tacitly, if not expressly, assured of safety under the protection of a professedly civilized government. Such things give rise to a distressing fear that even the enlightenment of the twentieth century has neither destroyed nor subdued the barbarity of human nature, nor wholly redeemed the civilized world from 'man's inhumanity to man.' * * *

"Let the people of the United States, gathered together in such assemblages as this, in every part of the land, fearlessly speak to the civilized world, protesting against every pretense of civilization that permits medieval persecution, against every bigoted creed that forbids religious toleration and freedom of conscience, against all false enlightenment that excuses hatred and cruelty toward any race of men, and against all spurious forms of government protection that withhold from any human being the right to live in safety and toil in peace."

At a Chicago meeting on May 18, 1903, a petition was approved and delivered to Secretary of State John Hay, under President Theodore Roosevelt. Whereupon Secretary Hay said:

"No person of ordinary humanity can have heard without deep emotion the story of the cruel outrages inflicted upon the Jews of Kishineff. These lamentable events have caused the profoundest impression throughout the world, but most especially in this country where there are so many of your coreligionists who form such a desirable element of our population in industry, thrift, public spirit, and commercial morality. Nobody can ever make the Americans think ill of the Jews as a class or as a race * * *. We know them too well. In the painful crisis through which we are now passing the Jews of the United States have given evidence of the highest qualities—generosity, love of justice, and power of self-restraint."

President Theodore Roosevelt took a firm stand in this matter and, as might be expected, was not afraid to deliver a resounding moral protest to the Russian Government in the face of these brutal outrages. Quoting from Thayer's Life of Roosevelt, pages 229, 230:

"Russian mobs ran amuck and massacred many Jews in the city of Kishineff. The news of this atrocity reached the outside world slowly; when it came the Jews of western Europe, and especially those of the United States, cried out in horror, held meetings, drew up protests, and framed petitions asking the Czar to punish the criminals. Leading American Jews besought Roosevelt to plead their cause before the Czar. As it was well known that the Czar would refuse to receive such petitions and would regard

himself as insulted by whatever nation should lay them before him by official diplomatic means, the world wondered what Roosevelt would do. He took one of his short cuts. He sent the petitions to our Ambassador at Petrograd, accompanying them with a letter which recited the atrocities and grievances. In this letter, which was handed to the Russian Secretary of State, our Government asked whether His Majesty the Czar would condescend to receive the petitions. Of course, the reply was 'No,' but the letter was published in all countries, so that the Czar also knew of the petitions and of the horrors which called them out. In this fashion the former ranchman and Rough Rider outwitted, by what I may call his straightforward guile, the crafty diplomats of the Romanoffs."

Commenting on this, Stowell says:

"Finally, public opinion in America became thoroughly aroused, and on December 17, 1911, the American Ambassador officially notified the Russian Government of the termination of the treaty of 1832."

In 1915, in the early stages of the World War, there occurred the Turkish persecution of Armenian Christians, and the United States, despite the inherent dangers involved, intervened diplomatically on the dictate of common humanity. Stowell (p. 80) comments as follows on this action:

"This action is of especial interest since it took place at a critical moment of the war (1915). The New York Evening Post, October 5, 1915, prints the following report from Washington: 'The Turkish Government will be formally notified that unless the massacre of Armenians ceases, friendly relations between the American people and the people of Turkey will be threatened. Instructions to that effect had gone today to Ambassador Morgenthau at Constantinople for presentation to the foreign office.'"

RELIGIOUS PERSECUTION OF CATHOLICS IN MEXICO IN 1935

On January 31, 1935, there was submitted to the Senate by the senior Senator from Idaho, former head of the Foreign Relations Committee of the Senate, a resolution protesting against the persecution of "Christians of all faiths" in Mexico, but relating mainly to the persecution of Catholics at the time, and calling for the appointment of a senatorial investigating committee. The Borah resolution provides:

"Whereas serious antireligious outbreaks have occurred in Mexico under the regime of the National Revolutionary Party now in control of the government of Mexico; and

"Whereas the persecutions of Christians of all faiths now being practiced in Mexico have aroused indignation and protest throughout the civilized world; and

"Whereas it has been the national policy of the Government and the dominant Revolutionary Party of Mexico to discourage religious profession and obliterate religious worship; and

"Whereas the present Mexican Government prohibits the time-honored practice of private religious instruction and education of children and compels parents as an only alternative to ignorance to educate their children in schools teaching hostility to orthodox religion; and

"Whereas Christian residents of Mexico who complain of such intolerance are flagrantly mistreated and abused: Now, therefore, be it

"*Resolved*, That the Senate of the United States deems it fitting and proper to protest the antireligious campaign and practices of the present rulers of Mexico; and that it views with the gravest concern such ruthless persecution of helpless men and women who have become the innocent victims of antireligious persecutions; be it further

"*Resolved*, That the Committee on Foreign Relations of the United States Senate, or a subcommittee thereof, be authorized to conduct hearings and receive such evidence as may be presented relating to religious persecution and antireligious compulsion and agitation in Mexico for the purpose of determining the policy of the United States in reference to this vital problem and in what way we may best serve the cause of tolerance and religious freedom."

CONCLUSION OF QUESTION 1

Thus we see in the actions and precedents of our past Executives and Secretaries of State, and of our past and present statesmen and publicists, a clear path of duty which we owe to the laws of nature, of God, and humanity. Protests by any nation against the infractions of these sacred highest laws are both permissible and laudable and should be received in a friendly spirit as a part of the comity of nations. Every effort should be made, just as between personal friends, to induce their assuagement and cessation on the basis of good will and mutual cooperation. Under our Constitution and Bill of Rights, America permits no invasion of freedom of religion, no laws of persecution against minorities, and hence is as well justified as any nation to urge the abandonment of such practices as make for ill-will and economic as well as political friction. The main obstacle to good will, which is indispensable to world harmony, is that some nations seem to regard it as a one-way street, something that is virtuous and praiseworthy when extended to them, but lacking in national merit when required of them. Let us try to break down this barrier not only by reciprocal commercial treaties but by reciprocal moral conduct. In this way only can the family of nations be reunited.

OUR DUTY TO AMERICA

We come then to the second great question which confronts us: What are our duties and obligations in the protection of our constitutional democracy, our matchless liberties established and cherished for 150 years?

First of all, it is obviously incumbent upon us to regard with open eyes the period in which we live, to strip away all pretenses as to the forces which today work most powerfully to establish the nature of international life, and thus to comprehend the dangers from which our democracy must be safeguarded. If there are vital portions of the earth, if there are great nations in which the sanctity of the pledged word is no longer observed, in which rule by force or by the threat of force has supplanted rule by law and by the appeal to reason, an awakened democracy must look squarely in the face the dangers which a return to the arbitrament of the sword constitutes for all nations who seek a stable and peaceful world order.

It would appear that certain great figures do not care to have the democratic peoples thus realistically consider and openly discuss the spread of arbitrary rule based on armed might. For the public leaders or the press of the democracies to tell the truth about this development and to warn against its menace is, we are told by one European ruler, "war mongering"; and a European minister of foreign affairs has recently made the unprecedented suggestion that it is a part of the duty of the accredited diplomatic representatives of the democracies to see that newspaper correspondents reporting to their countries shall send no reports from the totalitarian states which shall disclose the extent and nature of these antidemocratic developments. All such candid recognition of facts as facts is stigmatized, in the highest quarters, as "war agitation."

We are for peace. To accuse this Nation of war agitation is to malign the principles of every administration in our history. It is to distort and defame the spirit and desire of every American citizen. Search our Nation from one end to the other and you will scarcely find one person in it who is not wholly, honestly, and passionately desirous of peace. Our people have no desire but, in the words of Scripture, to "live peacefully with all men." They will sacrifice to almost any length in order to preserve peace in all our international relations. But it is a just and lasting peace to which their hearts are devoted, not an armed and rearming truce between wars and conquests.

For that reason, while we persist in our determination to maintain peace in all our international relations, we are determined likewise to provide adequate protection for our free institutions within our own borders and to cooperate with all the other republics of this hemisphere against encroachments upon the democratic liberties which they, like we, have gained by the sacrifice of blood and treasure. We do not intend, we will not permit, our armed strength, by threat or otherwise, to be used in aggression anywhere in the world. But we cannot close our eyes to the perils in which our democracy walks at the present hour, and so we mean to use the limitless resources which are in our hands to forge weapons of protection, to the end that the most precious possession of all—our human liberty—may be made secure against sabotage or attack.

For the supreme stake for which we in the democracies live today, and if need be which we will defend to the death, is human liberty. It is this which our brave fathers have bequeathed to us, the one pearl of surpassing price which we must retain and hold fast even if it cost us all else that we have. Human liberty, the rights of men proclaimed in our Declaration of Independence and given legal definition in our Federal Constitution, that irreducible dignity of the human spirit which is the basis of our political institutions and which lies at the very heart of the religious faiths espoused by most of our people—these are the heritage of our past, and these are the possessions which make life worth living for us today. Freedom and liberty are the ends for which this Government was born and the ends for which we who love this Nation and believe in its destiny live. And we will not permit any actual or potential invader to place in jeopardy the expectation that our children shall receive unimpaired from our hands this boon which our fathers handed to us as a sacred trust.

We ask freedom to maintain and conduct our own forms of republican government and individual liberty in this hemisphere, as we freely grant the right of others to their own desired forms of government, dictatorial, autocratic, or totalitarian. But under no circumstances, pursuant to no pleas or threats, will we allow the autocratic forms of government known in other parts of the earth to become established in the New World or to undermine or destroy the liberties of our American republics.

Furthermore, it is evident that the time has come when we must reaffirm our unmistakable intention of defending our liberties, not only from all attack from without, but equally from those more sinister and dangerous attacks which arise on occasion within our own national life. This liberty which we cherish—what is it but that freedom of speech, freedom of the press, freedom from search and seizure, freedom to worship after the dictates of conscience which are assured to all Americans in the constitutional Bill of Rights? And these measures of freedom can only be secure in a society without discrimination because of religion, race, or any other form of division. Yet from time to time we discover, operating in our midst, movements which have as their avowed aims the introduction of these very causes of social discrimination and disability. Against all such alien intrusions which seek to set up within American life communities dedicated to alien ideals and inimical to American conceptions of liberty and democracy, we must set our faces with unflinching determination. Such influences have no proper place in this land "conceived in liberty, and dedicated to the proposition that all men are created equal."

If asked, therefore, to declare the policy of the United States in this period of peculiar international stress, we would affirm—

First, that as this Nation is dedicated to the attainment and perpetuation of human freedom, the Government and the people of this Nation regard it as their responsibility to speak out, in the name of liberty and the dignity of humanity, against all forms of persecution and oppression, wherever they may appear and whatever forms they may take; and

Second, that this Nation, the gift to us of the sacrifices and blood and toil of our fathers who thought no price too high to pay for liberty, intends to preserve here a democracy so strong that it will provide an impregnable home of freedom for ourselves and our children, while it continues to hold aloft its historic symbol of hope and promise for the vision and inspiration of the liberty-loving of all mankind.

Above all, the question for the American people is not "Do you want war?" No one in his right mind would answer that question save only to reply with a thunderous "No." Such a question itself begs the question. "Do you want liberty?" "Do you want freedom of conscience?" "Do you want to preserve American ideals of individual and religious liberty?" And "Do you care deeply enough for these blessings to defend them, to fight for them, if necessary to die fighting for them?" These are the real questions, answers to which the American people are not even in the shadow of a doubt. For is there an American "with soul so dead" who, with our priceless liberties in peril, would not cry out with Nathan Hale, "I regret I have but one life to give to my country"?

INVITATION TO PARTICIPATE IN INTERNATIONAL EXHIBITION OF POLAR EXPLORATION, BERGEN, NORWAY

The PRESIDING OFFICER (Mr. LODGE in the chair) laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations:

To the Congress of the United States of America:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State to the end that legislation may be enacted authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an International Exhibition of Polar Exploration, which will be held at Bergen, Norway, in 1940, and authorizing an appropriation of the sum of $35,500, or so much thereof as may be necessary, for the expenses incident to such participation.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 11, 1939.*

[Enclosure: Report.]

CONFIRMATION OF NAVY AND MARINE CORPS NOMINATIONS

Mr. WALSH. Mr. President, as in executive session, I ask unanimous consent to report from the Naval Affairs Committee the nominations of a large number of naval officers and some promotions in the Marine Corps. Some others are officers of high rank who are being assigned to important bureaus in the Department. As the list is long, and if it is not acted upon at once it will have to be printed three times, I ask unanimous consent that the nominations in the Navy and Marine Corps be confirmed en bloc.

The PRESIDING OFFICER. Without objection the report will be received, and, without objection the nominations in the Navy and Marine Corps are confirmed en bloc.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER, as in executive session, laid before the Senate a message from the President of the United States submitting the nomination of Brig. Gen. Max C. Tyler, Corps of Engineers, United States Army, for appointment as a member and president of the Mississippi River Commission, as provided for by law, vice Brig. Gen. Harley B. Ferguson, to be relieved, which was referred to the Committee on Commerce.

REMOVAL OF INJUNCTION OF SECRECY FROM CERTAIN CONVENTIONS

As in executive session,

Mr. PITTMAN. Mr. President, I ask unanimous consent that the injunction of secrecy be removed from the texts of the following conventions now pending before the Committee on Foreign Relations:

Executive J, Seventy-fifth Congress, third session, a draft convention (No. 61) concerning the reduction of hours of work in the textile industry, adopted by the International Labor Conference at its twenty-third session, held at Geneva, June 3–23, 1937;

Executive A, Seventy-sixth Congress, first session, a convention between the United States of America and Canada, signed at Ottawa, September 15, 1938, providing for emergency regulation of the level of Rainy Lake and of other boundary waters in the Rainy Lake Watershed, as recommended by the International Joint Commission established pursuant to the provisions of the treaty signed at Washington on January 11, 1909, relating to questions arising between the United States of America and Canada;

Executive K, Seventy-sixth Congress, first session, a convention between the United States of America and Sweden for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance in the case of income and other taxation, signed at Washington on March 23, 1939; and

Executive L, Seventy-sixth Congress, first session, a draft convention (No. 63) concerning statistics of wages and hours of work in the principal mining and manufacturing industries, including building and construction, and in agriculture, adopted by the International Labor Conference at its twenty-fourth session, held at Geneva, June 2–22, 1938.

The PRESIDING OFFICER. Without objection, the injunction of secrecy is removed from the conventions referred to by the Senator from Nevada, and they are made public.

The conventions are as follows:

[Executive J, 75th Cong., 3d sess.]

INTERNATIONAL LABOUR CONFERENCE

DRAFT CONVENTION [No. 61] CONCERNING THE REDUCTION OF HOURS OF WORK IN THE TEXTILE INDUSTRY

The General Conference of the International Labour Organisation, Having met at Geneva in its Twenty-third Session on 3 June 1937;

Considering that the question of the reduction of hours of work in the textile industry is the second item on the Agenda of the Session;

Confirming the principle laid down in the Forty-Hour Week Convention, 1935, including the maintenance of the standard of living;

Considering it to be desirable that this principle should be applied by international agreement to the textile industry;

adopts this twenty-second day of June of the year one thousand nine hundred and thirty-seven, the following Draft Convention which may be cited as the Reduction of Hours of Work (Textiles) Convention, 1937:

ARTICLE 1

1. This Convention applies

(a) persons employed in an undertaking which fulfills the condition stated in paragraph 2 of this Article, including persons employed in any branch of such an undertaking which branch does not fulfill that condition; and

(b) persons employed in a branch of an undertaking which branch fulfills the condition stated in paragraph 2 of this Article, even though the undertaking does not fulfill that condition.

2. The condition referred to in the preceding paragraph is that the undertaking or branch of an undertaking is engaged wholly or mainly in one or more of the series of operations delimited in paragraphs 3, 4 and 5 of this Article in the course of the manufacture of any kind of thread, yarn, twine, cord, rope, netting or felt, or any woven, piled, knitted or lacework fabric from any one or more of the following materials: cotton, wool, silk, flax, hemp, jute, rayon or other synthetic fibre, or any other textile material whether of vegetable, animal or mineral origin.

3. The series of operations referred to in paragraph 2 of this Article begins—

(a) in the case of cotton, with the reception of the bales ginned cotton for breaking and cleaning;

(b) in the case of wool, with the reception of the raw wool for sorting and cleaning (excluding the process of anthrax disinfection);

(c) in the case of silk, with the reeling of the silk from the cocoon or the steeping of the silk waste;

(d) in the case of flax, jute and hemp, with the operation of retting, except where this operation is effected as work accessory to that of an agricultural undertaking;

(e) in the case of rayon or other synthetic fibre, with the reception of the materials used in the chemical production of the fibre;

(f) in the case of rags, with the sorting of the rags or the reception of the sorted rags; and

(g) in the case of any other textile material, with the operation prescribed by the competent authority as corresponding to the operations set out above.

4. The series of operations referred to in paragraph 2 of this Article includes the operations of bleaching, dyeing, printing, and

finishing and similar operations, and ends with the packing and despatch of the products specified in that paragraph.

5. The series of operations referred to in paragraph 2 of this Article includes the making in whole or in part of any garment or other article only in the following cases:

(a) the case of hosiery manufacture; and

(b) cases in which the garment or other article is made by the same process as the fabric thereof.

6. In any case in which it is doubtful whether an undertaking or branch of an undertaking fulfils the condition stated in paragraph 2 of this Article, the question shall be determined by the competent authority after consultation with the organisations of employers and workers concerned where such exist.

7. Where and so long as the principle of a forty-hour week is applied to persons to whom this Convention applies in accordance with the provisions of any international labour Convention other than this Convention, the competent authority may exclude such persons from the application of this Convention.

8. This Convention applies to persons employed in both public and private undertakings.

ARTICLE 2

The competent authority may, after consultation with the organisations of employers and workers concerned where such exist, exempt from the application of this Convention—

(a) persons employed in undertakings in which only members of the employer's family are employed;

(b) classes of persons who by reason of their special responsibilities are not subjected to the normal rules governing the length of the working week.

ARTICLE 3

1. For the purpose of this Convention the term "hours of work" means the time during which the persons employed are at the disposal of the employer and does not include rest periods during which they are not at his disposal.

2. Where at the date of the adoption of this Convention it is the practice not to regard time spent in the cleaning or oiling of machines as part of ordinary working time, the competent authority may permit any time not exceeding one-and-a-half hours in any week which is so spent to be disregarded in reckoning for the purpose of this Convention the hours of work of the persons concerned.

ARTICLE 4

1. The hours of work of persons to whom this Convention applies shall not exceed an average of forty per week.

2. In the cases of persons who work in successive shifts on processes required by reason of the nature of the process to be carried on without a break at any time of the day, night or week, weekly hours of work may average forty-two.

3. The competent authority shall, after consultation with the organisations of employers and workers concerned where such exist, determine the processes to which paragraph 2 of this Article applies.

4. Where hours of work are calculated as an average, the competent authority shall, after consultation with the organisations of employers and workers concerned where such exist, determine the number of weeks over which the average may be calculated and the maximum number of hours that may be worked in any week.

ARTICLE 5

The competent authority may, by regulations made after consultation with the organisations of employers and workers concerned where such exist, provide that the limits of hours authorised by the preceding Article may be exceeded to an extent prescribed by such regulations in the case of—

(a) persons employed on preparatory or complementary work which must necessarily be carried on outside the limits laid down for the general working of the undertaking, branch or shift;

(b) persons employed in occupations which by their nature involve long periods of inaction during which the said persons have to display neither physical activity nor sustained attention or remain at their posts only to reply to possible calls;

(c) persons employed in connection with the transport, delivery or loading or unloading of goods.

ARTICLE 6

1. The limits of hours authorised by the preceding Articles may be exceeded, but only so far as may be necessary to avoid serious interference with the ordinary working of the undertaking.

(a) in case of accident, actual or threatened, or in case of urgent work to be done to machinery or plant, or in case of force majeure;

(b) in order to make good the unforeseen absence of one or more members of a shift.

2. The employer shall notify the competent authority without delay of all time worked in virtue of this Article and of the reasons therefor.

ARTICLE 7

1. The limits of hours authorised by the preceding Articles may be exceeded in cases where the continued presence of particular persons is necessary for the completion of a bleaching, dyeing, finishing or other operation, or of a succession of such operations, which for technical reasons cannot be interrupted without damage to the material worked and which by reason of exceptional circumstances it has not been possible to complete within the normal limit of hours.

2. The competent authority shall, after consultation with the organisations of employers and workers concerned where such exist, determine the operations to which and the conditions subject to which the preceding paragraph applies and the maximum number of hours which may be worked in virtue of that paragraph by the persons concerned.

ARTICLE 8

1. Upon application by an employer, the competent authority may, after consultation with the organisations of employers and workers concerned where such exist, grant an allowance of overtime for specified classes of persons in exceptional cases in which overtime on one or more operations is necessary in order to enable the workers engaged in subsequent operations in the same undertaking to be employed up to the authorised limits of hours.

2. The competent authority shall determine, after consultation with the organizations of employers and workers concerned where such exist, the maximum number of hours of overtime which may be worked in virtue of paragraph 1 of this Article, so however that no such allowance shall permit of any person being employed for more than sixty hours of such overtime in any year or for more than four hours of such overtime in any week.

3. Overtime worked in virtue of this Article shall be remunerated at not less than one-and-a-quarter times the normal rate.

4. The competent authority may attach to the grant of an allowance of overtime such conditions as it deems expedient with a view to securing a progressive reduction in the amount of overtime.

ARTICLE 9

1. The competent authority may permit the limits of hours authorised by the preceding Articles to be exceeded subject to the conditions that—

(a) all time worked in virtue of this Article shall be regarded as overtime and shall be remunerated at not less than one-and-a-quarter times the normal rate; and

(b) no person shall be employed in virtue of this Article for more than seventy-five hours of overtime in any year.

2. In cases in which national laws or regulations apply the weekly limit of hours as a strict limit applicable to each week, the competent authority may permit not more than one hundred additional hours of overtime in any year to be worked, subject to the condition that such additional hours of overtime shall be remunerated at not less than one-and-a-quarter times the normal rate.

3. When granting permission in virtue of the proceding paragraphs, the competent authority shall satisfy itself that there will be no consistent working of overtime.

4. The competent authority shall only grant permission to work overtime in virtue of this Article in accordance with regulations made after consultation with the organisations of employers and workers concerned where such exist.

5. The regulations referred to in the preceding paragraph shall prescribe—

(a) the procedure by which permission may be granted to employers to work overtime in virtue of this Article; and

(b) the maximum number of hours for which the competent authority may grant permission and the minimum overtime rate to be paid for such hours.

ARTICLE 10

In order to facilitate the effective enforcement of the provisions of this Convention every employer shall—

(a) notify in a manner approved by the competent authority, by the posting of notices or otherwise,

(i) the hours at which work begins and ends;

(ii) where work is carried on by shifts, the hours at which each shift begins and ends;

(iii) where a rotation system is applied, a description of the system including a time-table for each person or group of persons;

(iv) the arrangements made in cases where the average duration of the working week is calculated over a number of weeks; and

(v) effective rest periods as defined in Article 3; and

(b) keep a record in the form prescribed by the competent authority of all additional hours worked in virtue of Articles 7, 8 and 9 of this Convention and of the payments made in respect thereof.

ARTICLE 11

Any Member may suspend the operation of the provisions of this Convention during any emergency which endangers the national safety.

ARTICLE 12

During a period which shall not exceed two years from the coming into force of this Convention for the Member concerned, the competent authority may approve transitional arrangements in virtue of which—

(a) the reduction of hours of work to the limits authorised by the preceding Articles may be accomplished by stages during the said period;

(b) specified classes of workers or undertakings may be exempted from all or any of the provisions of the Convention during the said period.

ARTICLE 13

The annual reports upon the application of this Convention to be submitted by Members under Article 22 of the Constitution of the International Labour Organisation shall include more particularly full information concerning—

(a) decisions taken in virtue of Article 1, paragraph 3 (g);
(b) exemptions made in virtue of Article 2, and any conditions subject to which such exemptions are made;
(c) any recourse to the provisions of Article 3, paragraph 2;
(d) determinations made in pursuance of Article 4, paragraph 4;
(e) regulations made in virtue of Article 5;
(f) determinations made in pursuance of Article 7, paragraph 2;
(g) allowances of overtime granted in virtue of Article 8; and
(h) the extent to which recourse has been had to the provisions of Article 9.

ARTICLE 14

In accordance with Article 19, paragraph 11, of the Constitution of the International Labour Organisation, nothing in this Convention shall affect any law, award, custom or agreement between employers and workers which ensures more favourable conditions to the workers than those provided for by this Convention.

ARTICLE 15

In the event of the Conference adopting a further Convention determining such modifications of the provisions of this Convention as may be required to meet the case of countries to which Article 19, paragraph 3, of the Constitution of the International Labour Organisation applies, this Convention and the aforesaid further Convention shall be deemed to form one Convention.

ARTICLE 16

The formal ratifications of this Convention shall be communicated to the Secretary-General of the League of Nations for registration.

ARTICLE 17

1. This Convention shall be binding only upon those Members of the International Labour Organisation whose ratifications have been registered with the Secretary-General.

2. It shall come into force twelve months after the date on which the ratifications of two Members have been registered with the Secretary-General.

3. Thereafter, this Convention shall come into force for any Member 12 months after the date on which its ratification has been registered.

ARTICLE 18

As soon as the ratifications of two Members of the International Labour Organisation have been registered, the Secretary-General of the League of Nations shall so notify all the Members of the International Labour Organisation. He shall likewise notify them of the registration of ratifications which may be communicated subsequently by other Members of the Organisation.

ARTICLE 19

1. A Member which has ratified this Convention may denounce it after the expiration of ten years from the date on which the Convention first comes into force, by an act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered.

2. Each Member which has ratified this Convention and which does not, within the year following the expiration of the period of ten years mentioned in the preceding paragraph, exercise the right of denunciation provided for in this Article, will be bound for another period of ten years and, thereafter, may denounce this Convention at the expiration of each period of ten years under the terms provided for in this Article.

ARTICLE 20

At the expiration of each period of ten years after the coming into force of this Convention, the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention and shall consider the desirability of placing on the Agenda of the Conference the question of its revision in whole or in part.

ARTICLE 21

1. Should the Conference adopt a new Convention revising this Convention in whole or in part, then, unless the new Convention otherwise provides,

(a) the ratification by a Member of the new revising Convention shall *ipso jure* involve the immediate denunciation of this Convention, notwithstanding the provisions of Article 19 above, if and when the new revising Convention shall have come into force;
(b) as from the date when the new revising Convention comes into force this Convention shall cease to be open to ratification by the Members.

2. This Convention shall in any case remain in force in its actual form and content for those Members which have ratified it but have not ratified the revising Convention.

ARTICLE 22

The French and English texts of this Convention shall both be authentic.

The foregoing is the authentic text of the Draft Convention duly adopted by the General Conference of the International Labour Organisation during its Twenty-third Session which was held at Geneva and declared closed the 23rd day of June 1937.

In faith whereof we have appended our signatures this tenth day of August 1937.

SEÁN F. LEMASS,
The President of the Conference.
HAROLD BUTLER,
The Director of the International Labour Office.

Certified to be a true and correct copy of the certified texts of the draft convention furnished by the Secretary-General of the League of Nations.

CORDELL HULL,
Secretary of State of the United States of America.

[Executive A, 76th Cong., 1st Sess.]

The United States of America and His Majesty the King of Great Britain, Ireland, and the British dominions beyond the Seas, Emperor of India, in respect of Canada,

Desirous of providing for emergency regulation of the level of Rainy Lake and of the level of other boundary waters in the Rainy Lake watershed, in such a way as to protect the interests of the inhabitants of the United States of America and Canada, and,

Accepting as a basis of agreement the following recommendations made by the International Joint Commission in its final report dated May 1, 1934, on the Reference concerning Rainy Lake and the boundary waters flowing into and from that lake, and particularly in answer to question 2 of that Reference, namely,

"that it would be wise and in the public interest that the Commission be clothed with power to determine when unusual or extraordinary conditions exist throughout the watershed, whether by reason of high or low water, and that it be empowered to adopt such measures of control as to it may seem proper with respect to existing dams at Kettle Falls and International Falls, as well as any future dams or works, in the event of the Commission determining that such unusual or extraordinary conditions exist."

Have resolved to conclude a convention for that purpose and have accordingly named as their plenipotentiaries:—

The President of the United States of America:

John Farr Simmons, Charge d'Affaires ad interim of the United States of America at Ottawa;

His Majesty the King of Great Britain, Ireland, and the British dominions beyond the Seas, Emperor of India, for Canada:

The Right Honourable William Lyon Mackenzie King, Prime Minister, President of the Privy Council and Secretary of State for External Affairs;

Who, after having communicated to each other their full powers, found in good and due form, have agreed as follows:

ARTICLE I

The International Joint Commission, established pursuant to the provisions of the treaty signed at Washington on the 11th day of January 1909, relating to questions arising between the United States of America and Canada, is hereby clothed with power to determine when emergency conditions exist in the Rainy Lake watershed, whether by reason of high or low water, and the Commission is hereby empowered to adopt such measures of control as to it may seem proper with respect to existing dams at Kettle Falls and International Falls, as well as with respect to any existing or future dams or works in boundary waters of the Rainy Lake watershed, in the event the Commission shall determine that such emergency conditions exist.

ARTICLE II

This convention shall be ratified in accordance with the constitutional forms of the Contracting Parties and shall take effect immediately upon the exchange of ratifications which shall take place at Ottawa as soon as possible.

In witness whereof the undersigned plenipotentiaries have signed the present convention and have hereunto affixed their seals.

Done in duplicate at Ottawa this fifteenth day of September A. D. 1938.

JOHN FARR SIMMONS. [SEAL]
W. M. MACKENZIE KING. [SEAL]

[Executive K, 76th Cong., 1st sess.]

The President of the United States of America and His Majesty the King of Sweden, being desirous of avoiding double taxation and of establishing rules of reciprocal administrative assistance in the case of income and other taxes, have decided to conclude a Convention and for that purpose have appointed as their respective Plenipotentiaries:

The President of the United States of America:
Sumner Welles, Acting Secretary of State of the United States of America; and
His Majesty the King of Sweden:
W. Boström, Envoy Extraordinary and Minister Plenipotentiary at Washington;

who, having communicated to one another their full powers found in good and due form, have agreed upon the following Articles:

ARTICLE I

The taxes referred to in this Convention are:

(a) In the case of the United States of America:

(1) The Federal income taxes, including surtaxes and excess-profits taxes.

(2) The Federal capital stock tax.

(b) In the case of Sweden:

(1) The National income and property tax, including surtax.

(2) The National special property tax.

(3) The communal income tax.

It is mutually agreed that the present Convention shall also apply to any other or additional taxes imposed by either contracting State, subsequent to the date of signature of this Convention, upon substantially the same bases as the taxes enumerated herein.

The benefits of this Convention shall accrue only to citizens and residents of the United States of America, to citizens and residents of Sweden and to United States or Swedish corporations and other entities.

ARTICLE II

An enterprise of one of the contracting States is not subject to taxation by the other contracting State in respect of its industrial and commercial profits except in respect of such profits allocable to its permanent establishment in the latter State. The income thus taxed in the latter State shall be exempt from taxation in the former State.

No account shall be taken, in determining the tax in one of the contracting States, of the mere purchase of merchandise effected therein by an enterprise of the other State.

The competent authorities of the two contracting States may lay down rules by agreement for the apportionment of industrial and commercial profits.

ARTICLE III

When an enterprise of one of the contracting States, by reason of its participation in the management or capital of an enterprise of the other contracting State, makes or imposes on the latter in their commercial or financial relations conditions different from those which would be made with an independent enterprise, any profits which should normally have appeared in the balance sheet of the latter enterprise but which have been in this manner diverted to the former enterprise may, subject to applicable measures of appeal, be incorporated in the taxable profits of the latter enterprise. In such case consequent rectifications may be made in the accounts of the former enterprise.

ARTICLE IV

Income which an enterprise of one of the contracting States derives from the operation of ships or aircraft registered in that State is taxable only in the State in which registered. Income derived by such an enterprise from the operation of ships or aircraft not so registered shall be subject to the provisions of Article II.

ARTICLE V

Income of whatever nature derived from real property, including gains derived from the sale of such property, but not including interest from mortgages or bonds secured by real property, shall be taxable only in the contracting State in which the real property is situated.

ARTICLE VI

Royalties from real property or in respect of the operation of mines, quarries, or other natural resources shall be taxable only in the contracting State in which such property, mines, quarries, or other natural resources are situated.

Other royalties and amounts derived from within one of the contracting States by a resident or by a corporation or other entity of the other contracting State as consideration for the right to use copyrights, patents, secret processes and formulas, trade-marks and other analogous rights, shall be exempt from taxation in the former State.

ARTICLE VII

1. Dividends shall be taxable only in the contracting State in which the shareholder is resident or, if the shareholder is a corporation or other entity, in the contracting State in which such corporation or other entity is created or organized; provided, however, that each contracting State reserves the right to collect and retain (subject to applicable provisions of its revenue laws) the taxes which, under its revenue laws, are deductible at the source, but not in excess of 10 per centum of the amount of such dividends. For the purposes of this Article the National income and property tax imposed by Sweden shall be deemed to be a tax deducted at the source.

2. Notwithstanding the provisions of Article XXII of this Convention, the provisions of this Article may be terminated by either of the contracting States at the end of two years from the date upon which this Convention enters into force or at any time thereafter, provided at least six months' prior notice of termination is given, such termination to become effective on the first day of January following the expiration of such six-month period. In the event the provisions of this Article are terminated, the provisions of—

(1) Article XIII (3), in so far as they relate to the special property tax imposed by Sweden upon shares in a corporation;

(2) Article XIV (b) (2), relating to the allowance of an additional deduction from taxes on dividends; and

(3) Article XVI, in so far as they relate to exchange of information with respect to dividends,

will likewise terminate.

Interest on bonds, notes, or loans shall be taxable only in the contracting State in which the recipient of such interest is a resident or, in the case of a corporation or other entity, in the State in which the corporation or other entity is created or organized; provided, however, that each contracting State reserves the right to collect and retain (subject to applicable provisions of its revenue laws) the taxes which, under its revenue laws, are deductible at the source.

ARTICLE IX

Gains derived in one of the contracting States from the sale or exchange of capital assets by a resident or a corporation or other entity of the other contracting State shall be exempt from taxation in the former State, provided such resident or corporation or other entity has no permanent establishment in the former State.

ARTICLE X

Wages, salaries and similar compensation and pensions paid by one of the contracting States or by the political subdivisions or territories or possessions thereof to individuals residing in the other State shall be exempt from taxation in the latter State.

Private pensions and life annuities derived from within one of the contracting States and paid to individuals residing in the other contracting State shall be exempt from taxation in the former State.

ARTICLE XI

(a) Compensation for labor or personal services, including the practice of the liberal professions, shall be taxable only in the contracting State in which such services are rendered.

(b) The provisions of paragraph (a) are, however, subject to the following exceptions:

A resident of Sweden shall be exempt from United States tax upon compensation for labor or personal services performed within the United States of America if he falls within either of the following classifications:

1. He is temporarily present within the United States of America for a period or periods not exceeding a total of one hundred eighty days during the taxable year and his compensation is received for labor or personal services performed as an employee of, or under contract with, a resident or corporation or other entity of Sweden; or

2. He is temporarily present in the United States of America for a period or periods not exceeding a total of ninety days during the taxable year and the compensation received for such services does not exceed $3,000.00 in the aggregate.

In such cases Sweden reserves the right to the taxation of such income.

(c) The provisions of paragraph (b) of this Article shall apply, mutatis mutandis, to a resident of the United States of America deriving compensation for personal services performed within Sweden.

(d) The provisions of paragraphs (b) and (c) of this Article shall have no application to the professional earnings of such individuals as actors, artists, musicians and professional athletes.

(e) The provisions of this Article shall have no application to the income to which Article X relates.

ARTICLE XII

Students or business apprentices from one contracting State residing in the other contracting State exclusively for purposes of study or for acquiring business experience shall not be taxable by the latter State in respect of remittances received by them from within the former State for the purposes of their maintenance or studies.

ARTICLE XIII

In the case of taxes on property or increment of property the following provisions shall be applicable:

(1) If the property consists of:

(a) Immovable property and accessories appertaining thereto;

(b) Commercial or industrial enterprises, including maritime shipping and air transport undertakings;

the tax may be levied only in that contracting State which is entitled under the preceding Articles to tax the income from such property.

(2) In the case of all other forms of property, the tax may be levied only in that contracting State where the taxpayer has his residence or, in the case of a corporation or other entity, in the contracting State where the corporation or other entity has been created or organized.

The same principles shall apply to the United States capital stock tax with respect to corporations of Sweden having capital or other property in the United States of America.

ARTICLE XIV

It is agreed that double taxation shall be avoided in the following manner:

(a) Notwithstanding any other provision of this Convention, the United States of America in determining the income and excess-profits taxes, including all surtaxes, of its citizens or residents or corporations, may include in the basis upon which such taxes are imposed all items of income taxable under the revenue laws of the United States of America as though this Convention had not come into effect. The United States of America shall, however, deduct the amount of the taxes specified in Article I (b)

(1) and (3) of this Convention or other like taxes from the income tax thus computed but not in excess of that portion of the income tax liability which the taxpayer's net income taxable in Sweden bears to his entire net income.

(b) (1) Notwithstanding any other provision of this Convention, Sweden, in determining the graduated tax on income and property of its residents or corporations or other entities, may include in the basis upon which such tax is imposed all items of income and property subject to such tax under the taxation laws of Sweden. Sweden shall, however, deduct from the tax so calculated that portion of such tax liability which the taxpayer's income and property exempt from taxation in Sweden under the provisions of this Convention bears to his entire income and property.

(2) There shall also be allowed by Sweden from its national income and property tax a deduction offsetting the tax deducted at the source in the United States of America, amounting to not less than 5 per centum of the dividends from within the United States of America and subject to such tax in Sweden. It is agreed that the United States of America shall allow a similar credit against the United States income tax liability of citizens of Sweden residing in the United States of America.

ARTICLE XV

With a view to the more effective imposition of the taxes to which the present Convention relates, each of the contracting States undertakes, subject to reciprocity, to furnish such information in the matter of taxation, which the authorities of the State concerned have at their disposal or are in a position to obtain under their own law, as may be of use to the authorities of the other State in the assessment of the taxes in question and to lend assistance in the service of documents in connection therewith. Such information and correspondence relating to the subject matter of this Article shall be exchanged between the competent authorities of the contracting States in the ordinary course or on demand.

ARTICLE XVI

1. In accordance with the preceding Article, the competent authorities of the United States of America shall forward to the competent authorities of Sweden as soon as practicable after the close of each calendar year the following information relating to such calendar year.

(a) The names and addresses of all addressees within Sweden deriving from sources within the United States of America dividends, interest, royalties, pensions, annuities, or other fixed or determinable annual or periodical income, showing the amount of such income with respect to each addressee;

(b) Any particulars which the competent United States authorities may obtain from banks, savings banks or other similar institutions concerning assets belonging to individuals resident in Sweden or to Swedish corporations or other entities;

(c) Any particulars which the competent United States authorities may obtain from inventories in the case of property passing on death concerning debts contracted with individuals resident in Sweden or Swedish corporations or other entities.

2. The competent authorities of Sweden shall forward to the competent authorities of the United States of America as soon as practicable after the close of each calendar year the following information relating to such calendar year.

(a) The particulars contained in the forms delivered to the Swedish authorities in connection with the payment to individuals or corporations or other entities whose addresses are within the United States of America of dividends on shares in a corporation or participation certificates in cooperative societies, and interest on bonds or other similar securities;

(b) The particulars contained in permits accorded to individuals resident in the United States of America or to United States corporations or other entities to enable them to acquire for business purposes immovable property situated in Sweden;

(c) Any particulars which the central Swedish authorities may obtain from banks, savings banks, or other similar institutions concerning assets belonging to individuals resident in the United States of America or to United States corporations or other entities;

(d) Any particulars which the central Swedish authorities may obtain from inventories in the case of property passing on death, concerning debts contracted with individuals resident in the United States of America, or United States corporations or other entities;

(e) A list of the names and addresses of all United States citizens resident in the United States of America who have made declarations to the Central Committee in Stockholm in charge of the taxation of taxpayers not resident in Sweden for purposes of the Swedish tax on income and property;

(f) Particulars concerning annuities and pensions, public or private, paid to individuals resident in the United States of America.

ARTICLE XVII

Each contracting State undertakes, in the case of citizens or corporations or other entities of the other contracting State, to lend assistance and support in the collection of the taxes to which the present Convention relates, together with interest, costs, and additions to the taxes and fines not being of a penal character. The contracting State making such collections shall be responsible to the other contracting State for the sums thus collected.

In the case of applications for enforcement of taxes, revenue claims of each of the contracting States which have been finally determined shall be accepted for enforcement by the other contracting State and collected in that State in accordance with the laws applicable to the enforcement and collection of its own taxes. The State to which application is made shall not be required to enforce executory measures for which there is no provision in the law of the State making the application.

The applications shall be accompanied by such documents as are required by the laws of the State making the application to establish that the taxes have been finally determined.

If the revenue claim has not been finally determined the State to which application is made may, at the request of the other contracting State, take such measures of conservancy as are authorized by the revenue laws of the former State.

ARTICLE XVIII

The competent authority of each of the contracting States shall be entitled to obtain, through diplomatic channels, from the competent authority of the other contracting State, particulars in concrete cases relative to the application to citizens or to corporations or other entities of the former State, of the taxes to which the present Convention relates. With respect to particulars in other cases, the competent authority of each of the contracting States will give consideration to requests from the competent authority of the other contracting State.

ARTICLE XIX

In no case shall the provisions of Article XVII, relating to mutual assistance in the collection of taxes, or of Article XVIII, relating to particulars in concrete cases, be construed so as to impose upon either of the contracting States the obligation

(1) to carry out administrative measures at variance with the regulations and practice of either contracting State, or

(2) to supply particulars which are not procurable under its own legislation or that of the State making application.

The State to which application is made for information or assistance shall comply as soon as possible with the request addressed to it. Nevertheless, such State may refuse to comply with the request for reasons of public policy or if compliance would involve violation of a business, industrial or trade secret or practice. In such case it shall inform, as soon as possible, the State making the application.

ARTICLE XX

Where a taxpayer shows proof that the action of the revenue authorities of the contracting States has resulted in double taxation in his case in respect of any of the taxes to which the present Convention relates, he shall be entitled to lodge a claim with the State of which he is a citizen or, if he is not a citizen of either of the contracting States, with the State of which he is a resident, or, if the taxpayer is a corporation or other entity, with the State in which it is created or organized. Should the claim be upheld, the competent authority of such State may come to an agreement with the competent authority of the other State with a view to equitable avoidance of the double taxation in question.

ARTICLE XXI

The competent authorities of the two contracting States may prescribe regulations necessary to interpret and carry out the provisions of this Convention. With respect to the provisions of this Convention relating to exchange of information, service of documents and mutual assistance in the collection of taxes, such authorities may, by common agreement, prescribe rules concerning matters of procedure, forms of application and replies thereto, conversion of currency, disposition of amounts collected, minimum amounts subject to collection and related matters.

ARTICLE XXII

The present Convention shall be ratified, in the case of the United States of America, by the President, by and with the advice and consent of the Senate, and in the case of Sweden, by His Majesty the King, with the consent of the Riksdag. The ratifications shall be exchanged at Stockholm.

This Convention shall become effective on the first day of January following the exchange of the instruments of ratification and shall apply to income realized and property held on or after that date. The Convention shall remain in force for a period of five years and indefinitely thereafter but may be terminated by either contracting State at the end of the five-year period or at any time thereafter, provided at least six months' prior notice of termination has been given, the termination to become effective on the first day of January following the expiration of the six-month period.

In witness whereof the respective Plenipotentiaries have signed this Convention and have affixed their seals hereto.

Done in duplicate, in the English and Swedish languages, both authentic, at Washington, this twenty-third day of March, nineteen hundred and thirty-nine.

For the President of the United States of America:

SUMNER WELLES [SEAL]

For His Majesty the King of Sweden:

W. BOSTRÖM [SEAL]

PROTOCOL

At the moment of signing the Convention for the avoidance of double taxation, and the establishment of rules of reciprocal administrative assistance in the case of income and other taxes, this day concluded between the United States of America and Sweden,

the undersigned Plenipotentiaries have agreed that the following provisions shall form an integral part of the Convention:

1. As used in this Convention:

(a) The term "permanent establishment" includes branches, mines and oil wells, plantations, factories, workshops, warehouses, offices, agencies, installations, and other fixed places of business of an enterprise but does not include the casual or temporary use of merely storage facilities. A permanent establishment of a subsidiary corporation shall not be deemed to be a permanent establishment of the parent corporation. When an enterprise of one of the contracting States carries on business in the other State through an employee or agent, established there, who has general authority to contract for his employer or principal, it shall be deemed to have a permanent establishment in the latter State. But the fact that an enterprise of one of the contracting States has business dealings in the other State through a bona fide commission agent, broker or custodian shall not be held to mean that such enterprise has a permanent establishment in the latter State.

(b) The term "enterprise" includes every form of undertaking whether carried on by an individual, partnership, corporation, or any other entity.

(c) The term "enterprise of one of the contracting States" means, as the case may be, "United States enterprise" or "Swedish enterprise".

(d) The term "United States enterprise" means an enterprise carried on in the United States of America by a resident of the United States of America or by a United States corporation or other entity; the term "United States corporation or other entity" means a partnership, corporation or other entity created or organized in the United States of America or under the law of the United States of America or of any State or Territory of the United States of America.

(e) The term "Swedish enterprise" is defined in the same manner, mutatis mutandis, as the term "United States enterprise".

2. The term "corporation" includes associations, joint-stock companies, and insurance companies.

3. A citizen of one of the contracting States not residing in either shall be deemed, for the purpose of this Convention, to be a resident of the contracting State of which he is a citizen.

When doubt arises with respect to residence or with respect to the taxable status of corporations or other entities, the competent authorities of the two contracting States may settle the question by mutual agreement.

4. The provisions of Swedish law concerning the taxation of the undivided estates of deceased persons shall not apply where the beneficiaries are directly liable to taxation in the United States of America.

5. The term "life annuities" referred to in Article X of this Convention means a stated sum payable periodically at stated times during life, or during a specified number of years, under an obligation to make the payments in consideration of a gross sum paid for such obligation.

6. The Swedish so-called "fees tax" (bevillningsavgift för vissa offentliga föreställningar) based on gross income in so far as it affects such individuals as actors, artists, musicians and professional athletes shall be deemed to be an income tax for the purposes of Article XIV (a).

The credit for taxes provided in Article XIV shall have no application to taxes deducted at the source from dividends and interest except to the extent provided in paragraph (b) (2) of that Article.

In the application of the provisions of this Convention the benefits of section 131 of the United States Revenue Act of 1938, relating to credits for foreign taxes, shall be accorded, but the credit provided for in Article XIV (a) shall not extend to United States excess-profits taxes nor to the surtax imposed on personal holding companies.

7. Citizens of each of the contracting States residing within the other contracting State shall not be subjected in the latter State to other or higher taxes than are imposed upon the citizens of such latter State.

8. The provisions of this Convention shall not be construed to deny or affect in any manner the right of diplomatic and consular officers to other or additional exemptions now enjoyed or which may hereafter be granted to such officers, nor to deny to either of the contracting States the right to subject to taxation its own diplomatic and consular officers.

9. The provisions of the present Convention shall not be construed to restrict in any manner any exemption, deduction, credit or other allowance accorded by the laws of one of the contracting States in the determination of the tax imposed by such State.

10. In the administration of the provisions of this Convention relating to exchange of information, service of documents, and mutual assistance in collection of taxes, fees and costs incurred in the ordinary course shall be borne by the State to which application is made but extraordinary costs incident to special forms of procedure shall be borne by the applying State.

11. Documents and other communications or information contained therein, transmitted under the provisions of this Convention by one of the contracting States to the other contracting State shall not be published, revealed or disclosed to any person except to the extent permitted under the laws of the latter State with respect to similar documents, communications or information.

12. As used with respect to revenue claims in Article XVII of this Convention the term "finally determined" shall be deemed to mean:

(a) In the case of Sweden, claims which have been finally established, even though still open to revision by exceptional procedure;

(b) In the case of the United States of America, claims which are no longer appealable, or which have been determined by decision of a competent tribunal, which decision has become final.

13. A used in this Convention the term "competent authority" or "competent authorities" means, in the case of the United States of America, the Secretary of the Treasury and in the case of Sweden, the Finance Ministry.

14. The term "United States of America" as used in this Convention in a geographical sense includes only the States, the Territories of Alaska and Hawaii, and the District of Columbia.

15. Should any difficulty or doubt arise as to the interpretation or application of the present Convention, or its relationship to Conventions between one of the contracting States and any other State, the competent authorities of the contracting States may settle the question by mutual agreement.

16. The present Convention and Protocol shall not be deemed to affect the exchange of notes between the United States of America and Sweden providing relief from double income taxation on shipping profits, signed March 31, 1938.

Done at Washington, this twenty-third day of March, nineteen hundred and thirty-nine.

SUMNER WELLES [SEAL]
W. BOSTRÖM [SEAL]

[Executive L, 76th Cong., 1st sess.]

INTERNATIONAL LABOUR CONFERENCE

DRAFT CONVENTION (No. 63) CONCERNING STATISTICS OF WAGES AND HOURS OF WORK IN THE PRINCIPAL MINING AND MANUFACTURING INDUSTRIES, INCLUDING BUILDING AND CONSTRUCTION, AND IN AGRICULTURE

The General Conference of the International Labour Organisation,

Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its Twenty-fourth Session on 2 June 1938, and

Having decided upon the adoption of certain proposals with regard to statistics of wages and hours of work in the principal mining and manufacturing industries, including building and construction, and in agriculture, which is the sixth item on the agenda of the Session, and

Having determined that these proposals shall take the form of a Draft International Convention, and

Having determined that, although it is desirable that all Members of the Organisation should compile statistics of average earnings and of hours actually worked which comply with the requirements of Part II of this Convention, it is nevertheless expedient that the Convention should be open to ratification by Members which are not in a position to comply with the requirements of that Part,

adopts, this twentieth day of June of the year one thousand nine hundred and thirty-eight the following Draft Convention which may be cited as the Convention concerning Statistics of Wages and Hours of Work, 1938:

PART I.—GENERAL PROVISIONS

Article 1.

Each Member of the International Labour Organisation which ratifies this Convention undertakes that:

(a) it will compile as required by this Convention statistics relating to wages and hours of work;

(b) it will publish the data compiled in pursuance of this Convention as promptly as possible and will endeavor to publish data collected at quarterly or more frequent intervals during the succeeding quarter and to publish data collected at intervals of six or twelve months during the succeeding six or twelve months respectively; and

(c) it will communicate the data compiled in pursuance of this Convention to the International Labour Office at the earliest possible date.

Article 2.

1. Any Member which ratifies this Convention may, by a declaration appended to its ratification, exclude from its acceptance of the Convention:

(a) any one of Parts II, III, or IV; or

(b) Parts II and IV; or

(c) Parts III and IV.

2. Any Member which has made such a declaration may at any time cancel that declaration by a subsequent declaration.

3. Every Member for which a declaration made under paragraph 1 of this Article is in force shall indicate each year in its annual report upon the application of this Convention the extent to which any progress has been made with a view to the application of the Part or Parts of the Convention excluded from its acceptance.

Article 3.

Nothing in this Convention imposes any obligation to publish or to reveal particulars which would result in the disclosure of information relating to any individual undertaking or establishment.

Article 4.

1. Each Member which ratifies this Convention undertakes that its competent statistical authority shall, unless it has already obtained the information in some other way, make enquiries relating either to all, or to a representative part, of the wage earners concerned, in order to obtain the information required for the purpose of the statistics which it has undertaken to compile in accordance with this Convention.

2. Nothing in this Convention shall be interpreted as requiring any Member to compile statistics in cases in which, after enquiries made in the manner required by paragraph 1 of this Article, it is found impracticable to obtain the necessary information without the exercise of compulsory powers.

PART II.—STATISTICS OF AVERAGE EARNINGS AND OF HOURS ACTUALLY WORKED IN MINING AND MANUFACTURING INDUSTRIES

Article 5.

1. Statistics of average earnings and of hours actually worked shall be compiled for wage earners employed in each of the principal mining and manufacturing industries, including building and construction.

2. The statistics of average earnings and of hours actually worked shall be compiled on the basis of data relating either to all establishments and wage earners or to a representative sample of establishments and wage earners.

3. The statistics of average earnings and of hours actually worked shall:

(a) give separate figures for each of the principal industries; and

(b) indicate briefly the scope of the industries or branches of industry for which figures are given.

Article 6.

The statistics of average earnings shall include:

(a) all cash payments and bonuses received from the employer by the persons employed;

(b) contributions such as social insurance contributions payable by the employed persons and deducted by the employer; and

(c) taxes payable by the employed persons to a public authority and deducted by the employer.

Article 7.

In the case of countries and industries in which allowances in kind, for example in the form of free or cheap housing, food or fuel, form a substantial part of the total remuneration of the wage earners employed, the statistics of average earnings shall be supplemented by particulars of such allowances, together with estimates, so far as practicable, of their money value.

Article 8.

The statistics of average earnings shall be supplemented, so far as practicable, by indications as to the average amount of any family allowances per person employed in the period to which the statistics relate.

Article 9.

1. The statistics of average earnings shall relate to average earnings per hour, day, week or other customary period.

2. Where the statistics of average earnings relate to average earnings per day, week or other customary period, the statistics of actual hours shall relate to the same period.

Article 10.

1. The statistics of average earnings and of hours actually worked, referred to in Article 9, shall be compiled once every year and where possible at shorter intervals.

2. Once every three years and where possible at shorter intervals the statistics of average earnings and, so far as practicable, the statistics of hours actually worked shall be supplemented by separate figures for each sex and for adults and juveniles; provided that it shall not be necessary to compile these separate figures in the case of industries in which all but an insignificant number of the wage earners belong to the same sex or age group, or to compile the separate figures of hours actually worked for males and females, or for adults and juveniles, in the case of industries in which the normal hours of work do not vary by sex or age.

Article 11.

Where the statistics of average earnings and of hours actually worked relate not to the whole country but to certain districts, towns or industrial centres, these districts, towns or centres shall, so far as practicable, be indicated.

Article 12.

1. Index numbers showing the general movement of earnings per hour and where possible per day, week or other customary period shall be compiled at as frequent and as regular intervals as possible on the basis of the statistics compiled in pursuance of this part of this Convention.

2. In compiling such index numbers due account shall be taken, inter alia, of the relative importance of the different industries.

3. In publishing such index numbers indications shall be given as to the methods employed in their construction.

PART III.—STATISTICS OF TIME RATES OF WAGES AND OF NORMAL HOURS OF WORK IN MINING AND MANUFACTURING INDUSTRIES

Article 13.

Statistics of time rates of wages and of normal hours of work of wage earners shall be compiled for a representative selection of the principal mining and manufacturing industries, including building and construction.

Article 14.

1. The statistics of time rates of wages and of normal hours of work shall show the rates and hours;

(a) fixed by or in pursuance of laws or regulations, collective agreements or arbitral awards;

(b) ascertained from organisations of employers and workers, from joint bodies, or from other appropriate sources of information, in cases where rates and hours are not fixed by or in pursance of laws or regulations, collective agreements or arbitral awards.

2. The statistics of time rates of wages and of normal hours of work shall indicate the nature and source of the information from which they have been compiled and whether it relates to rates or hours fixed by or in pursuance of laws or regulations, collective agreements or arbitral awards, or to rates or hours fixed by arrangements between employers and wage earners individually.

3. When rates of wages are described as minimum (other than statutory minimum) rates, standard rates, typical rates, or prevailing rates, or by similar terms, the terms used shall be explained.

4. "Normal hours of work", where not fixed by or in pursuance of laws or regulations, collective agreements or arbitral awards, shall be taken as meaning the number of hours, per day, week or other period, in excess of which any time worked is remunerated at overtime rates or forms an exception to the rules or custom of the establishment relating to the classes of wage earners concerned.

Article 15.

1. The statistics of time rates of wages and of normal hours of work shall give:

(a) at intervals of not more than three years, separate figures for the principal occupations in a wide and representative selection of the different industries; and

(b) at least once a year, and if possible at shorter intervals, separate figures for the main occupations in the most important of these industries.

2. The data relating to time rates of wages and of normal hours of work shall be presented, so far as practicable, on the basis of the same occupational classification.

3. Where the sources of information from which the statistics are compiled do not indicate the separate occupations to which the rates or hours apply, but fix varying rates of wages or hours of work for other categories of workers (such as skilled workers, semi-skilled workers and unskilled workers) or fix normal hours of work by classes of undertakings or branches of undertakings, the separate figures shall be given according to these distinctions.

4. Where the categories of workers for which figures are given are not separate occupations, the scope of each category shall, in so far as the necessary particulars are given in the sources of information from which the statistics are compiled, be indicated.

Article 16.

Where the statistics of time rates do not give the rates per hour but give rates per day, week, or other customary period:

(a) the statistics of normal hours of work shall relate to the same period; and

(b) the Member shall communicate to the International Labour Office any information appropriate for the purpose of calculating the rates per hour.

Article 17.

Where the sources of information from which the statistics are compiled give separate particulars classified by sex and age, the statistics of time rates of wages and of normal hours of work shall give separate figures for each sex and for adults and juveniles.

Article 18.

Where the statistics of time rates of wages and of normal hours of work relate not to the whole country but to certain districts, towns or industrial centres, these districts, towns or centres shall, so far as practicable, be indicated.

Article 19.

Where the sources of information from which the statistics of time rates and of normal hours of work are compiled contain such particulars, the statistics shall at intervals not exceeding three years indicate:

(a) the scale of any payment for holidays;

(b) the scale of any family allowances;

(c) the rates or percentage additions to normal rates paid for overtime; and

(d) the amount of overtime permitted.

Article 20.

In the case of countries and industries in which allowances in kind, for example in the form of free and cheap housing, food or fuel, form a substantial part of the total remuneration of the wage earners employed, the statistics of time rates of wages shall be supplemented by particulars of such allowances, together with estimates, so far as practicable, of their money value.

Article 21.

1. Annual index numbers showing the general movement of rates of wages per hour or per week shall be compiled on the basis of the statistics compiled in pursuance of this Part of this Convention, supplemented, where necessary, by any other relevant information which may be available (for example, particulars as to changes in piece-work rates of wages).

2. Where only an index number of rates of wages per hour or only an index number of rates of wages per week is compiled, there shall be compiled an index number of changes in normal hours of work constructed on the same basis.

3. In compiling such index numbers due account shall be taken, *inter alia*, of the relative importance of the different industries.

4. In publishing such index numbers indications shall be given as to the methods employed in their construction.

PART IV.—STATISTICS OF WAGES AND HOURS OF WORK IN AGRICULTURE.

Article 22.

1. Statistics of wages shall be compiled in respect of wage earners engaged in agriculture.

2. The statistics of wages in agriculture shall:

(a) be compiled at intervals not exceeding two years;

(b) give separate figures for each of the principal districts; and

(c) indicate the nature of the allowances in kind (including housing), if any, by which money wages are supplemented, and, if possible, an estimate of the money value of such allowances.

3. The statistics of wages in agriculture shall be supplemented by indications as to:

(a) the categories of agricultural wage earners to which the statistics relate;

(b) the nature and source of the information from which they have been compiled;

(c) the methods employed in their compilation; and

(d) so far as practicable, the normal hours of work of the wage earners concerned.

PART V.—MISCELLANEOUS PROVISIONS.

Article 23.

1. Any Member of the territory of which includes large areas in respect of which, by reason of the difficulty of creating the necessary administrative organisation and the sparseness of the population or the stage of economic development of the area, it is impracticable to compile statistics complying with the requirements of this Convention may exclude such areas from the application of this Convention in whole or in part.

2. Each Member shall indicate in its first annual report upon the application of this Convention submitted under Article 22 of the Constitution of the International Labour Organisation any areas in respect of which it proposes to have recourse to the provisions of this Article and no Member shall, after the date of its first annual report, have recourse to the provisions of this Article except in respect of areas so indicated.

3. Each Member having recourse to the provisions of the present Article shall indicate in subsequent annual reports any areas in respect of which it renounces the right to have recourse to the provisions of this Article.

Article 24.

1. The Governing Body of the International Labour Office may, after taking such technical advice as it may deem appropriate, communicate to the Members of the Organization proposals for improving and amplifying the statistics compiled in pursuance to this Convention or for promoting their comparability.

2. Each Member ratifying this Convention undertakes that it will:

(a) submit for the consideration of its competent statistical authority any such proposals communicated to it by the Governing Body;

(b) indicate in its annual report upon the application of the Convention the extent to which it has given effect to such proposals.

PART VI.—FINAL PROVISIONS

Article 25.

The formal ratifications of this Convention shall be communicated to the Secretary-General of the League of Nations for registration.

Article 26.

1. This Convention shall be binding only upon Members of the International Labour Organisation whose ratifications have been registered with the Secretary-General.

2. It shall come into force twelve months after the date on which the ratifications of two Members have been registered with the Secretary-General.

3. Thereafter, this Convention shall come into force for any Member twelve months after the date on which its ratification has been registered.

Article 27.

As soon as the ratifications of two Members of the International Labour Organisation have been registered, the Secretary-General of the League of Nations shall so notify all the Members of the International Labour Organisation. He shall likewise notify them of the registration of ratifications which may be communicated subsequently by other Members of the Organisation.

Article 28.

1. A Member which has ratified this Convention may denounce it after the expiration of ten years from the date on which the Convention first comes into force, by an act communicated to the Secretary-General of the League of Nations for registration. Such denunciation shall not take effect until one year after the date on which it is registered.

2. Each Member which has ratified this Convention and which does not, within the year following the expiration of the period of ten years mentioned in the preceding paragraph, exercise the right of denunciation provided for in this Article, will be bound for another period of ten years and, thereafter, may denounce this Convention at the expiration of each period of ten years under the terms provided for in this Article.

Article 29.

At the expiration of each period of ten years after the coming into force of this Convention, the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention and shall consider the desirability of placing on the agenda of the Conference the question of its revision in whole or in part.

Article 30.

1. Should the Conference adopt a new Convention revising this Convention in whole or in part, then, unless the new Convention otherwise provides:

(a) the ratification by a Member of the new revising Convention shall ipso jure involve the immediate denunciation of this Convention, notwithstanding the provisions of Article 28 above, if and when the new revising Convention shall have come into force;

(b) as from the date when the new revising Convention comes into force this Convention shall cease to be open to ratification by the Members.

2. This Convention shall in any case remain in force in its actual form and content for those Members which have ratified it but have not ratified the revising Convention.

Article 31.

The French and English texts of this Convention shall both be authentic.

The foregoing is the authentic text of the Draft Convention duly adopted by the General Conference of the International Labour Organisation during its Twenty-fourth Session which was held at Geneva and declared closed the 22nd day of June 1938.

IN FAITH WHEREOF we have appended our signatures this second day of August 1938.

WALDEMAR FALCAO,
The President of the Conference.
HAROLD BUTLER,
The Director of the International Labour Office.

RECESS

Mr. BARKLEY. Mr. President, it is obvious we cannot conclude action upon the pending bill today, in view of the fact that there are some further amendments to be offered. I, therefore, move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 4 o'clock and 43 minutes p. m.) the Senate took a recess until tomorrow, Friday, May 12, 1939, at 11 o'clock a. m.

NOMINATIONS

Executive nomination received by the Senate May 11 (legislative day of May 8), 1939

MISSISSIPPI RIVER COMMISSION

Brig. Gen. Max C. Tyler, Corps of Engineers, United States Army, for appointment as a member and president of the Mississippi River Commission provided for by the act of Congress approved June 28, 1879, entitled "An act to provide for the appointment of a 'Mississippi River Commission' for the improvement of said river from the Head of the Passes near its mouth to its headwaters," vice Brig. Gen. Harley B. Ferguson, to be relieved.

CONFIRMATIONS

Executive nomination received by the Senate, May 11, (legislative day of May 8), 1939

PROMOTIONS IN THE NAVY

John H. Towers to be Chief of the Bureau of Aeronautics in the Department of the Navy.

Russell Willson to be a rear admiral.

Percy K. Robottom to be a captain.

Russell L. Hinchey to be a chief radio electrician.

Charles F. Foster to be a chief machinist.

To be commanders

Harold S. Klein
Edmund J. Kidder
Edward D. Walbridge
Merwin W. Arps
Marion C. Erwin
John P. Dix
James B. Sykes
Ernest H. von Heimburg
John O. Huse
Eliot H. Bryant
Charles J. Rend
Paul F. Lee

Joseph R. Lannom
Carl K. Fink
Stuart S. Murray
John J. Patterson, 3d
George K. Weber
Harry W. von Hasseln
Robert R. Ferguson
Harold A. Turner
Harry J. Hansen
Rossmore D. Lyon
Thomas A. Gray
George L. Compo
Valentine H. Schaeffer
Robert P. Briscoe
Cuthbert A. Griffiths
Morton T. Seligman
William D. Sample
Richard B. Tuggle
Ralph W. Hungerford
Charles B. Hunt
Robert L. Boller
James J. Hughes
Henry T. Stanley

To be lieutenant commanders

Frederick R. Furth
Harold B. Miller
William B. Bailey
Henry C. Daniel
Sherman E. Burroughs, Jr.
John D. Shaw
Edward W. Rawlins
Thomas A. Turner, Jr.
George W. Stott
Dwight H. Day
Irving T. Duke
Truman J. Hedding
Edward L. Woodyard
Rufus E. Rose
William P. Tammany
Robert L. Swart
Frank C. Layne
Eugene C. Burchett
George A. Sinclair
Dale Harris
Kenneth Earl
Allen P. Calvert
LeRoi B. Blaylock
Samuel E. Latimer
John K. B. Ginder
Beverley R. Harrison, Jr.

To be lieutenants

Norman M. Miller
Donald V. Daniels
Robert A. Theobald, Jr.

To be lieutenants (junior grade)

Paul D. Ellis, Jr.
Gould Hunter
Parker L. Folsom
Charles M. Holcombe
John H. Turner
Jud F. Yoho, Jr.

To be surgeons

Charles F. Flower
Harold V. Packard
Leon D. Carson
Gerald W. Smith
Thomas M. Arrasmith, Jr.
Walter F. James
Arthur W. Loy
Albert T. Walker
Glenn S. Campbell
Herman M. Maveety
Charles R. Wilcox
French R. Moore
Joseph W. Kimbrough
Raymond W. Hege
Theophilus F. Weinert

To be chief electricians

Maurice B. Ruegamer
George B. Greer

To be paymasters

Joseph E. Wolowsky
James B. Ricketts
Alfred P. Randolph

To be assistant paymasters

John R. Lewis
Christian L. Ewald
Marcus R. Peppard, Jr.
Henry L. Muller
Charles L. Harris, Jr.
Charles Fadem
Carl G. Drescher
William J. Johnston
Robert H. Northwood
Ellsworth H. Van Patten, Jr.
William M. Porter
Harold L. Usher, Jr.

To be chief pay clerks

Othello C. Bruun
Merwood R. Bishop
Walter C. Chapman

THE MARINE CORPS

To be lieutenant colonels

Leonard E. Rea
William K. MacNulty

To be second lieutenants from June 1, 1939

Hugh D. Clark
Hugh A. Tistadt, Jr.
Jonathan F. Rice
William F. Harris
Ralph C. Mann, Jr.
Gordon D. Gayle
Samuel Agababian
James D. McBrayer, Jr.
William A. Stiles, Jr.
Jack Hawkins
Charles H. Bennett
James B. Glennon, Jr.
Russell Duncan
Edwin C. Aiken
John S. Fantone
Willard B. Holdredge
George M. Lhamon
William A. Cloman, Jr.
Alfred F. Robertshaw
Richard M. Huizenga
Alfred N. Gordon
James I. Glendinning, Jr.
William F. Hogaboom
William H. Pace
Carter B. Simpson

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 11, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy Holy Spirit that we may perfectly love Thee and worthily magnify Thy holy name.

Our Father, who art in heaven, hallowed be Thy name; Thy kingdom come, Thy will be done on earth as it is in heaven. Give us this day our daily bread, and forgive us our trespasses as we forgive those who trespass against us; and lead us not into temptation but deliver us from evil, for Thine is the kingdom and the power and the glory forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had agreed without amendment to a concurrent resolution of the House of the following title:

H. Con. Res. 16. Concurrent resolution authorizing the printing of additional copies of House Report No. 2 on Investigation of Un-American Activities and Propaganda.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 964) entitled "An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark.; and for other purposes."

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 572) entitled "An act to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and to encourage, as far as possible, the further development of strategic and critical materials within the United States for common defense," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THOMAS of Utah, Mr. JOHNSON of Colorado, Mr. SCHWARTZ, Mr. AUSTIN, and Mr. GURNEY to be the conferees on the part of the Senate.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. BOEHNE. Mr. Speaker, by direction of the Committee on Ways and Means I present a privileged resolution for immediate consideration.

The Clerk read as follows:

House Resolution 190

Resolved, That JOHN F. HUNTER, of Ohio, be, and he is hereby, elected a member of the standing committee of the House of Representatives on the District of Columbia.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that at the conclusion of the last special order heretofore entered for today I may address the House for 20 minutes on Mothers Day.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

Mr. PARSONS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to insert therein a list of the counties of my district showing the cooperation of the farmers in soil conservation.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a resolution of the board of directors of the Middle Tennessee Independent Merchants' Association with reference to a resolution I have today introduced.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief excerpt from Who's Who in America concerning the late Thomas William Locke.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. FULMER asked and was given permission to extend his own remarks in the RECORD.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from an Arizona newspaper and also a letter from a small mine operator in that State.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

FOUR YEARS OF RURAL ELECTRIFICATION—THREE PICTURES OF A FARM HOME

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, today is the fourth anniversary of the birth of the Rural Electrification Administration.

I dare say that no other organization connected with this Government has ever rendered so great a service to the American farmers, in so short a period of time, as has the Rural Electrification Administration.

It has already constructed, or supplied the loans with which to construct, 99,000 miles of rural power lines. Its borrowers are serving 225,000 consumers—over 1,000,000 people—who have heretofore been without the use of any electricity at all.

When all the funds for the current fiscal year and for past years have been expended and the lines completed and energized, the rural power lines constructed through the R. E. A. will amount to 230,000 miles, bringing electricity to over 500,000 consumers, or more than two and one-half million people in the rural areas who heretofore have not enjoyed the use of electricity.

This program is rebuilding America, and making it a better place in which to live.

Let me draw for you if I may, or if I can, three pictures of a farm home:

THREE PICTURES OF A FARM HOME

1919

In 1919 a young man, a veteran of the World War, who had just been discharged from the service, left home to seek employment in an industrial city. As he walked out of the gate he turned to take a last, long, lingering look at the old homestead—one of the many old, substantial farm homes along the highway on which he lived.

From these homes, which had been built by the pioneers, had come many of the great men and great women of the State and Nation.

From this one his grandfather and two brothers had gone to the Civil War. Two of them never returned. Here his mother had been born and reared, and from here he had gone to the World War.

The lands were comparatively rich and produced abundantly, and their occupants had enjoyed a reasonable measure of prosperity, as well as a degree of contentment unsurpassed for a rural section. Crops had been good for the last few years and farm prices reasonable.

He really hated to leave, but the prices of farm products had begun to decline rapidly and the large industries in the congested centers were calling for men. Besides he had reached the conclusion that if prices continued to decline there would be no inducement left for a young man to remain on the farm, especially in view of the fact that there were at that time few, if any, of the comforts and conveniences enjoyed by the people in the more congested centers.

He closed the gate and walked away.

1929

In the late twenties there was a boom on the stock market and industries were running overtime. "Prosperity" was in the air. He thought everybody was prosperous—including the farmers. He decided to return to the old home for a visit and see how his people were getting along.

As he came down the old highway he found many of those magnificent old homes vacant. Their occupants had given up the struggle and, like himself, had gone to the city to seek employment. They presented a picture of what Shakespeare called "unfenced desolation."

He finally reached the one in which he was reared and which he had left 10 years before. He hardly recognized it. The house was vacant, the fences were gone, the fields were uncultivated. The barn was falling to decay, the doorsteps of the house were gone, and the veranda was caving in. The well shelter had disappeared, and even the rope and bucket were gone.

The yard and garden had grown up in weeds and bramble. He walked in through what had been the open gate and peered through the paneless windows into a room that once contained a happy fireside, and saw the rats and mice chasing each other across the vacant floor; while from the dying top of a shade tree in the yard in which the birds once sang and beneath which the children had played, a lonely crow looked out over the desolate landscape and solmenly croaked his mournful message to his mate.

He thought of Goldsmith's immortal lines:

> Ill fares the land, to hastening ills a prey
> Where wealth accumulates, and men decay.
> Princes and lords may flourish or may fade—
> A breath can make them, as a breath has made;
> But a bold peasantry, their country's pride,
> When once destroy'd, can never be supplied.

He realized that the farmers of this country were being destroyed; that in pampering industry and commerce at the expense of agriculture this Nation was grinding the seed corn of the Republic.

1939

In the spring of 1939 he returned to the old home to see what changes, if any, had taken place.

As he traveled down the old highway he hardly recognized his surroundings. He first thought he was on the wrong road. The roads had been improved, houses had been remodeled and painted, the fences had been rebuilt, the land was in cultivation, and everything seemed to be in a state of unusual activity.

When he reached the old home in which he was reared, to his surprise it looked like a new place. The house had been remodeled and painted, the barn had been rebuilt, the fences restored, the yard was clean and planted in flowers,

and the garden reminded him of the old days, except that it seemed to be unusually well advanced for the time of year.

A sister and her husband occupied the house and when he entered he was utterly surprised at the cheerful appearance of things. He knew that farm prices were low, and he wondered why, or how, they could enjoy such an apparent happiness and prosperity under existing conditions. While he was pondering this proposition the lights came on. This was perhaps the greatest surprise of all; it had never occurred to him during all the years he had lived here that there would ever be an electric light in the house.

His sister was cheerful, neatly dressed, and looked 10 years younger than she did when he had seen her last, 10 years before.

He asked her how it all happened.

"Oh," she said, "we have rural electrification throughout this whole section now. It has added new life to our community. People have remodeled, repainted, and reconditioned their homes, and many people have built new ones. Many old families who had moved away have come back, and some people are moving out from towns and cities and building modern homes on their lands."

"Do you mean to tell me that all these changes have been brought about merely by electric lights?" he inquired.

"Well, of course, the lights have something do with it," she replied, "but that is a very small part of the program. We now have electricity for all purposes, supplied to us at what they call the "yardstick" rates, set by the T. V. A.—you know that is what we call the Tennessee Valley Authority; it has not only provided rates to the people in the T. V. A. area but it has forced reduction of rates to people for hundreds of miles around and therefore helps us all.

"Through the Electric Home and Farm Authority we have been able to secure credit to purchase the appliances we need, and therefore have our home electrified throughout.

"Come with me, and I will show you what we have. I will turn this radio off first. There is no use to keep it going while there is no one in the room to hear it."

Even that was something new to him. He had never dreamed of seeing a radio on a farm during the old days. In response to his comment, she explained to him that the radio used very little electricity but added a great deal to the life of the home by bringing them the finest entertainment, the finest music, the news and market reports, and really kept them informed as to what was going on in the world.

As they advanced from room to room, and the lights were turned on, it occurred to him that the illumination was a great deal better than it had been in the flat where he had been living. She took him first into the kitchen and showed him her electric refrigerator, where the milk, butter, eggs, meats, vegetables and fruits, and so forth, were kept cool and fresh, and which supplied the ice for the entire family.

She showed him her electric range that had supplanted the old coal or wood stove. He asked what that large round thing over in the corner was. She explained to him that that was the hot-water tank.

"We now have hot and cold water for the kitchen and for the bathroom."

"Bathroom!" he inquired in surprise. "How did a bathroom ever get into this house, and how do you get water to it?"

"Oh," she said, "one of the small rooms upstairs had been made into a bathroom, which I will show you in a minute. As to getting water into it, we have an electric pump, with a small vacuum tank that maintains a regular pressure and furnishes running water for the house at all times. It also supplies water for the barn and to the stock in the pasture. This pump keeps the water at a certain pressure all the time and automatically cuts on and off as the pressure goes down or up. We also have a sprinkler system for the yard and garden that we use in case of a drought, and we sprout many of our vegetables with an electric hot bed. It does not take much electricity, but it pushes the vegetables forward and gives them about 2 or 3 months' start of the ones that are sprouted in the regular way. You know vegetables are usually slow in coming up because the ground is cold. When we get that ground properly heated they grow as rapidly almost as if it were midsummer.

"Here is my electric iron, and that thing over there is the electric dishwasher. I also have an electric churn, electric fans, an electric cream separator, as well as a vacuum cleaner that takes the place of the old-time mop with which we used to try to clean the floor.

"But I must take you out into what used to be the woodshed, where mother used to do the family washing, and show you my electric washing machine."

She explained the machine's operation in detail and showed how the clothes were placed in it, and the electricity turned on, and how that within a couple of hours they were as clean as if they had gone through a modern laundry, run through an electric wringer which was attached, and were hanging on the line.

"Isn't this a very costly method of washing clothes," he asked.

"No," she replied, "the electricity necessary to operate this machine and the wringer that goes with it for our family of five people costs only about $1 per year."

Glancing down across the field to the pasture, he said, "You have a beautiful herd of cows, but I don't see what keeps them from going out into that cornfield and eating up the crop."

"Oh," she said, "the fence keeps them back."

"Fence? I don't see any fence," he said. "All I see is one smooth wire, without any barbs on it."

"Oh," she said, "that is an electric fence; it is charged with a few volts of electricity; just enough to shock the cattle sufficiently to keep them from going near it again. It is controlled by a thermostat that goes off and on about once every half minute, so that if one should get a sufficient charge to stick to the wire, it will turn him loose. We also have one around our hog pasture. Once a hog sticks his nose into it, he gets his lesson and never touches it again. He seems to pass the word around and the other hogs take notice.

"I would like to go out and show you the lights in our barn and my husband's feed grinder and the water system that keeps fresh water in the trough for the cattle all the time, but my dinner is about done and I must go and put it on the table."

"About done? You mean you have to cook dinner yet?"

"No; my dinner was in the stove cooking when we were in the kitchen. I should have showed you. You understand that with an electric range we do not get all the heat we used to have to endure when we burned wood or coal. Housekeeping is no longer a drudgery; it is really a pleasure."

"What does all this cost you a month?" he asked.

"Oh, the cost is very small compared with the convenience we enjoy. I would say that it costs us less than we used to have to pay for wood or coal. When we do not use our electric heaters we have in the boys' rooms, the entire cost of electricity will only amount to about, we will say, a couple of dozen eggs a week. Besides, we stay at home more and probably save more money on gasoline and car repairs than our electric bill amounts to. In fact, our ice bill used to be about as much as our whole electric bill is now."

He stopped to ponder a moment. He thought of the old days and the drudgery his mother endured, burning up in a hot kitchen and bowing down over the washtub or boiling the clothes over a flaming fire in the summer heat. He could remember bringing in bark and wood to heat the old iron and seeing his mother lean over that hot iron hour after hour until it seemed she was tired enough to drop.

He remembered how he used to windlass water out of the old well in dry weather to water the thirsty cattle until it seemed as if they could drink the ocean dry. He remembered when he used to help his father with the stock in the old barn before day and after dark when there was no chance of a light. His father had tried using a lantern in the barn, but had abandoned it after a serious fire.

"You do not seem to be worried very much about the low price of farm products," he said.

"Oh, yes, we are. We know they are too low, but we are living in hope that they will be adjusted. We know they are far out of line with the prices of manufactured articles, but we meet that situation to some extent by producing more of the things we need at home, such as vegetables, chickens, meats, dairy products, and so forth. You understand we have a cooperative cold-storage plant in the community, and we can kill our meat at any time of the year without fear of losing any of it, and we can store our eggs in the summertime, when they are low in price, and keep them for better prices in the winter season.

"Then, too, I have an electric sewing machine on which I make a good many of the family clothes and save a little money in that way."

"You seem to be satisfied here," he said.

"Yes; we tried it in the city for several years, and, while my husband drew fairly good wages most of the time, we never had a home and were never able to save anything, nor were we at any time able to enjoy anything like the conveniences we now have. We are back here to stay. I would not leave it for the world.

"You remember when we were growing up, boys and girls always seemed to be in a hurry to get through school in order to get away from home. Children in this community now are just as anxious to get through school—and so are the ones who are away to college—not to get away from home, but to get back home."

He realized then that he was catching a glimpse of the future; getting his first vision of a new civilization, the electric age.

He had seen his first electrified farm.

Mr. Speaker, these pictures are not overdrawn; they do not reflect merely the iridescent dream of a power enthusiast; they are actual occurrences that have their counterpart in nearly every State in the Union.

MILES OF RURAL LINES BUILT BY R. E. A.

The following table shows the number of rural power lines completed and energized by the R. E. A., or with R. E. A. loans in each State, up to May 1, 1939:

Completed and energized miles of rural electric lines built with R. E. A. loans May 1, 1939

(Reported by R. E. A. borrowers)

Alabama	2,515
Arkansas	2,020
California	1,210
Colorado	783
Delaware	375
Florida	840
Georgia	5,873
Idaho	465
Illinois	2,701
Indiana	7,393
Iowa	6,569
Kansas	1,189
Kentucky	3,830
Louisiana	1,174
Maine	66
Maryland	220
Michigan	5,119
Minnesota	8,782
Mississippi	2,242
Missouri	2,546
Montana	1,151
Nebraska	4,511
New Jersey	223
New Mexico	195
New York	214
North Carolina	1,579
North Dakota	647
Ohio	7,815
Oklahoma	2,347
Oregon	247
Pennsylvania	3,028
South Carolina	1,836
South Dakota	311
Tennessee	2,691
Texas	5,872
Virginia	3,207
Washington	1,024
West Virginia	202
Wisconsin	5,999
Wyoming	646
	99,657

NUMBER OF CONSUMERS SERVED

The following table shows the number of consumers receiving electric service on these lines built by the R. E. A. up to May 1, 1939:

Number of consumers receiving electric service on lines built with R. E. A. loans

(Reports available May 1, 1939, from R. E. A. borrowers)

Alabama	5,437
Arizona	255
Arkansas	3,660
California	1,728
Colorado	1,537
Delaware	718
Florida	1,560
Georgia	16,393
Idaho	1,132
Illinois	5,562
Indiana	17,757
Iowa	11,608
Kansas	2,108
Kentucky	7,987
Louisiana	2,271
Maine	145
Maryland	541
Michigan	9,374
Minnesota	15,036
Mississippi	4,807
Missouri	8,324
Montana	2,203
Nebraska	6,875
New Jersey	617
New Mexico	224
New York	1,300
North Carolina	5,241
North Dakota	1,171
Ohio	18,680
Oklahoma	4,225
Oregon	715
Pennsylvania	6,306
South Carolina	5,364
South Dakota	608
Tennessee	11,954
Texas	12,873
Virginia	6,491
Washington	2,000
West Virginia	286
Wisconsin	11,970
Wyoming	1,373
Total	218,416

The above table does not include that portion of the Tennessee Valley area where the rural lines were built by funds borrowed from other sources. If they were added, the number of rural power consumers in Mississippi would be increased by at least 50 percent.

AMOUNT ALLOTTED TO EACH STATE

The following table shows the total allotments, both as to the number of borrowers and the amounts of the loans, as of May 5, 1939:

Status of National Rural Electrification program, as of May 5, 1939

	Total allotments		Scheduled allotments for remaining 1938–39		Estimated allotment through 1938–39 program	
	Number of borrowers	Amount	Number of borrowers [1]	Amount	Number of borrowers	Amount
United States	593	$210,370,830	31	$9,494,000	624	$219,864,830
Alabama	14	4,826,550			14	4,826,550
Arizona	1	145,000	1	539,000	2	684,000
Arkansas	12	4,290,500			12	4,290,500
California	3	1,535,500	1	60,000	4	1,595,500
Colorado	8	2,581,000	3	441,000	11	3,022,000
Delaware	1	895,037			1	895,037
Florida	5	1,098,000		194,000	5	1,292,000
Georgia	34	10,927,615		20,000	34	10,947,615
Idaho	6	1,881,750			6	1,881,750
Illinois	22	11,444,630	3	600,000	25	12,044,630
Indiana	34	12,776,195	5	1,740,000	39	14,516,195
Iowa	48	14,428,128	1	400,000	49	14,828,128
Kansas	13	3,840,651	6	1,266,000	19	5,106,651
Kentucky	23	6,882,720	1	344,000	24	7,226,720
Louisiana	9	2,170,100	2	291,000	11	2,461,100
Maine	1	91,000			1	91,000
Maryland	2	469,000			2	469,000
Michigan	14	10,726,000			14	10,726,000
Minnesota	34	14,531,736		100,000	34	14,631,736

[1] Where no new borrowers are listed, although allotments are scheduled for the State, the scheduling is for supplementary allotments.

Status of National Rural Electrification program, as of May 5, 1939—Continued

	Total allotments		Scheduled allotments for remaining 1938–39		Estimated allotments through 1938–39 program	
	Number of borrowers	Amount	Number of borrowers	Amount	Number of borrowers	Amount
Mississippi	20	$5,788,700	1	$213,000	21	$6,001,700
Missouri	26	9,342,200		135,000	26	9,477,200
Montana	10	1,913,600			10	1,913,600
Nebraska	27	10,092,200			27	10,092,200
Nevada	1	222,000			1	222,000
New Jersey	2	420,300			2	420,300
New Mexico	3	705,000			3	705,000
New York	1	1,050,000		325,000	1	1,375,000
North Carolina	21	5,106,350	1	171,000	22	5,277,350
North Dakota	5	1,303,972	1	312,000	6	1,615,972
Ohio	27	13,041,025		65,000	27	13,106,025
Oklahoma	18	5,834,000			18	5,834,000
Oregon	5	552,000	1	197,000	6	749,000
Pennsylvania	9	5,351,200			9	5,351,200
South Carolina	4	2,561,328	1	200,000	5	2,761,328
South Dakota	3	587,000		100,000	3	687,000
Tennessee	12	3,831,058			12	3,831,058
Texas	53	15,769,185		157,000	53	15,926,185
Utah	3	274,000		297,000	3	571,000
Vermont	1	$142,000			1	$142,000
Virginia	12	5,482,800		$250,000	12	5,732,800
Washington	7	1,641,700	1	151,000	8	1,792,700
West Virginia	2	503,000			2	503,000
Wisconsin	28	11,259,300		701,000	28	11,960,300
Wyoming	8	1,555,800	1	100,000	9	1,655,800
Alaska			1	125,000	1	125,000
Puerto Rico	1	500,000			1	500,000

STATEMENT OF 1938–39 APPROPRIATIONS

Appropriation	$140,000,000
Allotted	120,739,520
Balance	19,260,480
Scheduled	9,494,000
Total	[1] 9,766,480

[1] $2,871,855 of this amount is sterilized; i. e., required funds for which no allotments are scheduled. The balance constitutes a reserve.

LET US ELECTRIFY EVERY FARM HOME IN AMERICA

Last year I secured the adoption of an amendment to the relief bill providing for an additional $100,000,000 for the Rural Electrification Administration, to be allotted among the various States for loans for the construction of rural power lines. You will note that that fund is almost exhausted, and it will be entirely exhausted before the end of the fiscal year.

I regard this as one of the best services I have ever been able to render to the farmers of this Nation, for I realize that as a result probably a million people in the farm homes of this Nation will receive electricity who had never had an electric light in their homes.

This is just the beginning; we must keep this great program going until we take to the farmers in every nook and corner of this land the benefits of the greatest natural resource on earth, outside of the soil from which we live, and that is the electric power of the Nation. [Applause.]

EXTENSION OF REMARKS

Mr. MERRITT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the Binghamton (N. Y.) Press.

The SPEAKER. Is there objection?

There was no objection.

PER CAPITA INDEBTEDNESS OF UNITED STATES

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. DONDERO. Mr. Speaker, on the 8th day of January 1835 Andrew Jackson, then President of the United States, paid the last dollar of the national debt. He was one President of the United States who did not believe that a national debt was a national blessing. Twenty-two years later, in 1857, the per capita national debt—the debt for each man, woman, and child in the United States—was $1.01. Today that per capita debt is more than $285. That is a yardstick that you cannot expand or contract to serve any man's purpose, and it is a yardstick by which every Member of this House can measure the national debt for every township, village, city, and county in his congressional district and every congressional district in the United States.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. In just a moment. I have prepared a statement showing the amount of the national debt proportionately for every township, city, village, and municipality in my congressional district, and I ask unanimous consent that it be inserted in the RECORD in connection with these remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. DONDERO. Mr. Speaker, in 1857 the national debt of the United States was $28,701,375, less than one-half of Oakland County's proportionate share of the 1938 national debt, $60,297,372, and represented a per capita debt of $1.01, in contrast to a 1938 per capita debt of $285.43.

A billion-dollar national debt was first reached in 1863, midway in the Civil War period, and continued upward to $2,755,763,929 in 1866, with the per capita debt $77.69.

From 1867 to 1893, a period of 27 years, our public debt was gradually reduced and dropped below the billion-dollar mark to $968,218,841 in 1892 and $961,431,766 in 1893. In 1894 a period of gradual increase set in, reaching $1,436,700,704 in 1899. This was the peak following the Spanish-American War, and the per capita debt was $19.93.

From 1900 to 1916 our national debt remained close to the billion-dollar mark, varying between $1,263,416,913 and $1,132,357,095, and the per capita debt between $16.56 and $11.83. It is interesting to note that in 1916, the year before our participation in the World War, our national debt was $1,225,145,568, less than one-half what it was at the close of the Civil War.

At the close of the World War our national debt had been multiplied 20 times to $25,482,034,419 and a per capita debt of $240.09, the high point until $27,053,085,988 was reached in 1934. The indebtedness incurred during the World War years was reduced by more than $9,000,000,000 during the years 1920–30 to $16,185,308,299.

In recent years our national debt has increased as much as $4,844,217,530 in a single year and since 1932 the total increase has been nearly $18,000,000,000. On June 30, 1938, it exceeded $37,000,000,000 and by June 30, 1939, the Treasury Department estimates it will reach $41,131,502,010 and this will make the increase since 1932 approximately $22,000,000,000.

The following tables show the proportionate share of the 1938 national debt by townships, cities, and villages in my congressional district.

Proportionate share 1938 national debt by townships, cities, and villages, Oakland County

[Report of Secretary of the Treasury, 1939, gross debt on June 30, 1938, was $37,167,587,451; gross debt per capita $285.43. Population figures used in this table, official census, 1930]

	Population	Proportionate share of debt
Township:		
Addison	954	$272,300.22
Avon	6,961	1,986,878.23
Bloomfield	10,088	2,965,046.84
Brandon	1,347	384,474.21
Commerce	1,789	501,634.27
Farmington	3,512	1,002,430.16
Groveland	674	192,379.82
Highland	1,206	344,228.58
Holly	3,170	904,813.10
Independence	1,803	514,630.29
Lyon	1,874	534,895.82
Milford	2,018	575,997.74
Novi	1,571	448,410.53
Oakland	792	226,050.56
Orion	2,742	782,649.06
Oxford	2,975	849,154.25
Pontiac	2,696	769,519.28
Rose	661	188,669.23
Royal Oak	26,277	7,500,244.11
Southfield	3,174	905,954.82
Springfield	923	263,451.89
Troy	7,374	2,104,760.82
Waterford	8,239	2,351,657.77
West Bloomfield	4,202	1,199,376.86
White Lake	1,114	317,969.02

Proportionate share 1938 national debt by townships, cities, and villages, Oakland County—Continued

	Population	Proportionate share of debt
City or village:		
Berkley	5,571	$1,500,130.53
Birmingham	9,539	2,722,716.77
Bloomfield Hills	1,127	321,697.61
Clarkston	639	182,380.77
Clawson	3,377	963,897.11
Farmington	1,243	354,789.49
Ferndale	20,855	5,952,642.65
Holly	2,252	642,788.36
Huntington Woods	655	186,956.65
Lake Orion	1,369	390,753.67
Milford	1,364	389,326.52
Oak Park	1,079	307,978.97
Oxford	2,052	585,702.36
Pleasant Ridge	2,885	823,465.55
Pontiac	64,928	18,532,399.04
Rochester	3,554	1,014,418.22
Royal Oak	22,904	6,537,488.72
Oakland County	211,251	60,297,372.93

Proportionate share 1938 national debt by townships, cities, and villages, Wayne County

[Report of Secretary of the Treasury 1939, gross debt on June 30, 1938, was $37,167,487,451; gross debt per capita $285.43. Population figures used in this table, official census, 1930. Table includes townships, cities, and villages wholly in Seventeenth Michigan District; city of Detroit and Wayne County totals]

	Population	Proportionate share of debt
Township:		
Livonia	3,192	$911,092.56
Northville	5,135	1,465,693.05
Plymouth	6,038	1,723,426.34
Redford	3,834	1,094,338.62
City or village:		
Detroit	1,568,662	447,743,194.66
Northville	2,566	732,410.38
Plymouth	4,484	1,279,868.12
Wayne County	1,888,946	539,161,856.78

Mr. Speaker, I now yield to the gentleman from Mississippi.

Mr. RANKIN. Mr. Speaker, if the gentleman from Michigan will tune in his radio next Tuesday morning I will tell him how he can contract that debt in proportion to the American people's incomes, by a reasonable controlled expansion of the currency.

Mr. DONDERO. I shall be delighted to do so.

Mr. RANKIN. Because with the contraction of the currency driving down commodity prices there is a proportionate increase in the dollar to the American people and a proportionate reduction of farm prices, as well as of the national income.

Mr. DONDERO. The way to contract that yardstick would be to stop spending and wasting public money. [Applause.]

COMPETITIVE BIDDING FOR PURCHASES BY UNITED STATES

Mr. YOUNGDAHL. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. YOUNGDAHL. Mr. Speaker, as I understand the law all government purchases of any consequence must be made by competitive bidding and the contract given to the lowest bidder, all things being equal. I am in receipt of certain information this morning which I believe this honorable body should be apprised of. On March 1 bids were opened for the purchase of five tractors by the Terrebonne Farms, Inc., at Shriever, La., under the Farm Security Administration. A bid was placed by H. B. Naquin, a local dealer selling Minneapolis-Moline tractors in that territory. Mr. Naquin has been in that territory a great many years and is highly respected as a citizen and as a businessman. When the bids were opened he was the low bidder, but the party that was awarded the contract secured the business at a price of $2,928.90 more than Mr. Naquin's bid for tractors of no better construction, no greater capacity, no better reputation. If this information is correct, and it comes from a reliable source, then there has been a positive violation of the law. We are entitled to know what Department or agency of Government is responsible. To that end I am today directing a letter to the Chief of the Procurement Division, United States Treasury Department, requesting an immediate investigation of this purchase, and if this information is found to be correct, the present contract be declared illegal and a contract entered into with the lowest bidder.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. YOUNGDAHL. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein at this point a letter which I received this morning from the Minneapolis-Moline Power Implement Co., also a copy of a letter directed to the Chief of the Procurement Division of the United States Treasury Department by Mr. H. B. Naquin, of Thibodaux, La.

The SPEAKER. Is there objection?

There was no objection.

The letters referred to are as follows:

MINNEAPOLIS, MINN., *May 9, 1939.*

Hon. OSCAR YOUNGDAHL,
The House of Representatives, Washington, D. C.

DEAR CONGRESSMAN YOUNGDAHL: I want to call your attention to an irregularity in the purchase of farm tractors by one of the Government agencies.

In March 1 bids were opened for the purchase of five tractors by the Terrebonne Farms, Inc., at Shriever, La., under the Farm Security Administration. A bid was placed by H. B. Naquin, dealer selling Minneapolis-Moline tractors in that territory. Mr. Naquin has been in that territory a great many years, and is highly regarded as one of the most competent agriculturists in the Sugar Belt. He has furnished many of our tractors and many implements manufactured by this company, as well as many special implements of his own construction, to a great many of the best farmers in that territory; as a matter of fact, he has both tractors and implements on farms adjoining the Terrebonne that have given satisfaction for many years. When the bids were opened he was low bidder, but the party that was awarded the contract secured the business at a price of $2,928.90 more than Mr. Naquin's bid for tractors of no better construction, no greater capacity, no better reputation.

Mr. Naquin wrote a letter to the Chief of the Procurement Division of the United States Treasury Department and sent copies of same to the President of the United States, Henry Wallace, Secretary of Agriculture, and the Department of Justice, and others. I am attaching a copy of Mr. Naquin's letter, which tells the story in detail. On receipt of this letter I corresponded further with Mr. Naquin, and in replying to my letter he did not say that he had any further advice or satisfaction.

When asked to bid to the Government on machinery of this kind it is our understanding that the award is to be made to the lowest responsible bidder. If that is not the intention, why does the Government ask for bids? Mr. Naquin, the dealer, is a respected citizen in his community. He pays his taxes and is entitled to fair treatment. We, as manufacturers, do likewise. We build honest machines and we do guarantee them to do the work for which they are sold. We do consider it an insult and an injustice when we are not treated fairly in connection with bids made to the Government.

By what right or authority does any agency, after taking bids on machines of this kind, have any discretion except to award to the low responsible bidder? We feel that this is a case that demands an investigation.

We feel that the machines that were delivered on this award should be returned and the award made to Mr. Naquin if investigation shows the facts to be as stated in his letter.

Respectfully,

MINNEAPOLIS-MOLINE POWER IMPLEMENT CO.,
GEORGE L. GILLETTE, *Vice President.*

THIBODAUX, LA., *April 19, 1939.*

CHIEF, PROCUREMENT DIVISION, UNITED STATES TREASURY DEPARTMENT,
Washington, D. C.

DEAR SIR: An investigation is requested and an explanation asked by the taxpayers whose moneys are disbursed by the Treasury Department as to the gross irregularities practiced on March 1, 10 a. m., in the awarding of bids for the purchase of five tractors by the Terrebonne Farms, Inc., at Schriever, La., under the Farm Security Administration.

The Treasury Department, whose duty it is, and which is pledged to safeguard expenditures of public funds, is being severely criticized and publicly charged with evasion of duty, "willful winking at," or inexcusable ignorance of graft, favoritism, etc., in this particular instance, known and condemned by all self-respecting citizens of this section, and this is simply another glaring example pointed out of what these Government agencies now pull off.

1. I and other leading citizens charge incompetency and lack of practical experience in selecting the most adaptable tractors for the purpose.

2. That my tractors are standard, modern, and are the equal of any on the market as to efficiency and economy of operation and upkeep, and that the implements supplied with the tractors are the most practical, being especially designed for use on cane, corn,

potato, and truck farms, requiring such for our local types of land and specialized cultivation. The Terrebonne Farms, Inc., grow only cane, corn, potatoes, and truck.

3. My tractors are in use on adjoining plantations, where repeat orders have been placed, and are universally and successfully used throughout this section.

4. I am equipped to demonstrate, repair, and supply all parts here in Thibodaux—less than 3 miles from the Terrebonne Farms, Inc.

5. My bid met every specification in detail and was $2,928.90 less in aggregate than accepted bid.

WHERE, WHY, AND WHO GOT THE DIFFERENCE?

For references, I respectfully submit any and all citizens of this section whom you may contact.

Yours very truly,

H. B. NAQUIN.

EXTENSION OF REMARKS

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my remarks in connection with H. R. 4833, and to include a brief summary showing the territory affected by this bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein a radio address delivered by my colleague [Mr. JOHNS] on H. R. 1735, known as the education bill.

The SPEAKER. Is there objection?

There was no objection.

INTERNATIONAL EXHIBITION OF POLAR EXPLORATION

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Foreign Affairs:

To the Congress of the United States of America:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State to the end that legislation may be enacted authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an International Exhibition of Polar Exploration, which will be held at Bergen, Norway, in 1940, and authorizing an appropriation of the sum of $35,500, or so much thereof as may be necessary, for the expenses incident to such participation.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 11, 1939.*

THOMAS E. DEWEY

Mr. GROSS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GROSS. Mr. Speaker, I rise to read a portion of a letter I received from Roundup, Mont.:

Out here we see a lot in the papers about Attorney Dewey and his accomplishments and nothing against him. Personally I think any good Republican from Pennsylvania, New York, or Ohio will carry Montana in 1940. I have no facts to back up my statement; all I have to go by is conversations with the general run of our population in this town. I remember in 1931 I wondered what was wrong with my capacity to think straight, and in 1935 I honestly thought I was on the way to the bughouse. But the New Deal is on the way out, even with the common laborer.

Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a speech by a businessman from my own city on the subject of industry.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. RAYBURN. Mr. Speaker, at the request of the gentleman from New York [Mr. GAVAGAN] I ask unanimous consent to extend my remarks in the RECORD by printing his statement on H. R. 5643.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include in that extension a radio address I delivered the other evening.

The SPEAKER. Is there objection?

There was no objection.

PERSONAL EXPLANATION

Mr. RANDOLPH. Mr. Speaker, I was absent from the Chamber yesterday on roll call No. 68. Had I been present, I would have voted "yea." Also, I was absent on roll call No. 69. Had I been present, I would have voted "yea."

DISPLACEMENT OF LABOR BY MACHINES

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, when the last revenue bill was pending I endeavored to have an amendment attached which provided that the Treasury Department and other Government agencies should make an investigation to determine to what extent machinery had displaced the worker.

I did not succeed in my effort at that time. When the revenue bill reached the Senate the senior Senator from Missouri [Mr. CLARK] offered my amendment, and it was added to the bill, but the conferees eliminated the Clark amendment in conference. As I understand it, the conferees thought that such an amendment might be disturbing to business.

On January 5 of this year I introduced a joint resolution, House Joint Resolution 65, reading as follows:

Resolved, etc., That the Secretary of the Treasury is authorized and directed to conduct an investigation of the desirability and practicability of the imposition of a tax on the use of labor-saving and labor-displacing machinery and to report the conclusion of his investigation, together with any relevant and useful data obtained in connection therewith, to the Congress at the beginning of the second session of the Seventy-sixth Congress.

In connection with such investigation the Secretary of the Treasury is authorized and directed to call on any other department, bureau, or agency of the Government for any information in their possession which may be pertinent to such investigation and the heads of such departments, bureaus, or agencies are hereby authorized and directed to furnish such information to the Secretary of the Treasury.

Why did I ask that this investigation be made by the Secretary of the Treasury? I am frank to say it was because the thought was in my mind that some day we are going to be required to seriously consider the advisability of taxing labor-saving and labor-displacing machinery, if no other way can be found to take care of the manpower that suffer the loss of their jobs as a result of invention.

It is true that such an investigation might worry business, but it is also true that millions of our citizens are already worried as a result of the installation of labor-saving and labor-displacing devices.

To my mind this is a most serious matter. I am going to call to your attention an editorial in the St. Louis Post-Dispatch of Sunday, May 7, which will certainly convince you that it is an important matter. The editorial follows:

EIGHTY-FIVE THOUSAND JOBS ELIMINATED

A machine installed in a steel plant at Pittsburgh, Pa., is something to talk about. With a crew of six men it turned out 446 tons of tin plate in an 8-hour day. Before this machine was invented, a crew of five men on the old-style hand mills turned out 10 tons of tin plate in 8 hours.

From 10 tons to 446 tons is surely stepping along, isn't it? Of course, the new machines are expensive. They cost $10,000,000 apiece. Twenty-six of them are now operating. The research department reports: "They have eliminated 85,000 jobs."

The research department chooses its words: The elimination of 85,000 jobs reads rather better, say, than "85,000 men out of work." But that is what it means.

What of the 85,000 men whose jobs are gone—swallowed up in the maw of a machine? There is a smug school of philosophy that looks upon a development of this sort with reassuring complacency. Like Voltaire's exasperating idiot, "It is all for the best in this best of all possible worlds." Technology is no ruthless deity. It is a kind, charming god. For every job it eliminates, it creates another. So don't worry. There is no occasion for uneasiness at all. That is what they say. It is not true.

Technology is a pleasing word. It has a ripple of euphony. It is impersonal. It serves, perhaps, as the mask for the machine, the monstrous Iago of the economic tragedy.

What's to be done with the villain? Sorry, but we don't know.

Just think of it, 85,000 individuals separated from their jobs due to the installation of 26 machines. This statement in reference to the 85,000 men who were required to do the work of the machines is not mine, but, as you will see by the editorial, it comes from the research department of the steel plant in Pennsylvania.

It matters not to me how the information relative to the machines is secured, whether through the Treasury Department or any other Government agency, but I certainly feel that some Government Department should do the job. The W. P. A. has made some little investigation in regard to this matter, but it simply scratched the surface. Would it not be an excellent project for the W. P. A. workers to make an investigation of this character under the jurisdiction of competent Government officials?

We have many outstanding problems confronting us, but to my mind no greater problem than the one that is going to require someone to provide for those who lose their employment when the machine is installed.

I sincerely hope that the members of the Ways and Means Committee will give serious thought to my resolution, and that it will either be reported to the House or included in the revenue bill which it will be necessary for them to consider before the end of the present fiscal year.

[Here the gavel fell.]

WAR DEBTS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, today I am introducing a bill for the creation of a commission known as the War Debt Payment Commission, empowered with broad authority to reexamine the debt structure and explore suggested methods of payment.

I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object, has somebody offered to pay their debt?

Mr. DIRKSEN. Not that I know of.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, it is a most singular thing that people are today so debt conscious and tax conscious but not war-debt conscious. Yet 12 European countries, some of whom are moving from crisis to crisis, owe us more than $11,000,000,000, not including interest. This is nearly 30 percent of our present national debt. If paid and applied to our own debt, it would relieve the American taxpayer of about $250,000,000 per year in interest. Oddly enough, this matter of war debts has received only the most casual attention.

This debt represents money which the citizens of the United States loaned to foreign countries to prosecute the World War, it represents advances made for relief after the war, and amounts for the sale of surplus war materials after the American Expeditionary Forces came home.

In 1922, the World War Debt Funding Commission, funded these debts, agreed to a low rate of interest, and amortized them over a period of 62 years. The Treasury Department now holds the securities of these foreign governments.

Until 1932, the debtor nations made payment. On the 20th of June 1931, President Hoover suggested a 1-year moratorium on debt payments subject to the approval of Congress. That moratorium became effective July 1, 1931, and continued until June 30, 1932. After the expiration of the moratorium, the debtor countries with the exception of Finland, advised us that there were reasons why they could not resume payment. In December each year since that time we received short, polite notes from each debtor stating that the reasons advanced for nonpayment in 1932 are still compelling and express deepest regret that they cannot undertake to pay at payment date.

But the fact is that something must be done about these debts. They hang like a pall over the restoration of world prosperity. They constitute the reason for the Johnson Act of 1936 which prohibits the sale and purchase of the securities of the war-debt countries by citizens of the United States. But failure to adjust the war debts goes deeper than that. If we subscribe to the theory that these intergovernmental debts need not be paid unless the debtor nations feel disposed to pay them, we may as well abandon all hope that there will ever be a resumption of the free flow of capital and commodities between the United States and the debtor nations.

The war debts are growing cold and every creditor knows what a task it is to collect a cold and almost forgotten debt. We have made little effort to collect these debts. Our collection morale was low as a result of the depression. Perhaps the depression is also responsible for the low-payment morale of the debtors.

At best, we shout to the housetops that they ought to pay since these debtor nations are spending so much on armaments. It is no argument. Huge armament outlays are made by the debtor nations out of credits to their own people. But no international credits exist in sufficient quantities to meet their obligations on war debts.

There is a reason. They have no gold with which to pay. Secondly, the staggering unemployment in our own country prevents us from accepting manufactured goods, raw materials, and foreign-grown farm commodities whereby credits might be created to apply to the payment of the war debts. We are at an impasse.

In all the correspondence between our own country and the debtor nations, about the time a payment is due, there is not the slightest hint that these nations do not want to pay. They simply remind us over and over of the reasons advanced in 1932 why they cannot pay. If the war debts are to be adjusted, if this barrier to international trade is to be removed, if our own national debt is to be reduced by application of funds which others owe us, and if the annual interest burden of the taxpayers of our country is to be lightened, we must stop shouting in the dark and seek to devise a method whereby the debtor nations might pay. There is the crux of the war-debt situation.

Today I have introduced a bill for the creation of a commission to be known as the War Debt Payment Commission, empowered with broad authority to reexamine the debt structure and to explore suggested methods for payment.

The commission shall consist of five Members of the Senate, five Members of the House, and three persons from the executive branch of the Government. This commission shall deal with the war-debt problem without regard to such questions as reparations, and shall deal with each debtor nation individually. It shall have no authority to conclude any agreements with any debtor country, but must report its findings and recommendations to Congress for action.

In the bill there are some suggested methods for study and examination such as the possibility of conveying to the United States territory in this hemisphere now owned by the debtor nations. There is also suggested the idea of applying the expenditures made by tourists to debtor countries for steamship fares, meals, lodging, and incidental expenses upon the war debts by means of the issuance of certificates by the debtor countries which shall be turned over to the Treasury of the United States and then redeemed in the currency of the debtor nation. Also suggested is the possibility of applying immigrant remittances to the war debts and have the debtor nations assume these remittances to the persons for whom intended. These methods are meant to establish credits so that the means of payment is available to the debtor nations.

This war-debt problem is essentially one for the Congress to solve. Congress provides the revenues and appropriates them for governmental purposes. Congress appropriates for

the interest on the national debt. Congress is constitutionally the keeper of the Nation's purse. An adjustment of the war debts would mean an increase in our revenues and a diminution in the appropriations. Indirectly, it would mean more revenues in the form of a freer and more abundant flow of international trade. I hope that this resolution may receive consideration at this session of the Congress and that a war-debt payment commission, dealing principally with finding a method of payment, might become operative without delay.

The SPEAKER. Under special order of the House heretofore entered, the gentlewoman from New Jersey [Mrs. NORTON] is recognized for 20 minutes. [Applause.]

AMENDMENT TO WAGE AND HOUR LAW

Mrs. NORTON. Mr. Speaker, I am grateful for this time this morning in order to explain a few of the misstatements that have been made about the bill H. R. 5435. I would like to ask the membership to bear with me until I have concluded my statement, and I shall then be very glad to answer any questions that may be in the mind of any Member present.

On next Monday, May 15, as directed by the Committee on Labor, I shall ask the Speaker to suspend the rules to consider H. R. 5435, and in so doing I ask the cooperation of the membership of the House in order that we may amend the Fair Labor Standards Act of 1938. Your committee decided to amend this act because of certain inequalities in it which had been brought to our attention by Members of Congress and other interested parties. On considering these amendments we called Mr. Andrews, Administrator of the Wage and Hour Division, to give us the benefit of his experience during the past 6 months in administering the law. We found him to be most helpful in supplying information and in accordance with the direction of Congress he suggested certain amendments which would solve a few of the difficult problems which have arisen during his administration of the act. One of these problems he considered of such importance that he addressed a communication to the Vice President and Speaker of the House, a copy of which I had included in the RECORD of April 20, 1939. This dealt with the necessity for clarification of, or redefinition of agricultural exemptions contained in the Fair Labor Standards Act.

In writing these amendments your committee has tried to give relief to what, in our opinion, constituted hardship cases without in any way weakening the act or denying its benefits to that great army of underfed and exploited workers engaged in the production of goods for interstate commerce. We had evidence brought to the committee which indicated that hardship had been caused by the application of some provisions of the law. We realized that it would not be an easy task to amend the law to protect these people who were entitled to protection and at the same time preserve the intent of the law.

Following many meetings with the Administrator and his efficient staff it is the well-considered judgment of your committee that we should, insofar as we are able, bring relief where evidence has demonstrated that it is absolutely necessary.

Of course, it has been impossible to meet the demands of many selfish interests throughout the country whose able lobbyists have given us many headaches.

Most of you gentlemen of the House are familiar with the difficulties experienced in writing into law the now famous Fair Labor Standards Act of 1938. A large part of the present membership of the House contributed to the enactment of this legislation and I know you who were here well remember the debate on the floor in December 1937 and again in May 1938, and the final adoption of the legislation in June 1938. During all of the debate on the floor, the House Labor Committee made every effort to meet the needs of all sections of the country and its territories and to furthermore enact into law a bill which would better the working conditions of hundreds of thousands of exploited persons. We, and I hope I speak for the majority of the Members of the House, felt that what we had accomplished was sufficiently useful to give at least some measure of relief to the men and women of this country engaged in the production of goods for interstate commerce. I am sure that we all knew then that the act was not perfect, but it was surely a step in the right direction. In coming to you with these suggested amendments we feel we are keeping faith with you and the public in attempting to improve the act in the interest of all concerned.

Many people have asked why we decided to amend an act that had only been in effect 6 months. Our answer was that we wanted to make that act as just and fair as we possibly could make it. We wanted it to be respected and approved by the people throughout this country. In other words, we wanted to be perfectly fair, not only to employees but to employers as well. That is the reason we are bringing these amendments to you for consideration.

Six months of operation of the Fair Labor Standards Act under the very able direction of Elmer Andrews have demonstrated the necessity for the amendments. Again I feel that I am speaking not alone for myself when I say that his administration of the law has been all we had hoped it could be. He has been just, reasonable, and efficient, and has conscientiously tried to live up to the intent of Congress in directing this legislation.

Now, let me give you an explanation of the provisions of the amendments we are proposing in H. R. 5435:

First. In the administration of the law the Administrator has found that its rigid application to Puerto Rico and the Virgin Islands has created hardship. It is factually true that working conditions in those territories are vastly different—are governed by climatic conditions, living conditions, and general economic factors at distinct variance with those in continental United States. It is impossible to prescribe rigid standards for working conditions in the Territories such as are suitable for continental United States. This problem has been one of the most distressing to the Administrator. The Labor Committee has, therefore, brought before you an amendment to relieve this situation. We are advocating the appointment of industry committees for each industry in Puerto Rico and the Virgin Islands to determine the minimum wages to be paid. This minimum may be—and in practical effect no doubt will be in many instances—less than that prescribed in section 6 of the act. However, such wage rate cannot be prescribed without taking into consideration certain standards set forth in the amendment. We could not and do not suggest the offering to the Territories of any competitive advantage, but rather hope to equalize, by this amendment, any now existing inequalities.

Second. One of the hardest problems to beset the Administrator was that of defining "area of production." As you gentlemen all know, I am sure, we used that phrase as a basis for the exemption of workers engaged in the production of agricultural products. It defies fair definition and has created many unfair as well as ridiculous situations. The Labor Committee has decided, therefore, to eliminate entirely the use of the phrase "area of production" and, instead, list specifically the branches of agriculture and the work to be performed therein which will be subject to the exemptions from the hours provisions, the wage provision, or both. By so stating the exemptions we feel that no employer or employee can be uncertain of his participation or nonparticipation under the act. By referring to section 3 of H. R. 5435 you will find the operations which we have totally exempted from the hours provisions of the act for 14 weeks in a year and have exempted from the hours provisions up to 60 hours a week for all other weeks.

You will remember that in the original act we had limited that to 12 hours a day and 56 hours a week. We had many complaints from farmers around the country, who said that in some instances perhaps 3 days a week might be wet, or something else might happen where it would be impossible to work employees during the whole week. Therefore if we could make it a 60-hour week exemption they could use the time as they saw fit. The committee was very glad to accept that proposal.

Surely this exemption must eliminate any hardship created by the act in taking care of seasonal or perishable agricultural products. The committee feels it has granted exemptions where and when they are necessary and we are satisfied that justice is being done to both the employer and employee. To insure the practicality of our proposed legislation, we have extended to employees engaged in the handling, tying, drying, stripping, grading, redrying, fermenting, stemming, or packing of leaf tobacco and the storing of it from both the wage and hour provisions of the act. This we have done at the insistence of the industry and its employees. We, of course, do not wish to deny the benefits of the act to anyone, but in some cases it has seemed only practical and just to do so. We have also extended this exemption to employees employed in the preparing, packing, cleaning, or grading of fresh fruits and fresh vegetables in their raw or natural state when such operations are performed immediately off the farm.

The farmer, as you know, is exempt now under the provisions of the act. This extends the exemption to employees who are still purely agricultural but whose work is performed just off the farm. The committee in this provision intends to exempt from both wages and hours only such employees as were employed in the cleaning, packing, grading, or preparing of fresh fruits and vegetables in their raw or natural state when such operations are performed in the immediate locality of the farm where produced. It was only intended to take care of the small fresh fruit and vegetable packing operation often carried on by a few farmers for the purpose of packing their own products. We have also extended this exemption to all employees engaged in the ginning of cotton.

Third. Another factor which has caused considerable confusion among both employers and employees is the fact that the Administrator lacks the power to make valid rules and regulations. I believe it is a tribute to the conscientiousness and willingness to cooperate of the American employer to realize that almost 90 percent of the employers of this country are living up to the provisions of the law. There are, as you gentlemen know, many cases in which employees and employers are not sure of their coverage by the act. All the Administrator can do when questioned by interested parties is to issue an interpretative bulletin. This is not binding under the law nor does compliance with it protect an individual legally. In order to correct this situation we are proposing in section 4 of H. R. 5435 to authorize the Administrator to make rules and regulations to carry out any of the provisions of the act. This section will also give him the right to define terms used in the act and make special provisions with respect to industrial homework.

As the act is now written it is extremely doubtful whether the wage and hour standards which it establishes can be enforced as to industrial home workers. Under present practice in industrial home work industries, the Administrator is unable to secure proper records on wages and hours of home workers. Business concerns relying on home work for their labor do not ordinarily deal directly with the home workers, but turn over the goods or articles on which the work is to be done to contractors who employ the home workers. Section 4 of the amendments would give the Administrator the necessary authority to cope with this situation.

We believe that this section on the whole will quiet much of the unrest which has grown up as the result of the lack of definiteness of the act when applied to an individual business. This change has been approved by the Administrator as most necessary for effective administration of the law.

Fourth. In section 5 (a) of the proposed amendments your committee contemplates the exemption of employees employed at a guaranteed monthly salary of $200 a month or more. The necessity for this exemption has arisen because under the present act only employees engaged in executive or administrative or professional capacities are exempt by virtue of their positions. It has been found that there are many persons whose work is not clearly administrative or executive but who are high-salaried workers with necessarily flexible hours. Their inclusion has created some hard problems for the Administrator and caused real hardship in many cases. Of course you gentlemen realize there is nothing in this act which limits the application of this exemption to clerical or so-called "white collar" workers. If a ditch digger received $200 a month he would be similarly exempt under this provision.

In section 5 (b) your committee has, we believe, taken care of the employees in small telephone exchanges.

May I say that at least 50 percent of the membership of this House has come to me asking for this exemption. Evidently it has been creating a great deal of trouble and, perhaps, hardship. So we are glad to bring this amendment to you.

The application of the law to them in many instances has really tended to increase unemployment and curtail chances for employment. Small telephone companies on the whole are financially unable to comply with the wage and hour provisions of the act. The committee believes that by exempting switchboard operators in exchanges having 500 or less stations it will help materially toward solving their present problem.

In the original bill I may say the exemption was set at 350, but later we changed that to 500. We think this has really taken care of all of the hardship cases.

In section 6 we have exempted employees employed under the jurisdiction of part 1 of the Railway Labor Act. This affords a similar exemption to employees of refrigerating cars, and so forth, as is now extended to all other branches of the railroad industry under the present act.

In section 7 the committee deals with two very difficult problems—messenger boys and home work in rural areas.

Your committee does not wish to deny the benefits of the act to messengers. However, anyone at all familiar with the telegraph companies knows that they will not be able to pay the highest minimum—40 cents—without great hardship and perhaps even financial ruin. We are, therefore, offering an amendment which would give the Administrator the power to prescribe wages lower than those set forth in section 6 of the act if certain standards can be met. However, in no case has the Administrator the power to lower the wage below 25 cents an hour.

The difficulty of compliance with the law by home workers in rural areas is, I believe, familiar to most of you.

A few Members of the House came before us and gave us much evidence in connection with this amendment. We feel that we are justified in giving relief to those people and that this relief is necessary. This type of work bears no resemblance to industrial home work in cities, and its elimination often means the difference between butter on his bread or plain bread to many a farmer. So we propose to give the Administrator power to prescribe wages lower than the minimum set forth in the act.

Section 8 is intended to protect the innocent purchaser of so-called "hot goods" if he can show that at the time he purchased the goods he had no knowledge or reason to believe that they had been produced in violation of wage and hour provisions. This amendment would avoid hardship to innocent purchasers and promote the free movement of goods.

The SPEAKER. The time of the gentlewoman from New Jersey has expired.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection?

Mr. AUGUST H. ANDRESEN. Mr. Speaker, reserving the right to object, and I do not intend to object, the gentlewoman from New Jersey said at the beginning of her remarks that she would give us an opportunity to ask certain questions relative to the bill. The gentlewoman is making a very fine statement, and I hope that arrangements can be made to give her at least 15 minutes. I ask unanimous consent that her time be extended 15 minutes.

The SPEAKER. Does the gentlewoman from New Jersey request such extension of time?

Mrs. NORTON. I would be very glad to have the extension of time, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]?

There was no objection.

Mrs. NORTON. Section 9 of the committee amendments, which amends section 15 (a) (2) of the act, is a technical amendment which is necessary if section 4 is adopted, so that the violation of appropriate regulations will be prohibited. In addition there is a prohibition against violations of the provisions of any wage order issued by the Administrator pursuant to section 8. This latter prohibition clarifies the act as now written.

Section 10 proposed to give to learners, apprentices, handicapped workers, messengers, and home workers the same right to sue for unpaid minimum wages and unpaid overtime compensation which the act now accords all other employees covered by the act.

Section 11 of the committee amendment would amend section 17 of the act to provide that civil actions to restrain violations of the act may be brought in any district where the defendant is found, or is inhabited or transacts business. By thus allowing suits against corporations where they are doing business, the amendment will save both defendants and the Government the expense of bringing witnesses many miles from the place of business to the State of incorporation of the business.

Section 12 of the committee amendment prohibits the transportation of prison-made goods in interstate commerce except the transporting of goods from a Federal prison for the use of the Federal Government. This provision is in line with but goes beyond the Ashurst-Sumners Act. [Applause.]

Summing up, Mr. Speaker, I may say that your committee considered these amendments for at least 5 or 6 weeks. We received communications from all interested parties. They were brought to the attention of the committee, and we really tried to do a good job. We could not, of course, grant amendments to all of those who came seeking them, for we were confronted with exactly the same situation that confronted us when the original bill was before the House for action. Many selfish interests came to us, people who would like not only to have the bill amended but to have the bill killed; and your committee had a very difficult task in trying to decide what was fair and just; and may I say that we did everything in our power to bring before you only such amendments. We want this bill to have the endorsement of the American public. We want this bill to do the thing we intended it to do, protect the workers of this country. The primary reason for having this law is to protect the exploited workers in this country; and this, Mr. Speaker, your committee has tried to do.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I shall be glad to yield to the gentleman.

Mr. AUGUST H. ANDRESEN. I commend the committee for removing the disturbing "area of production" provision. The committee, however, has substituted another phase which I believe should have some clear elucidation so that the Members may form some idea as to what is intended, and that is the phrase "terminal establishment." It seems to me that unless the phrase "terminal establishment" is clearly defined, it might leave us in the same situation we find ourselves with existing law in reference to "area of production." For instance, in defining "terminal establishment" reference is made to urban areas. Just how does the committee define an urban area?

Mrs. NORTON. I believe the committee intended the phrase "terminal establishment," on page 13 of the bill, to mean an establishment which met each of the three requirements set forth in the sentence in which the phrase "terminal establishment" is defined. Further, the words "establishments at which such goods have been previously concentrated or prepared" does not include that concentrating or preparing of fresh fruits and vegetables which ordinarily takes place on the farm before they are delivered to a packer or canner. That is what is meant by "terminal establishment."

Mr. AUGUST H. ANDRESEN. I recognize that, but that is not very clear to me. Maybe I am dense, but I would like to get it clear. Reference is made to "urban area." Webster's Dictionary defines "urban" as meaning something pertaining to a city. Did the committee consider what size community would take an industry into an urban area?

Mrs. NORTON. No; I do not think the committee did. We interpreted "urban area" in the broad sense as meaning the surrounding country whose population was around 2,500, or thereabouts, although we did not mention any figure.

Mr. AUGUST H. ANDRESEN. Part of an urban area?

Mrs. NORTON. Yes.

Mr. AUGUST H. ANDRESEN. That certainly is contrary to all definitions. In 1910 the Bureau of the Census defined as urban communities all communities having a population of 2,500 or over. Those having under 2,500 would be classed as rural areas.

Mrs. NORTON. I think I made a mistake. I should have said that an urban area was an area with a population of 2,500 or over. I am afraid my mind was still on a farm when I answered your question.

Mr. AUGUST H. ANDRESEN. Then, we would assume that the committee means that when the phrase "terminal establishment" is used it does not take in any communities having a population of less than 2,500 individuals.

Mrs. NORTON. My personal opinion is that is what the committee intended.

Mr. AUGUST H. ANDRESEN. If the gentlewoman can make that quite definite it would be very helpful.

Mrs. NORTON. I cannot make it more definite than the definition given in the bill.

Mr. AUGUST H. ANDRESEN. Would the gentlewoman also tell us in connection with the same definition what is meant by "transportation terminal" or "transportation center"?

Mrs. NORTON. As we understood "transportation terminal," it meant a terminal where goods were concentrated for the wholesale market.

Mr. WADSWORTH. The phrase "transportation terminal" is not used in the act. It is referred to in the act as "transportation center."

Mr. AUGUST H. ANDRESEN. The phrase used in the act is "transportation center."

One further question—and I hope that we can get this all cleared up on Monday; we should have everything clear about the bill—just what is meant by the phrase "off the farm"?

Mrs. NORTON. That was an amendment offered by Mr. THOMAS of Texas, and I think he would be glad to explain just what it means. I can tell the gentleman what I think it means.

Mr. AUGUST H. ANDRESEN. We would like to know from the chairman; she is the authority.

Mrs. NORTON. This provision, as I understand it, is to allow groups of farmers—John Jones, Bill Smith, Sam Brown, and maybe others—to get together to perform certain operations on the farm, operations which are enumerated in the bill, to prepare the produce for market. It might sometimes happen that John Jones would not have the facilities to do these things by himself, but with other farmers they could form a sort of cooperative organization, and we considered it important to permit them to get together to perform these various operations. May I say, however, that I have never lived on a farm, so all of these operations on a farm are very difficult for me to understand. All my life has been spent in the city. I am not familiar with farming operations. I shall be more familiar with them, I hope, before we get through with this bill.

Mr. AUGUST H. ANDRESEN. We shall be very glad to help the gentlewoman in that respect.

Mrs. NORTON. I shall need all the help I can get. It was our idea in presenting this amendment relating to "off the farm" to allow these farmers in small groups to cooperate in the matter of preparing fruits, vegetables, and so forth, for

market. It is the committee's understanding, however, that it does not extend beyond the first processing, let us say, for lack of a better word, of the produce for the market.

Mr. AUGUST H. ANDRESEN. If the farmers live within a radius of 60 miles of one another, that area might be considered off the farm?

Mrs. NORTON. I would not go as far as to say that. We did not attempt to put the suggestion of any mileage or any distance into the bill. After all, the Administrator will have to determine that.

Mr. AUGUST H. ANDRESEN. That is what I was getting at. That leaves it to his discretion to make the determination.

Mrs. NORTON. Yes. We feel it will be perfectly safe in his hands.

Mr. AUGUST H. ANDRESEN. I hope so.

Mr. ROBERTSON. Will the gentlewoman yield?

Mrs. NORTON. I yield to the gentleman from Virginia.

Mr. ROBERTSON. I listened with a great deal of interest to the gentlewoman's explanation of the liberalized provisions for the tobacco workers and I fully approve of what the committee proposes to do; but, frankly, what disturbs me is to learn by what physiological, social, economic, or political theory the committee arrived at the conclusion that the tobacco worker, considering that the tobacco industry has been nearer parity than any other major farm product, and the tobacco industry has not suffered during the depression like many other industries, should receive more liberalized treatment than those engaged in preparing for market fresh fruits or vegetables in their raw or natural state?

Mrs. NORTON. I do not believe we gave them that. We were told the tobacco people we exempted were people who worked by their hands in small communities; they did not have the machines that were necessary or that they have in larger places, and we gave this exemption because we felt we were helping that small group of people who do all those operations by hand.

Mr. ROBERTSON. That is the assurance I wanted, because to get that equal treatment that you say your committee intended, the definition "off the farm" and the definition of "terminal" will have to be most liberally construed or else the relief for this suffering fruit and vegetable industry will not be brought about under the provisions of the act.

Mrs. NORTON. It was the intention of the committee to do just that. Our thought was that if we extended the amendments too far they would take in what we might call the wholesale market, and that we certainly did not want to do. If the gentleman knew the number of lobbyists who have been around the Capitol trying to get that class of labor exempted from the bill, he would understand the difficult task we had.

Mr. WADSWORTH. Will the gentlewoman yield?

Mrs. NORTON. I yield to the gentleman from New York.

Mr. WADSWORTH. The gentleman from Minnesota has called attention to that phrase which is found in the first instance on page 12, reading "but not when those operations are performed at a terminal establishment," and has asked the lady from New Jersey to define, if possible, with the aid of a definition printed later on on page 13, what a terminal establishment is. We thereupon find that the definition needs defining again in several instances. I am not going to pursue that question, however. The lady has made it plain, and the bill makes it plain that at least some restriction is intended to be placed upon the processing of fresh fruits and vegetables.

Mrs. NORTON. After they leave the farm, but not while they are on the farm.

Mr. WADSWORTH. May I ask why a similar restriction is not placed upon the great packing industry?

Mrs. NORTON. It is.

Mr. WADSWORTH. It is not. I beg the lady's pardon. On page 12, line 11, among the exemptions without qualification we read, "the handling, grading, loading, slaughtering, or dressing livestock." If that does not exempt Armour and Swift, I cannot read the English language.

Mr. ROBERTSON. Will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman.

Mr. ROBERTSON. Under the act, as has been pointed out, that can be done, anyway.

Mr. WADSWORTH. Those great plants, which no farmer has ever considered to be farm operation plants, but, rather, great industrial establishments in the cities of Chicago and Kansas City, employing thousands and thousands of men, most of them with union affiliations, typical industrial plants, under this bill may run 60 hours a week the year round, and for 14 weeks there need be no limitation whatsoever as to hours. I am not pleading for or against that particular thing. But I want to know why the fresh fruits and vegetable industry, close to the farm itself, handled in little country villages, seasonal plants that run only on an average of 4 or 5 months out of 12 months in the year, are supposedly placed under a restriction, whereas the great packing industry is left free?

Mrs. NORTON. Is not the difference there that the fresh fruits and vegetable industry is proposed to be exempted from the wage and hour provisions, while the other people are not exempted from wages?

[Here the gavel fell.]

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent that the time of the gentlewoman from New Jersey may be extended for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia [Mr. ROBERTSON]?

There was no objection.

Mr. ROBERTSON. Will the gentlewoman yield?

Mrs. NORTON. I yield to the gentleman from Virginia.

Mr. ROBERTSON. Following the suggestion made by the gentleman from New York, I wish to call attention to the fact that in section 8, to which he has just referred, it puts no terminal limitation upon the packing houses, your hogs, or your cattle. Section 9 puts poultry under the terminal facilities.

Mr. HAWKS. Will the gentlewoman yield?

Mrs. NORTON. I yield to the gentleman from Wisconsin.

Mr. HAWKS. The gentlewoman has been very patient in her explanation, but I would like to emphasize some of the points that the gentlemen from Minnesota and New York have brought out and direct attention to questions I asked yesterday relative to the terminal establishment in this urban area. The gentlewoman indicated she had lived in a city all of her life, consequently could not with any degree of confidence discuss the agricultural features of this bill. I would like to suggest to the gentlewoman as a result of hearings that were held before the Administrator, I think, on April 3 and 4, he came out with a ruling on April 19 indicating he also had no understanding of the very same agricultural problems that you are trying to solve in this bill.

He defined a city with a population of 2,500 as being the maximum. In Wisconsin we have a lot of factories engaged in the canning of peas, corn, tomatoes, and so forth, in towns with a population of 5,000, 6,000, 7,000, or 8,000. If a town with a population of 2,600 has a canning factory in it, under the ruling and under the urban area interpretation which I know Mr. Andrews will give, that town will be penalized as against the operation of a factory in a town of 2,450 or 2,499.

Mrs. NORTON. I do not believe so, if the work is done purely and simply as agricultural work.

Mr. HAWKS. These are all agricultural works.

Mrs. NORTON. May I say that the understanding of the committee is that we have taken care of all these people in and around the farm. Our only desire to enforce this law is after the product has left the first processing or preparing operation, or whatever the word is.

Mr. HAWKS. That is where they take it off the land.

Mrs. NORTON. Where they take it off the farm or when it gets to the large terminal establishment, which to my mind is sort of a wholesale establishment.

Mr. HAWKS. Could I describe to the gentlewoman the ordinary operation?

Mrs. NORTON. I would be pleased to hear it. I am really getting a liberal education in farming.

Mr. SHANNON. If the gentlewoman will yield, I should like to ask the Chair and the gentlewoman if this cannot be confined to mere questions instead of speeches. Several speeches have been interjected into the gentlewoman's remarks, whereas many, many Members would like to ask questions.

Mrs. NORTON. May I say further to the gentleman that on Monday this bill will come before the House. The minority leader has asked if there would be any objection to extending the debate 1 hour. There will not be any objection to that. We will then have all the members of the Committee on Labor present, and I believe they can satisfy the Members of the intent of the committee in writing these amendments, which will go a long way toward working out the proper administration of the act.

Mr. SHANNON. Then I would suggest that the gentlewoman confine the remarks of the Members to whom she yields to questions.

Mrs. NORTON. I would be very pleased to have the discussion so confined.

Mr. GREEN and Mr. SHEPPARD rose.

Mrs. NORTON. I yield to the gentleman from Florida.

Mr. GREEN. In our State we have fruit-packing houses. The fruit is hauled in by the farmer, and may be hauled 10 miles to the packing house. The fruit then passes to a machine, is graded as to size, and is then wrapped by hand and placed in a crate. I was wondering if these amendments would exempt the employees of such a packing house?

Mrs. NORTON. Does the gentleman mean if this operation is immediately on or off the farm?

Mr. GREEN. Yes.

Mrs. NORTON. Yes. My personal opinion is he would be exempt.

Mr. GREEN. The grower may haul the fruit 10 miles or 2 miles to the packing house, and there it is packed in the crate for him, and he pays for the packing.

Mrs. NORTON. Our understanding is that he would be exempt. I may say to the gentleman this amendment, "immediately off the farm," is the amendment of my friend the gentleman from Texas [Mr. THOMAS]. Perhaps the gentleman from Texas would like to explain to the House exactly what his definition is of his own amendment, which was placed in the bill, not at the suggestion of the Administrator, I can assure you, but at the suggestion of the gentleman from Texas. I shall be pleased to yield to the gentleman from Texas to make that explanation.

Mr. THOMAS of Texas. If the gentlewoman will yield, I will attempt to explain that language. The language "immediately off the farm," was used as a term descriptive of the work to be done and not of the area where the work is to be done. The fresh fruits and vegetables grown by the farmer must be washed and packed and prepared so they are ready for market. It does not make any difference where that work is one; it may be a thousand miles from the farm. The purpose of my amendment is to relieve the farmer of this added cost for the work done, regardless of where it is done, in getting the product ready for the market.

Mr. BARDEN. Mr. Speaker, if the gentlewoman will yield, may I ask the gentleman from Texas if he has been able to get an interpretation from the legal department of the Wage and Hour Division of the Labor Department that is in line with the gentleman's definition?

Mr. THOMAS of Texas. I may say to the gentleman from North Carolina that I have not asked the Administrator for an interpretation for the simple reason that I doubt if he would give me one. However, I do not believe that, in all fairness to him, I can presuppose that he is going to go contrary to the wish of a committee of the Congress.

Mr. BARDEN. The Administrator has given us definitions in connection with every amendment he proposed.

Mr. THOMAS of Texas. I presume so.

Mr. BARDEN. Did he not define and describe the amendments and tell us what the extent of the operation would be?

Mr. THOMAS of Texas. I believe that is so.

Mr. BARDEN. Then does the gentleman believe that it would be improper for him to ask the Administrator for a definition of this term and have it available on Monday?

Mr. THOMAS of Texas. No; I do not believe it would be improper for my friend to ask him. I will be pleased to do so, however, if the gentleman wishes me to.

Mr. GREEN. If the gentlewoman will yield, does the process the gentleman from Texas mentions of preparing the product for market include placing it in the can—for instance, placing grapefruit in the can?

Mr. THOMAS of Texas. No; it does not include the canning.

Mr. SHEPPARD. Mr. Speaker, if the gentlewoman from New Jersey will yield, I would like to ask the gentleman from Texas a question. The people of California have been vitally interested in what happens to this bill, as well as the interpretation that has been put in operation by the Department under the previous act. I have prepared 10 questions which I would like to ask the member of the committee, and if the gentleman would rather have me ask him the questions on Monday, I am perfectly willing to do that with the assurance of the gentlewoman in charge of the bill that I shall have that opportunity.

Mr. THOMAS of Texas. Submit the questions to us and I should be pleased to attempt to answer them, or I am sure the chairman will do so.

Mr. SHEPPARD. I would like to say to the gentleman from Texas that I know of the splendid cooperation that the members of the committee have given in this matter, and my deliberate intention here is to place in the RECORD a definite pronouncement by the committee as to what their intent is so that we cannot have a jumping over the hurdles like we had the last time.

Mr. THOMAS of Texas. Of course, the committee cannot bind the Administrator, but we will be glad to give the gentleman our opinion.

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. THOMAS of Texas. I yield.

Mr. SPARKMAN. Certainly it is not the intention of the person offering this amendment to include in the amendment containing the phrase "immediately off the farm" any interpretation such as the Administrator read into the act before.

Mr. THOMAS of Texas. I will say to the gentleman that the committee wrestled for about 6 weeks trying to get away from that old term "area of production," and I think the committee certainly did not intend to have any semblance of the idea of area of production again in connection with the phrase "immediately off the farm," and the distance would make no difference whatever.

Mr. SPARKMAN. I am not talking about distance; I am talking about the number of employees. That was not carried in the other bill; but because some Member in the argument on the floor made the statement, that was used in construing the intent of Congress.

Mr. THOMAS of Texas. One man could have one employee engaged in washing such products, while another might have 10,000, and therefore numbers will not have anything to do with it.

Mr. SPARKMAN. The number was not intended to apply to the gentleman's amendment.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. THOMAS of Texas. I yield.

Mr. BROWN of Georgia. I understand that the ginning and storing of cotton is exempted.

Mr. THOMAS of Texas. Yes; from wages and hours.

Mr. BROWN of Georgia. How about the little sawmill? I see you have here a provision about that, and I have one in my district——

Mr. THOMAS of Texas. I will say to the gentleman that I have one, too.

[Here the gavel fell.]

Mrs. NORTON. I thank you gentlemen, and I sincerely hope you will come here on Monday prepared to vote for a suspension of the rules so that we may give the relief provided in our amendments to those whom we believe are entitled to relief.

Mr. ROBERTSON. Mr. Speaker, my colleague the gentleman from New York [Mr. MARCANTONIO] is to be recognized next, and if the gentleman from New York will be kind enough to yield, I wish to submit a unanimous-consent request to proceed for just 1 minute.

Mr. MARCANTONIO. I have no objection, Mr. Speaker.

The SPEAKER pro tempore (Mr. DOXEY). Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON. Mr. Speaker, the pending Norton bill, H. R. 5435, Union Calendar No. 204, which I understand will be called up Monday to be passed under a suspension of the rules, gives me deep concern. The plight of the producers of fresh fruits and vegetables in this country is well known. The passage of this bill in its present form will intensify their present hardships, force some of them into bankruptcy, and result in unemployment in our rural sections on a wide scale.

Section 13 (a) (10) of the present act, so far as it relates to fresh fruits and vegetables in their raw or natural state, exempts any individual employed within the area of production—as defined by the Administrator—engaged in handling, packing, storing, and preparing them in their raw or natural state for market.

A hearing was held by the Wage and Hour Division on the definition of "area of production" January 9 to 12, and again by Administrator Andrews on April 3 and 4. As a result of the hearings, the Administrator came out with a very restricted definition so that the exemption applied only to towns of less than 2,500 population and the distance of haul to packing plant or storage did not exceed more than 10 miles. It will be noted, however, that even this applied to not only handling, packing, and preparing fresh fruits in their raw or natural state but also to storing.

First. The Norton bill, in section 5 (b) (12), proposes to amend section 13 (a) (10) to read as follows:

(12) Any employee employed in the cleaning, packing, grading, or preparing fresh fruits and fresh vegetables in their raw or natural state when such operations are performed immediately off the farm.

No one yet knows what "immediately off the farm" means or how it will be defined by the Administrator. Some statements have been made to the effect that the word "immediately" had reference to time or speed from the farm to the packing house. If that should prove to be the meaning, then the Administrator would have to define the number of hours that might elapse between the farm and the packing house, all of which would work great disruption and hardship. Other statements have been made that the word "immediately" means in the immediate locality and for the benefit of such growers as might occasionally desire to get together to grade, pack, and clean.

If the latter proves to be the case, then the Administrator's definition of "immediately" will undoubtedly be just as restrictive as his definition of "area of production" under the regulation of April 19, 1939, to wit, towns under 2,500 population and the distance of haul not to exceed 10 miles. If either of these alternatives prove true, then the industry is worse off under the Norton bill than it is under the present wording of section 13 (a) (10) and the Administrator's restricted definition of "area of production" of April 19. The industry is worse off because none of the country storages within the production districts where the goods are produced have any exemption whatsoever. In addition the definition of "immediately," based on time, would be impossible and completely disruptive. Still further, if the word "immediately" is construed to be "in the immediate locality," then we are not only confronted with the present restrictive regulation as to area of production, but the further language of section 4 (d) of the Norton bill giving the Administrator power to issue, amend, and rescind such regulations and orders as are necessary and appropriate to carry out any of the provisions of this act and further regulations and orders defining terms used in the act. That means that he can at any time still further narrow and restrict the word "immediately." The industry would be confronted with constant uncertainty and possible and probable changes. Under existing section 13 (a) (10), all the Administrator had to do was to define "area of production," which he thought was an impossible task. He now has handed back to him the duty and power of defining "immediately off the farm," which, in my judgment, is infinitely more vague and uncertain than the words "area of production."

A proper definition of "area of production," as contained in section 13 (a) (10), offers no particular difficulties to anyone who will view the matter realistically. Production centers and districts in the United States have been developed over a long series of years and long before the wage-and-hour bill was ever thought of. "Area of production" is the general district or section where the goods are produced and where they are normally and necessarily prepared for market. The term "area of production" is perfectly well known to growers and the distributing trade. It is only by unduly magnifying the difficulty of defining "area of production" that any such difficulty exists.

If the Administrator defines "immediately off the farm" in as restricted a manner as he has already defined the term "area of production," and whether he follows the time theory or the immediate locality theory, then the original intent of section 13 (a) (10) of the existing act exempting from both wages and hours the handling, packing, storing, and preparation of fresh fruits and vegetables in their raw and natural state within the section or area where the goods are produced and are normally and necessarily prepared for market will be practically nullified.

Based on experience there is no reason to believe that the Administrator's definition of "immediately off the farm" would be any more liberal, if as liberal, as his definition of "area of production" issued April 19, 1939. Not only that but, as I have pointed out, the word "storing" has been completely omitted.

If the above is correct, the fresh fruit and vegetable industry will be just as limited, and probably more so, than under the present regulation of less than 2,500 population and a 10-mile haul and in addition would have lost the right to store even in that limited area free from the wage and hour provisions.

The effect, therefore, of section 5 (b) (12) of the Norton bill will be to exclude storing, at even the smallest country points, to disrupt long-established production areas and practices and severely cripple packing-house and storing facilities that have been developed over a long series of years at point of origin within the general area where the fresh fruits and vegetables are produced and are normally and necessarily prepared for market and stored and conserved in their raw or natural state. Present facilities within the legitimate area of production cannot be torn down and moved and the industry does not have sufficient capital to build new facilities at every country crossroads or to serve half a dozen farms, and, moreover, if it did have such capital, it would constitute an economic waste in that with the great variation in crops due to weather conditions, facilities cannot be built to take care of just a few farms or an exceedingly limited haul. Many present facilities would have to be either abandoned or operated at a loss.

Moreover, if he has power to define terms and amend and rescind such definitions as he deems appropriate, the industry would never know what "immediately off the farm" meant from week to week or month to month.

Second. Turning to section 3 of the Norton bill, which proposes to completely change existing section 7 (c) of the act, there is a provision which would extend the workweek to 60 hours without payment of overtime but under the language used the extension of the workweek to 60 hours without payment of overtime insofar as the fresh fruit and vegetable industry is concerned is nothing but a hollow shell.

This statement is perfectly clear if one will read section 3, paragraph 5, starting on line 24 of page 11 and ending with line 4 on page 12 of the bill and the language used in an attempt to define "terminal establishment" as it appears on page 13, lines 20 to 24, and page 14, lines 1 to 4.

Paragraph 5 of section 3, which applies in part to fresh fruits and vegetables in their raw and natural state, reads as follows:

(5) preparing, cleaning, grading, packing, drying, refrigerating, freezing, preserving, peeling, shelling, storing, or canning fresh or dried fruits and vegetables but not when those operations are performed at a terminal establishment.

I am devoting my remarks to fresh fruits and vegetables in their raw and natural state, although drying, refrigerating, freezing, preserving, peeling, shelling, or canning are likewise concerned. Now, what does "terminal establishment" mean? The Norton bill, on page 13, starting in line 20, attempts to define it as follows:

As used in this subsection, the term "terminal establishment" means an establishment which (1) is located either in the urban area where the products are to be consumed or at transportation centers for the purpose of servicing consumer markets; (2) receives the major portion of its goods from other establishments at which such goods have been previously concentrated or prepared; and (3) distributes its goods to wholesalers, retailers, consumers, or manufacturers.

Under the foregoing the Administrator would have to still further define "terminal establishment" and the meaning of such words as "urban area," "transportation centers for the purpose of servicing consumer markets," "receives the major portion of its goods from other establishments," and "distributes its goods to wholesalers, retailers, consumers, or manufacturers." It is therefore conclusive that the Administrator is confronted with far more complexities than in defining "area of production" as it appears in the existing act, section 7 (c) and section 13 (a) (10).

"Urban area" would undoubtedly be defined as a place with 2,500 or more population. The Administrator also could and undoubtedly would, based on previous experience, promulgate a regulation stating that any and all small towns at point of origin and all of them located within the legitimate area of production, were transportation centers for the purpose of servicing consuming markets. Naturally, fresh fruits and vegetables must ultimately be shipped to some consuming market. The Administrator could and undoubtedly would hold that a country storage in the same village or township which obtained packed fruit from a grower who had packed it on his own farm was receiving fruit from "other establishments at which such goods had been previously concentrated or prepared." He could and would also undoubtedly find that all of the fresh fruits and vegetables stored at country points were distributed "to wholesalers, retailers, consumers, or manufacturers," as per paragraph (3), line 3, page 14. That is where they have to go anyway. Fresh fruits and vegetables are produced, cleaned, graded, packed, and stored at point of origin to sell to consuming markets.

Therefore, as I see it, there is no relief for fresh fruits and vegetables in their raw and natural state under section 3, paragraph (5), pages 11 to 12, of the Norton bill, coupled with the use of the words "terminal establishment" and as such words are attempted to be defined on page 13 of the Norton bill, commencing in line 20 and running on down to the end of line 4, on page 14. It is exceedingly difficult to imagine or visualize any packing house or storage at country points which would be exempt under the language used and the clearly expressed intention of the Administrator to restrict to the utmost any and all exemptions and as evidenced by the regulation which he has already promulgated under section 13 (a) (10).

This would mean that practically all of these packing houses and storages would come under the existing wage schedule which would evidently be 40 cents per hour and time and one-half for overtime and the existing 44-hour workweek, which will change to 42 hours in October, and after October 1940 will be down to 40 hours.

It is so well known that the fresh fruit and vegetable industry is in no position to assume these additional charges that to discuss it further would seem to be an utter waste of time. The Government, on the one hand, is appropriating huge sums to help the farmers and growers, and now, on the other hand, proposes to penalize them with added costs.

Furthermore, it is exceedingly doubtful what the application is of the words as used on page 13 of the Norton bill, commencing with line 15 and reading as follows:

In the case of an employer engaged in any of the operations specified in paragraphs (1) to (16), inclusive, of this subsection, the provisions of subsection (a), during a period or periods of not more than 14 workweeks in the aggregate in any calendar year, shall not apply to his employees in any place of employment where he is so engaged.

It will be noted that this language is followed by the attempted and vague definition of "terminal establishment" and further that in paragraph (5), commencing on page 11, no exemptions or increase in hours are permitted when the operations specified in paragraph (5) are "performed at a terminal establishment."

It may very well turn out in the end and under the Administrator's regulations and definitions and interpretations that none of the operations specified in paragraph (5) are entitled to an exemption of 14 workweeks.

The Norton bill was supposed to clarify the present act but instead of doing that, it is my judgment that it not only nullifies the present act to a large extent, but in addition is loaded with such vagueness that no one knows what it means.

The time to determine these issues is before the Norton bill is passed and not afterward. The entire bill should be rewritten and put in language that is understandable. If the Norton bill is passed in its present form, there will be a series of further regulations with no one knowing what those regulations will contain, but in all probability they will be not only greatly restricted but with power to still further restrict from time to time whenever the Administrator in his own mind deems it appropriate.

There will be very little opportunity of a court review under the present wording of the Norton bill. Furthermore, there have been no public hearings held on the Norton bill and no opportunity has been given to the industry to present to the committee its facts and arguments.

I further wish to point out that the limiting words:

But not when those operations are performed at a terminal establishment—

are not used in connection with paragraphs (1), (2), (3), (4), (7), (8), (11), (13), (14), or (15) of section 3.

To give a few illustrations:

First. The making, and so forth, of dairy products, but not storing, can take place anywhere without regard to "terminal establishments" (par. (1)).

Second. Cotton can be compressed and stored anywhere without regard to terminal establishments.

Third. The processing of sugar beets can take place anywhere without limitation.

Fourth. Extracting juices or sirups from domestic fruits or vegetables can take place anywhere without limitation, (par. (4)), while preparing the fresh fruits and vegetables themselves for market in their raw or natural state are decidedly limited (par. (5)).

Fifth. Handling, grading, loading, slaughtering, or dressing livestock can take place anywhere without regard to the "terminal establishment" limitation (par. (8)). The meat packers are in the clear.

Sixth. In the very next paragraph (par. (9)), poultry is subject to the "terminal establishment" limitation.

Seventh. Hops, fiber crops, or forage crops (par. (13)), honey (par. (14)), and nursery stock (par. (15)), carry no limitation.

Consider the complete absence of reality when fresh fruits and vegetables in their raw or natural state, and which are perishable, are tied down to the "terminal establishment" limitation—whatever that may mean—while dairy products which are perishable, cotton which is not perishable, extracting fruit and vegetable juices, slaughtering and dress-

ing livestock (the meat packers), hops, fiber, and forage crops, honey and nursery stock carry no such limitation.

PROPOSED CHANGES

Section 5 (b) (12) of the Norton bill, page 15, line 21, should be changed to read:

(12) any employee employed in the cleaning, packing, grading, storing, or preparing fresh fruits and vegetables in their raw or natural state when such operations are performed within the general and recognized production section or area where such commodities are produced and are normally or necessarily prepared for market: *Provided, however,* That this exemption shall not apply in consumer markets to which such fresh fruits and vegetables have been sent for distribution for consumption.

Such an amendment would meet the needs of the fresh fruit and vegetable industry and carry out the intent of the Congress when it enacted section 13 (a) (10).

Its provisions are not as broad as the amendment tentatively agreed upon by the Ways and Means Committee for the exemption of certain agricultural labor from the Social Security Act, which amendment reads as follows:

(4) In handling, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, any agricultural or horticultural commodity, but only if such service is performed as an incident to ordinary farming operations or, in the case of fruits and vegetables, as an incident to the preparation of such fruits or vegetables for market. The provisions of this subparagraph shall not be deemed to be applicable with respect to services performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

Members of the committee have assured us that it was the intention of the committee to make the exemptions of the operations performed in getting fresh fruit and vegetables ready for market covered by the amendment on page 15, section 5 (b) (12) of the bill which I have just proposed. There is every reason why such operations should be exempted. No one with assurance can claim that the language used in this behalf in the Norton bill accomplishes the declared intentions of the committee. When the distinguished chairman of the Labor Committee on Monday moves to suspend the rules and call up for immediate consideration H. R. 5435, it would be so easy for her to include in her request permission to consider the amendment on page 15 of her bill that I have proposed. On behalf of every producer of fresh fruits and vegetables in the United States I earnestly appeal to her to do so.

(Mr. ROBERTSON asked and was given permission to revise and extend his own remarks in the RECORD.)

EXTENSION OF REMARKS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a clipping from the New York Times.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point in regard to a question which I wish to propound to the chairman of the Committee on Labor.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I attempted to get a little time to ask Mme. Chairman of the Labor Committee a question or two, but failed to get in on the questioning. I wish to take a brief moment now. Before asking the question uppermost in my mind I would like to make this statement:

I worked earnestly in the first, second, and third sessions of the Seventy-fifth Congress to get a proper wage and hour bill enacted. The RECORD will show this to be true. It is also true that I regarded such legislation as carrying out the 1936 party platform and promises made to the unorganized laboring masses of our country, affecting chiefly those in the South and in that part of our country lying west of the Mississippi River. I sensed the great difficulty in passing any general law for the benefit of the urban East which did not work to the disadvantage of the rural West, and especially of the mining industry in the intermountain country. Congressman MURDOCK of Utah and I endeavored to get an amendment, and came very nearly doing so, which would have relieved the employers and the employees of a burden in the many small, isolated mining camps in our States and throughout the mining region. Even after the bill became law I still had the impression that there was enough leeway for the Administrator to relieve the intolerable situation which a too strict interpretation and enforcement of the law would bring about.

At that time we westerners pointed out that it was the hour provision of the bill and not the wage provision that concerned mining men. Employees in the mines of the West get good wages—far, far above the minimum wage placed in the law. We recognize that there is no surplus of labor in many of these isolated mining camps, and that it would be impossible for many of the small companies or mine owners to cut the workweek of his present force and employ additional men, and it would be equally impossible to permit his men to work as many hours per week as formerly, paying them time and a half for overtime. The miners themselves did not like to have their week shortened from fifty-some-odd hours down to 44 and be left in enforced idleness so large a part of the time and so far away from home or comfortable habitation.

I remarked to certain mining men last summer about the time the law was to go into effect, that I thought I understood the intent of Congress, and it was my opinion that an operator could continue to employ his laborers the same number of hours per week at the same total rate of pay under the law, if he found it impossible under the circumstances to pay time and a half for overtime. Anything that looks like wage cutting is abhorrent to me, and certainly the Fair Standards Act did not contemplate any wage cutting, nor did it contemplate reduction of employment. Quite the contrary. I am equally adverse to any clever evasion of the law, keeping the letter yet violating the spirit thereof, but it was my judgment at that time and is now that an employer could meet the requirements of this act without making any change in the pay roll in those cases where his wages previously had been far above the minimum written into the law. Mining operations were practically all of this kind because wages paid are unusually high. The employer could do this by merely making a bookkeeping adjustment of the hourly rate of pay in such a way that overtime could be paid at the rate of one and a half as the law requires. This presupposes that if a workman loses any time he shall not be penalized because of this adjustment in the hourly rate of pay.

I do not know how many employers of miners saw fit to tackle the problem in that manner. I was delighted with the fine spirit of many of the employers with whom I talked. If the companies were at all prosperous, most of them complied with the law as they understood it with little complaint. One company, not especially prosperous, increased its total pay roll by changing from three 8-hour shifts to four 6-hour shifts and continued to pay their laborers the same total wage as before. Another company that I know of continued to work their men the same number of hours as before but paid them time and a half for overtime. I think the framers of this measure hoped that something like that would happen throughout the country. I do not know of a single employer who took my view as I have just expressed it and adjusted his hourly rate of pay on the books last year and continued working his men the same hours and paying the same weekly wages as before. No doubt many companies felt that that was a dangerous legal question, that the Administrator himself might or might not view it in that light, and that after all the courts ordinarily decide what the law means.

With this statement I wish to ask the chairman of the Labor Committee or any member speaking for the committee, is it legally possible, in your judgment, to readjust the

This statement is perfectly clear if one will read section 3, paragraph 5, starting on line 24 of page 11 and ending with line 4 on page 12 of the bill and the language used in an attempt to define "terminal establishment" as it appears on page 13, lines 20 to 24, and page 14, lines 1 to 4.

Paragraph 5 of section 3, which applies in part to fresh fruits and vegetables in their raw and natural state, reads as follows:

(5) preparing, cleaning, grading, packing, drying, refrigerating, freezing, preserving, peeling, shelling, storing, or canning fresh or dried fruits and vegetables but not when those operations are performed at a terminal establishment.

I am devoting my remarks to fresh fruits and vegetables in their raw and natural state, although drying, refrigerating, freezing, preserving, peeling, shelling, or canning are likewise concerned. Now, what does "terminal establishment" mean? The Norton bill, on page 13, starting in line 20, attempts to define it as follows:

As used in this subsection, the term "terminal establishment" means an establishment which (1) is located either in the urban area where the products are to be consumed or at transportation centers for the purpose of servicing consumer markets; (2) receives the major portion of its goods from other establishments at which such goods have been previously concentrated or prepared; and (3) distributes its goods to wholesalers, retailers, consumers, or manufacturers.

Under the foregoing the Administrator would have to still further define "terminal establishment" and the meaning of such words as "urban area," "transportation centers for the purpose of servicing consumer markets," "receives the major portion of its goods from other establishments," and "distributes its goods to wholesalers, retailers, consumers, or manufacturers." It is therefore conclusive that the Administrator is confronted with far more complexities than in defining "area of production" as it appears in the existing act, section 7 (c) and section 13 (a) (10).

"Urban area" would undoubtedly be defined as a place with 2,500 or more population. The Administrator also could and undoubtedly would, based on previous experience, promulgate a regulation stating that any and all small towns at point of origin and all of them located within the legitimate area of production, were transportation centers for the purpose of servicing consuming markets. Naturally, fresh fruits and vegetables must ultimately be shipped to some consuming market. The Administrator could and undoubtedly would hold that a country storage in the same village or township which obtained packed fruit from a grower who had packed it on his own farm was receiving fruit from "other establishments at which such goods had been previously concentrated or prepared." He could and would also undoubtedly find that all of the fresh fruits and vegetables stored at country points were distributed "to wholesalers, retailers, consumers, or manufacturers," as per paragraph (3), line 3, page 14. That is where they have to go anyway. Fresh fruits and vegetables are produced, cleaned, graded, packed, and stored at point of origin to sell to consuming markets.

Therefore, as I see it, there is no relief for fresh fruits and vegetables in their raw and natural state under section 3, paragraph (5), pages 11 to 12, of the Norton bill, coupled with the use of the words "terminal establishment" and as such words are attempted to be defined on page 13 of the Norton bill, commencing in line 20 and running on down to the end of line 4, on page 14. It is exceedingly difficult to imagine or visualize any packing house or storage at country points which would be exempt under the language used and the clearly expressed intention of the Administrator to restrict to the utmost any and all exemptions and as evidenced by the regulation which he has already promulgated under section 13 (a) (10).

This would mean that practically all of these packing houses and storages would come under the existing wage schedule which would evidently be 40 cents per hour and time and one-half for overtime and the existing 44-hour workweek, which will change to 42 hours in October, and after October 1940 will be down to 40 hours.

It is so well known that the fresh fruit and vegetable industry is in no position to assume these additional charges that to discuss it further would seem to be an utter waste of time. The Government, on the one hand, is appropriating huge sums to help the farmers and growers, and now, on the other hand, proposes to penalize them with added costs.

Furthermore, it is exceedingly doubtful what the application is of the words as used on page 13 of the Norton bill, commencing with line 15 and reading as follows:

In the case of an employer engaged in any of the operations specified in paragraphs (1) to (16), inclusive, of this subsection, the provisions of subsection (a), during a period or periods of not more than 14 workweeks in the aggregate in any calendar year, shall not apply to his employees in any place of employment where he is so engaged.

It will be noted that this language is followed by the attempted and vague definition of "terminal establishment" and further that in paragraph (5), commencing on page 11, no exemptions or increase in hours are permitted when the operations specified in paragraph (5) are "performed at a terminal establishment."

It may very well turn out in the end and under the Administrator's regulations and definitions and interpretations that none of the operations specified in paragraph (5) are entitled to an exemption of 14 workweeks.

The Norton bill was supposed to clarify the present act but instead of doing that, it is my judgment that it not only nullifies the present act to a large extent, but in addition is loaded with such vagueness that no one knows what it means.

The time to determine these issues is before the Norton bill is passed and not afterward. The entire bill should be rewritten and put in language that is understandable. If the Norton bill is passed in its present form, there will be a series of further regulations with no one knowing what those regulations will contain, but in all probability they will be not only greatly restricted but with power to still further restrict from time to time whenever the Administrator in his own mind deems it appropriate.

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I further wish to point out that the limiting words:

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To give a few illustrations:

First. The making, and so forth, of dairy products, but not storing, can take place anywhere without regard to "terminal establishments" (par. (1)).

Second. Cotton can be compressed and stored anywhere without regard to terminal establishments.

Third. The processing of sugar beets can take place anywhere without limitation.

Fourth. Extracting juices or sirups from domestic fruits or vegetables can take place anywhere without limitation, (par. (4)), while preparing the fresh fruits and vegetables themselves for market in their raw or natural state are decidedly limited (par. (5)).

Fifth. Handling, grading, loading, slaughtering, or dressing livestock can take place anywhere without regard to the "terminal establishment" limitation (par. (8)). The meat packers are in the clear.

Sixth. In the very next paragraph (par. (9)), poultry is subject to the "terminal establishment" limitation.

Seventh. Hops, fiber crops, or forage crops (par. (13)), honey (par. (14)), and nursery stock (par. (15)), carry no limitation.

Consider the complete absence of reality when fresh fruits and vegetables in their raw or natural state, and which are perishable, are tied down to the "terminal establishment" limitation—whatever that may mean—while dairy products which are perishable, cotton which is not perishable, extracting fruit and vegetable juices, slaughtering and dress-

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PROPOSED CHANGES

Section 5 (b) (12) of the Norton bill, page 15, line 21, should be changed to read:

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Such an amendment would meet the needs of the fresh fruit and vegetable industry and carry out the intent of the Congress when it enacted section 13 (a) (10).

Its provisions are not as broad as the amendment tentatively agreed upon by the Ways and Means Committee for the exemption of certain agricultural labor from the Social Security Act, which amendment reads as follows:

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Members of the committee have assured us that it was the intention of the committee to make the exemptions of the operations performed in getting fresh fruit and vegetables ready for market covered by the amendment on page 15, section 5 (b) (12) of the bill which I have just proposed. There is every reason why such operations should be exempted. No one with assurance can claim that the language used in this behalf in the Norton bill accomplishes the declared intentions of the committee. When the distinguished chairman of the Labor Committee on Monday moves to suspend the rules and call up for immediate consideration H. R. 5435, it would be so easy for her to include in her request permission to consider the amendment on page 15 of her bill that I have proposed. On behalf of every producer of fresh fruits and vegetables in the United States I earnestly appeal to her to do so.

(Mr. ROBERTSON asked and was given permission to revise and extend his own remarks in the RECORD.)

EXTENSION OF REMARKS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a clipping from the New York Times.

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There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point in regard to a question which I wish to propound to the chairman of the Committee on Labor.

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Mr. MURDOCK of Arizona. Mr. Speaker, I attempted to get a little time to ask Mme. Chairman of the Labor Committee a question or two, but failed to get in on the questioning. I wish to take a brief moment now. Before asking the question uppermost in my mind I would like to make this statement:

I worked earnestly in the first, second, and third sessions of the Seventy-fifth Congress to get a proper wage and hour bill enacted. The RECORD will show this to be true. It is also true that I regarded such legislation as carrying out the 1936 party platform and promises made to the unorganized laboring masses of our country, affecting chiefly those in the South and in that part of our country lying west of the Mississippi River. I sensed the great difficulty in passing any general law for the benefit of the urban East which did not work to the disadvantage of the rural West, and especially of the mining industry in the intermountain country. Congressman MURDOCK of Utah and I endeavored to get an amendment, and came very nearly doing so, which would have relieved the employers and the employees of a burden in the many small, isolated mining camps in our States and throughout the mining region. Even after the bill became law I still had the impression that there was enough leeway for the Administrator to relieve the intolerable situation which a too strict interpretation and enforcement of the law would bring about.

At that time we westerners pointed out that it was the hour provision of the bill and not the wage provision that concerned mining men. Employees in the mines of the West get good wages—far, far above the minimum wage placed in the law. We recognize that there is no surplus of labor in many of these isolated mining camps, and that it would be impossible for many of the small companies or mine owners to cut the workweek of his present force and employ additional men, and it would be equally impossible to permit his men to work as many hours per week as formerly, paying them time and a half for overtime. The miners themselves did not like to have their week shortened from fifty-some-odd hours down to 44 and be left in enforced idleness so large a part of the time and so far away from home or comfortable habitation.

I remarked to certain mining men last summer about the time the law was to go into effect, that I thought I understood the intent of Congress, and it was my opinion that an operator could continue to employ his laborers the same number of hours per week at the same total rate of pay under the law, if he found it impossible under the circumstances to pay time and a half for overtime. Anything that looks like wage cutting is abhorrent to me, and certainly the Fair Standards Act did not contemplate any wage cutting, nor did it contemplate reduction of employment. Quite the contrary. I am equally adverse to any clever evasion of the law, keeping the letter yet violating the spirit thereof, but it was my judgment at that time and is now that an employer could meet the requirements of this act without making any change in the pay roll in those cases where his wages previously had been far above the minimum written into the law. Mining operations were practically all of this kind because wages paid are unusually high. The employer could do this by merely making a bookkeeping adjustment of the hourly rate of pay in such a way that overtime could be paid at the rate of one and a half as the law requires. This presupposes that if a workman loses any time he shall not be penalized because of this adjustment in the hourly rate of pay.

I do not know how many employers of miners saw fit to tackle the problem in that manner. I was delighted with the fine spirit of many of the employers with whom I talked. If the companies were at all prosperous, most of them complied with the law as they understood it with little complaint. One company, not especially prosperous, increased its total pay roll by changing from three 8-hour shifts to four 6-hour shifts and continued to pay their laborers the same total wage as before. Another company that I know of continued to work their men the same number of hours as before but paid them time and a half for overtime. I think the framers of this measure hoped that something like that would happen throughout the country. I do not know of a single employer who took my view as I have just expressed it and adjusted his hourly rate of pay on the books last year and continued working his men the same hours and paying the same weekly wages as before. No doubt many companies felt that that was a dangerous legal question, that the Administrator himself might or might not view it in that light, and that after all the courts ordinarily decide what the law means.

With this statement I wish to ask the chairman of the Labor Committee or any member speaking for the committee, is it legally possible, in your judgment, to readjust the

hourly rate of pay on the books so as to permit the laborer to work the same number of hours as before and get the same pay without the employer being subject to penalty for violation of the law? Of course, you may say that I am not very sympathetic toward labor when I ask such a question. Oh, yes, I am; but I am also sympathetic toward employers, many of whom are hanging on by the skin of their teeth and who would be forced to shut down operation by a strict interpretation of this law, in these isolated communities especially. My sympathy for the laboring man is such that I do not want him thrown out of employment and on relief.

Naturally, I would like to see this law amended and made definite and clear so that no legal circumvention will be resorted to. However, I do not expect to see amendments put in the bill next Monday, for it will come up under suspension of rules, and no amendments will be permitted. I wish the committee itself had fixed this matter right, as I want to vote again for this bill. However, it appears that I am going to have to do so, so far as the amendments affecting the mining areas are concerned, with the idea of depending upon another body to make the thing definite and fair in its final form. In another respect I am now doing my utmost to bring new life and vitality to a stagnant industry by attempting to induce new capital to enter the field and more suitable regulations under S. E. C. and R. F. C. to that end. Naturally, these two efforts are related and any change in the law to the benefit of employers and employees in mining will help the whole industry as will the bringing in of new capital to stimulate this industry.

The SPEAKER pro tempore. Under a previous order of the House the gentleman from New York [Mr. MARCANTONIO] is recognized for 15 minutes.

Mr. MARCANTONIO. Mr. Speaker, I asked for this time in order to follow the distinguished gentlewoman from New Jersey with regard to one provision of the bill H. R. 5435, which will come up under the suspension of the rules procedure on Monday.

I am going to address myself particularly to the provision which deals with Puerto Rico. I fully realize, and I think it is most unfortunate indeed, that Congress does not give Puerto Rico the attention and consideration that it deserves. Congress should attach more importance to it. Our entire good-neighbor policy toward Latin America stands or falls on our treatment of Puerto Rico.

My interest in Puerto Rico is due not only to the fact that I represent the largest Puerto Rican constituency, of which I am proud, but also is due to my desire as a progressive to defend the most exploited victims of a most devastating imperialism. I have no personal or political axes to grind, nor have I any relatives to protect on the pay roll of the government of Puerto Rico. I have no right nor any interest in the politics of the island. That is the business of no one but of the people of Puerto Rico. I have a right, however, to defend the people of Puerto Rico against exploitation, tyranny, and betrayal. I have a right as a Member of Congress to fight for their economic and social welfare, and to fight for their liberties. Puerto Rico is part of the United States, and until its status is changed it is our duty to give as much attention, as much care, and as much sympathetic treatment to Puerto Rico and its problems as we do to the problems of any of the people in the United States. Therefore it is for these reasons that I call attention of the House to what this proposed bill will do to wages and hours in Puerto Rico. Section 1 of the bill provides that committees shall be formed, and that these committees shall make studies and report and make recommendations to the Administrator, who, in turn, will follow those recommendations with regard to minimum wages. The sole purpose of this amendment is to do away with the 25-cent-per-hour minimum wage in Puerto Rico. If it had been so written in the bill and the purpose so stated, in my opinion it would have been much more proper, because it would then have directly and frankly stated its purpose rather by accomplishing it in an indirect manner. Just why are these committees proposed? The two main industries that are seeking relief from this 25-cent minimum are sugar and the needle-trade industry.

Mr. SECCOMBE. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. Yes.

Mr. SECCOMBE. The gentleman will agree that there is no one in Puerto Rico being paid $200 a month on an ordinary white-collar job.

Mr. MARCANTONIO. No. If there are, they are not involved here. Politicians and appointees of the Governor receive more than $200 per month.

Mr. SECCOMBE. That is one of the provisions that is absolutely unjust.

Mr. MARCANTONIO. I do not know of any such wage being paid to workers in Puerto Rico. I shall give the wages being paid there. First of all, there is one thing that we should get here, and get it straight, and that is that there has been no enforcement whatsoever of the Fair Labor Standards Act in Puerto Rico. There may have been one or two isolated instances, but, generally speaking, there has been no enforcement at all, and why? First of all, under the leadership of the Governor of Puerto Rico the various sugar corporations and the chiseling industry—the needlework industry—that has run away from the States and has gone down to Puerto Rico because of the slave wages that are being paid down there, announced from the outset that they were not going to respect the law, that they were going to ignore it, and the Governor on many, many occasions, not only in speeches but in conferences, advised them not to worry about the law; that the day was not far off when this law would be changed. The Governor, these wage chiselers, and the sugar corporations joined forces in a successful campaign to nullify a law enacted by Congress. Now, we are asked to put the stamp of approval on this ruthless and arrogant nullification. Almost 70 percent of the sugar land in Puerto Rico is owned by four large American sugar corporations. It has been established by a memorandum which I have before me, prepared by Robert W. Claiborne, who was the Territorial representative of the Wage and Hour Division of the Department of Labor in Puerto Rico, that the sugar industry can pay 25 cents per hour minimum, and that the only reason why it does not pay 25 cents per hour minimum is because the sugar industry has been assured that there would be changes in this law. The sugar industry has been making huge profits in Puerto Rico and still is. Everybody knows that it can pay 25 cents per hour to its workers and should. Mr. Claiborne is in a better position than anyone else to know. He says they can and should. The workers in Puerto Rico know and demand it. Every scientific survey of the sugar industry in Puerto Rico establishes this. Only certain politicians and lobbyists for the sugar industry will not admit it. I have inquired why this particular provision setting up these committees, giving this flexibility, has been inserted, and I have been told that I should have no fear about the sugar industry; that the wages in sugar would absolutely be 25 cents minimum, and that no administrator would ever set up anything less than 25 cents an hour. But the fact is that they are paying less than 25 cents an hour.

If no committee will recommend and no Administrator will fix payment of less than 25 cents an hour, why create committees with this flexibility that may open the door to a recommendation of less than 25 cents an hour? If that is so, why any flexibility? If it is going to be settled once and for all that 25 cents is to be the minimum, why create the committee? What is the idea of having these committees? Why should this committee be brought into existence to supersede Congress in establishing a minimum? If it is intended by all parties that sugar must pay 25 cents an hour minimum, why have these committees? The answer to that is that they want to give flexibility to the needle trade. They say that the needle trade is very hard hit by this 25-cent minimum provision. First of all, the needle-trade industry in Puerto Rico is the most disgraceful situation ever per-

mitted under the American flag. You have down there 15,000 workers who work in factories, needle-trade factories, and the factory workers receive all the way from 12½ cents an hour down to as low as 2 cents an hour. In one case—and I quote from Claiborne's memorandum to me—a 13-year-old child was receiving 25 cents a week.

So much for the factory workers. Let me explain the system they have for home workers; that is, those who work at home. These chiselers from New York, my own home town, the worst type of labor exploiters, who ran away because in New York they had to pay decent wages, because we forced them to clean up their sweatshops and establish decent working conditions, brought their work to Puerto Rico. Then they gave the work to a contractor. Then the contractor gave it to a subcontractor, and the subcontractor gave it to another sub-subcontractor, and it goes all the way down the line through many subcontractors, each of them receiving a profit from the toil of poor women and children. The poor woman at home receives the following pay: She gets as low as 3 to 5 cents a dozen for hand-rolled handkerchiefs of the best type. They retail for $3 a dozen in Macy's in New York. This means they are paid from 8 to 15 cents a day, and no more. It means a total income of about $30 a year.

Now they say to you, "Well, if we enforce the minimum of 25 cents an hour, we are going to ruin this industry." The facts are, whether you enforce the wage and hour minimum or not, this industry is gradually disappearing from Puerto Rico, not because of wages and hours, because wages and hours have not been in force down there, but because these same chislers who found the New York labor market too high for them, who went to Puerto Rico, have now gone into Asia, because they find that the coolie wages in Asia are much more satisfactory to them than the very low wages in Puerto Rico. So that gradually the needlework from Puerto Rico is being transferred to Asia by the same type of chislers that came to Puerto Rico in order to escape the decent working conditions that were forced upon them in New York.

I think the Congress should know these facts, because wages and hours is being blamed for the destruction of this industry. I say to you that this industry is being destroyed by the same parasites who have established it in Puerto Rico, and I also say that any industry that cannot exist unless it pays as little as 3 to 5 cents a dozen for handkerchiefs, that pays as little as $30 a year, should not be protected by Congress, and it should not be given any exemptions nor any flexibilities under the provisions of the Fair Labor Standards Act.

That industry has no right to live. It has no right to exist. If it cannot pay better than $30 a year to women and children in Puerto Rico, then we should not permit that industry to live, and most certainly we should not permit that industry to be given any flexibilities under the Fair Labor Standards Act. This industry is dying, anyway. The people who are so horribly exploited by it can be given a new lease on life. First, by our help through the Puerto Rico Reconstruction Administration; second, by an enforcement of the 500-acre law which will make land available to them for farming; and, third, by enforcement of a decent living wage in those industries that can pay it, such as sugar, as well as in 30 percent of the needle trade; that is, work done in factories. I shall amplify on the question of economic reconstruction for Puerto Rico in another talk. Certainly you cannot be of help to Puerto Rico by perpetuating this abysmal wage slavery. Every enlightened Puerto Rican desires its destruction.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. LEAVY. Is it the gentleman's view that this industry committee provided for in Puerto Rico and the Virgin Islands would fix a rate of wages so low as to defeat the purpose of this act?

Mr. MARCANTONIO. It has to, for this reason: This act establishes 25 cents per hour minimum. Then what is the purpose of this committee? It is admitted that sugar can pay and should pay a minimum of 25 cents an hour. Therefore they say, "We want this committee to study the situation with regard to the needle industry." Why do you want this committee for the needle industry? To give the needle trade an exemption under this law? To give it any advantages under this law, when that needle trade should not be permitted to exist if it cannot pay better than 3 to 5 cents a dozen for handkerchiefs or $30 a year? So the only thing this committee can do is recommend less than 25 cents an hour. If it is true, as they contend, that they cannot exist except by paying these awful wages, then all this committee will do is recommend a continuation of those wages. In other words, it is opening the door to perpetuating the worst system of exploitation that exists under the American flag.

Mr. LEAVY. I just wondered if this restriction that provided——

Mr. MARCANTONIO. I am just coming to that. That restriction which says that no wages will be fixed which will place Puerto Rican articles in a position which is unfair to the products produced here in the United States—why should we leave that question in the hands of any committee? Let the Congress of the United States settle that. We settled it when we set 25 cents an hour minimum. We established that, let us keep it for the sake of our States and for the sake of the people of Puerto Rico. Anybody can come here and say, "Conditions in my section are different than the conditions in other sections." True. That is why we fixed the minimum of 25 cents per hour. I say that that minimum can work in Puerto Rico. Do you know what the real question behind this whole business is? It is $5,000,000 per year. Sugar forced to pay the 25-cent minimum will have to pay $5,000,000 more in wages in Puerto Rico. That is what this whole fight is about. The needle-trade argument is just an alibi. They know that that industry will die out. They want flexibility here primarily for the sugar corporations. I say it is to the advantage of Puerto Rico and it is to the advantage of Congress which appropriates relief funds for Puerto Rico, to give the added income to Puerto Rican sugar workers, in the sum of $5,000,000, and let this diabolical needle industry go by the wayside, at least 70 percent of it, which cannot pay more than $30 a year. The sugar industry, I repeat, can pay 25 cents minimum per hour. Examine their huge profits. The argument for flexibility to save another industry in Puerto Rico is just a sham. Sugar, which can pay, is being dissolved in the coffee cup of flexibility. Since it is admitted by all that the sugar industry will never be allowed to pay less than 25 cents an hour, although it is paying much less now and has ignored the law up to the present, why do you not refuse any flexibility to the sugar industry. If it is true that the sugar industry must pay 25 cents an hour, why give it flexibility by this proposed amendment. Why do you not freeze the present minimum and enforce it?

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. RAMSPECK. Has the gentleman considered the fact that these industry committees will have citizens of the United States on them?

Mr. MARCANTONIO. I beg the gentleman's pardon; I am not stating that the members of these committees will not be people of integrity; no. I assume they will be people of integrity, whether its members be from the States or from Puerto Rico. But why give the sugar industry an open door to avoid paying what it should pay?

[Here the gavel fell.]

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore (Mr. DOXEY). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. We must, however, recognize the purpose for which these committees are formed. Taking into consideration the fact that this needle industry cannot

pay 25 cents an hour, as they claim, and taking into consideration the further fact that the sugar industry can pay 25 cents an hour, why not save the situation by freezing it at 25 cents, making it so there will be an increase of $5,000,000 to the sugar workers of Puerto Rico?

Mr. RAMSPECK. The gentleman says they can pay 25 cents. I do not know whether they can or not.

Mr. MARCANTONIO. Yes; it can. I suggest that the gentleman consult Mr. Claibourne, who is in the best position to know, because he was the representative of the wage and hour administration in Puerto Rico.

Mr. RAMSPECK. Does the gentleman contend—is it his statement—that Mr. Andrews, the Administrator, and the industry committees, composed partly of people from the United States, are going to fix a wage that will give an advantage to Puerto Rico over the United States?

Mr. MARCANTONIO. I contend that no flexibility should be allowed to an industry that can pay the present minimum.

Mr. RAMSPECK. It is not flexible.

Mr. MARCANTONIO. Oh, yes. The facts I am giving here are not taken from Mr. Andrews' report. Mr. Andrews has not been down in Puerto Rico. I am giving facts and figures from the report of Robert W. Claiborne, who was a conscientious administrator appointed from the civil-service lists, and on the ground in Puerto Rico. He represented the Wage and Hour Division in Puerto Rico. I am submitting facts and figures from his memorandum.

Mr. DUNN. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I hope the gentleman will excuse me. I want now to tell the story to the House as to what happened to Mr. Claiborne, who valiantly sought to enforce this law. He was conscientious. He was taken from the civil-service lists, a former captain in the United States Marine Corps, as honest as the day is long. What happened to him? First of all he was called in by the Governor and told that if he went around stirring up trouble, as the Governor put it, or trying to enforce this law, that he was risking his life and limb. Then the Governor, the sugar corporations, and the needle-industry chiselers ganged up against him and our law. Let us see what help he received from Washington. I have sent for all the correspondence that took place between Mr. Claiborne and the Wage and Hour Division of the Department of Labor. This man was beset on all sides with all kinds of sabotage. He had but two assistants, yet the territory he had to cover is equivalent to an area two-thirds the size of the State of Connecticut, and the population is a good deal more than 1,700,000 people. He wrote asking help from Washington. Let us see what happened, for I think Congress should have this situation.

He wrote a letter on February 23, in which he set forth his troubles, stating, among other things, the following:

> On the night of February 21, at about 9 p. m., when I was walking through my grapefruit orchard from one of our houses to the other one, I was shot at by an unknown party. I have not discussed this with anyone other than the chief of police, to whom I at once went to secure a license to carry a revolver and borrow one on his recommendation. I am inclined to think that the person who fired the shot was either a needle-work factory owner or put up to it by a needle-work factory owner, as there is no worker who would voluntarily attack us unless crazed by liquor; in other words, put up to it.

Mr. DUNN. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. DUNN. I agree with the gentleman about these sweatshops. I maintain that a business establishment which cannot pay 25 cents an hour should go out of business. In fact, there are too many exemptions in this bill to satisfy me. I would ask the gentleman, however, if it is not the law at the present time that the Administrator of the act has the legal right to make an investigation, and if he finds that a corporation can pay 25 cents an hour he has the legal right to enforce compliance with the law?

Mr. MARCANTONIO. I am trying to show the Congress that the largest industry of Puerto Rico can pay 25 cents an hour. Why disturb that situation for the so-called needle-trade industry?

Mr. DUNN. I agree with the gentleman.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to include in my remarks correspondence between Mr. Claiborne, Mr. Andrews, and other officials relating to this situation.

Mr. COX. Mr. Speaker, will the gentleman yield that I may propound a question?

Mr. MARCANTONIO. I yield.

Mr. COX. Is it the gentleman's purpose in inserting this correspondence in the RECORD to develop anything in the nature of a charge that he himself is making against the Governor of Puerto Rico?

Mr. MARCANTONIO. No. I have made my statement with regard to the Governor of Puerto Rico as to his activities in the wage and hour field.

[Here the gavel fell.]

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MARCANTONIO. With regard to the Governor of Puerto Rico, at the proper time and on the proper occasion I shall here develop all of my charges against him.

Mr. COX. And there will be an answer awaiting the gentleman when he does.

Mr. MARCANTONIO. Yes; but may I say to the gentleman from Georgia that I have presented my charges to the President of the United States, and those charges are in writing.

Mr. COX. They have been ignored, have they not?

Mr. MARCANTONIO. They have not been ignored. Not only is that statement incorrect, but it is grossly incorrect.

Mr. COX. What statement?

Mr. MARCANTONIO. The statement that they have been ignored. They have not been ignored.

Mr. COX. Has anything been done with the gentleman's charges?

Mr. MARCANTONIO. Certainly; they have turned them over to the Department of the Interior for a complete and thorough investigation, and a report is being awaited as a result of that investigation. That certainly is not ignoring the charges.

Mr. COX. At least the gentleman has not got any action on the charge he made.

Mr. MARCANTONIO. The gentleman does not expect action on charges that have been made 2 weeks ago last Thursday, does he?

Mr. COX. It is not what I may expect. What has the gentleman accomplished?

Mr. MARCANTONIO. I have accomplished plenty. The President of the United States has turned my charges over to the Secretary of the Interior for investigation. I think that is a sufficient accomplishment as a result of the charges I have made. I am ready to stand by those charges at the proper time. I did my duty in presenting them to the President of the United States, and he did his duty in turning them over to the proper administrative officer in charge of Puerto Rico. He turned them over to the Secretary of the Interior, who is conducting an investigation of the charges I have made.

With regard to these letters, answering the gentleman's reservation, they deal entirely with correspondence between Mr. Claiborne, Mr. Andrews, Mr. Sifton, and Mr. A. L. Fletcher, all members of the Wage and Hour Division. With regard to wages and hours, I have made a statement in my speech as to the conduct of Governor Winship, who has made many speeches against enforcement and who has encouraged exploiters of labor to ignore the law.

Mr. Speaker, in dealing with the relationship between the Wage and Hour Division and its representatives in Puerto Rico, I ask unanimous consent that this correspondence may

be inserted in the RECORD. This is the correspondence which I received from the Department of Labor, Wage and Hour Division, and contains the letters that passed between Mr. Robert W. Claiborne, the territorial representative of the Wage and Hour Division in Puerto Rico, and Mr. Andrews and other officials in the Wage and Hour Division.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

There was no objection.

The letters referred to are as follows:

UNITED STATES DEPARTMENT OF LABOR,
WAGE AND HOUR DIVISION,
Washington, March 21, 1939.

Hon. VITO MARCANTONIO,
House of Representatives, Washington, D. C.

MY DEAR MR. MARCANTONIO: As per your request made today following a discussion of points raised in your letter of March 17, transmitted herewith are copies of the items listed below:

Memorandum of February 23 from Mr. Claiborne to Mr. Fletcher, re: request for revolvers.
Air-mail letter of February 28 from Mr. Fletcher to Mr. Claiborne.
Letter of February 23 from Mr. Claiborne to Mr. Snyder.
Memorandum of March 2 from Mr. Claiborne to Mr. Fletcher.
Bill rendered to Mr. Claiborne by Mr. Oscar Souffront for securing permit for Mr. Claiborne to carry a revolver.
Letter of March 2 from Mr. Claiborne to Mr. Sifton.
Air-mail letter of March 14 from Mr. Andrews to Mr. Backus.
Air-mail letter of March 14 from Mr. Andrews to Mr. Backus.
Registered letter of March 14 from Mr. Andrews to Mr. Backus.
Registered letter of March 14 from Mr. Andrews to Mr. Claiborne.
Translation of news article (March 20, 1939).

If this office can be of further service to you, kindly advise.

Respectfully yours,

ELMER F. ANDREWS, *Administrator.*

UNITED STATES DEPARTMENT OF LABOR,
WAGE AND HOUR DIVISION,
Mayaguez, P. R., February 23, 1939.

To: Mr. A. L. Fletcher, Assistant Administrator.
From: Robert W. Claiborne, Territorial Representative, etc.
Subject: Request for revolvers.

1. Further reference is made to my letter stating advisability of your inspectors and representatives in Puerto Rico having a revolver. I wish to bring to your attention two facts.

2. On the night of February 21, at about 9 p. m., when I was walking through my grapefruit orchard from one of our houses to the other one, I was shot at by an unknown party.

3. I have not discussed this with anyone other than the chief of police, to whom I at once went to secure a license to carry a revolver, and borrow one on his recommendation. A license will be issued me today by the district court, which unfortunately has some publicity attached to it, although we have asked the judge to hear it in chambers and thus reduce the publicity.

4. I am inclined to think that the person who fired the shot was either a needlework factory owner, or put up to it by a needlework factory owner, as there is no worker who would voluntarily attack us unless crazed by liquor—in other words, put up to do it.

5. Unfortunately, my farm is in an isolated part of the community, and being outside the city of Mayaguez the police cannot give me any protection. This is just as well as it will avoid publicity.

6. Yesterday morning I received a special-delivery letter from the head of the most powerful labor union in the island—not the Free Federation of Labor—which reads as follows:

"I hope you will not excite yourself with this letter, but I need to see you personally in San Juan, the sooner the better. I have some confidential news which I consider you ought to know for your own safety" (safety underlined several times). "Please let me know how soon you can be here, hour and place to meet you where I will be protected."

7. As I think you know, our office manager is a captain of the National Guard. I am an honorably discharged officer of the United States Marine Corps.

8. Therefore, please do not have any worry about this matter as it is not unusual for Puerto Rico, and was expected when I accepted the job. I did not, however, think the issue would come to a head quite so quickly.

9. Will you please send down from the States, as quickly as possible, not less than four revolvers and ammunition? They can be borrowed from some armed force of the United States Government on quick notice. It is difficult, if not impossible, to purchase one here. It would mean that I would have to buy one myself in the States, which I should not be asked to do by Washington under the circumstances.

10. I answered the letter above referred to by telegram, suggesting that if the matter was really serious, the labor leader had better come to Mayaguez at my expense. I have a telegram in answer that he will be here this afternoon at 3 p. m., and will go to my farm, as he wishes to avoid the publicity attached to coming to our office.

11. I will write you about this further, or if necessary, cable.

12. Since dictating this letter, a labor union has come in which in some way heard that sugar was trying to silence us. They offered to put a bodyguard around my farm and to attend us in the office, which I refused with thanks. I mention it to show the sincerity of labor, and also how one's thoughts get down even before they are uttered. I have done the best I could to avoid any publicity.

ROBERT W. CLAIBORNE.

FEBRUARY 28, 1939.

Mr. ROBERT W. CLAIBORNE,
Official Representative, Wage and Hour Division,
Federal Building, Mayaguez, P. R.

DEAR MR. CLAIBORNE: Reference is made to your communication of February 23, in which you inquired as to whether you should make further speeches.

This question has been discussed with Mr. Andrews and Mr. Sifton, and they feel that, in view of the tense situation generally, and, also, in view of the case now pending in Puerto Rico, no further speeches should be made.

With reference to your request for a revolver, I fear that we are not empowered to provide arms to our field people. You might, however, write me in detail the circumstances surrounding the attack made upon you and the names of any witnesses who were present.

Mr. Babb will have arrived in Puerto Rico by the time this letter reaches you. I feel confident that he will be able to advise you on some of the more difficult legal questions with which you are faced.

Very truly yours,

A. L. FLETCHER,
Assistant Administrator.

UNITED STATES DEPARTMENT OF LABOR,
WAGE AND HOUR DIVISION,
Mayaguez, P. R., February 23, 1939.

DEAR SNYDER: Until I hear from Washington whether I should give publicity to threats by asking protection of the executive branch of Puerto Rican Government, it seems I had better not appear in public speeches, even though it appears forces are silencing the Federal Government. Being an old United States marine captain, I am not afraid, but it seems wisest not to have any commotion unless with Washington's direct approval.

I recite for you the facts of which I arrive at such a decision:

(1) I was shot at in the garden of my house, night of February 21, at 9 p. m.

(2) A friend, an official of a prominent union, which is not the politically ridden free Federation of Labor, but who does not dare give his name—I have always thought he was a Nationalist—comes this afternoon, in haste, to prevent my speaking at Cabo Roja tonight, stating there was a plot to kidnap me, horsewhip me as "an undesirable citizen" (he could get no facts why this was so), and hand me my ticket to the States, which threat I would be killed or jailed if I returned—they could get affidavits that would jail me in the Puerto Rican courts. (He could get no idea what.)

(3) He has this information from an American resident in the island who stated he, the American, would so testify in court if necessary.

(4) The American's name is supposed to be Mr. Frank Hoffman, who rooms at San Justo Street, No. 8, Casa de Hospedajo. Also writes for a paper published at No. 45 Ponce de Leon Avenue, No. 45. stop 5, name of paper El Progresista.

(5) He stated to my friend, whose name I cannot give, as in confidence that he, Hoffman, was in his rooms at San Justo Street, No. 8, when the dueno, also owner of a bootblacking parlor below, came and started talking about the law, and stated I would be soon whipped as an undesirable citizen, given my ticket to the States, etc. The man who told Hoffman is said to be one Clemente Farina.

Is there any way for you to have this investigated without giving publicity to it or going to the police?

Apparently the objection was that I spoke before gatherings of sugar workers, and the statement was made nothing would be done if I stopped talking.

This seems so strangely similar to what was said to you by a reputable citizen, despite his effrontery to hint freedom of speech should be curbed, that I am wondering whether there is any remote connection.

Anyhow, do what you think wise, if anything. And if you need to talk further, please phone me, or I'll go to San Juan. I think it might be a good idea anyhow to run down Hoffman.

I don't want to have a police guard as it wouldn't prevent my being framed on some dishonorable charge, which, whatever it was, would always be believed even if disproved. What's your idea?

Regards,

CLAIBORNE.

UNITED STATES DEPARTMENT OF LABOR,
WAGE AND HOUR DIVISION,
Mayagucz, P. R., March 2, 1939.

To: Mr. A. L. Fletcher.
Attention: Mr. M. K. Wood, fiscal section.
From: Robert W. Claiborne, Acting Territorial Representative.
Subject: Permit to carry a revolver and bill for same.

(1) I enclose bill rendered by Mr. Oscar Souffront, lawyer, for securing permit for me to carry a revolver, an elaborate procedure

necessitating an appearance in the district court to be questioned on one's motives, morale, and character at a public hearing announced in the newspapers.

(2) I was given a clean bill of health apparently for the 4 years I lived here, which can be noted on my dossier in Washington.

(3) I was also given a bill for $12.85, which I am wondering where Washington can find some way, as I lived in this country for 4 years without even having to lock my doors at night until I took the position of territorial representative.

(4) I am also wondering if Washington has sent the revolvers I asked for and the ammunition. The police captain gave or loaned me a revolver which, of course, I have to return.

(5) I am of the opinion that if you are going to have inspections made in this country, not only will your inspectors have to be armed but you have to detail a Federal Government plain-clothed detective or G-man from Washington as we ought not to have to secure the insular government for such protection in particular as labor will distrust us the moment we have a policeman on the premises.

(6) Please note that Mr. Souffront charges nothing for his services, which is a distinct courtesy for which we are most appreciative.

ROBERT W. CLAIBORNE.

UNITED STATES DEPARTMENT OF LABOR,
WAGE AND HOUR DIVISION,
Mayaguez, P. R., March 2, 1939.

DEAR SIFTON: So long as the Fair Labor Standards Act is in Puerto Rico you cannot avert disturbance, which might well prejudice the whole show.

The ruling released on tobacco exempts practically everyone in that industry, putting all to work again on their previous status of exploited slaves.

A similar redefinition of area of production is due from Andrews for both fruit and sugar. With the tobacco precedent, it cannot be avoided. If a court would uphold Andrews' ruling on tobacco (which as a lawyer I doubt) they'd extend it to fruit and sugar, even though Andrews made a distinction in his ruling by words.

That would only leave needlework, which isn't subject to your control in any practical manner, and which isn't obeying nor has any intention of obeying. Certainly you don't think they'd even make an effort to carry out Andrews' rules on home work. Lubin's observation is the same as mine. He knows of no factory in the island closed by the Fair Labor Standards Act, or intending to close. They are confident they can get protection, as the ruling class has always been protected here in its exploitation of labor. Old timers give statistics to show that under the democracy of the United States there has been even more exploitation, even lower standards of living, than under Spain.

I do not think you can have read all I sent up since I left Washington, or else you'd understand and not have been surprised at the Eastern Sugar Co.'s move. A business that faces a $500,000 payroll increase, as they do (in the 42 centrals it would approximate $5,000,000 annually), cannot begin their factory operations on uncertainty. They have tried to get instructions from Washington. They got nothing and saw only shilly-shallying; necessary, perhaps, but confusing to businessmen and labor, both of which groups must be realistic to survive. I gave them what I got—quotations from letters or bulletins—but it was both incomplete and inadequate.

This policy in Washington cannot be altered. But it won't work in Puerto Rico. And you are drifting toward a violent explosion, which I cannot avert any more than I could have averted the injunction sugar sought. And so I told you when I was in Washington, and have written repeatedly: "It is only a question of days now."

There is but one hope to avert this volcano that might blow up the whole law. But please know it is but a hope. I counsel you to follow it, as I have counseled many things in vain.

Announce by cable that: "Until a policy is worked out for Puerto Rico we have closed the investigation and enforcement branch of the Wage and Hour Division in Puerto Rico. Our investigator, Mr. Backus, has been transferred to Washington."

You can then drop me out completely and leave me free to serve labor in the Federal court here. I am the only member of that bar who'd take their cause and who'd turn over the fees to their unions for a relief fund.

Or you can be the surer to keep me in a dormant position where I'd not be tempted to represent employees' suits and close the above quote with: "Mr. Claiborne and the present staff in Mayaguez will be retained for the purpose of statistical study, on the basis of which an enforcement policy will be determined at some later date." This would be a more dignified procedure for the Wage and Hour Division than for me to resign (which I wish to do), owing to the very loyal following I have among labor, especially the C. I. O. It would tend not to bring wages and hours into disrepute—at least, I would so hope—for they'd interpret my resignation as my protest against wages and hours and Washington's not carrying out the law, their law. This in turn might well have repercussions in the States, through certain labor channels.

With kindest regards,

Sincerely, CLAIBORNE.

MARCH 14, 1939.

Mr. MURRAY BACKUS,
Acting Territorial Representative,
Wage and Hour Division, Mayaguez, P. R.

DEAR MR. BACKUS: Transmitted herewith is a letter naming you acting Territorial representative. Immediately upon receipt you will take active and complete charge of the Wage and Hour Division offices and work in Puerto Rico, including the personnel, premises, equipment, and files.

Will you also continue with the active and diligent enforcement of the Fair Labor Standards Act under the procedures laid down in the Manual for Inspectors issued by the cooperation and enforcement branch of the Division.

Specific complaints of violations of the act are to be investigated under the procedures as set forth in the Inspection Manual.

As rapidly as possible complaints are to be followed up and, in cases in which there appear to be violations of the act, evidence is to be obtained, by checking of pay rolls and other records, interviewing and obtaining statements from employees as to the hours worked and wages paid, and this evidence is to be organized for referral to the legal branch with a view to preparing said cases for litigation, if, in the judgment of the Administrator, litigation is in order.

Very truly yours,

ELMER F. ANDREWS,
Administrator.

MARCH 14, 1939.

Mr. MURRAY BACKUS,
Acting Territorial Representative,
Wage and Hour Division, Mayaguez, P. R.

DEAR MR. BACKUS: Immediately upon receipt of the enclosed letters of authorization and of instruction, will you release to the press in Puerto Rico a statement along these lines, and cable us as to the date and time of release so that the same statement may be released simultaneously in—

"WASHINGTON, March —.—Elmer F. Andrews, Administrator of the Wage and Hour Division, United States Department of Labor, today announced that he has accepted the resignation offered by Robert W. Claiborne, acting territorial representative, in Puerto Rico for the Wage and Hour Division, and the appointment of Murray Backus, who has been employed in the office of the Wage and Hour Division in Mayaguez, P. R., to be acting territorial representative.

"In accepting Mr. Claiborne's resignation, Mr. Andrews stated that he sincerely appreciates the zeal with which Mr. Claiborne had sought to carry out his duties. The text of Mr. Andrews' letter to Mr. Claiborne and a letter of instructions to Mr. Backus follows. (Pick up text of Claiborne letter and letter of instruction to Backus.)"

Very truly yours,

ELMER F. ANDREWS,
Administrator.

MARCH 14, 1939.

Mr. MURRAY BACKUS,
Territorial Office, Wage and Hour Division, Mayaguez, P. R.

DEAR MR. BACKUS: Effective upon receipt of this letter, you are detailed, until further notice, acting territorial representative of the wage and hour division in Puerto Rico, and you are authorized and directed to perform, until further notice, the duties of that office under the general administrative direction of the Assistant Administrator in charge of the compliance branch.

Very truly yours,

A. L. FLETCHER,
Assistant Administrator in Charge of Compliance.
By HELEN WOOD,
Administrative Assistant.

Approved.

ELMER F. ANDREWS,
Administrator.

MARCH 14, 1939.

Mr. ROBERT W. CLAIBORNE,
Mayaguez, P. R.

DEAR MR. CLAIBORNE: The Deputy Administrator has brought your recent correspondence to my attention.

In view of your letter of March 2, 1939, we have no alternative but to accept the resignation tendered therein, to become effective upon the receipt of this letter.

I do this with sincere appreciation of the zeal with which you have sought to carry out your duties.

With best wishes.

Yours sincerely,

ELMER F. ANDREWS,
Administrator.

[Translation of news article, March 20, 1939]

CLAIBORNE SAYS THAT HE WILL NAME THE INDUSTRIAL COMMITTEES WHEN THE WORKERS RECEIVE THE MINIMUM OF 25 CENTS PER HOUR

The Territorial representative of the wage-hour law in Puerto Rico, Mr. Robert W. Claiborne, sends us the following statements about the naming of the industrial committees:

It is one of my most important duties as administrator of the fair standards of labor law to secure the compliance with the law in respect to article 6 (minimum wage) and article 7 (maximum hours).

I am greatly hindered by a scarcity of personnel and of funds with which to obtain the personnel in accordance with the requirements of the Federal civil service. These funds will be at my disposal when the present Federal Congress takes up the matter in the regular order of its legislative business.

I am hindered even more by the antisocial and intransigent attitude of many employers in not paying the minimum wages unless they can charge to the ultimate consumer the additional amount which they must pay in accordance with this law. Such a point of view would increase the cost of living to such a level as to completely break down the social aims of this administration. These aims are to obtain a standard of living for all workers under the American flag necessary for health, efficiency, and general well-being. There is only one sure way to reach this standard: That the industry share with the worker a reasonable part of the wealth that labor has created.

I am taking account of the interest which all organized labor is taking in the well-being of the workers, whether they are under its standards or not, and I appreciate their tenacious and loyal adherence to the fair labor standards law and their opposition to any amendment to the law at the expense of the well-being of the workers. Indeed, labor has recently expressed such a point of view clearly through the agency of the press.

Now that this standard has been set, we can unite our forces and cooperate to secure the ends that both seek for—complete obedience in good faith to all the terms of the law, ends that both hope to reach speedily, the payment of 25 cents an hour for a 44-hour workweek.

I am ready to cooperate actively with labor at any time and I believe that my services in recent months show that I have sacrificed health and means for the sake of the worker.

When the day comes that the workers in Puerto Rico covered by the law receive their just wages of 25 cents an hour, I think the day will have arrived for the organization of the industrial committees anticipated in article 8 of the fair labor standards law.

The sole purpose of these committees is to increase the minimum wage from 25 cents an hour to 40 cents an hour, but now the organization of such committees would be an excessive waste of energy until we are further advanced in obtaining the compliance with the program of a universal minimum of 25 cents an hour.

I think that this is the practical point of view, and I ask the active cooperation of all labor and of all the leaders representing labor in securing such an end speedily. As soon as we have reached the first step we can move toward the next, which will be possible by means of the industrial committees.

I repeat, the purpose of the industrial committees is to fix a minimum wage greater than 25 cents an hour, as high as possible up to 40 cents an hour, for all the workers in the industries covered by the law, so that it does not give an advantage of competency to any group within the industry and does not substantially reduce the opportunities for work.

I hope that the time for such committees is near, and it will come more rapidly the more promptly I receive the active and personal cooperation of all those persons in the community whose social consciences demand that they give their most definite, complete, and loyal aid to the law of fair labor standards and to its representative in Puerto Rico.

Mr. MARCANTONIO. Mr. Speaker, Mr. Claiborne asked for protection. He also asked for protection with reference to another matter. He was threatened to be kidnaped, to be horsewhipped, and to be kicked out as an undesirable citizen. He communicated this to the Department and discussed the matter because he had not received any communication whatsoever.

He wrote a personal letter to Mr. Sifton, Assistant Administrator of wages and hours, and in this personal letter he makes the following statement:

There is but one hope to avert this volcano—

He is talking about the terrible situation of unrest that exists as a result of nonenforcement of this law. In other words, as the Government was not pushing enforcement.

Mr. Claiborne stated:

There is but one hope to avert this volcano that might blow up the whole law. But please know it is but a hope. I counsel you to follow it, as I have counseled many things in vain.

Announce by cable that: "Until a policy is worked out for Puerto Rico, we have closed the investigation and enforcement branch of the wage and hour division in Puerto Rico. Our investigator, Mr. Backus, has been transferred to Washington."

Then he goes on to say:

You can drop me out completely, and leave me free to serve labor in the Federal court here. I am the only member of that bar who'd take their cause—and who'd turn over the fees to their unions for a relief fund.

This was a personal letter sent to his friend Paul Sifton. What happened? He received the following letter:

DEAR MR. CLAIBORNE: The Deputy Administrator has brought your recent correspondence to my attention.

In view of your letter of March 2, 1939, we have no alternative but to accept the resignation tendered therein, to become effective upon the receipt of this letter.

I do this with sincere appreciation of the zeal with which you have sought to carry out your duties.

Here is a man who never resigned. Here is a man who is trying to enforce the law. Here is a man who was seeking the cooperation of his own office back here in Washington, but received no cooperation. All he heard was that there was going to be a change in the law. He was shot at, kidnap threats were made against him, he was threatened to be horsewhipped, and he was threatened to be kicked out of Puerto Rico. These threats were all made by the needle-trade crowd and other exploiters of labor, for they will profit by this amendment.

When he writes a letter to the Assistant Administrator, what does he get? He gets a reply, "Your resignation is accepted."

I think the situation is most astounding and I hope the membership of the House will have this situation in mind when it votes on this particular section and this particular amendment with regard to Puerto Rico.

Mr. Speaker, let us give a square deal to the people of Puerto Rico when we consider this proposed amendment on Monday.

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. IGLESIAS. Mr. Speaker, at the conclusion of the special orders for today, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Puerto Rico?

Mr. LUDLOW. Mr. Speaker, reserving the right to object, I shall be glad to yield to the gentleman from Puerto Rico. It is all right with me if he wants to speak ahead of me for 5 minutes.

Mr. COX. Mr. Speaker, further reserving the right to object, I wonder if it would not be agreeable to the gentleman from Pennsylvania [Mr. DARROW] under the circumstances that exist at the present time to permit the gentleman from Puerto Rico to draw an issue with the gentleman from New York who has just made certain charges?

Mr. DARROW. We discussed that a moment ago.

Mr. COX. All right.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Puerto Rico?

There was no objection.

The SPEAKER pro tempore. Under a special order heretofore entered, the gentleman from Pennsylvania [Mr. DARROW] is recognized for 10 minutes.

Mr. HARNESS. Mr. Speaker, will the gentleman from Pennsylvania yield for a unanimous-consent request?

Mr. DARROW. I yield to the gentleman from Indiana.

Mr. HARNESS. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HARNESS. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD, and include therein a statement of the Carr Canning Co., of Red Key, Ind., and a tabulation in connection therewith.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HARNESS. Mr. Speaker, in view of the fact that this body will next Monday be called upon to consider the majority's recommendations, incorporated in H. R. 5435, for

revision of the Fair Labor Standards Act, I want especially to urge every Member's attention to an extremely significant time study, submitted to me by the Caar Canning Co., of Red Key, Ind.

This study exhaustively covers the company's piece-work labor records for the 6 years of 1933 to 1938, inclusive. Since the entire study would unduly burden the RECORD, I submit only the complete transcript of a single year, together with the statistical record of a group of employees covering the entire 6-year period. The complete study is in my office, and available to any Member who wishes to investigate it.

In commending this very timely material to your attention, I want to observe that it might be matched in a thousand small industries not only in Indiana but anywhere else within the jurisdiction of the wage and hour law.

This study will forcibly remind you that it is extremely difficult, if not entirely impossible, to devise a labor-standards law of general jurisdiction which will not cause violent dislocations in American industries, and most especially among the smaller industries which are of such great importance in the American economy.

You must be particularly impressed, also, with the inescapable logic of the conclusions based upon this study, which are a part of the material submitted. Note especially the alternatives which confront this typical canning enterprise under the application of the law which will enforce a minimum wage of 25 cents per hour:

First. The company must absorb the differential between the minimum proposed and the actual earnings as recorded here; or

Second. The company must raise the price of its products to absorb the increase.

Third. If the potential market or the present profit market will neither safely absorb that differential, then the company must displace the substandard workers insofar as the labor market offers persons of greater proficiency. If proficient labor is not available, then production must be curtailed.

One other alternative remains. Under the incentive of labor shortage or high labor costs, the industry will redouble its efforts to develop new labor-saving machinery. When that happens, we switch from a legislative, and hence temporary, dislocation to an economic or permanent dislocation. The door to opportunity in either case is effectively closed to the workers threatened by the application of the proposed law.

I repeat that this or a similar set of circumstances will prevail in thousands of small industries and businesses under the proposed amendments. Even within my district there are several hundred canneries, dairy-products, and food-processing plants, and a wide range of smaller industries affected. As an example, consider the plight of the independent telephone companies, which serve the smaller communities of America—in fact, provide their only means of rapid communication. True, the proposed bill does make some concession to this important group of small companies, but it fails to go far enough.

All of you know something of the operation of a small, independent telephone company. Its financial position is precarious. If it is not actually in bankruptcy or on the verge of it, the profits are entirely too small to withstand any sharp increase of labor costs. The employees are almost invariably family and community people, who could find no other occupation if their telephone company failed; yet this proposed amendment will inevitably force a violent change in these companies.

Here, again, are the unpleasant alternatives. The company will be forced to increase its rates or to put in automatic equipment, which will permanently displace many employees—if it can exist under the new law long enough to attempt either. I am informed that 90 percent of the subscribers on independent telephone lines in my district are farmers. These telephones are vital links to summon help in case of sickness, fire, or other emergency. The farmer must have that telephone. But, surely, agriculture is so sorely beset that he would not assume any additional cost of an increase in telephone rates.

The serious implications of this measure, which we will be asked to accept or reject next Monday, can scarcely be overstressed. Still, we are asked—yes; even ordered—to accept the arbitrary conclusions of the majority without discussion or amendment. We are placed in the unpleasant position of being forced to take half a loaf or none. We are ordered to take the little concession to vital American interests which the administration is willing to make or to forego any improvement in the existing law. And this is the administration in action, whose leaders talk of business appeasement and urge a spirit of cooperation in the interests of recovery.

This is typical New Deal practice. It is the arbitrary enforcement of New Deal dictum under gag rule. It is diabolical cleverness which forces the conscientious Members of this body to accept the relief which the measure promises, in the hope that even these few concessions will help the suffering economy.

And this procedure is invoked in blithe indifference to the fact that the questions involved are of the utmost seriousness to the country.

STATEMENT OF CONCLUSIONS ACCOMPANYING A TIME STUDY MADE BY THE CAAR CANNING CO., RED KEY, IND.

The information hereto attached refers to the employees only who peel tomatoes, or our piece-work employees. It is a true transcript of the records for this class of employees, and is furnished by the Caar Canning Co., Red Key, Ind.

The Caar Canning Co. is located at Red Key, Ind., and has been in continuous operation since 1917, the date of its organization. It is not the smallest nor the largest canning plant—an average-sized plant. It is situated in an agricultural community, the lineage of whose population is quite predominantly American. The agricultural operations are stock raising and diversified farming.

Red Key is a town of nearly 1,400 population and serves an agricultural community. Its most important industry is its canning plant. Like all canning plants of this character, it touches the economic life of a very large portion of the community. Its average contracts with farmers approximate 1,400 acres annually. Its payments for delivered tomatoes has approximated $75,000 annually for the past 6 years. It employs at peak season 450 ladies, 300 of whom peel tomatoes. It has paid these peelers $64,883.93 in the past 6 years, an annual average of $10,813.99. The farmers with whom it contracts tomato acreage will approximate 300, living within a radius of 15 to 18 miles of the plant. The lady employees are from the town and the surrounding country. Almost all of them are housewives—a surprising number being the housewives of farmers. These are all casual laborers; very few either wish or would accept permanent employment.

This canning plant in its size, location, extent of operations, and character of employees presents a fair cross-section of the canning industry as we know it. Our problems and distresses are alike with other plants. The paralyzing restrictions and unwise laws affect the employee, the farmer-producer, and the plant alike.

The wage and hour law, to be just and equitable, must: (a) Not substantially reduce employment, nor (b) decrease production, nor (c) increase costs to the consuming public.

Examination of the accompanying study shows that 51 to 70 percent of the employees during this 6-year period fell below 25 cents per hour, and so would be affected by the proposed minimum. If the company's market could not carry a price increase, or if profits did not permit the company to absorb the difference, the earnings of this group would be denied them by law.

To understand this more fully, your attention is directed to the attached transcript of 1938. Note that ages range from 18 to 75; that 256 were housewives, of which 118 were farmers' wives; that only 44 were unmarried. Single women came largely from homes in the community and worked beside mothers and married sisters. This pay roll is typical throughout each of the six transcripts submitted. They are casual laborers only, in nowise competing with regular labor, organized or unorganized; and they do this seasonal work to earn what they can to assist in school and household expenses. The record obviously shows the variation in age, in aptitude, and efficiency. They have been paid for their work, all on the same basis. They seek work, because they are self-supporting and self-respecting. We hope to be able to continue to provide employment unless the law denies the opportunity.

Should a rigid base rate force the removal of these employees, the Caar Canning Co.—and we believe this to be true of the industry generally—will not be able to replace them because labor may not be available in the community. Production must then be reduced, acreage contracts curtailed, and this annual income taken from the community. Further, curtailed production leaves profitable plant operation questionable; and the plant itself may be lost to the community.

In addition to summary for 1938, there is submitted a consolidated Peeling Record—Statistics—condensed for the convenience of the record. Note the average wage per hour for the 6-year period; the variations between individuals, and the variations of the individual income from year to year. Similar variations by weekly income appear in the yearly transcripts. After an examination of the variable factors which appear, these questions suggest themselves:

(A) How may an equitable and just base wage be applied to casual labor of highly variable competence, working under conditions which vary sharply from year to year, from month to month, or even from week to week? Labor costs must be approximated closely ahead of the canning season if the company is to remain solvent. It is submitted that this is impossible with a fixed minimum per hour wage base.

(B) What shall be done with the less-than-average wage earner? Shall she be denied the opportunity to work and earn what is within her capacity, and to maintain her sense of self-help and self-support? To close this opportunity to persons who may be in the marginal group is further to make her a potential public charge, because there is neither moral justification or financial capacity for the employer to absorb the charge sufficient to make the base rate.

(C) When the less efficient are denied work, where is the employer to secure replacement labor? Casual or seasonal labor presents a problem at best in smaller communities. It is almost certain that a supply of efficient labor under the proposed requirements would be unavailable locally. The wage proposed is too low to attract desirable help from outside the community. With no labor available, reduced production is inevitable. Thus the result of denying labor in the first instance is a denial to the farmer-producers and to the entire community.

(D) How is the company to avoid loss under the conditions which the proposed amendments will impose? Acreage contracts are made with the farmers many months in advance, which the farmers are already performing. These contracts were predicated upon prevailing practice, and the reasonable belief that the administration of the wage and hour law would not disturb existing relationships during a canning year. Thus an inevitable loss is imposed upon the canner, who must fulfill his contracts, on the one hand, and make up wage differentials or destroy crops, on the other.

This company urges the Congress not to shut the door of opportunity for any American citizen to work; nor to bring about serious dislocations in this and thousands of other American industries and businesses.

1938 piece-time day workers—Tomato peelers

	Occupation[1]	Age	Total baskets	Total hours	Wages	Bonus	Total earned	Wage rate, hour	Total rate, hour
Anderson, Belle	H	63	522¾	226¾	$36.61	$2.61	$39.22	16.1	17.3
Bales, Alice	FH	44	330¾	140¼	23.17	1.65	24.82	15.5	16.6
Bales, Barbara	FH	52	599	229¾	41.94	3.00	44.94	18.3	19 6
Bartlett, Bertha	FH	52	550¼	177¼	38.52	2.75	41.27	21.7	23.3
Baughman, Ola	FH	40	666¾	229¾	46.69	3.33	50.02	20.3	21.8
Baunack, Bernice	FH	21	352½	165¼	24.69	1.76	26.45	14.9	16.0
Beck, Daisy	H	40	781¼	228¼	54.70	3.91	58.61	24.0	25.7
Billiter, Thelma	H	23	585¾	177¼	40.98	2.93	43.91	23	24.8
Bogir, Catherine	H	21	656	229¾	45.92	3.28	49.20	20.0	21.4
Bowler, Cora	S	20	568¾	207¼	39.82	2.84	42 66	19.2	20.6
Bowman, Blanche	S	20	659¼	177¼	46.15	3.30	49.45	26.0	27.9
Bradley, Bertha	FH	55	775	228¾	54.26	3 88	58.14	23.7	25.4
Bright, Doris	H	19	536	167¾	37.52	2.68	40.20	22 4	24.0
Butts, Jessie	FH	44	936¼	228¼	65.54	4.68	70.22	28.7	30.8
Carder, Anna	FH	48	530½	177¾	37.14	2 65	39.79	20.9	22.4
Caylor, Lelah	FH	50	600¾	226¾	42.07	3.00	45 07	18 6	19.9
Chalk, Sadie	FH	47	493¾	177¾	34.56	2.47	37.03	19.4	20.8
Champ, Ilo	H	44	628½	228¾	44.01	3.14	47.15	19.3	20.7
Cheesman, Pauline	FH	31	427	177¼	29.91	2.14	32 05	16.8	18.0
Chittum, Eva	H	50	759¾	228¼	53.20	3.80	57.00	23.3	25.0
Chittum, Ica	H	39	550	193¼	38.51	2.75	41.26	19.9	21.4
Chittum, Laura	H	68	690¼	227¼	48.33	3.45	51.78	21.3	22.8
Clark, Alice	S	26	830½	229¾	58.15	4.15	62.30	25.5	27.3
Clark, Ruby	H	25	780	223¾	54.62	3.90	58 52	24 4	26.2
Cline, Nilah	H	47	109½	47	7.67	.55	8 22	16 3	17.5
Collins, Estella	H	54	207½	70¼	14.53	1.04	15.57	20 7	22 2
Compton, Mary	H	20	430	177¾	30.11	2.15	32.26	17.0	18.2
Conger, Frances	FH	30	660¼	227¼	46.23	3.30	49.53	20.3	21.8
Coon, Edith	FH	40	647½	188¾	45.33	3.24	48 57	24.0	25.7
Cox, Lela	S	41	15	9½	1.05	.08	1.13	11 1	11.9
Craig, Vada	H	34	273	121	19.12	------	19.12	15 8	15.8
Craig, Vera	H	27	692½	228¾	48.48	3 46	51.94	21.2	22.7
Curtis, Blanch	FH	46	519½	177¾	36.37	2.60	38.97	20.5	21.9
Curtis, Rosa	H	43	838¾	228¾	58.71	4.19	62.90	25.7	27.6
DeHaven, Grace	H	27	426½	142¾	29.86	2.13	31.99	21.0	22.5
DeHaven, Marie	FH	28	338½	117½	23.68	1.69	25.37	20.2	21.6
Devoe, Gladys	H	45	761	230¼	53.27	3.81	57 08	23.1	24.8
Devoss, Goldie	FH	44	628¼	178¾	43 98	3.14	47.12	24.6	26.4
Dragoo, Evelyn	FH	31	673¾	206¾	47.17	3.37	50.54	22.8	24.4
Driscoll, Elvada	H	64	355	130¼	24.85	------	24.85	19 0	19.0
Emery, Lillie	FH	27	408	177¾	28.57	2.04	30 61	16 1	17.2
Fisher, Naomi	S	19	406¼	117½	28.45	------	28.45	24.2	24.2
Keesaer, Mary	S	19	22¾	13	1.59	------	1.59	12.2	12.2
Kelley, Lucille	H	32	645¾	182¾	45.20	------	45.20	24.7	24.7
Kirkendall, Ruby	FH	22	811½	228¼	56.81	4.06	60.87	24.9	26.7
Kistler, Mildred	H	39	6	5	.42	---	.42	8.4	8.4
Landis, Janie	H	38	598¼	192¼	41.88	2.99	44.87	21.8	23.3
Lanning, Glenna	S	18	598	228¾	41.87	2.99	44.86	18.3	19.6
Lare, Gladys	FH	39	48¾	26½	3.41	------	3.41	13 1	13.1
Leach, Beatrice	H	40	613	229¾	42.93	3.07	46.00	18.7	20
Life, Dollie	FH	36	583¾	178¾	40.86	2.92	43.78	22.9	24.5
Lindsay, Mildred	FH	40	658½	187¾	46.10	3.29	49.39	24.6	26.3
Lovelace, Gladys	FH	36	401¾	142¾	28.13	2.01	30.14	19.7	21.1
Luper, Clora	H	25	505¼	178¾	35.38	2.53	37.91	19.8	21.2
Gegenheimer, Lucille	H	24	575¼	191¾	40.27	------	40.27	21.0	21.0
Ginn, Iva	H	49	763¼	226¾	52.72	3 77	56 49	23 3	24.9
Hale, Cena (W)	H	75	575¾	216¾	40.32	2.88	43 20	18 6	19.9
Hall, Anna	H	38	776	226¼	54.32	3.88	58 20	23.8	25.5
Hammers, Myrtle	FH	23	772½	228¼	54.09	3.86	57 95	23 7	25.4
Harr, Edith	S	52	524¾	177¼	36.73	2.62	39.35	20.7	22.2
Hastings, Mildred	H	20	516¼	142¾	36.15	------	36.15	25.3	25.3
Hatzell, Cleo	H	38	504½	227¼	35.33	2.52	37.85	15 5	16.7
Heston, Martha	S	18	115¼	47	8.07	------	8.07	17.2	17.2
Heston, Mary	FH	42	342½	178¾	23 99	1.71	25.70	13.4	14.4
Heston, Vivian	S	24	126½	58¾	8.86	------	8.86	15.1	15.1
Hiatt, Hattie	FH	38	553¾	152¾	38.77	------	38.77	25.4	25.4
Hickman, Helen	FH	30	187¼	89	13.11	------	13.11	14 7	14.7
Himes, Hassel	H	19	46½	20½	3.27	.23	3.50	16.0	16.0
Hines, Dorothy	FH	20	592	177¼	41.45	2.96	44.41	23 4	25 0
Hoagland, Elmyra	S	18	491¾	177¾	34.44	2.46	36.90	19.4	20.8
Hoagland, Madonna	FH	21	728½	228¾	51.01	3.64	54 65	22.3	23 9
Hobbs, Jessie	H	50	482	227¼	33.75	2.41	36 16	14 9	15.9
Hodge, Ida (W)	H	70	452	215¼	31.67	2.26	33 93	14.7	15.8
Hoover, Gullaf	FH	30	184	51	12.89	.92	13.81	25.3	27.1
Huffman, Mary	H	50	879¾	229¾	61.59	4 40	65.99	26 8	28.7
Hughes, Mary	FH	47	705¾	228¼	49.42	3.53	52 95	21 7	23.2
Hummel, Luetta	FH	30	124	54½	8.68	.62	9 30	15.9	17.1
Hummer, Gladys	H	36	560¼	178¾	39.22	2 80	42 02	21 9	23.5
Jack, Susan	FH	56	524¼	198¼	36.71	2 62	39.33	18.5	19.8
Jackson, Margaret	H	61	557½	226¾	39.02	2 79	41.81	17.2	18.4
James, Ruth	FH	30	696¾	178¾	48.64	3.47	52 11	27.2	29.2
Johnson, Mildred	H	26	63¼	26¼	4 43	------	4.43	16.7	16.7
Johnson, Noba	H	52	888½	227¼	62.21	4.44	66.65	27.4	29.3
Jones, Dora	FH	36	666¼	229¾	46.65	3.31	49.96	20.3	21.7
Jones, Helen	H	25	105½	53¾	7.38	------	7.38	13.7	13.7
Jones, Margaret	H	25	202¼	78¾	14.16	1.01	15.17	18 0	19.3
Flesher, Lois	FH	39	432½	122	30.28	2.16	32.44	24.8	26.6
Flesher, Maude	FH	57	15¾	9½	1.10	.08	1.18	11.5	12.4
Floyd, Nancy	H	59	782½	230¼	54.80	3.91	58.71	23.8	25.5
Ford, Sarah	FH	40	565¼	178¾	39.58	2.83	42.41	22.1	23.7
Foreman, Inez	FH	43	401½	177¼	28.11	2.01	30.12	15.8	17.0
French, Grace	FH	25	751¼	193¾	52.59	3.76	56.35	27.1	29.1
Friend, Eileen	S	20	171¾	52½	12.02	.86	12.88	22.9	24.5
Fruit, Pearl	FH	46	107¾	47	7.54	------	7.54	16.0	16.0
Garringer, Mima	FH	46	100½	47	7.04	.50	7.54	15.0	16.0
Geesaman, Juildine	H	25	309½	177¾	21.67	1.55	23.22	12.2	13.2

[1] H—housewife; FH—farmer's housewife; S—not married.

1938 piece-time day workers—Tomato peelers—Continued

	Occupation	Age	Total baskets	Total hours	Wages	Bonus	Total earned	Wage rate, hour	Total rate, hour
Geesaman, Lessie	FH	45	340¼	164¼	$23.83	$1.70	$25.53	14.5	15.5
Lykins, Bertha	H	39	313	114¾	21.92	1.57	23.49	19.2	20.6
Mabrey, Edna	H	29	984½	230¼	68.92	4.92	73.84	29.9	32.1
Main, Leota	FH	44	724½	203¾	50.72	3.62	54.34	25.0	26.7
Maitlen, Devonna	S	19	22	15	1.54	.11	1.65	10.3	11.0
Manor, Lola	H	60	670¼	227¼	46.92	3.35	50.27	20.6	22.1
Marsh, Daisy	FH	52	598	178¾	41.87	2.99	44.86	23.4	25.1
May, Effie	H	51	738¾	228¾	51.69	3.69	55.38	22.6	24.2
May, Pearl	H	47	18	10	1.26	-------	1.26	12.6	12.6
McAbee, Juanita	H	34	641	227¼	44.88	3.21	48.09	19.7	21.2
McCammon, Garnet	H	21	724½	228¼	50.73	3.62	54.35	22.2	23.8
McClung, Frances	H	51	399¾	122¾	27.99	2.00	29.99	22.8	24.4
McDonald, Neoma	FH	46	541¾	228¼	37.92	2.71	40.63	16.6	17.8
Merrill, Madge	FH	25	621¾	215¾	43.52	3.11	46.63	20.2	21.6
Miller, Ada	H	44	22¾	10	1.59	-------	1.59	15.9	15.9
Miller, Doris	FH	27	408	125½	28.56	-------	28.56	22.8	22.8
Miller, Flora	FH	27	503½	178¾	35.26	2.52	37.78	19.7	21.1
Mills, Edna	S	22	616¾	216¾	43.18	3.08	46.26	19.9	21.3
Mills, Velma	FH	30	478½	145	33.51	-------	33.51	23.1	23.1
Morgan, May	FH	41	747¾	218¾	52.33	3.74	56.07	23.9	25.6
Morrical, Bessie	H	38	500	158	39.20	-------	39.20	24.8	24.8
Morris, Bessie	S	21	498½	213¾	34.90	2.49	37.39	16.4	17.5
Morris, Laura	H	64	49¼	28½	3.45	-------	3.45	12.1	12.1
Morris, Margaret	H	18	717½	226¾	50.23	3.59	53.82	22.2	23.7
Morris, Virginia	H	19	121½	39½	8.50	-------	8.50	21.5	21.5
Nibarger, Dorothy	H	27	136	34½	9.52	.68	10.20	27.6	29.6
Odle, Hattie	FH	43	272	97½	19.05	1.36	20.41	19.6	21.0
Overla, Mary	H	51	787	227¼	55.10	3.94	59.04	24.2	26
Phillips, Maude	H	35	115¾	40	8.10	-------	8.10	20.3	20.3
Phillips, Ruth	H	35	883½	227¼	61.86	4.42	66.28	27.2	29.2
Phinney, Opal	H	46	157¾	59½	11.04	.79	11.83	18.6	19.9
Pratt, Bessie	H	47	831½	228¼	58.22	4.16	62.38	25.5	27.3
Prevost, Kathryn	H	24	680	192¼	47.61	3.40	51.01	24.8	26.5
Pyle, Ruth	H	46	628½	184¾	44.00	3.14	47.14	23.8	25.5
Ray, Vera	H	42	735¼	227¼	51.48	3.68	55.16	22.7	24.3
Read, Osa	FH	38	15¾	10	1.10	-------	1.10	11.0	11.0
Rees, Martha	H	38	480¾	226¾	33.65	2.40	36.05	14.8	15.9
Ritter, Mary	H	55	857½	228¼	60.02	4.29	64.31	26.3	28.2
Rowland, Pearl	FH	27	498½	150¾	34.20	-------	34.20	21.8	21.8
Seidner, Emma	FH	52	752½	228¾	52.69	3.76	56.45	23.0	24.7
Seidner, Ina	FH	43	617¼	177¾	43.22	3.09	46.31	24.3	26.1
Selvey, Dorothy	FH	31	812½	229¾	56.87	4.06	60.93	24.8	26.5
Semans, Rose	H	51	841½	229¾	58.92	4.21	63.13	25.6	27.5
Silvers, Flossie	FH	49	721½	193¾	50.51	3.61	54.12	26.1	27.9
Shanks, Pearl	FH	40	581½	177¼	40.73	2.91	43.64	23.0	24.6
Shellenbarger, Pearl	FH	20	134	70¾	9.38	.67	10.05	13.3	14.2
Smiley, Myrtle	H	46	695½	228¼	48.68	3.48	52.16	21.3	22.9
Smith, Ada	FH	21	124¾	70¼	8.74	.62	9.36	12.4	13.3
Smith, Demeris	H	24	483¾	178¾	33.87	2.42	36.29	18.9	20.3
Smith, Effie	FH	28	598½	177¼	41.90	2.99	44.89	23.6	25.3
Smith, Julia	H	55	937½	234¾	65.63	4.69	70.32	28.0	30.0
Smith, Lorena	FH	54	483	167¼	33.81	2.42	36.23	20.2	21.7
Smith, Rosella	S	18	875	233¼	61.25	4.38	65.63	26.3	28.1
Squier, June	S	19	374½	169¼	26.22	1.87	28.09	15.5	16.6
St. Clair, Blanche	H	56	428	177¼	29.96	2.14	32.10	16.9	18.1
Steed, Florence	H	58	503¾	178¾	35.27	2.52	37.79	19.7	21.1
Stephen, Mabel	H	38	404¾	167¾	28.34	2.02	30.36	16.9	18.1
Stephen, Nina	FH	56	1,038¾	228¾	72.69	5.19	77.88	31.8	34.0
Stevens, Anna May	S	21	482¼	226¾	33.79	2.41	36.20	14.9	16.0
Stouder, Pearl	H	37	774¼	226½	54.21	3.87	58.08	23.9	25.6
Summerfield Ethel	S	44	445¼	170¼	31.17	2.23	33.40	18.3	19.6
Taylor, Carrie Jo	FH	22	851¾	226¾	59.63	4.26	63.89	26.3	28.2
Taylor, Letha	FH	31	864	229¾	60.47	4.32	64.79	26.3	28.2
Teegarden, Hannah	FH	50	548¾	177¾	38.42	2.74	41.16	21.6	23.2
Tighe, Ruth	H	21	583	222¾	40.81	2.92	43.73	18.3	19.6
Timmons, Virginia	H	18	116½	47	8.15	.58	8.73	17.3	18.6
Trent, Naomi	FH	36	584¼	177¼	40.90	2.92	43.82	23.1	24.7
Tunis, Ida	H	45	472	226¾	33.05	2.36	35.41	14.6	15.6
Ullom, Ethel Mae	FH	24	57	10	3.99	-------	3.99	39.9	39.9
Ullom, Lottie	FH	49	373¾	131	26.16	-------	26.16	20.0	20.0
Vaught, Luna	FH	44	485	167¼	33.96	2.43	36.39	20.3	21.8
Vincent, Goldie	FH	42	714	178¾	49.99	3.57	53.56	28.0	30.0
Vinson, Mary	FH	36	870	229¾	60.91	4.35	65.26	26.5	28.4
Warren, Doris	H	27	887	230¼	62.09	4.44	66.53	27.0	28.9
Warnock, Inez	FH	32	777	216¾	54.40	3.89	58.29	25.1	26.9
Weaver, Clarice	FH	67	495	177¼	34.66	2.48	37.14	19.6	21.0
Westervelt, Hazel	S	24	430¼	178¾	30.13	2.15	32.28	16.9	18.1
Westervelt, Helen	S	19	427½	177¾	29.93	2.14	32.07	16.8	18.0
Weyrick, Lulu (W)	H	57	615¼	228¼	43.09	3.08	46.17	18.9	20.2
Whitaker, Clara	H	44	769½	229¾	53.88	3.85	57.73	23.5	25.1
White, Erma	FH	41	512	215¼	35.84	2.56	38.40	16.7	17.8
Williams, Hazel	H	50	35¾	15	2.50	-------	2.50	16.7	16.7
Wood, Lillie Mae	FH	37	640	223¼	44.81	3.20	48.01	20.0	21.5
Wooodard, Hildred	FH	37	555¼	167¼	38.87	2.78	41.65	23.2	24.9
Wright, Gertrude	H	33	238¾	83¾	16.71	1.19	17.90	20.0	21.4
Bousman, Blanche	H	34	42½	25	2.98	-------	2.98	11.9	11.9
Knowles, Nannabelle	H	19	46¾	18¾	3.27	-------	3.27	17.4	17.4
Nance, Helen	H	18	14¾	16¾	1.03	-------	1.03	6.1	6.1

Consolidated record of piece-time tomato peelers for the years 1933 to 1938

Name	Peeling record statistics — Rates per hour without bonus							Day record (p. 1) — Rates per hour including bonus						
	1933	1934	1935	1936	1937	1938	Average	1933	1934	1935	1936	1937	1938	Average
Anderson, Belle	22.9	19.5	20.5	21.0	21.8	16.1	20.3	22.9	21.0	22.0	22.5	23.4	17.3	21.5
Bales, Barbara	22.4	20.8	18.6	20.1	22.5	18.3	20.5	24.3	22.5	20.0	21.5	24.1	19.6	22.0
Baughman, Ola	18.9	26.4	26.3	32.2	26.6	20.3	25.1	20.5	28.4	23.0	34.5	28.5	21.8	27.0
Beck, Daisy	31.2	32.1	28.5	30.7	31.7	24.0	29.7	33.8	34.5	30.5	32.8	33.9	25.7	31.9
Butts, Jessie	31.6	31.1	32.4	37.6	34.6	28.7	32.7	34.3	33.5	34.8	40.2	37.1	30.8	35.1
Chittum, Laura	24.5	24.2	23.8	25.8	21.5	21.3	23.5	26.5	26.0	25.4	27.6	23.6	22.8	25.3
Clark, Alice	27.8	31.4	31.8	34.6	28.6	25.5	30.0	30.1	33.8	34.0	37.1	30.6	27.3	32.4
Conger, Frances	25.3	24.7	27.6	31.4	24.9	20.3	25.7	27.3	26.7	29.6	33.6	26.7	31.8	27.6
Curtis, Rosa	27.1	31.7	26.5	31.2	29.0	25.7	28.5	29.4	34.1	28.5	33.5	31.0	27.6	30.7
Devoe, Gladys	22.7	23.5	24.1	27.7	24.6	23.1	24.3	24.5	24.3	26.0	29.7	26.4	24.8	26.1
Floyd, Nancy	26.6	26.5	28.5	27.5	25.2	23.8	26.4	28.8	28.5	30.6	29.5	27.0	25.5	28.3
Ford, Sarah	---	28.1	25.0	28.0	24.6	22.1	25.6	---	30.3	26.8	30.0	26.3	23.7	27.4
Hale, Cena	24.6	25.5	23.8	27.3	23.2	18.6	23.8	26.7	27.4	25.3	29.3	24.9	19.9	25.6
Hodge, Ida	20.2	19.1	18.3	22.3	16.7	14.7	18.6	21.9	20.6	19.5	24.4	17.9	15.8	20.0
Huffman, Mary	30.5	32.1	31.1	36.0	31.2	26.8	31.3	33.0	34.5	33.3	38.5	33.2	28.7	33.5
Jack, Susan	18.8	20.5	19.7	21.0	19.4	18.5	19.7	20.4	22.1	21.0	22.3	20.8	19.8	21.1
Johnson, Noba	32.7	34.2	32.9	37.1	34.6	27.4	33.2	35.5	36.8	35.0	39.8	37.1	29.3	35.6
Landis, Janie	23.2	23.1	23.6	26.6	15.4	21.8	23.7	25.1	24.9	25.3	28.5	15.4	23.3	25.4
Manor, Lola	28.8	26.0	23.4	26.9	22.8	20.6	24.8	31.2	28.0	25.0	28.8	24.4	22.1	26.6
March, Daisy	29.6	28.9	27.1	32.6	27.5	23.4	28.2	32.1	31.1	29.0	34.9	29.5	25.1	30.3
May, Effie	33.1	35.9	31.7	37.9	31.5	22.6	32.1	36.8	38.7	34.0	40.6	33.8	24.2	34.7
Phillips, Ruth	26.7	31.1	31.6	36.7	29.9	27.2	30.5	28.9	33.5	34.0	39.4	32.3	29.2	32.9
Pyle, Ruth	20.7	26.1	23.9	39.5	27.5	23.8	25.4	22.5	28.1	25.5	32.7	29.4	25.5	27.3
Ray, Vera	24.7	27.5	26.8	32.4	25.3	22.7	26.6	26.8	29.6	28.8	34.7	27.1	24.3	28.6
Ritter, Mary	28.3	30.8	27.8	32.6	30.5	26.3	29.4	30.7	33.1	30.0	34.9	32.7	28.2	31.6
Seidner, Emma	27.2	29.9	30.6	35.4	25.1	23.0	28.5	29.4	32.2	33.0	38.0	27.0	24.7	30.7
Selvey, Dorothy	25.9	26.2	27.5	33.6	27.2	24.8	27.5	28.1	29.3	28.4	36.0	29.1	26.5	29.6
Semans, Rose	29.0	31.0	29.8	33.1	25.9	25.6	29.1	21.4	33.4	32.0	35.4	27.8	27.5	31.3
Silvers, Flossie	32.1	32.9	30.4	35.9	27.5	26.1	30.8	34.8	35.4	32.5	38.5	29.5	27.9	33.1
Smith, Julia	29.7	29.6	30.3	34.3	31.9	28.0	30.6	32.2	31.8	32.5	36.8	34.2	30.0	32.9
Steed, Florence	20.6	24.7	24.1	22.6	22.3	19.7	22.3	22.3	26.6	25.8	24.2	23.9	21.1	24.0
Stephen, Nina	36.4	34.2	34.6	41.2	33.8	31.8	35.3	39.4	36.8	37.0	44.1	36.2	34.0	37.9
Stouder, Pearl	22.9	24.6	22.0	28.1	28.2	23.9	25.0	24.8	26.5	23.5	30.1	30.2	25.6	25.8
Ullom, Lottie	22.0	20.7	20.8	24.2	28.8	20.0	22.8	23.8	22.3	22.3	25.9	28.8	20.0	23.9
Vincent, Goldie	30.2	32.2	28.7	34.0	31.3	28.0	30.7	32.6	34.7	30.5	36.5	33.5	30.0	33.0
Weaver Clarice	21.8	25.5	25.3	26.9	19.9	19.6	23.2	23.7	27.4	27.0	28.8	21.3	21.0	24.9
Weyrick, Lulu	22.7	23.8	20.5	22.8	21.1	18.9	21.6	24.6	25.6	22.0	24.4	22.6	20.2	23.2

FAIR LABOR STANDARDS ACT

Mr. DARROW. Mr. Speaker, now that revision or amendment of the Fair Labor Standards Act of 1938, generally referred to as the wage and hour law, has been acknowledged as being necessary, I believe attention should be called to the dire need for relief being accorded to wholesaling and distributing establishments, which are faced with conditions and circumstances by which it is practically impossible to operate at less than 44 hours a week.

The maximum hours section of the present law provides for a workweek of 44 hours during the first year of its operation, then a workweek of 42 hours during the second year, and 40 hours each workweek thereafter. The first year of operation under these provisions will expire on October 24.

To bring this matter to the direct attention of Congress, and in the hope that it would receive favorable consideration and action, I introduced the bill H. R. 4631, the purpose of which is to provide the continuance of the 44-hour workweek for employees engaged in certain wholesaling and distributing establishments. The text of the bill is as follows:

Be it enacted, etc., That section 7 of the Fair Labor Standards Act of 1938 is amended by inserting at the end thereof the following new subsection:

"(e) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee is so employed in an establishment the principal portion of the business of which is wholesaling or distributing, and if such employee receives compensation for employment in excess of 44 hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed."

By reason of my many years of experience in the retail business, as well as a small wholesaler, I can fully appreciate the conditions under which a wholesaler and distributor must operate to render the service which is expected and needed by their customers.

Distribution has been defined as the retail and wholesale business of bringing the consumer into contact with the products of the farm and factory. The distributor and wholesaler are the direct mediums for the purchasing and storing of such products to meet the needs of the retailer and ultimately the consumer.

Wholesalers and distributors are distinctly service institutions. They necessarily must operate in a manner which will meet the requirements of their customers, which in many instances cannot be anticipated in advance, and need immediate attention. If they cannot do so, their business, as well as the business of all who depend upon them for service and supplies, will naturally be retarded, and the wants of the ultimate consumer cannot be met.

The wholesale food distributor may appropriately be used as an example. His is a service trade. He scours the four corners of the earth for food products of various sorts which he feels will be called for in his respective markets. These food products are then made available on call to all types of consumers, such as institutions, hotels, restaurants, steamships, summer camps, grocery stores, and so forth. Frequently, such trade requires, among other things, delivery on call, no matter what time of day or night, rain or shine, and, if you please, even flood or fire; for when there is demand for food, the service must be performed at once. Equally as important, and having as many or more emergency requirements, are the wholesale druggists. In fact, the demands for service of this character applies to the entire wholesale and distributing industry.

Employees of the wholesaler and distributor should not be subject to the same restrictions as those engaged in manufacturing, processing and mining, and so forth. Such labor can operate until a certain inventory has been created—that is, until certain standard stock has been created to meet or exceed demands—whereupon there frequently are reductions in force.

Practically all retailers are not subject to the provisions of the Fair Labor Standards Act of 1938, inasmuch as they are engaged in intrastate business. Most of them remain open over 50 hours a week, and of necessity the wholesaler and distributor should observe hours somewhat in the same line.

Closing on Saturdays would be a detriment to the wholesaler and distributor, as a considerable volume of business is transacted on week ends; moreover, industrial plants make repairs and replacements at that time to enable their employees to start work promptly on Monday morning with the machinery they operate in perfect condition.

To eliminate Saturday as a workday, or to reduce the standard week in the wholesale trade to less than 44 hours would be an undue hardship and would penalize wholesalers and distributors by requiring the payment of overtime rates for a 44-hour week.

Thousands of items are carried by the wholesaler and distributor, and it is necessary for warehouse employees to have a thorough knowledge of the use, location, and so forth, of the merchandise. Employment of people on a part-time basis would be impractical and a definite liability to the distribution system of the country. On the other hand, the overtime rates would inflate wholesale and distributing costs, which would eventually be reflected in a higher price to the ultimate consumer. This higher price would be difficult, if not impossible, to obtain, due to the fact that the manufacturer in many instances advertises the consumer price, and the wholesalers and distributors are not in a position to raise their prices. Other outlets, therefore, might secure the business and hurt the independent wholesalers, distributors, and independent merchants.

Payment of time and a half for hours over 40 to the employees of the wholesaler and distributor would make profitable operation a real problem, if not an impossibility. Large profits are not obtainable in these businesses, and such an increase of expense would be a very distinct disadvantage.

A large number of wholesalers and distributors operate with a limited personnel—one shipping clerk, one traffic man, and so forth—and to replace these individuals for short periods, so that their workweek would not total over 40 hours, would be impossible, as their work is of a specialized nature, for which they have been definitely trained. Furthermore, they must be on hand during the open hours of the business, so that customers will receive prompt and efficient service.

It is my opinion that this law was not aimed at the wholesaling and distributing trades, in which labor conditions have been on a very high plane. The scale of pay in this field has always been high, long hours have not been observed, and there have been no child-labor or sweatshop conditions. The total remuneration of such employees throughout the year would be well over a similar figure for individuals working in manufacturing and producing establishments in all parts of the country.

Furthermore, there is but little fluctuation of employment, as all workers are regarded as permanent employees and are paid for the regular workweek throughout the year. They differ from workers engaged in manufacturing and producing, as they are not constantly and continually at work in the same manner, but must at all times be available to render service, fill orders, answer inquiries, and to perform similar duties. They are also afforded more opportunity for education, training, and advancement.

The economic condition of the retailer at the present time must also be taken into account. Only a limited capital is available to him, and he must depend upon the wholesaler for his needs. He is doing considerable hand-to-mouth buying, thereby necessitating constant service by the wholesaler and distributor. Sales would be lost if he were deprived of the ability to obtain merchandise when it is needed—as would undoubtedly result from a 40-hour week.

It is highly important to the manufacturer to have distribution facilities in all sections of the country, and these are efficiently maintained by the various wholesalers and distributors. To weaken and impair their service to the manufacturer, retailer, and industrial buyer by uneconomical overtime provisions would be a detriment to our industrial system.

The elimination of service and a reduction in the number of employees would undoubtedly be necessary if the 40-hour week becomes effective, in order to offset the high costs resulting from the overtime requirements of the law.

I also wish to press upon you the fact that wholesalers and distributors do not use labor-saving machinery in the distribution of their products—the primary costs involved in their overhead being wages and salaries. The machine, therefore, has not caused any reduction in the personnel, and, as a matter of fact, the number of employees engaged in the wholesaling and distributing trades at the present time is approximately the same as in the late twenties.

It is granted that all wholesalers and distributors must observe the law in the same manner, and what is a hardship to one will be a hardship to all. The hardship on many may be such that they will be forced to operate at a loss, or at such a meager profit that the matter of maintaining their usual service will be dangerously curtailed.

To increase prices to the consuming public would mean a reduction in volume and would not be helpful to our standard of living, as it would reduce the number of articles and items which the ultimate buyer could purchase.

In closing, I wish to state that the wholesalers and distributors have a very real problem, and to permit these trades to continue a 44-hour standard workweek does not in my estimation alter the purposes of the law. Working conditions in wholesaling and distributing establishments are, in practically all cases, most agreeable—the wages are fair—and a 44-hour week cannot be considered a detriment to the health of the employees.

The Norton bill to amend the wage and hour law was considered by the Labor Committee in closed executive sessions, and no opportunity was afforded those of us interested in this phase to present testimony or argue our case. And now, we are informed, the bill is to be brought before the

House for action under suspension of the rules, which precludes the offering of amendments, and we are only given the opportunity to vote for or against the bill reported by the Labor Committee. This course of procedure denies fair consideration to the dire circumstances which are faced by the wholesale and distributing agencies, who cannot operate under the severe restrictions of the present law. Certainly they should have had an opportunity to be heard, in which event there is no doubt in my mind they would have established a case which would have warranted action as proposed in my bill, H. R. 4631, and enabled them to continue to operate under the 44-hour-workweek provision. I hope that before the final enactment of the Norton bill this matter may be given the consideration it merits. [Applause.]

Mr. DUNN. Mr. Speaker, will the gentleman yield?

Mr. DARROW. I yield to the gentleman from Pennsylvania.

Mr. DUNN. I wish to say I am a member of the Labor Committee. Did the gentleman make a request of the chairman to be heard?

Mr. DARROW. I did; and my request was denied.

Mr. DUNN. I would not have objected to it.

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield?

Mr. DARROW. I yield to the gentleman from Georgia.

Mr. RAMSPECK. The gentleman does not want to leave the impression with the House that the Committee on Labor refused to permit the gentleman to appear before the committee?

Mr. DARROW. I asked to appear, and I was denied that privilege.

Mr. RAMSPECK. Did not the gentleman ask to have other persons besides himself appear?

Mr. DARROW. I asked to have a hearing on the question.

Mr. RAMSPECK. I am sure the gentleman misunderstood the chairman of the committee, because some Members of Congress did appear in support of their amendments. The committee agreed to hear all of them.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief article by Dr. Clifford Halvorsen, a constituent of mine.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

The SPEAKER pro tempore. Under a previous special order, the gentleman from Puerto Rico [Mr. IGLESIAS] is recognized for 5 minutes.

Mr. IGLESIAS. Mr. Speaker, I have tremendous respect for freedom of speech. I have been fighting for the last 50 years for the right on the part of anyone to express his own views on anything. Today, however, I was very astonished to hear the gentleman from New York [Mr. MARCANTONIO] purport to defend the people and the workers of Puerto Rico with the use of radical expressions, but if Puerto Rico would follow the ideas and opinions of the gentleman from New York we would be in a condition so terrible that over 100,000 people would be starved. In the name of social reform and justice to humanity——

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. IGLESIAS. No; I do not have time to yield. I cannot yield, because I do not want to be interrupted at this time.

I have in my hand a copy of a handbill that has been distributed among the agricultural workers and the people of Puerto Rico containing statements with which some of the declarations that have been made here by the gentleman from New York coincide:

If the law is changed in Washington in accordance with the wishes of SANTIAGO IGLESIAS—

That is my name—

and the Centralistas—

That means the sugar men and the higher range of people—

the workers will not have gained much.

If you want to defend your rights, send your petitions to Mr. MARCANTONIO, the Congressman, who will defend the interests of the workers of Puerto Rico, or send them to the Democratic Popular Party, who will send them directly to Congressman MARCANTONIO.

I can regard this as a little thing, because there have been many other stories and much publicity, with the picture of our distinguished friend the gentleman from New York [Mr. MARCANTONIO], presenting him as the great "savior" of humanity in Puerto Rico.

Mr. Speaker, for the last 50 years, since the Spanish regime, we have been working for the welfare and the progress of Puerto Rico in general, and especially of the working classes.

[Here the gavel fell.]

Mr. COX. Mr. Speaker, the gentleman is making a good speech, and I ask unanimous consent that he may be permitted to proceed for 10 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. IGLESIAS. We have refrained from being unjust to those administrators who want to work for and are doing well for the people of Puerto Rico. I have been termed a "tremendous radical" in Puerto Rico, but I never have been unjust, nor disregarded the work of those who have been sent from here to do good for the island. I declare here that to attack Gov. Blanton Winship and to smear his personality is a tremendous injustice. He has been all right; that is the best way I can term it. I never have asked Governor Winship for the smallest favor, and never in my life have I done that with any Governor. The work done by Governor Winship in the island in the last 5 years is something that will be appreciated in the hearts of every citizen of Puerto Rico. Every party is in favor of all the work that has been done by the Governor, except a group that is distributing the letters of my distinguished friend from New York [Mr. MARCANTONIO].

With regard to the amendments to the labor law that have been reported by the committee, I may say, as a labor leader for so many years, that it is very deplorable that a distinction must be drawn between the mainland and the island, but in this case the amendments are necessary because of the extreme economic condition in the island in the same way that amendments have been asked in behalf of various States of the Union. I do not know why the gentleman from New York [Mr. MARCANTONIO] has fixed his eyes upon Puerto Rico and no other part of the country. Why not give just the same chance to Puerto Rico that has been given to Texas or to Chicago or to any other place in the land. Why does this "savior" of the workers of Puerto Rico not say anything about those places, when he is talking about the poor fellows mentioned in the letters he has referred to? Who is writing the letters? Look at the man, Mr. Claiborne, he has presented here as the "savior." He was appointed administrator of the law at the beginning and he became friendly with our fellow workers over there, and that was very good, but very soon he changed and did things and acted in such a way that he had to be dismissed and removed from the job.

He was removed, although in a very delicate manner, but nevertheless the gentleman from New York still says he is the administrator, after being dismissed. He places the blame for this action on Governor Winship, when, as a matter of fact, the Governor has always been doing his best to better the conditions of the working people, assisted by the Commissioner of Labor of Puerto Rico.

I have received a letter from the secretary of the Free Federation of Workingmen of Puerto Rico. This organization is affiliated with the American Federation of Labor, because our labor has been educated to lean on the organization of labor as represented in the Nation by the American Federation of Labor.

This Mr. Claiborne is the man who has distributed letters and circulars in certain parts of the island accusing the free federation and the leadership of the federation of not

putting the law into operation. Of course, he does not understand that for years the federation and its leaders have been working and fighting for better conditions. The workingman does not want to depend on Mr. Claiborne or anybody else to work for his salvation. With the proposed amendments, the wage and hour law will be all right. First, we have the committees to give flexibility to the law. It is true Puerto Rico wants that. Puerto Rico wants that because, as soon as this law was put into operation, over 40,000 of the needle workers and 30,000 in other industries were thrown out of employment. They are out of work and they cannot start work again without these amendments.

The interests of the workingman and of Puerto Rico are not in the hands of Congress alone. Under the proposed amendment to the Fair Labor Standards Act we will have committees representing the public, the employers, and the workingmen, and there will also be organized labor, which has always safeguarded the rights of the workers of Puerto Rico. Organized labor is the most intelligent weapon the workingman has to better his own condition. And then we have the legislature of the island. So, according to the law and the performance of the law, we have a chance to do well for the people of Puerto Rico, and especially the workers of Puerto Rico.

Mr. Speaker, Congress never had any idea of crushing the people of Puerto Rico, especially the workers. Puerto Rico is indebted to Congress for wonderful reforms and progressive measures that never could have been known except for the action of the majority of the Members of Congress. We are grateful for what has been done.

If there has been any injustice or if the workers of the island have been handicapped in any way, I am sure I can come before this House and come before the committee and just tell the truth, but the Labor Committee has been all right.

Mr. LEAVY. Mr. Speaker, will the gentleman yield for a question?

Mr. IGLESIAS. Yes.

Mr. LEAVY. I want to ask the gentleman a direct question. Does the gentleman feel that the people in Puerto Rico would have been better off if, when we adopted the Fair Labor Standards Act, we had exempted Puerto Rico from its provisions entirely?

Mr. IGLESIAS. I never would have requested such a thing myself, because I want the spirit of the law and the law itself to apply to Puerto Rico, and then give it flexibility in accordance with the conditions existing there.

Mr. LEAVY. The gentleman believes the provisions of the law should apply in Puerto Rico as well as in continental United States?

Mr. IGLESIAS. Yes. That was my idea and my principle, but in the operation of the law I have seen that we will have to look for some flexibility in order to accommodate the law to the conditions on the island.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. IGLESIAS. Yes.

Mr. MARCANTONIO. Irrespective of whether the newspaper places my picture on the front page or the gentleman's picture there, I have only one question, and that is as to whether the gentleman is for or against the 25-cent-per-hour minimum for workers in the sugar industry in Puerto Rico; and if so, why change the law and why should there be any flexibility?

Mr. IGLESIAS. I am in favor of 25 cents, and I would be in favor of $1 per hour if it were possible to pay it; but if it is not possible, then I do not want the people in Puerto Rico to starve. [Applause.]

The SPEAKER pro tempore. The time of the Commissioner from Puerto Rico has expired.

EXTENSION OF REMARKS

Mr. DeROUEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein part of a statement which I made before the subcommittee of the Committee on Appropriations on the nonmilitary appropriation bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. TAYLOR of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an article by Gus W. Dyer, a well-known political economist, on the Unseen Effect of the Wage Law.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. KITCHENS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an editorial from the Star of Terre Haute, Ind.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the Chair recognizes the gentleman from Indiana [Mr. LUDLOW] for 20 minutes.

MOTHER'S DAY

Mr. LUDLOW. Mr. Speaker, by the time we meet again another Mother's Day will have passed into history. On every recurrence of Mother's Day, the golden strands of recollection lead me back to our old log-cabin home in Fayette County, Ind., where I was born and raised at a time when the wilderness was more a fact than a memory. My mind's eye recreates the stately forests of towering oaks and poplars and the beautiful wild flowers that everywhere blanketed the earth in spring and summer time. I behold again the large peach orchard at the rear of our cabin, with its wondrous wealth of blooms. The air is redolent of sweet-williams and honeysuckle.

All of this seems to me now like a glimpse of paradise which I was permitted to enjoy for a brief time at the beginning of life, before Fate directed my footsteps to things that are material and dross.

In all of this panorama of loveliness which I see shining far away through the mists of recollection, the very center of loveliness was my mother. I can see my mother, the personification of loving devotion, ministering to the needs of her large flock, trying to do many things at once and pausing now and then to kiss our tiny wounds to take away the hurt. I can see her in the silent vigils of the night as by light of candle or oil wick burning low she smooths a feverish brow with a hand that always seems to soothe and heal. Once more she tucks me in the trundle bed and sings her lullabies until the sandman shuts my eyes in slumber.

The younger generations are utterly incapable of realizing the hardships that were the daily portion of the pioneer mother. There was no change, no recreation to build up frayed-out nerves. Hers, as I look at it now, was a life of never-ending toil and grind, without conveniences of any kind—a human treadmill. Today was the same as yesterday; tomorrow would be the same as today. Yet throughout it all she maintained a spirit that was perfectly fine and splendid.

She was the angel of the household; nor heat of summer nor wintry blasts, nor all the worries and heartaches that fell to her self-denying lot ever found her absent from the post of duty. No language that I can command is adequate to describe the loving devotion of this sweet and patient soul. No words of mine, surging from the wellsprings of a grateful heart, can tell the story of the debt I owe my mother. Many a year has come and gone since we laid her in the ground—earth to earth, ashes to ashes, dust to dust—but my simple Christian faith teaches me that she is just away, and that we shall meet again. I hope and pray that when my days on earth are ended, and I cross the frontiers of the blessed summerland, the spirit of my mother will be waiting to lead me on.

There is no language known to men that can describe a mother's love. Of all the emotions that influence the human mind, it is the sweetest and the best. The bitterness and sorrow that would be the common lot in this vale of tears if it were not for mother love melt into happiness and joyous inspiration in the radiance of its tender flame.

Mother love has no yesterday and no tomorrow, but reigns eternal. There is no limit to its bounds. There is no plummet that can sound its depths. It reaches all the way from earth to heaven. With ineffable tenderness it leads the tottering infant past the dangers and pitfalls of life and guides him through the struggling years of childhood and maturity, so that when the miracle we call death ends his earthly journey he is fit to take his place among the stars by the side of his Creator.

No tongue can explain mother love or trace its origin. The least we can say of it is that it is one of the mysteries that spring from God. We know that it is something real because there is no sacrifice too great for it to make.

Think of the widow who bends her aching back over a tub day in and day out to earn a washwoman's pittance that she may keep her children together and feed them and send them to school like other children—oh, there are many such in this land of ours! Does anyone doubt the quality of her mother love? Does anyone know a mother of a deformed child who is not all the more attached to him on account of his deformity? He may be a hunchback, or infantile disease may have rendered him a hopeless and pitiable physical wreck, but to mother he is all there is in the world. Reason may have left him forever, and he may be doomed to wander in mental darkness all his life, but oh! how she loves him!

Mother heart forgives the error of a wayward child before it is committed. The last thought of a convict who faces the noose or electric chair is of his mother. In his anguish he cries for her; to her he piteously pleads every extenuating circumstance so that she will remember him at his best; his only relief in his desperation is when he is enfolded in her encircling arms. Any trinket he may possess, a ring or watch or lock of hair or other treasured keepsake he leaves to mother. In all such cases mother love is tempered with pity, and what a potent, merciful, wonderful combination it is. Imagine the depths and sanctity of a mother's thoughts when she rocks her baby in his cradle and lulls him gently into the realm of sleep with her lullabies and then lifts her eyes from his innocent little face toward heaven and prays to the Father of us all:

"Father, lead him not into temptation, but deliver him from evil!"

From the time of Eve, who laid her very own on the altar of grief, down through the ages to Mary, who witnessed the unspeakable tragedy of the cross, and on and on, century after century, the word "mother" has always been the symbol of devotion, every age presenting in myriad repetitions and varying forms the solicitudes and sacrifices of mother love. Millions have been touched by the tribute paid by Abraham Lincoln, when that great, tender-hearted man who groped his dark way to a martyr's grave, paid to his mother the deathless tribute of saying that all that he was or ever hoped to be he owed to her.

We are continually being astounded by the wonderful achievements of the scientists. They are the Nation's miracle men. They already have gone far toward piercing the veil that separates us from the infinite and every day adds to their amazing record of performance. Our President speaks and his voice is heard through a system of radio relays in Europe and South Africa. A man talks over the telephone and his physical image is carried with his voice and reproduced in a distant city. That is television. In the New York office of the Westinghouse Co. is an artificial electrical man which obeys the human voice. This new creation of science enables us to visualize a world of the future—a world of romance—in which men and women will do little more than think and will bid automatons to fetch and carry. The scientists have discovered that diabetic patients who are gripped with a form of fear may have their courage restored by sucking a lollipop, and that the variation of a few hundredths of 1 percent in the glucose of the blood may make the difference between cowardice and courage, may determine whether a man shall be shot as a slacker or medaled as a hero.

And, weirdest prophecy of all, Dr. Edwin S. Slosson, a Washington scientist, in addressing Wittenberg College, predicted that the scientist of the future will turn from his humble task of providing the conveniences of life and will gain control of life itself, molding stature and character as the sculptor molds his clay.

One by one, the Government astronomers are unlocking the secrets of the universe. Their contributions to the sum of knowledge are of absorbing interest and reflect glory on the achievements of the human mind. By using photographic processes which record stars a million times fainter than the human eye can see, they have just estimated the total number of stars at 30,000,000,000.

Why, I am almost persuaded that the time is coming when the scientists will remold the forms of nature, take all of the sting out of the tongue of malice, paint rosy blushes on the cornstalks, and make diamonds out of a million glistening dewdrops.

But there are some things our scientists cannot fathom, and one of these is the mystery—the blessed mystery—of mother love. The enormous telescope at the Naval Observatory in Washington which nightly sweeps the heavens cannot reveal through the starry corridors the Supreme Architect whose will established order in the universe, who keeps the planets in their orbits, and who sees the sparrow when it falls. Him we must take on faith, and we must serve Him with all of our love and all of our strength and all of our understanding.

Nor will the utmost power of science reveal where among all the starry diadems is the eternal abiding place of those who gave us birth and those happy companions of the yesteryear who left us to go to the home, not made by hands, eternal in the skies. We must trust to faith, which holds the promise that we shall know and love them once again. With all their genius and exactitude, the scientists have not been able to find where heaven and earth meet.

But I know. Like all of the sons of departed mothers, I know the exact spot where heaven and earth meet. It is located not by scientific instruments nor chart nor compass nor by divining rod, but by the oracles of the heart. In my case it is about 50 miles southeast of Indianapolis. The place where heaven and earth meet is the grave of my mother. [Applause.]

GENERAL PULASKI

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes and to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I take this opportunity of requesting my colleagues to support the resolutions which I introduced on February 20, 1939, to honor the memory of that outstanding hero of the American Revolution, Gen. Casimir Pulaski.

House Joint Resolution 174 provides for the establishment of a General Casimir Pulaski Memorial Commission which shall consider and formulate plans for designing and constructing a permanent memorial in the city of Savannah, or in the State of Georgia. This Commission in its discretion may accept from any source, public or private, money or property to be used for the purpose of making surveys and investigations, and formulating, preparing, and considering plans for the construction of the memorial. It was at the siege of Savannah, Ga., that General Pulaski gave his life to America on October 11, 1779.

House Joint Resolution 173 authorizes the President of the United States of America to proclaim October 11, 1939, General Pulaski Memorial Day for the observance and commemoration of his death.

House Joint Resolution 172 provides for the preparation, printing, and distribution of pamphlets containing his history.

H. R. 4321 authorizes the erection of a memorial to General Pulaski and carries an authorization for a $5,000 appropriation for the erection of a suitable tablet or marker at Savannah, Ga.

Mr. Speaker, two sterling Polish patriots, Gen. Thaddeus Kosciuszko and Gen. Casimir Pulaski, outstanding heroes

who joined the army of the Father of his Country, Gen. George Washington, contributed much during America's struggle for independence. They gave unstintingly of their valiant service in the cause of liberty and the formation of our Republic. They were patriots of the most self-sacrificing type who dedicated themselves to the cause of freedom and the happiness of mankind.

From the time of General Pulaski and General Kosciusko, American citizens of Polish extraction have patriotically and unselfishly carved a record of honorable achievement in the history of the Republic. They are a bulwark of strength to our Nation, and among the leaders in political and economic progress. In the dark days of war, the citizens of Polish extraction emulated that high patriotism of General Pulaski and General Kosciusko, in order to protect and preserve our American constitutional system of government, with its sacred rights and liberties.

Mr. Speaker, Mr. Wallace E. Maciejewski, 1738 South Pearl Street, Milwaukee, Wis., a leader among our citizens of Polish extraction, a resident of the district which I have the honor to represent, and a staff writer for the Milwaukee Evening Post, has written a fine article on General Pulaski. I ask unanimous consent to include this article in my remarks at this point.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The article referred to is as follows:

Two of the four European officers who performed a distinguished part in the American Revolution, Pulaski and Kosciusko, were from Poland.

They came to America as volunteers to join the army of General Washington, and both distinguished themselves on various occasions during the Colonist's struggle for independence.

One of them, Casimir Pulaski, gave his personal fortune of $50,000 and his life to American liberty.

He died fighting for American independence. He saved the Continental Army from possible annihilation. He sacrificed a title, a fortune, and a brilliant career to die at the age of 31 as he led American cavalrymen in the last desperate charge of a successful campaign.

No wonder he is referred to as the hero of two continents.

Futile are the attempts of those who would delve into the annals of history in search of a more heroic and patriotic spirit * * * vain are the efforts of those who would turn the pages of history seeking a more adventurous and liberty-loving figure than Pulaski.

No nobler Pole, no nobler American, ever rode gallantly to death on the battlefields of human liberty.

Casimir Pulaski was born in the village of Kostry-Pulazie on March 4, 1747. He was the eldest son of Count Joseph Pulaski, a venerable gentleman, who belonged to the Polish nobility. The elderly Pulaski was also the county administrator (Starosta), and a distinguished lawyer famed for his eloquence.

The section where the Pulaskis lived was exposed to continuous incursions of roving marauders, so a large band of armed retainers to protect the estate was maintained. Young Casimir early gained a knowledge of partisan warfare and laid the foundation for the superb horsemanship which later made him a cavalry leader of renown in Europe and America.

Casimir Pulaski's early education was had at home and in a Jesuit college. Before he was 21 young Pulaski had his taste of regular warfare, serving 6 months in the successful defense of Mitau. He continued to fight against Poland's oppressors, eventually becoming famous for his courage and valor.

The enviable reputation of his brilliance as a cavalryman, of patriotism, and heroism had preceded Pulaski long before he had volunteered his sword in behalf of America's independence.

With the downfall of the Confederation of Bar and the first partition of Poland, Pulaski was forced to leave his native country and escape to Paris where he made the acquaintance of Benjamin Franklin, who was seeking the aid of France in the struggle of the American colonists against England.

Obtaining a letter of recommendation from Franklin, Casimir Pulaski, inspired with a passion for the ideals for which the colonists fought, came to America in August 1777.

In making the recommendation, Franklin wrote:

"Count Pulaski, of Poland, an officer famous throughout Europe for his bravery and conduct in defense of the liberties of his country against the three great invading powers of Russia, Austria, and Prussia, will have the honor of delivering this into your Excellency's hands."

Like his famous compatriot, Kosciusko, who when he appeared before Washington and was asked what he could do, answered in a modest way, "Try me and see," Pulaski refused to wait for an appointment from Congress but hastened to join the ranks of Washington's army.

By strange coincidence, it so happened that Pulaski and his friend, the Marquis de Lafayette, another distinguished officer, struck their first blows for American independence at the Battle of Brandywine on September 11, 1777.

In describing the Battle of Brandywine, Capt. Mathew Rogowski, Pulaski's comrade at arms, wrote:

"We covered 4 miles in 40 minutes. Galloping in a cloud of dust, we met General Sullivan's army in a disorganized retreat. * * * Knyphausen's column was getting the upper hand over General Maxwell (American). And then came General Pulaski, in his Polish uniform of the Bar Confederation, shouting the command 'Forward' in a voice which penetrated our spines. 'Whither we are going?' I asked myself, and then the thunder of 1,600 hoofs crashed upon the British columns. Pulaski was mad with the lust of fight, slashing right and left, his sword dripping with blood. We were crowded, we were surrounded, and then the cry, 'Help is coming,' and the British began to retreat. Now Pulaski raised himself in his stirrups and shouted, 'Forward again.' And we went forward, trampling down platoon after platoon of the British columns until their retreat became a rout. * * * I have been in many battles, the memory of some raises my hair on end, but such a bloody fight I have never seen."

When Congress on September 15, 1777, only 4 days after the momentous Battle of Brandywine, commissioned Pulaski a brigadier general and assigned him to command the American Cavalry, he became the highest ranking officer of the Cavalry, and had under his command four regiments.

In his letter of recommendation to the Continental Congress, Washington said:

"This gentleman has been, like us, engaged in defending the liberty and independence of his country and has sacrificed his fortune to his zeal for these objects. He derives from hence a title to our respect that ought to operate in his favor as far as the good of the service will permit."

Subsequently General Pulaski saved the Continental Army from a surprise attack at Warren Tavern and took a prominent part in the battle of Germantown, and in the winter of 1777–78 participated in the operations of General Wayne and aided in the defeat of a division of British troops at Haddonfield, N. J.

Congress now authorized Pulaski to form a corps of lancers and light infantry which became famous as the Pulaski Legion, with its own standard. Approximately $50,000 was spent by Pulaski in forming and equipping his legion.

The Pulaski Legion took a notable part in some of the most important battles of the American Revolution, and then on October 9, 1779, while riding at the head of his men through a deadly enfilading fire to the rescue of other American forces, Pulaski fell, pierced by a British shell at the siege of Savannah.

Captain Rogowski, one of Pulaski's officers who was in the heroic charge, states in his description of the battle:

"For half an hour the guns roared and blood flowed abundantly. * * * Imploring the help of the Almighty, Pulaski shouted to his men, 'Forward,' and we, 200 strong, rode at full speed after him—the earth resounding under the hoofs of our chargers. For the first two moments all went well. We sped like knights into the peril. Just, however, as we passed the gap between the two batteries, a cross fire, like a pouring shower, confused our ranks. I looked around. Oh! sad moment, ever to be remembered, Pulaski lies prostrate on the ground."

First aid was administered on the battlefield, and then Pulaski was carried by his men and placed aboard the Colonial gunboat *Wasp*, where he died on October 11, 1779, at the age of 31. He is believed to have been buried at sea.

General Pulaski, "Father of American Cavalry," a heroic and illustrious figure in the world's history, died as he had lived—fighting for the righteousness of mankind.

In the American Military Biography the author writes:

"Perhaps a braver man than Pulaski never drew a sword."

And in describing Pulaski's death at Savannah the American Military Biography states:

"Thus fell, in a most bold and daring achievement, the distinguished Polish patriot and hero in the cause of American liberty; his memory is entitled to our veneration, as his life forms an item in the price of our independence."

As a hero of two continents, as an outstanding example of loyalty and patriotism, Casimir Pulaski has left in this Nation an unmistakable imprint of love for liberty, virtue of magnanimity, and mutual good will toward the Polish people. His willingness to help the oppressed and his many sacrifices on the altar of American independence shall always remain a symbol of Polish-American friendship.

EXTENSION OF REMARKS

By unanimous consent, Mr. IGLESIAS and Mr. MARCANTONIO were granted leave to extend their remarks in the RECORD.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 2 o'clock and 28 minutes p. m.), in accordance with the order heretofore adopted, the House adjourned until Monday, May 15, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE POST OFFICE AND POST ROADS

The Committee on the Post Office and Post Roads will hold public hearings on Tuesday, May 16, 1939, at 10 a. m., for the consideration of H. R. 3835, a bill to authorize the Post Office Department to cooperate with the several States in the collection of State taxes.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents will hold hearings in the committee room, 1015 House Office Building, on Tuesday, May 23, 1939, at 10:30 a. m., on H. R. 3605, a bill to provide a permanent force to classify patents, etc., in the Patent Office. Hon. JOHN M. COFFEE (Washington) is chairman of the subcommittee.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4985, relating to fishery educational service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MANSFIELD: Committee on Rivers and Harbors. H. R. 6264. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; without amendment (Rept. No. 614). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 5890) granting an increase of pension to Estella Walton, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Missouri:

H. R. 6290. A bill authorizing the county of St. Louis, State of Missouri, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Jefferson Barracks, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. HARE:

H. R. 6291. A bill amending the Fair Labor Standards Act; to the Committee on Labor.

By Mr. McGRANERY:

H. R. 6292. A bill to amend section 4 of the act approved May 20, 1936, providing for rural electrification, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McREYNOLDS:

H. J. Res. 291. Joint resolution authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an International Exhibition of Polar Exploration, which will be held at Bergen, Norway, in 1940; and authorizing an appropriation to cover the expenses of such participation; to the Committee on Foreign Affairs.

By Mr. THOMAS of New Jersey:

H. J. Res. 292. Joint resolution requiring that a study and survey of all taxes, direct and indirect, which are required to be paid by any persons, groups of persons, partnerships, or corporations engaged in the manufacture and/or processing of foodstuffs, goods, wares, or merchandise be undertaken by the Department of the Treasury or such assistants in the said Department as the Secretary may designate; to the Committee on Ways and Means.

By Mr. DIRKSEN:

H. J. Res. 293. Joint resolution creating a commission to examine various methods heretofore suggested for the payment of the war debts; to the Committee on Ways and Means.

By Mr. BYRNS of Tennessee:

H. Res. 191. Resolution to request certain information from the Secretary of the Treasury; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARDEN:

H. R. 6293. A bill for the relief of Mance Hardy; to the Committee on Military Affairs.

H. R. 6294. A bill for the relief of Amanda B. Carawan; to the Committee on Military Affairs.

H. R. 6295. A bill for the relief of Fred S. Hondros; to the Committee on Immigration and Naturalization.

By Mr. BEAM:

H. R. 6296. A bill for the relief of Henry Hillgameyer; to the Committee on Naval Affairs.

H. R. 6297. A bill for the relief of Harry A. Tedswell; to the Committee on Claims.

H. R. 6298. A bill for the relief of Stasyz Gaucus; to the Committee on Immigration and Naturalization.

H. R. 6299. A bill for the relief of Frank Zych; to the Committee on Military Affairs.

H. R. 6300. A bill for the relief of Alfred J. Mulvaney; to the Committee on Naval Affairs.

H. R. 6301. A bill for the relief of George Smalley; to the Committee on Naval Affairs.

H. R. 6302. A bill for the relief of Michal Kaliszkiewicz; to the Committee on Immigration and Naturalization.

H. R. 6303. A bill for the relief of Lawrence Michael Keating; to the Committee on Naval Affairs.

H. R. 6304. A bill for the relief of John G. Condon; to the Committee on Naval Affairs.

By Mr. ELSTON:

H. R. 6305. A bill granting a pension to Ruth Thompson; to the Committee on Invalid Pensions.

By Mr. GEHRMANN:

H. R. 6306. A bill for the relief of Oliver Peteffi; to the Committee on Claims.

By Mr. HANCOCK:

H. R. 6307. A bill granting an increase of pension to Alice Shaw; to the Committee on Invalid Pensions.

By Mr. KNUTSON:

H. R. 6308. A bill granting a pension to Mary E. Anderson; to the Committee on Invalid Pensions.

By Mr. McCORMACK:

H. R. 6309. A bill to authorize the appointment of Lawrence F. Connolly as a lieutenant in the United States Navy; to the Committee on Naval Affairs.

By Mr. ROBSION of Kentucky:

H. R. 6310. A bill for the relief of Howard Henderson Richardson; to the Committee on Military Affairs.

By Mr. SPARKMAN:

H. R. 6311. A bill granting a pension to Margaret McAllister Barron; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3028. By Mr. BOLLES: Petition of sundry citizens of Racine, Wis., opposing war with any nation; to the Committee on Foreign Affairs.

3029. By Mr. ENGLEBRIGHT: Joint Resolution No. 18 of the California State Senate, relative to memorializing Congress to pass the Farmers' Refinance Act; to the Committee on Agriculture.

3030. Also, Assembly Joint Resolution No. 3 of the California Legislature, relative to the development of Playa del

Rey Harbor for coast defense purposes; to the Committee on Military Affairs.

3031. Also, Assembly Joint Resolution No. 6 of the California Legislature, relative to memorializing the President and Congress to increase the payments for old-age assistance made by the Federal Government to the several States under the provisions of the Social Security Act; to the Committee on Ways and Means.

3032. By Mr. THOMAS F. FORD: Resolution passed by the Assembly and the Senate of the State of California, memorializing the President and the Congress of the United States to enact such amendments to the old-age assistance provisions of the Social Security Act as will increase the contributions for old-age assistance made by the Government of the United States to the several States from the present maximum sum of $15 per month with respect to each individual aided to the sum of $30 per month with respect to each such individual; to the Committee on Ways and Means.

3033. By Mr. GERLACH: Petition of the Lehigh Valley Laundry Owners' Exchange, Allentown, Pa., urging amendment of the Social Security Act with regard to old-age benefit taxes and unemployment compensation taxes; to the Committee on Ways and Means.

3034. By Mr. HARNESS: Petition of business and professional people of Marion, Ind., criticizing the wasteful, extravagant expenditures of the past 6 years, which have increased indebtedness, taxes, unemployment, and poverty in general; and urging the passage of legislation as set out in House bill 2, and also a letter accompanying this petition from George H. Brooks, president, and Agnes Smith, secretary, of Townsend Club, No. 1, of Marion, Ind., representing 500 members, urging the Ways and Means Committee that they report House bill 2 to the House for consideration and debate; to the Committee on Ways and Means.

3035. By Mr. HART: Petition of the New Jersey Mosquito Extermination Association, adopted at its recent annual convention, favoring the referring of all Works Progress Administration mosquito-control projects to a committee including representatives from the Works Progress Administration, the United States Bureau of Entomology and Plant Quarantine, the United States Public Health Service, and the Bureau of Biological Survey; to the Committee on Appropriations.

3036. Also, petition of the Paterson (N. J.) Chamber of Commerce, through its board of directors, recommending immediate changes in the present Revenue Act in order to stimulate business to a real recovery; to the Committee on Ways and Means.

3037. By Mr. MERRITT: Resolution of the Long Island State Park Commission of New York State, opposing and resisting the Hobbs resolution (H. J. Res. 176) and the Nye resolution (S. J. Res. 24); to the Committee on Immigration and Naturalization.

3038. Also, resolution of the associated organizations of Glendale, L. I., opposing strenuously the refugee bill No. 64, and urging that it be defeated; to the Committee on Immigation and Naturalization.

3039. Also, resolution of the board of trustees of the village of Moravia, N. Y., and vicinity, requesting that they be included in flood-control plans for the Owasco Lake watershed now under consideration; to the Committee on Flood Control.

3040. By Mr. MONKIEWICZ: Petition of sundry citizens of New Haven and environs, requesting modification of the immigration law to remove numerical restrictions upon the admission of political refugees to the United States; to the Committee on Immigration and Naturalization.

3041. By Mr. SECCOMBE: Resolution by John H. Potter, president, and members of the Abraham Lincoln Slovak Political Club, of Canton, Ohio, urging the passage of Senate Joint Resolution 64, providing for the admission into the United States of 20,000 refugee children; to the Committee on Immigration and Naturalization.

3042. By Mr. THOMAS of New Jersey: Petition signed by 40 residents of Newton, N. J., opposing the enactment of the Wagner-Rogers resolution and urging the passage of Senate bills 407, 408, 409, 410, and 411; to the Committee on Immigration and Naturalization.

3043. By Mr. VAN ZANDT: Petition of Charles S. Kniss, president, and Leona Smith, secretary, on behalf of 1,000 members of Altoona Townsend Club, No. 1, of Altoona, Pa., urging the Ways and Means Committee to immediately report the Townsend bill (H. R. 2) to the floor of the House; calling attention to the testimony obtained in hearings on the bill as definite proof that the Townsend plan will restore prosperity by aiding the young people through retirement of persons over the age of 60 years; to the Committee on Ways and Means.

3044. Also, petition of E. E. Borger and F. P. Cryster, as members of the resolutions committee of the Fifth Ward Townsend Club, of Du Bois, Pa., declaring that thousands of residents of Pennsylvania are looking to this Congress to pass House bill 2, known as the Townsend national recovery measure; and urging that such passage is the only means of restoring the purchasing power of the people through aiding those over 60 years of age, thereby providing opportunity which is now denied to the youth of America; and deploring and criticizing the action of the Seventy-fifth Congress in refusal to hold public hearings on a similar measure, House bill 4199, and allowing the same to be denied a vote on the floor of the House; to the Committee on Ways and Means.

3045. Also, petition of Roy F. Johns Company, No. 3, Veterans' Administration Facility, Dayton, Ohio, and 600 fellow patients of that facility, deploring the fact that, being unable to submit sufficient proof that part of their disability occurred in the service, and that now totally and permanently disabled, they receive $30 monthly, which is insufficient to provide the bare necessities of life and compels them to stay in the facility separated from their loved ones; and asking that Members of Congress consider their plight and move to remedy this situation by approval of House bill 5332; to the Committee on World War Veterans' Legislation.

3046. By the SPEAKER: Petition of All-American Nationalist Party, Sparta, Wis., petitioning consideration of their resolution with reference to House bill 2, which is known as the Townsend plan; to the Committee on Ways and Means.

SENATE

FRIDAY, MAY 12, 1939

(Legislative day of Monday, May 8, 1939)

The Senate met at 11 o'clock meridian, on the expiration of the recess.

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, of Washington, D. C., offered the following prayer:

All glory be to Thee, almighty and most merciful Father, for that Thou, of Thy tender love towards mankind, hast set the lonely into families and families into nations for their mutual strength and common weal. Pour Thy grace into our hearts, that we may be unfeignedly thankful for the privilege to choose our Representatives and Senators in Congress assembled; and fill their minds with firm resolves to serve this people in Thy fear, that they may this day pursue their labors in all honesty and justice, mercy and love towards all whom they have been chosen to serve, and that, through all the sundry and manifold changes of this life, both they and we may keep the bond of peace that belongeth to the people of God. Through Jesus Christ our Lord, to whom, with Thee and the Holy Ghost, be all honour and glory world without end. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, May 11, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	Lee	Russell
Andrews	Frazier	Lodge	Schwartz
Ashurst	George	Logan	Schwellenbach
Barbour	Gibson	Lucas	Sheppard
Barkley	Gillette	Lundeen	Shipstead
Bilbo	Glass	McKellar	Slattery
Bone	Green	McNary	Stewart
Borah	Guffey	Maloney	Thomas, Okla.
Bridges	Gurney	Mead	Thomas, Utah
Brown	Hale	Minton	Tobey
Bulow	Harrison	Murray	Townsend
Burke	Hatch	Neely	Truman
Byrd	Hayden	Norris	Vandenberg
Byrnes	Hill	Nye	Wagner
Capper	Holman	O'Mahoney	Walsh
Caraway	Holt	Overton	Wheeler
Chavez	Hughes	Pepper	White
Connally	Johnson, Calif.	Pittman	Wiley
Danaher	Johnson, Colo.	Radcliffe	
Donahey	King	Reed	
Downey	La Follette	Reynolds	

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is detained from the Senate because of illness.

The Senator from South Carolina [Mr. SMITH] is absent because of illness in his family.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business for the Committee on the Judiciary.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Idaho [Mr. CLARK], the Senator from Missouri [Mr. CLARK], the Senator from Iowa [Mr. HERRING], the Senator from Arkansas [Mr. MILLER], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Maryland [Mr. TYDINGS] are detained on important public business.

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

PERSONAL EXPLANATION

Mr. REYNOLDS. Mr. President, yesterday afternoon when I addressed the Senate on a question of personal privilege I made mention of a conversation that took place between the Secretary of State, Mr. Hull, and myself in regard to the veracity of those whom I mentioned during the course of my remarks. I wish to state that Mr. Hull was speaking to me as Secretary of State and was referring only to those matters in the Merry-Go-Round column that referred to matters affecting the office of the Secretary of State; that was all.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

REPORT OF BOARD OF DIRECTORS OF THE TEXTILE FOUNDATION

The VICE PRESIDENT laid before the Senate a letter from the chairman of The Textile Foundation, transmitting, pursuant to law, the report of the board of directors of the foundation for the year ended December 31, 1938, which, with the accompanying report, was referred to the Committee on Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolution of the Legislature of Nebraska, which was referred to the Committee on Interstate Commerce:

Legislative Resolution 29

Memorializing the Congress of the United States to take action to remove freight-rate inequalities that burden the people of Nebraska and other States west of the Mississippi River, as compared with States east thereof, and authorizing the Governor of Nebraska to cooperate with the Governors of other Western States in preparing and prosecuting proceedings before the Interstate Commerce Commission for relief, and authorizing the Governor of Nebraska to be party to such proceedings, representing the people of Nebraska, and recommending appropriation of funds for purposes herein stated

Whereas hearings recently held in Washington D. C., before the Subcommittee on Interterritorial Freight Rates of the United States Senate and before the Committee on Interstate and Foreign Commerce of the United States House of Representatives have disclosed that the levels of freight rates on shipments by rail of class freight and commodities related thereto, and also many articles of manufactured freight and raw materials, between points in Nebraska and points in the States east of the Mississippi River, are relatively much higher, distance and cost of the transportation service considered, than the freight rates on like shipments moving wholly within the States east of the Mississippi River; and

Whereas such higher freight rates constitute an unfair burden upon the commerce, the development, and the prosperity of the State of Nebraska and its people: Now, therefore, be it

Resolved by the Legislature of the State of Nebraska in fifty-third regular session assembled:

1. That the Congress of the United States be urged to enact such legislation as may be necessary to remove present freight-rate discriminations against commerce between Nebraska and States east of the Mississippi River, and to require the establishment and maintenance of freight rates for the future, between points in Nebraska and points east of the Mississippi River, that will be no higher, distance and cost of transportation service considered, than like rates within the territory east of the Mississippi River.

2. That this resolution be spread at large upon the journal of this legislature; and that the clerk of this legislature is hereby ordered and directed forthwith to forward a copy of this resolution, properly authenticated and suitably engrossed, to the President of the United States, to the Vice President of the United States as Presiding Officer of the United States Senate, to the Speaker of the House of Representatives of the United States, and to each of the United States Senators and Congressmen representing the State of Nebraska in the Congress, to the end that representatives in the Government and in the Congress of the United States will be advised that this legislature considers as imperative remedial Federal legislation which will remove present freight-rate discriminations against commerce between Nebraska and States east of the Mississippi River, as set forth in the preamble of this resolution.

3. That His Excellency, R. L. Cochran, Governor of Nebraska, be hereby authorized to confer with the Governors of other States west of the Mississippi River which are suffering from like freight-rate inequalities, with a view to bringing jointly and in cooperation with such other interested States proceedings or complaints, and presenting evidence therein or in any investigation which may be instituted before the Interstate Commerce Commission for relief from said inequalities.

4. That the Governor of Nebraska, calling to his aid and assistance the Nebraska State Railway Commission, if he deems it advisable, is hereby authorized to act in the name of the people of Nebraska as a party complaining or intervening in any such proceeding, and, to carry out the directions herein given, to employ such counsel and expert technical assistants as he may consider necessary for such purpose, all within such specific appropriation as may be made for such purpose by the legislature; and that this legislature further suggests that its committee on appropriations consider appropriating the sum of $5,000, or so much thereof as may be considered necessary, out of the general fund in the State treasury, not otherwise appropriated, for the use of the Governor or of the Governor and the Nebraska State Railway Commission, as may seem to them advisable, in the preparation and the prosecution of such proceedings.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the Territory of Hawaii, which was referred to the Committee on Territories and Insular Affairs:

Be it resolved by the House of Representatives of the Twentieth Legislature of the Territory of Hawaii (the senate concurring), That the Congress of the United States of America be, and it hereby is, respectfully requested and strongly urged to so amend the organic act of Hawaii as to permit borrowers of the tenant purchase division of the farm security administration to purchase homestead lands which have been surrendered to the land commissioner, said amendatory act to be in the following form, to wit:

"A bill to amend section 73 of the Hawaiian organic act approved April 30, 1900, as amended

"SECTION 1. *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 73 of the Hawaiian organic act, as amended, be, and the same is hereby, further amended by adding at the end of paragraph (1) of said section 73 the following:

"'*Provided, however*, That any such lot not taken or taken and forfeited, or any lot or part thereof surrendered with the consent of the commissioner may, instead of being disposed of as hereinabove provided, be disposed of for cash and forthwith patented to any citizen of the United States applying therefor who has qualified for and received a loan under the provisions of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937, for the acquisition of a farm: *And provided further*, That any patent issued upon any such sale shall contain the same restrictive provisions as are now contained in a patent issued after compliance with a right-of-purchase lease, cash freehold agreement, or special homestead agreements.'

"SEC. 2. This act shall be in force and effect from and after its passage."

And be it further

Resolved, That copies of this concurrent resolution be forwarded to the Secretary of the Interior of the United States, to the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to the Delegate to Congress from Hawaii.

The VICE PRESIDENT also laid before the Senate a resolution of the Florida Junior Chamber of Commerce, in convention assembled at Sarasota, Fla., favoring an increase in the sugar quota for Florida, which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a resolution of the Chattanooga (Tenn.) Central Labor Union, favoring the enactment of Senate bill 1305, providing Federal aid to education, which was referred to the Committee on Education and Labor.

He also laid before the Senate resolutions of the Colorado Osteopathic Association, the New Hampshire Osteopathic Society, the New York State Osteopathic Society, and the Iowa Society of Osteopathic Physicians and Surgeons, favoring the amendment of Senate bill 1620, the so-called Wagner national health bill, so as to preserve the freedom of choice of the physician and school of practice to persons entitled to medical care, and providing osteopathic representation on Federal and State advisory councils, which were referred to the Committee on Education and Labor.

He also laid before the Senate a resolution of the Minorities Defense League, Washington, D. C., favoring the enactment of pending legislation to provide for the admission of refugee children from Germany to the United States, which was referred to the Committee on Immigration.

He also laid before the Senate a petition of several citizens of New York City and vicinity, praying for the enactment of the so-called Wagner-Van Nuys-Capper antilynching bill, and also favoring an immediate investigation of recent lynchings by the Federal Bureau of Investigation, which was referred to the Committee on the Judiciary.

Mr. MINTON presented petitions of sundry citizens of the State of Indiana, praying for the enactment of pending legislation to prohibit the advertising of alcoholic beverages by radio, which were ordered to lie on the table.

Mr. HOLT presented a petition of 26 members of the faculty of the Lincoln Junior High School, Huntington, W. Va., praying for the enactment of legislation to provide reciprocal taxation of salaries of Federal and State employees, which was ordered to lie on the table.

Mr. CAPPER presented a resolution of a committee of Camp No. 2095, Royal Neighbors of America, of McPherson, Kans., favoring the enactment of legislation exempting fraternal societies from the tax provisions of the Social Security Act, which was referred to the Committee on Finance.

He also presented a resolution of the Kansas Woman's Christian Temperance Union, Topeka, Kans., favoring action to stop the shipment of war supplies to Japan for use in operations in China, which was referred to the Committee on Foreign Relations.

REPORT OF THE JUDICIARY COMMITTEE

Mr. HATCH, from the Committee on the Judiciary, to which was referred the bill (S. 188) to provide for the administration of the United States courts, and for other purposes, reported it with amendments and submitted a report (No. 426) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MINTON:

S. 2408. A bill for the relief of Russell B. Hendrix; to the Committee on Claims.

By Mr. WALSH:

S. 2409. A bill authorizing the Railroad Retirement Board to pay an annuity to Sylvia C. Baker; to the Committee on Claims.

By Mr. WHEELER:

S. 2410. A bill relating to the development of farm units on public lands under Federal reclamation projects with funds furnished by the Farm Security Administration; to the Committee on Agriculture and Forestry.

By Mr. BURKE:

S. 2411. A bill creating the North Omaha Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Missouri River at or near Florence Station, in Omaha, Nebr., and for other purposes; to the Committee on Commerce.

By Mr. REYNOLDS:

S. 2412. A bill providing in the interest of the general welfare for the reconcentration of cotton in warehouses as near the consuming mills as available space will permit, due to the fact that our exports of cotton this year have been one of the lowest on record for 50 years whereas domestic consumption has been approximately 10 percent above normal; to the Committee on Agriculture and Forestry.

By Mr. REED:

S. 2413. A bill granting a pension to Arminda Bauman; to the Committee on Pensions.

By Mr. O'MAHONEY:

S. J. Res. 134. Joint resolution to amend section 6 of the Post Office Department Appropriation Act, 1940, approved May 6, 1939, relative to the transmission of certain matter through the mails free of postage; to the Committee on Appropriations.

(Mr. KING introduced Senate Joint Resolution 135, which was ordered to lie on the table, and appears under a separate heading.)

(Mr. REYNOLDS introduced Senate Joint Resolution 136, which was referred to the Committee on Appropriations, and appears under a separate heading.)

GOVERNMENT FISCAL POLICIES

Mr. KING. Mr. President, during the consideration of the pending measure I have at some length expressed my views concerning its provisions and generally the unwarranted and, as I have indicated, the unjustifiable expenditures of the Federal Government. I shall, therefore, detain the Senate but for a short time.

I know this bill will pass, notwithstanding it contains provisions that do not meet the approval of many Senators. We all recognize the importance of agriculture and that it is entitled to consideration at the hands of the Federal Government. That does not mean, however, that the Federal Government shall take the place of the agriculturists and take over the functions and responsibilities which belong to individuals in every line of agricultural development. The appropriations for the Department of Agriculture have greatly increased during the past few years, and the bill under consideration carries a larger appropriation than has been provided for it in any year of its existence.

During the seventies the Department of Agriculture received annual appropriations of between two and three hundred thousand dollars. During the eighties the annual appropriations were between three hundred and four hundred thousand dollars. During the nineties the appropriations for the Department of Agriculture were approximately $3,000,000 per annum. In 1907, $10,000,000 was the amount appropriated for this Department, and there was a gradual increase until 1920 when the appropriations reached the sum of $66,000,000. In 1921 $120,000,000 was appropriated, and there was a gradual increase until 1930 when the appropriation for that year was $177,000,000. In 1933 the Department of Agriculture received $255,000,000; and 1935 more than $1,200,000,000, and in 1937, $1,264,000,000. We are now asked to appropriate for the next fiscal year more than $1,300,000,000, and that sum will be augmented from customs receipts to the amount of considerably more than $100,000,000. That means that the Department of Agriculture will receive approximately one and one-half billion dollars for the next fiscal year. That huge sum is nearly double the entire cost of the Government during the first year of the administration of President Wilson.

As the appropriations for the Department of Agriculture increased, the personnel in the Department was greatly augmented. My recollection is that in 1916 there were only 18,000 employees in the Department of Agriculture. There was a gradual increase, and in 1933 there were 26,540 employees in

the Department. In 1934 there were more than 51,000 employees. In 1935 there were nearly 63,000. In 1936 the number of employees had increased to 82,989. In 1937 there were 85,143 persons upon the pay rolls of the Department of Agriculture, and in 1938 the number of employees was 102,305. I might add that I have given only the number of employees as shown by the civil-service records. There may have been persons employed who did not have a civil-service status.

This great increase in the personnel obviously consumes a considerable part of the large appropriations which have been made, but in other departments of the Government the expenditures have constantly increased until, as I have heretofore indicated, the total expenditures of the Government for the fiscal year ending June 30, 1939, will exceed nine and one-half billion dollars. Before the adjournment of Congress, if Congress continues the present spending policy, there will have been appropriated more than $10,000,000,000 for the next fiscal year.

These enormous appropriations have resulted in deficits which amount to $44,000,000,000. As Senators know, the burden of taxation has greatly increased, until during the present fiscal year the total Federal taxes will appropriate $5,200,000,000. But, with this stupendous sum, as I have indicated, there will be a deficit of at least $4,000,000,000 for this fiscal year. And from the present outlook the deficit for the next year will exceed that huge sum.

A fiscal condition such as this demands most serious consideration at the hands of Congress. The executive departments are increasing their demands and the legislative branch of the Government has acceded to these demands. The fault for this unsatisfactory fiscal condition lies with Congress as well as with the executive departments. It should be said, however, that the executive departments are constantly demanding larger appropriations, and the legislative branch of the Government is responding to these demands. I should state, however, that I am advised that the Budget estimates submitted by the President to guide Congress in framing the appropriation measures for the next fiscal year are being exceeded by the appropriation bills thus far passed by Congress.

I have had occasion to say, however, that people in all parts of the United States are bringing pressure upon Congress and upon executive departments for enlarged appropriations and for the embarkation by the Federal Government upon activities and enterprises wholly beyond the authority of the Government. And it is obvious that when Congress responds to these demands, and invades fields of private endeavor, and plans for activities in broader fields, demands will be made for a still greater expansion and development of Federal activities.

This situation should arouse not only the people of the United States, but the Congress, to the dangers which are inherent in these departures from sound economic policies and from the assumption by the Federal Government of duties and responsibilities which belong to the States and to their political subdivisions.

We are now told that the Federal Government is to embark upon a general pension system, to care for the health of the people, and to provide a broad system of insurance which will bring within its terms substantially all of the people of the United States. Still when paternalistic if not socialistic plans are being demanded, which if enacted will change our form of government, under the views of many persons, there are no limitations upon the activities in which the Government may engage. When demands are made that the Federal Government confine its activities within constitutional limitations, the charge is made that such a course is reactionary.

I have had occasion to say that liberals are those who believe in individual liberty, and in the maintenance of the integrity and power of the States, and in requiring the Federal Government to remain within the bounds set in the Constitution. In my opinion, the reactionaries are those who desire to centralize all power in the Federal Government, and to degrade the States so that they shall become mere administrative units.

But, to return to the question of revenues, I notice in the press of yesterday that the Secretary of the Treasury is not unappreciative of the unsatisfactory condition of the fiscal policies of the Government by reason of the unbalanced Budgets and the increasing deficits.

My recollection is that he has suggested upon several occasions recently that this Congress should adopt further provisions for revenues, and that a tax measure should be enacted to provide additional revenue to meet the increased expenditures of the Government.

However, there are indications that the sound view of the Secretary of the Treasury will not be accepted nor followed by the Congress.

There have been promises during the past 5 or 6 years by persons in executive departments that the national Budget would be balanced, and that our fiscal policies would be placed upon a sound basis. I regret that these promises have not been fulfilled, but, upon the contrary, as I have indicated, the Budget is still unbalanced, and there is no indication that plans have been formulated to accomplish this imperatively demanded reform.

The individual spendthrift ultimately reaches the bankrupt court. Governments have many of the weaknesses of individuals. They may not indefinitely continue to create huge deficits. Nations become bankrupt as well as individuals, and when the credit of a government is impaired it occupies a dangerous situation.

I know that appeals for economy, for retrenchment, and reform in our governmental expenditures and in our governmental policies will go unheeded. But I am glad to note that many of our leading newspapers are challenging attention to the unwise and dangerous policies of the Government in failing to reduce expenses and in failing to adopt policies to bring expenditures within collected revenues.

I have a number of clippings from newspapers in which attention is called to the failure of the Congress to meet the situation by reducing expenses and adopting the necessary measures to maintain the credit of the Government. I present an editorial appearing in the Christian Science Monitor under date of Wednesday, May 10. May I say that the Christian Science Monitor is one of the leading newspapers of the United States. It discusses in a comprehensive manner economic and political questions, as well as important social and educational matters.

I send to the desk the editorial referred to and ask that it be read by the clerk.

The VICE PRESIDENT. Without objection, the editorial will be read.

The Chief Clerk read as follows:

[From the Christian Science Monitor of May 10, 1939]

FARMER'S TARIFF

Those who defended crop-control benefits as being the farmer's tariff coined a more far-reaching parallel than they knew. Some of its implications have become clear and potentially expensive in the action of the United States Senate Monday adding more than $383,000,000 to the Department of Agriculture appropriation bill for 1939–40. This now goes back to the House of Representatives, where similar increases were previously refused.

The question will be whether during the interim a logrolling process has taken place in the House similar to that which has reversed the one-time economy trend in the Senate. The principal items added are $225,000,000 for "parity" payments on wheat, cotton, corn, rice, and tobacco and $113,000,000 for surplus commodity purchases, such as dairy products, fruits, vegetables, and meats, to be distributed to the poor. These are in addition to the $500,000,000 already contained in the House bill for soil-conservation benefits.

Friends of the measure attributed the remarkably easy adoption of the amendments—on a series of voice votes without a single roll call—to the fact that it represented as nearly as possible a perfect balance of benefits between one section and another of agriculture, between one producing area and another. This is another way of saying that the various regions, as represented in Congress, have got together to scratch each other's back, to help roll each other's logs, and to pull down from the already deficit-ridden Treasury a fat bounty for the lot.

In this the parallel runs true to the course of tariff making when that prerogative was politically in the hands of the manufacturers. Tariff logrolling among representatives from centers engaged in the making of shoes, gloves, woolen goods, cotton textiles, glass, pottery, steel, machinery, cutlery, sugar, and so forth, became such an abuse as to amount almost to a national scandal. Finally the

Tariff Commission was instituted, and to this day any administration hesitates to reopen a general tariff revision lest the old practice of making trades at the consumer's expense be resumed.

If anything can discredit the farm-benefit program it will be the extension of logrolling to the farmer's tariff. If the consumers and taxpayers of the country get the impression, as they soon must, that they are being made the victims of a huge agricultural pressure bloc, they will certainly revolt at the ballot box as they have done against exorbitant tariffs. If there is to be logrolling, it should be broad enough to be truly national in purpose and to consist of an exchange of reductions in subsidies all around—tariff, farm, and many other kinds—to get back to a basis where each kind of enterprise can stand on its own feet.

Mr. KING. Mr. President, I am receiving many communications from persons of character and standing expressing concern over the policies of our Government, relating to foreign affairs as well as to our internal affairs. Many citizens are becoming alarmed over the economic and industrial clouds overhanging our country. They are disturbed over the conflicts in labor circles and the disputes between employers and employees. Many express concern because of the unsatisfactory condition in industry; in decreased production and unwise governmental policies which contribute, as they claim, to fear and unrest in the business and economic life of the people.

The increasing deficits of the Federal Government, as I have indicated, are producing deep concern and disquietude. Reference was made to this situation in an article by Mr. Walter Lippmann appearing in the New York Herald Tribune of this day. Two paragraphs of the article are as follows:

The fact of the matter is that the real evil of the system of deficit financing is not that it is about to produce bankruptcy, inflation, and financial collapse. If it were about to produce such a spectacular disaster, the American people would be quite capable of rising up to deal with it. The real evil of the deficit spending is that it is slowly and subtly demoralizing to the whole Nation, to the recipients, and to the lenders, and to the politicians; that it disintegrates the fundamental civic virtues. And, therefore, if it continues, the financial crisis which will come, not for some years but eventually, will find our political system so demoralized that a normal cure will no longer be possible.

It is difficult for a democracy to look that far ahead and to be resolute and self-sacrificing in order to stop an evil which is so subtle, so postponed, so pleasurably corroding. Yet it is precisely because the financial position is not critical but is merely degenerating and disintegrating, because there is no emergency but only a gradual destruction of the habits of virtue, that no easy and practical remedy is to be found.

Mr. President, I should be glad to support a motion to have the measure under consideration referred back to the Committee on Agriculture with instructions to materially reduce the aggregate appropriation carried by the bill. I know that such a motion will fail. I have upon a number of occasions during the past few years moved to recommit appropriation bills with instructions to reduce the total amount by 5 and in some instances 10 percent. None of these motions have ever prevailed. With the temper of Congress today I have no doubt of the result of a similar motion.

Mr. President, I send to the desk a joint resolution calling for a reduction in appropriations, but I shall not ask for a vote upon it today. I sincerely hope that Senators will examine the resolution, and that the plan which I have suggested—or some better plan—may be adopted looking to a reduction in Federal appropriations.

The VICE PRESIDENT. Without objection, the resolution will be read.

The joint resolution (S. J. Res. 135) to reduce expenditures of the Government was read the first time by its title and the second time at length, as follows:

Resolved, etc., That (a) of each appropriation and fund heretofore or hereafter made available for obligation by any agency during the fiscal year ending June 30, 1940, 10 percent of the amount of each such appropriation and fund as is available for obligation by any agency during such fiscal year shall be impounded and covered into the Treasury.

(b) The provisions of this joint resolution shall not be applicable to any appropriation or fund, or any portion thereof, (1) for interest on the public debt; (2) for the Veterans' Administration; (3) for grants to States under the Social Security Act; (4) for the District of Columbia insofar as the same is payable from the revenues of such District; (5) which is a trust account or consists of funds contributed from sources other than Federal sources; (6) for the discharge of obligations entered into prior to July 1, 1939; or (7) from which allocations or payments are made mandatory under existing law and with respect to which no discretion is vested in any administrative official.

(c) Any agency having authority to enter into contracts or otherwise to incur obligations on behalf of the United States during the fiscal year ending June 30, 1940, for any purpose over and above the amount of the appropriation available for obligation for such purpose during such fiscal year, shall exercise such authority only to the extent of 90 percent of the amount permitted by the act granting such authority.

(d) When used in this joint resolution, the term "agency" means any executive department, independent establishment or board, independent commission or authority, corporation owned or controlled by the United States, board, bureau, division, service, office, commission, authority, or administration in the executive branch of the Government.

The VICE PRESIDENT. Does the Senator desire that the joint resolution be referred to the Committee on Appropriations?

Mr. KING. No; I request that it lie on the table for future consideration.

The VICE PRESIDENT. The joint resolution will lie on the table.

SPECIAL JOINT COMMITTEE ON ADJUSTMENTS IN THE NUMBER AND SALARIES OF OFFICERS AND EMPLOYEES OF CONGRESS

Mr. REYNOLDS. Mr. President, I ask consent to introduce a joint resolution providing for the appointment of a special joint committee of Congress consisting of three Senators, to be appointed by the Vice President, and three Members of the House of Representatives, to be appointed by the Speaker. It shall be the duty of the joint committee to investigate and report to the second session of the Seventy-sixth Congress, by bill or otherwise, what adjustments, if any, should be made in the number and compensation of the officers and employees of the Senate and House of Representatives, including joint committees, joint commissions, and other joint services of the two Houses, and of the office of the Architect of the Capitol. I ask that it be referred to the proper committee.

The VICE PRESIDENT. If there is no objection, the joint resolution will be received and referred to the Committee on Appropriations.

The joint resolution (S. J. Res. 136) creating a special joint committee to investigate adjustments in the number and salaries of officers and employees of Congress, was read twice by its title and referred to the Committee on Appropriations.

FLORIDA SHIP CANAL—AMENDMENT

Mr. TRUMAN submitted an amendment intended to be proposed by him to the bill (S. 1100) for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida, which was ordered to lie on the table and to be printed.

ACQUISITION OF STOCKS OF STRATEGIC MILITARY MATERIALS—REPRINT OF BILL

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent that the bill (S. 572) to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and to encourage, as far as possible, the further development of strategic and critical materials within the United States for common defense be printed showing the House amendment.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESS BY SENATOR MURRAY TO CATHOLIC UNIVERSITY STUDENTS

[Mr. WALSH asked and obtained leave to have printed in the RECORD an address by Senator MURRAY, delivered at a dinner of the Catholic University Student Chapter of the American Society of Civil Engineers, May 4, 1939, which appears in the Appendix.]

ADDRESS BY SENATOR REYNOLDS BEFORE AMERICAN DEFENSE SOCIETY

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an address delivered by himself before the American Defense Society, at the Hotel Astor, New York City, May 6, 1939, which appears in the Appendix.]

SENATOR ROBERT R. REYNOLDS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an editorial from The State magazine with reference to himself, and a telegram from Los Angeles, Calif., relative to the speech made by Senator REYNOLDS on yesterday, which appear in the Appendix.]

THE RIGHT TO WORK—ADDRESS BY SENATOR BRIDGES

[Mr. TOBEY asked and obtained leave to have printed in the RECORD a radio address on the subject The Right to Work: The American Way, delivered by Senator BRIDGES on May 10, 1939, which appears in the Appendix.]

THE ROMANCE OF MOTHER'S DAY—ARTICLE BY EARLE W. GAGE

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an article to be published in The Friend, Dayton, Ohio, May 14, 1939, by Earle W. Gage, entitled "The Romance of Mother's Day," which appears in the Appendix.]

DAIRY FARMING IN PENNSYLVANIA—ADDRESS BY HON. C. HALE SIPE

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an address delivered in the Pennsylvania State Senate on May 12, 1939, by Hon. C. Hale Sipe, a member of that body, which appears in the Appendix.]

MOVEMENT OF INDUSTRIES FROM ONE REGION TO ANOTHER

[Mr. LODGE asked and obtained leave to have printed in the RECORD an editorial entitled "Should Government Move Industry From One Region to Another," published in The State, of Columbia, S. C., in the issue of May 10, 1939, which appears in the Appendix.]

BRITISH PROPAGANDA—AN EDITORIAL FROM PITTSBURGH SUN-TELEGRAPH

[Mr. JOHNSON of California asked and obtained leave to have printed in the RECORD an editorial from the Pittsburgh Sun-Telegraph, entitled "British Propaganda Exposed," which appears in the Appendix.]

WASHINGTON'S NEW AIRPORT—EDITORIAL FROM WASHINGTON POST

[Mr. GIBSON asked and obtained leave to have printed in the RECORD an editorial headed "Our New Airport," dealing with the Gravelly Point Airport, Washington, D. C., published in the Washington Post of May 7, 1939, which appears in the Appendix.]

COMMUNISTS IN AMERICA

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article by Westbrook Pegler dealing with Communists in America, published in the Washington Post of May 12, 1939, and also an article from the New York Sun of the same date, which appear in the Appendix.]

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes.

The VICE PRESIDENT. If there are no further amendments to be offered, the question is on the engrossment of the amendments to House bill 5269.

Mr. GILLETTE. Mr. President, I send to the desk an amendment and ask that the clerk state it.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 28, line 12, after the word "thereof", it is proposed to strike out down to and including the word "condemned", in line 15, as follows:

That no payment hereunder shall exceed the amount paid or to be paid by the State, Territory, county, and municipality where the animal shall be condemned.

Mr. GILLETTE. Mr. President, I hope the committee will accept the amendment. The section of the bill to which the amendment applies refers to the appropriation of money to enable the Federal Government to carry out its program for the eradication of tuberculosis and Bang's disease in dairy cattle. The plan has been to cooperate with the States.

Tuberculosis in cattle is transmissible, of course, to humans, whereas Bang's disease is limited to cattle, and so the two have been placed on a different basis. The contribution of the Federal Government to the eradication program has been on an equality with that of the States with reference to tuberculosis, but, because of the fact that Bang's disease pertains to cattle alone, the plan has been to contribute with a limit of double what the State contributed.

The committee has reported an amendment eliminating from the bill the provision which the House included providing for a double contribution in amount on the part of the Federal Government, but the bill carries a definite limitation of $25 for grade cattle and $50 per head for full-blood cattle. With that limitation, and with the provision that there shall be no contribution on the part of the Federal Government unless the State contributes, I believe that there should be stricken from the bill the limitation that is contained in the lines which my amendment proposes to strike out so that the matter may be worked out in the conference committee.

Mr. HAYDEN. Mr. President, let me understand the Senator. He proposes to agree to the Senate committee amendment, so far as the action taken by the committee is concerned, and to strike out further—

That no payment hereunder shall exceed the amount paid or to be paid by the State, Territory, county, and municipality where the animal shall be condemned—

and leave the whole matter in conference?

Mr. GILLETTE. Yes; and with the $25 and $50 maximum limitation left in the bill, of course.

Mr. RUSSELL. Mr. President, this matter has been very highly controversial for a number of years. It started out as an emergency proposition, whereby the Federal Government paid the entire cost of the animal that was condemned and killed. The Senate has consistently sought to secure contributions from the various States and local subdivisions of government for that purpose, just as contributions are made in the case of the slaughter of tubercular cattle.

In view of the statement of the Senator from Iowa and the representations of other Senators that some of the States are unable to comply on a 50-50 basis, I shall not oppose the amendment of the Senator from Iowa, and will take it to conference and see if we can work out a formula that will be fair to all concerned. Perhaps we can arrange for contributions or the assumption of some of the loss by the owners of the animals. I do want to say, however, and to put the States on notice now, that so far as next year is concerned, I shall insist that they contribute fully, 100 percent, to match the Federal funds appropriated for the slaughter of these animals. The matter ought to be put on exactly the same basis as the contributions in the case of tubercular animals. The House provision in the case of Bang's disease requires too much of the Federal Government.

Mr. MCNARY. Mr. President, apropos the remarks made by the able Senator from Iowa and the very nice concession made by the Senator from Georgia, I ask unanimous consent to have read from the desk the telegram which I present from Dr. Lytle, of the Department of Agricuture of the State of Oregon.

The VICE PRESIDENT. Without objection, the telegram will be read.

The legislative clerk read the telegram, as follows:

SALEM, OREG., *May 9, 1939.*

HON. CHARLES L. MCNARY,
United States Senate, Washington, D. C.:

Senate subcommittee changed House Bang's indemnity bill from two-for-one matching to even money. Oregon cattlemen, dairymen wish use your influence restore. Letter follows.

W. H. LYTLE,
State Department of Agriculture.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. GILLETTE].

The amendment was agreed to.

Mr. WALSH. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment offered by the Senator from Massachusetts will be stated.

The LEGISLATIVE CLERK. On page 97, between lines 16 and 17, it is proposed to insert the following new paragraph:

Of the sum appropriated by the preceding paragraph, $2,000,000 shall be available for paying 10 percent of the approved schedules of prices for salvaged timber products purchased or to be purchased from the owners thereof by the Federal Surplus Commodities Corporation, Northeastern Timber Salvage Administration, said 10 percent being in addition to a payment of 90 percent of such schedules of prices made or to be made from funds loaned by the Disaster Loan Corporation to the Federal Surplus Commodities Corporation, Northeastern Timber Salvage Administration.

Mr. WALSH. Mr. President, the pending bill places at the disposal of the Surplus Commodities Corporation $113,000,000. This amendment seeks to have $2,000,000 of that amount distributed by the Surplus Commodities Corporation to the individuals in New England who have lost timber which has been sold to one of the Government's corporations as a result of the tropical hurricane of last year.

The tropical hurricane which hit New England last September caused a greater destruction of property than any other disaster, such as flood, earthquake, or hurricane that has ever occurred in the United States. Other disasters have caused a greater loss in lives, and for that reason have aroused a greater public interest. The country at large has little conception of the extent or amount of the damage to property in New England. It is estimated that property losses were in excess of $400,000,000. The hurricane was accompanied by an unusual flood condition. The destruction of buildings, highways, bridges, railroads, and utility properties can be replaced within a short time.

In one respect, however, New England suffered a serious loss which will be felt for more than a generation—that is, in the destruction of its standing timber. A large part of New England is still covered with woodland. From 60 to 70 percent of its area is forest lands. The hurricane striking the southern New England coast swept northward across Connecticut, Rhode Island, Massachusetts, a strip on the western boundary of Maine, the whole of New Hampshire, and more than half of the State of Vermont. In this area a large part of the merchantable timber and the growing timber was blown down. There are few large lumber companies in New England, and the blown-down timber was widely distributed. It is estimated that there were twenty to thirty thousand individual owners who were affected by the hurricane.

The Forestry Department estimated that there were approximately 4,000,000,000 feet of merchantable timber on the ground—an amount six to eight times the normal cut in New England in recent years. In addition there was a vast amount of immature and partially grown timber blown down. It was obvious that a considerable part of the down timber could be saved, provided there was one organization which could fix reasonable prices and buy and hold the logs over a period of years, so that the lumber could be fed into the market without seriously depressing prices. The Forestry Department estimated that 1,600,000,000 feet of merchantable logs might be salvaged.

It was obvious at once that this devastation of forest lands had created a dual problem. First, it completely demoralized the market for logs; and, second, it created a fire hazard of appalling proportions and one that would continue for many years.

Private industry was entirely unable to deal with the situation, primarily because the lumber industry in New England has never been highly organized and centralized.

No single State could deal with the situation because the areas involved covered six States. The Federal Government alone was in a position to salvage the down timber. The Agricultural Department had competent foresters, and it had the authority under existing law, through the Surplus Commodities Corporation, to purchase surplus commodities. Unfortunately, at the time of the hurricane the Surplus Commodities Corporation had either spent or made commitments which used up its available funds. A plan was worked out whereby the Disaster Loan Corporation, a subsidiary of our Reconstruction Finance Corporation, would loan the money to the Surplus Commodities Corporation to carry out the plan. Under its law, however, the R. F. C. could not loan up to the full value of the logs, and in turn the Surplus Commodities Corporation could not pay on delivery of the logs more than the amount advanced by the R. F. C. While the arrangement between the R. F. C. and the Surplus Commodities Corporation was a loan agreement, the arrangement between the Surplus Commodities Corporation and the owners of down timber was a contract of sale and purchase.

Early in November the Government plan was announced in New England. Prices were fixed by the Surplus Commodities Corporation for pine, hardwood, and pulp. It was also announced that the Government would pay on delivery of the timber at designated receiving points 80 percent of the prices, with a further provision that after the entire operation had been liquidated and the logs or lumber finally disposed of, the Surplus Commodities Corporation would distribute to the sellers of the logs any surplus that remained above the loan with 3-percent interest and the cost of administration.

The prices for all kinds of timber were placed on a business basis and as near actual value as could be determined. Since at the moment there were no market prices whatever for logs, the prices were fixed on the average prices paid for similar timber in New England during the 4 years previous to the hurricane. From a business point of view, this was a sound basis, but, as every informed person knows, stumpage values in recent years had been low throughout the country generally, and especially in New England. In applying this standard the Government was fairly liberal, but the results were not unduly generous.

There are several comments to make with regard to this plan. The Surplus Commodities Corporation has in the last 4 or 5 years purchased large amounts of various surplus commodities, and in all instances upon the receipt of the commodity have paid the full price, no part thereof has been withheld. Furthermore, these purchases have been made for the purpose of getting rid of certain surplus commodities without regard to the financial results to the Surplus Commodities Corporation. In some instances the commodities have been given away. In important respects, therefore, the timber salvage plan was unique. It is a business proposal, and the prices fixed offer a reasonable prospect that the Government can carry out the plan without loss.

It should be emphasized that in no sense did the people of New England ask the Federal Government to make up to the owners of down timber the losses inflicted by the hurricane. All that the plan contemplated was a method of helping those owners to save the value that still existed in the down timber. In all cases the prices were for logs delivered. The additional cost of logging down timber over standing timber came out of the owners and not the Government.

The plan went into operation early in November. By December it was apparent that the cost of logging down timber had been greatly underestimated, and this additional cost plus the 20 percent of the scheduled prices withheld left little inducement for a great many owners to undertake the necessary logging operations. As a result early in January the R. F. C. agreed to loan up to 90 percent of the scheduled prices. This announcement was followed by a marked increase in the number of contracts for delivery of logs.

The result of the operations so far may be briefly summarized. As of April 15, there were contracts calling for delivery of approximately a billion three hundred million board feet of logs. Three hundred million board feet have already been delivered. The number of separate contracts is close to 9,000. These figures indicate how widely held standing timber is in New England, and also that the individual holdings are not large, the average being less than 150,000 board feet per contract.

The total cost to the Government for delivered logs including overhead is, on an average, about $14 per thousand. As far as possible, the logs have been delivered in ponds and streams where they can be held without serious loss or damage for a period of 4 or 5 years. In many places water storage has not been available, and dry storage places have been

established. The logs delivered at dry storage places must be sawed by early July in order to prevent damage from worms. The Surplus Commodities Corporation has already sawed and has on the sticks about 40,000,000 board feet of square-edged boards. The logs have been sawed under careful specifications and supervision of the officials of the Forestry Department. As a result, the quality of rough lumber secured is good. The total cost to the Government of the lumber sawed so far has been about $24 per thousand. Lumber of this quality has been worth in the past and should be worth in the future from $30 to $35 a thousand. From these figures it seems reasonably clear that the Government will be able to dispose of the logs or sawed timber with some profit. Cost figures, especially overhead, are gradually decreasing as production increases.

The time remaining for logging operations is short. Existing contracts call for deliveries not later than July 1. So far, the results show that the actual deliveries are from 20 to 25 percent less than the amounts called for in the contracts. This is due to the fact that many owners overestimated the amount of timber that could be salvaged from their lots.

In one respect, however, the plan is falling short of expectations—the amount of timber salvaged. Within the short time remaining—7 weeks—and under the existing terms of payment, it is not likely that the amount of timber delivered to the Government will reach a billion board feet. This means that from six hundred million to a billion feet of timber that is worth salvaging will remain on the ground causing a serious loss to the owners, and also adding to the fire hazard. Obviously, every reasonable step should be taken to stimulate logging operations for the short period that remains. It is not suggested that prices should be increased, or that the R. F. C. should increase the amount of its loans. Under its law the R. F. C. has clearly gone to the limit of what is permissible, and the Forestry Department has evidently carried out the plan so far with skill and efficiency. There is, however, one step which the Government could take which would stimulate the delivery of logs, namely, the payment of 100 percent of the value on delivery. This policy is in accord with the practice in private business, and with the policy of the Surplus Commodities Corporation in all of its purchases. The arguments in favor of such a course are many:

First, it would increase substantially the amount of log deliveries. Most of the owners of down timber are in no condition to undertake logging operations unless they are certain to get on delivery something for stumpage value above logging costs. The prospect of receiving some time, 4 or 5 years in the future, an additional payment is not a sufficient motive for immediate action.

Second, timber salvage work and fire hazard work are intimately related. The removal of the merchantable logs and the piling of brush necessary in any logging operations, considerably reduces the fire hazard, and where additional fire-hazard work must be done, logging operations reduce the cost of such work by at least 40 percent, in the judgment of the officials of the Forestry Department.

Third, only a small percent of the money paid out by the Government in these logging operations remains with the owners of down timber. Most of the money goes for labor. The salvage plan already has given employment to thousands of persons who would otherwise be on relief. Any steps to encourage an increase in the amount of timber salvage will also give further employment.

Fourth, the payment of 100 percent of scheduled prices will bring the practice of the Surplus Commodities Corporation in accord with the policy it has followed in all other surplus commodity purchases.

Failure to pay the full price has naturally caused some feeling of dissatisfaction in New England. It is difficult to explain to the thousands of owners of down timber why in this case, and this case alone, the Government withholds part of the purchase price. There is every reason to suppose that the Surplus Commodities Corporation would in this case also have paid the full price if it had had funds available.

The purpose of the amendment to the appropriation bill is to provide for the payment out of the lump sum appropriated in the bill for the purchase of surplus commodities the final 10 percent now withheld under existing contracts. This course will not affect in any way the security held by the R. F. C. or the prospects of receiving repayment with 3-percent interest of its loan and advances to the Surplus Commodities Corporation.

Mr. President, had the Surplus Commodities Corporation had the money, 100 percent would have been paid. The restrictions upon borrowing from the R. F. C. prevented their lending more than 90 percent. This is very important, because it removes the earmarking of this money from any other case which can be conceived.

The Surplus Commodities Corporation agreed to purchase the timber as a surplus commodity, but they had no money. By arrangement with the R. F. C. they got 90 percent of the money, and those who have been able to contract with the Northeastern Timber Corporation, which was set up by the Forest Service to handle the problem, have received their 90 percent. Those who had such small holdings that it did not pay them to apply for assistance have let their timber remain where it fell. The cost of cutting, the cost of slashing, and the cost of hauling all had to be taken out of the 90 percent. The result has been that a comparatively small percentage of the people have taken advantage of this situation, because the costs actually amount to more than 90 percent, particularly the cost of hauling.

Consider the case of a widow with a family of children, left with a small farm, or an old gentleman who has encouraged the growth of his trees so as to sell the growing timber when in need. He does not know how to cut, he cannot afford to make a contract for cutting, slashing, and hauling when he has only a small holding. No one would pay any attention to him. He could not pay the expense of hauling the timber for 5 or 10 miles to the designated points where the Government would receive it.

The amendment seeks to have the Surplus Commodities Corporation pay the remaining 10 percent, so that these owners of fallen timber will be treated as every other agriculturist or farmer who has dealt with the Surplus Commodities Corporation is treated. That is all there is to the proposal. It seems to me to be eminently fair. I appreciate that it is legislation.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. WALSH. I am glad to yield.

Mr. McNARY. I am so interested in the Senator's statement, and am so sympathetic with his objective, that I wish to ask what amount of money is being requested.

Mr. WALSH. Two million dollars out of the $113,000,000.

Mr. McNARY. There is more than $113,000,000. That was added to approximately $90,000,000, which represents 30 percent of the customs receipts, made available under section 32 of the Agricultural Adjustment Act.

Mr. WALSH. How much is it altogether?

Mr. McNARY. Two hundred and three million dollars.

Mr. WALSH. I was taking the figures from the bill.

Mr. McNARY. The $113,000,000 is just an addition that is provided this year.

Mr. WALSH. Had the Surplus Commodities Corporation had the money at the time the hurricane occurred we would not be here making this request. They would have paid 100 percent, as they do in the case of lemons or oranges or apples or eggs or other agricultural products. But they did not have a cent; and I am not criticizing them. I speak in highest commendation of the President and the departments of the Government for what they did. But their hands were tied. Ninety percent was the limit the Reconstruction Finance Corporation could lend, and all the aid possible was given. Now we are asking that the remaining 10 percent be given to these people, who are not asking for any profit, are not asking for any gain, but are asking for an amount of money which will reduce the loss they have met by reason of the hurricane. That is the simple proposition involved.

As I have stated, 20,000 to 30,000 individuals have been affected; but I wish to stress that, unfortunately, because the

Government was unwilling to handle the terrific task of buying the fallen timber on the stump, many persons have lost all they had. Another serious problem is that some of the woodlots which have been destroyed are reverting to the local communities, because the owners cannot pay their taxes.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the distinguished Senator from Connecticut.

Mr. MALONEY. I suggest to the Senator from Massachusetts that he might like to point out to his colleagues in the Senate that this differs to a considerable extent from the ordinary assistance rendered by the Surplus Commodities Corporation. When other articles and commodities are purchased, as I understand, they are distributed free. In this particular instance the Government will recapture all the money, because the timber will not be given away, as is the practice with other products, but it will be sold.

Mr. WALSH. The observation of the Senator is very helpful. The Disaster Loan Corporation will be reimbursed when these logs are converted into lumber, as the Government is doing, and the 90 percent will be paid back, so that it will not be a gift from the Surplus Commodities Corporation, as is the case with every other agricultural product they purchase. The 10 percent might be considered a gift if the full amount of money should not be realized after the logs are converted into lumber.

Mr. President, I know the reluctance of the Committee on Appropriations to earmark any of the appropriation, and I approve that policy; but it seems to me this is an exceptional and extraordinary situation. Had there been money available for distribution by the Surplus Commodities Corporation, a hundred percent would have been paid, and the whole problem would have been ended. All we are asking is that these victims of a disaster, not the victims of overproduction, but the victims of a great and serious disaster, be treated like the victims of overproduction when it comes to operating through purchase of commodities by the Surplus Commodities Corporation. The amount is not very large; it is only $2,000,000, and it will do a good deal to help stimulate this work.

To indicate how unfavorable the situation is, the amount of logs contracted for, when the time will expire on July 1, is a small percentage of the 4,000,000,000 feet which are on the ground. It is interesting to note, too, a fact which is not generally appreciated, that 60 to 70 percent of the acreage in growing timber is in very small holdings—a few hundred dollars' worth of timber on the farms of various people who live throughout New England.

I hope the committee, by reason of the unusual circumstances in this case, exceptional and out of the ordinary, and by reason of the fact that they are dealing with money to be taken from the Surplus Commodities Corporation for victims who suffered a loss of a very unusual and exceptional nature, will accept the amendment.

Mr. RUSSELL. Mr. President, I am sure that the members of the Committee on Appropriations, in common with all the people of the country, deeply sympathize with those who suffered loss in the great disaster which befell New England last fall. This is not a new matter, however, to be presented to the Congress, and, in my opinion, the Congress has dealt very liberally with those whom the Senator from Massachusetts seeks to aid with this amendment.

We appropriated in one of the deficiency bills the sum of $5,000,000 for the purpose of cleaning up and removing the fire hazard from the privately owned forest lands in New England. That in itself was an unusual concession by the Congress, due solely to the magnitude of the distress which was brought about by the hurricane.

In addition to the $5,000,000, which was appropriated outright, an average of 14,000 W. P. A. workers have been engaged on work in connection with the devastated lands. The enrollees in 21 C. C. C. camps, approximating 4,000 men, have likewise been engaged in that work.

The amendment which the Senator has offered proposes to earmark $2,000,000 from the funds appropriated for expenditure under section 32 of the Agricultural Adjustment Act—and those expenditures are not confined to the Federal Surplus Commodities Corporation—for the purpose of paying 10 percent of the approved schedule of prices for salvaged timber to those whose forests were affected by the hurricane.

I want to point out that there is a great difference between paying the market price and the approved schedule of prices. When the Forest Service set up these two corporations to salvage this timber, they fixed a schedule of prices which was based upon the average price of timber over a 3-year period. This fixed price is not subject to fluctuation. It has been slightly below the market price.

In addition to that, the Government is providing an amount that is equal to 10 percent of the amount of these loans for supervision and for administrative costs in this area. The Government has established 741 scaling stations and has employed one scaler at each one of those stations to measure and classify the timber. The Forest Service has engaged 153 sawmills to saw up the timber in an effort to be of assistance in increasing the salvage price of the timber and in making timber available for shipment. Already approximately 300,000,000 feet of the timber has been placed in what is called pond storage, where it can be preserved over a period of years and brought out of the water and sawed up as there is demand for timber of that type. Two hundred million feet have already been sawed and have been stacked, ready for shipment.

The Government is now protecting the price of this timber by having fixed the schedule price rather than subjecting the owner to the hazard of fluctuations in the market price. It has provided a loan of 90 percent of the schedule price to those who have the timber available, and is paying 10 percent on that loan in administrative costs to assist those who have the timber to keep it and to make it available to the markets.

As I understand it, the amendment offered by the Senator from Massachusetts would insure the owners of the timber 110 percent of the schedule price, rather than 100 percent, and the schedule price in some cases is higher than the market price. I do not think the amendment can be justified.

Mr. President, in addition to that it occurs to me that it is a legislative proposal. I have grave doubts as to whether the provisions of section 32 will authorize the operations which are contemplated in the amendment. I desire to make a point of order—I must say I do not desire to do it, but I am charged by rule XVI with responsibility for making it. The rule instructs the committee to make a point of order on all legislative proposals to the appropriation bill. The matter was not submitted to the committee, and I am in duty bound under the rule to make the point of order that the amendment is a legislative proposal and cannot be attached to the appropriation bill.

Mr. WALSH. Mr. President, I anticipated that the Senator from Georgia would make the point of order. I appreciate the sympathy he has shown toward the proposal. However, I think I ought to make a further statement before the Chair rules on the question.

There are two problems before us in respect to this matter. One is a public one of removing the fire hazard. The State governments and the Federal Government have been generous in that matter. They appropriated $5,000,000. They took away the timber that had fallen on the sides of the highways, and they removed timber from abandoned places. They did a very excellent job, and for that we are very grateful. The States shared this expense. Massachusetts raised $19,000,000 by a bond issue to repair the public losses.

The second problem is the payment for a surplus commodity by the Surplus Commodities Corporation. We are grateful for the assistance that has been given us, but it is not a matter of expense to the Federal Government, because it is going to be reimbursed. The Government has all this timber. What is involved is a business transaction. It is a loan.

Mr. RUSSELL. It would be reimbursed, provided the market price of timber at which the Government could dispose of it increased to a point where the Government would be able to sell the timber for the entire amount of the loan and investment. The price of timber today is much below

the amount that would be involved in the proposed expenditure.

Mr. WALSH. Unless the timber when converted into lumber brings a price in the market sufficient to pay back what the Government spent in giving 90 percent to the owners of the timber, and to pay back 3 percent on the loan as well, and to pay the overhead, no individual will get anything more than 90 percent. It is a strict business proposition. I repeat, we are grateful for what has been done; but I want it made clear that all that has been given is to reduce the losses of these people. Not one of them will make a dollar out of the proposal. But they are grateful even to get a few hundred dollars rather than to lose it all. They are grateful for that assistance. It is a contribution toward their loss. The only direct loss to the Government would be the 10 percent referred to.

I have no desire to propose an amendment which would provide a payment of 110 percent. We want only 100 percent of the scheduled prices, which are based upon the price of 3 previous years, which were years of the depression, when prices were low.

Mr. WHEELER. Mr. President, as the Senator from Massachusetts knows, I have some relatives in Massachusetts. Many persons with whom I have spoken in that State have told me that the Government was not paying them a price for their lumber equal to its value.

Mr. WALSH. Exactly so. But those people are grateful for the few hundred dollars they are receiving as help toward reducing their losses. Of course, as the Senator knows, there are cases in New England where small landholders have 10 acres as woodlots, and all that timber has been wiped out. They have those woodlots, and had expected some day to sell the wood for a few hundred dollars to help them in their old age.

I know the Senator from Georgia is sympathetic toward my proposal. I hope he will not feel obliged to press the point of order.

Mr. RUSSELL. The Senator from Massachusetts knows that under rule XVI, I am required to do so, and that I am instructed by the committee to make a point of order on all proposed legislation on an appropriation bill.

The PRESIDENT pro tempore. The question is on the point of order made by the Senator in charge of the bill [Mr. RUSSELL]. In the mind of the Chair the amendment proposed by the Senator from Massachusetts [Mr. WALSH] is legislation which may not be received to an appropriation bill. Therefore, the point of order is sustained.

The bill is before the Senate and open to further amendment.

Mr. WHEELER. Mr. President, on page 46, line 25, I move to strike out the figures "$648,483" and to insert in lieu thereof "$678,403."

The amendment provides for an additional $30,000 for forest management studies at the Northern Rocky Mountain Forest Experiment Station located at Missoula, Mont. The station covers research work for the region comprising Montana, northern Idaho, and northeastern Washington.

The forest resource of the northern Rocky Mountain region forms the basis for one of the most important local industries. The lumber industry not only employs in itself a substantial number of wage earners but also contributes in a material way to the economy of the region, furnishing forest products not only for export but also for consumption in local industries, as for example, mine props and other construction material of immense local importance. This forest resource, properly handled, can support a forest industry in perpetuity.

At the present time its very existence is threatened by destructive practices and severe fire losses. The development of proper fire-protection and forest-cutting practices in the white pine, ponderosa pine, and larch-fir types of this region is highly complicated. The region is one where occur some of the worst forest fires in the United States, requiring the highest of skill and best of knowledge in protecting it from outright destruction by fire. It is also one of the most complex for developing forest-management practices because of containing six or more species varying widely in requirements for reproduction and growth. Several of these, namely, western white pine, ponderosa pine, and western red cedar are among the most highly valued timber trees in the United States.

Problems in fire protection and management vary widely by locality and region-wide attack is essential for their effective solution. The Northern Rocky Mountain Forest and Range Experiment Station has done some work in this region, but investigations to date have been restricted to only a portion of the forest types. Many important problems basic to adequate fire protection and proper harvesting still remain to be worked out. Methods of predicting fire danger and rates of spread under different weather and fuel conditions need to be improved in order better to organize fire-suppression crews. Studies need to be made of methods of cutting to insure leaving stands in good growing condition, and to insure regeneration of the more valuable tree species.

Mr. President, I may say that this suggestion is made not only by the lumber people and the forestry people in that western section of the country, but it also has the approval of the Department. I hope the Senator from Georgia will be able to accept the amendment and take it to conference. If he does, I hope he will be able to work out the matter in conference, because the additional amount asked by my amendment is very much needed.

Mr. RUSSELL. Mr. President, I understand there have been some emergency funds available for this work, and that there is some question as to whether they will be available next year.

Mr. WHEELER. Yes; that is correct.

Mr. RUSSELL. I have no objection to taking the matter to conference in order that we may thoroughly explore it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Montana [Mr. WHEELER] on page 46, line 25.

The amendment was agreed to.

Mr. BARBOUR. Mr. President, I send to the desk an amendment, which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 78, line 17, it is proposed to strike out "$757,510" and insert in lieu thereof "$772,510."

Mr. BARBOUR. Mr. President, if the Senator in charge of the bill [Mr. RUSSELL] and other Senators will refer to the report on page 5, it will be noted that under the heading "Marketing farm products" there is the following language, which enumerates the farm products to which the increase in the committee amendment—$114,711—refers:

> Crop and livestock estimates: For expanding the statistical information on grain, hay, seeds, apples, potatoes, dairy products, poultry, and peanuts, $114,711.

In the State of New Jersey and many other Northeastern States there are many important farm products which are not enumerated or included in this service. For that reason I make the earnest plea to the Senator in charge of the bill that the amount be increased by the $15,000 so that the foregoing appropriation can be used for expanding existing crop-estimating services and making frequent reports on fruit and vegetable crops, including all vegetables. Certainly sweetpotatoes, tomatoes, beans, peas, and many other fruits and vegetables should not be excluded.

I beg that the Senator will accept my amendment and take it to conference and see if he cannot work things out so that this important matter shall be taken care of.

Mr. RUSSELL. Mr. President, the Senator from Washington [Mr. SCHWELLENBACH] has an amendment to the same effect, providing for an increase of approximately

$100,000, which amendment was presented to the committee. A number of witnesses appeared and testified to the importance of this work in estimating the movements of vegetables and fruits by truck. Is that the purpose of the amendment?

Mr. BARBOUR. Yes; I imagine it probably is, though I am not familiar with the amendment offered by the Senator from Washington. Anyway, I am referring to the Agricultural Marketing Service, which has been confined to certain specified products only, and, by the same token, many other equally important products were excluded.

Mr. RUSSELL. There were so many items in the bill that I do not recall that the committee ever took up and considered the amendments proposed by the Senator from Washington and the Senator from New Jersey. In view of that situation, I am willing to take this item to conference.

The PRESIDENT pro tempore. Let the Chair state the parliamentary situation. The committee amendment on page 78, line 17, has been agreed to. It cannot be further amended unless the vote by which the amendment was agreed to is reconsidered. Does the Senator from New Jersey ask unanimous consent that the vote by which the committee amendment was agreed to be reconsidered?

Mr. BARBOUR. Yes, Mr. President. I ask unanimous consent that the vote by which the committee amendment was agreed to be reconsidered.

The PRESIDENT pro tempore. Without objection, it is so ordered. Without objection, the amendment proposed by the Senator from New Jersey to the committee amendment is agreed to, and the committee amendment, as amended, is agreed to.

Mr. REYNOLDS. Mr. President, I offer an amendment to the pending appropriation bill. The amendment, in a word, provides, in the interest of the general welfare, for the reconcentration of cotton in warehouses as near the consuming mills as available space will permit, due to the fact that our exports of cotton this year have been one of the lowest on record for 50 years whereas domestic consumption, fortunately, has been approximately 10 percent above normal——

Mr. RUSSELL. Mr. President, I understand that the Senator offers the measure he has in his hand as an amendment to the pending bill?

Mr. REYNOLDS. Yes.

Mr. RUSSELL. Undoubtedly it is subject to a point of order, and I am required by the rules to make the point of order against it.

Mr. REYNOLDS. In that event, I ask that the amendment may be introduced in the form of a bill and referred to the proper committee for consideration.

The PRESIDENT pro tempore. As the Chair understands the parliamentary situation, the Senator from North Carolina now offers this matter not as an amendment to the bill, but as a separate measure, and asks that it be referred to the proper committee.

Mr. REYNOLDS. Yes.

The PRESIDENT pro tempore. The bill now introduced by the Senator from North Carolina will be read twice and referred to the Committee on Agriculture and Forestry.

(See Senate bill 2412, introduced by Mr. REYNOLDS and referred to the Committee on Agriculture and Forestry, under its appropriate heading in the proceedings.)

Mr. GLASS. Mr. President, I desire to submit a request.

Mr. BYRD. Mr. President, if my colleague will yield I make a point of no quorum.

The PRESIDENT pro tempore. Does the senior Senator from Virginia yield for that purpose?

Mr. GLASS. I yield.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	Johnson, Colo.	Russell
Andrews	Ellender	La Follette	Schwartz
Ashurst	Frazier	Lee	Schwellenbach
Barbour	George	Lodge	Sheppard
Barkley	Gibson	Logan	Shipstead
Bilbo	Gillette	Lucas	Slattery
Borah	Glass	Lundeen	Stewart
Bridges	Green	McKellar	Thomas, Okla.
Brown	Guffey	McNary	Thomas, Utah
Bulow	Gurney	Maloney	Tobey
Burke	Hale	Minton	Townsend
Byrd	Harrison	Murray	Truman
Byrnes	Hatch	Neely	Vandenberg
Capper	Hayden	Norris	Wagner
Caraway	Hill	Nye	Walsh
Chavez	Holman	O'Mahoney	Wheeler
Connally	Holt	Overton	White
Danaher	Hughes	Pepper	Wiley
Donahey	Johnson, Calif.	Reynolds	

The PRESIDENT pro tempore. Seventy-five Senators having answered to their names, a quorum is present.

Mr. GLASS. Mr. President, I rise simply to present a unanimous-consent request for a reconsideration of the parity-payments provision and the disposal of surplus-commodities provision of the bill. I understand it is too late to make a motion to reconsider, and that if done at all it must be done by a unanimous-consent agreement.

The occasion of this proposal is that, due to severe illness, I was not able, as chairman of the Appropriations Committee, to consider the bill when it was presented by the subcommittee to the general committee, nor have I been able to appear upon the Senate floor since. So I ask unanimous consent to reconsider the parity-payments provision on page 96 and the disposal of surplus-commodities provision on page 97, in order that——

The PRESIDENT pro tempore. The Senator from Virginia asks unanimous consent that the vote by which the committee amendments referred to by him, found on pages 96 and 97, be reconsidered. Is there objection?

Mr. LA FOLLETTE. I object.

The PRESIDENT pro tempore. Objection is made.

The bill is still before the Senate and open to further amendment.

ATTITUDE OF BIG BUSINESS TOWARD RECOVERY

Mr. MINTON. Mr. President, today, as never before in the history of our country, we have been challenged as to the soundness of the form of our Government.

Democracy in America has been put to the test to show to the world the soundness of our theories of governmental administration under laws made by the people. If freedom of speech, of the press, of religion, and the right of the people peaceably to assemble, and our own treasured ideal of the pursuit of happiness are to be maintained, if people are to prosper and be contented, if the United States is to remain a successful government, then democracy must be made to work.

Love of country should, under present conditions, inspire all to give their best, their all. This is no time for slackers.

More than a year ago I made the statement that big business was on a sit-down strike. For my observation I was roundly criticized by the reactionary press of the country. I stated then that there would be no disposition on the part of any business not to take a fat profit, but they were determined to do an absolute minimum toward improving business in this country, as it was their avowed purpose to force the New Deal to scrap T. V. A. and change its labor and tax policies; and if the New Deal would not scrap its great liberal program, they would destroy the New Deal.

Last week I attended a meeting of some delegates to the convention of the National Chamber of Commerce. The speakers on that occasion who spoke for business openly stated that business would not invest its money until the tax laws were changed so as to enable big business to make large profits; that the Government must not tax, and must repeal the Wagner Act. Here was an admission of what I had said,

namely, that big business was on a sit-down strike to compel this Government to change its liberal policy.

I was gratified on yesterday to find in the Washington News an article by one of the keenest observers in the Press Gallery, the recent well-deserved winner of one of the Pulitzer prizes, Thomas L. Stokes, entitled "Sit-Down of Big Money Balks Recovery Plans." I ask that this splendid article by Mr. Stokes may be incorporated in the RECORD as part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The article is as follows:

[From the Washington Daily News of May 11, 1939]

SIT-DOWN OF BIG MONEY BALKS RECOVERY PLANS

(By Thomas L. Stokes)

Lots of men with big investment reservoirs at their command, including many bankers with large reserves, are on a sit-down strike and show no disposition to get off their haunches soon.

This situation, rumored for some time by new dealers and somewhat discounted by others, is substantiated by a survey among administration officials whose duties bring them into contact with business, industry, banking, and finance.

It forms the darkest portion of the present business picture, which is in some aspects favorable, and has tied the administration's hands in its attempts to produce real recovery from a number of otherwise propitious factors.

"APPEASEMENT" FAILS

This is why the so-called business appeasement has gone sour. Those to be "appeased" won't appease.

Private spending, the investment of capital in new enterprises, is essential to start a real upswing. This is necessary to supplement Government spending. Retail trade is good, and in some cases record breaking.

Inquiry develops various reasons why men with investment capital are holding back. They usually employ such vague expressions as "fear," "lack of confidence," "wondering what that man in the White House is going to do next," etc.

Some, it develops, now have come to the point where they say they are going to wait for a change of administration. In short, they are just going to sit.

WON'T RISK MONEY

Other reasons assigned are:

They won't risk their money when the Government takes nearly all of it back in taxes. These are putting their money into Government bonds.

They are afraid the Government will move in some new direction which will compete with them. This is especially noted among the utilities.

FEAR DEVALUATION

They are afraid of further devaluation of the dollar, and use of the power to issue $3,000,000,000 in greenbacks.

Also cited as reasons for withholding new investment are the monopoly investigation, which some seem to fear will bring new regulatory legislation, and existing laws such as the Wagner Labor Act and the wage-hour law.

While officials regard many of the fears as groundless, they concede they exist.

PICTURE IS SPOTTY

The banking picture is spotty. Some bankers are reported actively seeking loans, while others are doing very little. The directors of one big New York bank recently discussed a proposal to send out notices to big clients who had maintained a line of credit, reminding them that they had not availed themselves of it, but finally voted the proposal down.

Some cases are reported where small banks in nearby communities have gone into the cities and made industrial loans where the city banks were not making credit available.

BANKS LOADED WITH FUNDS

Generally, however, banks are loaded with funds and are not doing much lending. The demand for credit seems to remain slack. In April loans by Federal Reserve member banks were a billion dollars below those in the fall of 1937, which, in turn, were much below the average before 1929.

Some cases are reported where banks have used the bank examiner as an alibi against making certain loans.

To remedy what appeared to be a need for credit to business, particularly small business, the Reconstruction Finance Corporation and the Federal Reserve banks were authorized in 1934 to make loans to industry. The volume was small and the powers were rescinded.

INDUSTRIAL LOANS

When the 1937 recession struck, President Roosevelt authorized the R. F. C. to start industrial loans again, and the major part of the $500,000,000 which has been lent has been in the last year.

Now, the administration is reported throwing its support behind loans to small business, provided in a number of pending bills, which would permit a Government guaranty up to 90 percent of the loan—as provided for mortgage loans by the Federal Housing Administration.

ADJUSTMENTS NEEDED

This tendency is cited by some within the administration as pointed toward socialization of many functions, which they say makes this an altogether uncertain era. They do not criticize this trend, but say that it naturally produces hesitancy which cannot clear up immediately until the adjustments are made.

One businessman who is working here with the administration says business should try to find out what the administration is doing instead of staying on the side lines and criticizing. Reforms were necessary, he said, in fact, long overdue. Businessmen, he said, lack a national viewpoint.

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5269) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes.

Mr. RUSSELL. Mr. President, a widespread impression seems to prevail that the pending agricultural appropriation bill tremendously increases the amount of appropriations over and above any amount which has heretofore been made available for the Department of Agriculture in any one fiscal year. A few moments ago the Senator from Utah [Mr. KING] had read from the desk an editorial from a great daily newspaper severely criticizing the Senate and the Committee on Appropriations for these increases, or so-called increases. Numerous inaccurate statements have been made to the effect that the Senate was blindly making extravagant increases in the agricultural appropriations, and the inference has been that the increases could not be at all justified.

I am not at all sensitive to such criticisms; but, in justice to the Committee on Appropriations, and in order that the country may be correctly informed as to the facts in the case, I feel that I should make a statement giving the real facts as to the appropriations, in order that these erroneous illusions may be dispelled.

The pending bill, comprising the amount appropriated by the House and including all the amendments added by the Senate Committee on Appropriations, does not constitute any greater drain on the Treasury of the United States than did the appropriations for the current fiscal year. The grand total of all funds made available in all bills for the Department of Agriculture for the fiscal year 1939 is $1,529,292,683. The grand total carried in the pending bill as it was reported from the Committee on Appropriations, including the parity-payment amendment, including the appropriations made to carry out section 32, and including all of the Senate committee amendments—most of them justified by Budget estimates—amounts to $1,387,903,372. The bill, therefore, appropriates $141,389,311 less than the total amount which was appropriated for all purposes for the fiscal year 1939.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. RUSSELL. Just a moment.

Mr. BYRD. The Senator has omitted, I believe, an item of $198,000,000.

Mr. RUSSELL. I will yield in just a moment. I am coming to that matter.

I offer for the RECORD a summary, prepared by the finance officer of the Department of Agriculture, disclosing the total amount of appropriations for all purposes for the year 1939, and the amount of the Budget estimates for 1940. I may state that the Budget Bureau decreased the estimates for agricultural appropriations by over $512,000,000 this year below the current year's available funds, while allowing huge increases for other purposes. The summary also shows the amount of the bill as passed by the House and a break-down of the bill as it was reported by the Senate committee.

I ask unanimous consent that the statement be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The statement is as follows:

SUMMARY

Regular funds, Department of Agriculture, according to group classification units, showing appropriations, 1939; Budget estimates, 1940; House bill, 1940; and as reported to Senate, 1940

Bureau and item	Appropriation, 1939	Budget estimate, 1940	House bill, 1940	As reported to Senate, 1940
A. Ordinary activities	$94,326,426	$98,144,448	$90,689,251	$98,638,539
B. Special items	14,906,185	4,071,185	2,990,185	7,338,185
C. Receipt and contributed funds	7,631,835	7,837,635	7,837,635	7,837,635
D. Payments to States (for extension work, experiment stations, and cooperative forestry and wildlife activities)	27,558,833	28,497,583	28,661,912	30,680,583
E. Farm Tenant Act	40,739,797	32,000,000	31,950,230	56,950,230
F. Loans, relief, and rural rehabilitation	197,804,714			
G. Agricultural adjustment and related funds	912,324,893	623,000,000	637,535,000	975,535,000
H. Federal Crop Insurance Act	25,500,000	6,000,000	5,923,200	5,923,200
I. Road Funds	201,500,000	213,000,000	201,000,000	205,000,000
Total, Department of Agriculture (excluding flood-control transfer)	1,522,292,683	1,012,550,851	1,006,593,413	1,387,903,372
J. Flood control (transfer from War Department)	7,000,000	3,000,000		
Grand total, Department of Agriculture	1,529,292,683	1,015,550,851	1,006,593,413	1,387,903,372

Mr. RUSSELL. Mr. President, in this connection it should be pointed out, as stated by the junior Senator from Virginia [Mr. BYRD], that the figures for 1939 which I have just given include the amount appropriated for the Farm Security Administration for loans, relief, and rural rehabilitation. This sum amounted to $197,804,714. That is the amount of the appropriations for the current fiscal year, which was included in the sum which I stated—roughly, $1,500,000,000—and the appropriation for the fiscal year 1940 for this activity does not appear in the pending bill or the statement just mentioned. The estimate was submitted by the President in connection with the work-relief measure, just as the estimates have always appeared in connection with the emergency appropriations for the purpose of carrying on work relief. The President's estimate for this purpose in connection with the Relief Act for 1940 is $123,000,000, together with the reappropriation of any funds that might be carried over from the current fiscal year. I telephoned the Department this morning and ascertained that the amount of this carry-over or reappropriation would be $15,457,000, and if the estimate submitted by the President is agreed to that must be added to the $123,000,000. In addition to this, there is another item of $3,000,000 carried in the War Department Appropriation Act, but which is made available for the Department of Agriculture, for flood-control work, the work that is done by the Department of Agriculture, which does not appear in this bill and which should be added to reach the grand total from all sources that will be made available to the Department of Agriculture for the fiscal year 1940.

Adding to the amount of the pending bill as reported by the committee the full amount estimated by the President in connection with the Work Relief Act, including the amount that was carried in the War Department bill, we arrive at a grand total of $1,529,360,522. Therefore, anticipating that the Congress will allow the full amount of the President's estimates in connection with the work-relief measure, and assuming—which is a most violent assumption—that the House will agree to every amendment which was added to the bill by the Senate committee, we arrive at the gigantic sum of $67,000 as the total increase for next year over the appropriations made for this Department for the current year.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

Mr. RUSSELL. I yield to the Senator from Michigan.

Mr. VANDENBERG. Will the Senator give me this figure: As the bill now stands, how much is there in it in excess of Budget estimates, or without any Budget approval whatever?

Mr. RUSSELL. I cannot give the Senator accurately that figure to the exact dollar. I can tell him the three items in which practically the entire increase over Budget estimates is embraced—the $225,000,000 for parity payments, the $113,000,000 for the purpose of carrying out the provisions of section 32, and the $25,000,000—which is a reimbursable item, to be repaid by the borrowers for the purpose of making loans to tenant farmers to enable them to become home owners. With the exception of those three major items, the amount is comparatively inconsequential.

Mr. VANDENBERG. Then, speaking generally, the bill has in it about $363,000,000 without Budget approval? Would that be a correct statement?

Mr. RUSSELL. It has more than that without Budget approval, because there are a number of other items. The Senate has increased the item for the purchase of forest lands by $3,000,000 over and above the Budget. There has been an increase of $4,000,000 for forest roads and trails. The amount would be approximately that stated by the Senator but somewhat larger.

Mr. VANDENBERG. It would be in the neighborhood of $375,000,000?

Mr. RUSSELL. Yes.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Oregon.

Mr. McNARY. As the bill now stands, it carries an appropriation of $1,216,000,000?

Mr. RUSSELL. That is the amount of money that is carried by the bill. The figures I have stated include the entire amount available for the Department of Agriculture, including the permanent appropriations under section 32.

Mr. McNARY. I stated "as the bill now stands," which is, of course, its present condition. Of that amount, what sum represents nonagricultural activities, such as the Forest Service, good roads, and items of that kind, which cannot be charged to agricultural activities or agricultural benefits?

Mr. RUSSELL. The Senator from Oregon handled this bill for many years and is familiar with all of its details. I am afraid the Senator from Georgia cannot give the exact amount; but a very large part of these appropriations is not for strictly agricultural purposes. Included in the bill is a large item of over $200,000,000 for public highways to match appropriations made by the States.

Yet the editorial critics refer to that as an "agricultural" appropriation, and state that the Senate is yielding to the farmers' demands, when the item is not any more for the benefit of the farmer than for any other class. It would be fairer to charge the item to commercial trucking or to tourists' travel.

Mr. McNARY. That is one of the points I wanted the Senator to discuss. Appropriations for expenditures in the forests, or for reclamation purposes, are more advantageous to people who live in the cities than to those living in the country. The same reference is made by the writers to items for forest-fire protection, for trails, for lookouts, for reforestation, as though they were appropriations which would directly benefit the farmers who till the soil.

Mr. RUSSELL. The Senator from Oregon is undoubtedly correct. I could go through the bill and point out item after item, large appropriations for the Forest Service and other appropriations, which are not only for the purpose of conserving the natural resources of the country but for the purpose of affording means of recreation to those who live in the urban centers. We have large appropriations for the Weather Bureau, whose activities are largely in the furnishing of information to the air lines, to the Army and to the Navy, in order to prevent catastrophes which might result from their having insufficient information.

Mr. McNARY. I might add also that there is the appropriation for the inspection of packing houses and stockyards, and for the enforcement of the Pure Food and Drugs Act, the benefits of which primarily go to those who live in the cities, only incidentally to farmers.

Mr. RUSSELL. The Senator is wholly correct. For example, there is a large increase in the bill this year for the administration of the new Food and Drugs Act, which was passed at the last session of Congress. Included is a considerable sum for the regulation of the manufacture and sale of cosmetics. I do not assume that our editorial critics would say that we were yielding to farm pressure when we appropriated funds to see that cosmetics, face powders, rouge, and things of that kind were pure and not injurious. There are a number of appropriations contained in the bill which are for the benefit of the consuming public generally. I have referred to them from time to time in the past during the consideration of the agricultural appropriation bill and shall not advert to them now.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BARKLEY. Is it correct to assume that one reason why the appropriation is larger than the Budget estimate is that the Budget Bureau made no estimate for parity payments, and for the other items which go into the $338,000,000 which the bill carries for parity payments and for these other payments to agricultural interests? As I understand, last year there was a Budget estimate for them. Was the $212,000,000 above the Budget estimate also?

Mr. RUSSELL. That item was enacted without benefit of Budget last year.

Mr. BARKLEY. So there has been no Budget estimate for these payments in the past, and notwithstanding that fact Congress appropriated the money?

Mr. RUSSELL. That is correct.

Mr. BARKLEY. So, whether it was $225,000,000 or two hundred twelve and a half million for these other items which the Congress has seen fit to appropriate, and which, in its power, it has the authority to appropriate, if the Budget had estimated for these things, the excess of this appropriation over the budgetary estimates would not have been out of line with the experience in the case of previous bills of the same sort?

Mr. RUSSELL. I believe I am correct in saying that if the Budget had followed the same policy in submitting estimates for the agricultural appropriation bill that was followed in the case of other bills, this bill would be about in line with Budget estimates, probably less. The Budget disregarded the fact that Congress appropriated funds for parity payments last year. It overlooked the reduction in funds for section 32 in the permanent allocation.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LUCAS. I desire to commend the statement made by the Senator from Georgia, and I trust that the country, as well as the press, will analyze the figures which have been given by the Senator in full explanation of budgetary conditions along with these appropriations.

I should like to refer to one further fact, which apparently editorial writers and column writers and the country as a whole have lost sight of in various arguments made against the $225,000,000 appropriation for parity payments. Under the amendment which has been adopted by the Senate, if corn were selling for 60 cents a bushel, in Illinois there would not be one single dime of the $225,000,000 paid to corn growers; if cotton were selling for 12 cents a pound, the growers of cotton could not get a single penny from the $225,000,000; if wheat were selling for 75 percent of parity, which would be a dollar a bushel, not one dime would come out of the $225,000,000 for the wheat growers.

Last year nothing was paid to the tobacco growers, because tobacco was bringing 75 percent of parity. So there is a possibility that no part of the $225,000,000 now appropriated would be paid to the farmers as an adjustment toward parity prices, in the event these figures I have disclosed were reached as the market prices of the various basic commodities. That may be one fact which those who figure the budgetary conditions in connection with this appropriation bill took into consideration. There is the possibility that we will not have to pay the farmers any portion of this $225,000,000, and every farmer in this land hopes that price conditions will be such that no subsidy will be necessary. He hopes he can get 60 cents for his corn, a dollar for his wheat, and 12 cents for his cotton. That is what he is asking for, and that is what he would like to see come about. Hand-outs and subsidies are no part of his make-up, but so long as the economic laws of this Nation remain unbalanced he is compelled to fight for his economic life through Federal legislation and as a Member of the Senate representing a great agricultural State I shall stand by him in his fight for reasonable and just legislation.

Mr. RUSSELL. Mr. President, the observations of the Senator from Illinois are most pertinent. As I pointed out a day or so ago in explaining the parity payment amendment, it is in the nature of an insurance fund, which will be used only in the event it is necessary to safeguard the farmer from disastrously low market prices, prices below 75 percent of parity. If anything like normal conditions are restored, if farm commodiites reach even three-fourths of parity, not one dime of the funds will be expended, and the entire amount of $225,000,000 will revert to the Treasury.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. NORRIS. The Senator from Georgia has already alluded to a fact which ought to be taken into consideration, that the amount of money carried in the bill as it now stands will very likely not be the amount in the bill when it finally becomes a law. Many of the appropriations as the bill now stands consist of increases which have been made in the Senate. The bill has yet to go to conference; and, while we would like to see the amendments, particularly those inserted in the bill by the committee increasing the appropriations, agreed to in conference, we all know from long experience here that such a condition is very seldom, if ever, realized; and that when the bill comes out of conference the appropriations contained in it will not be greater but will be smaller than at present.

This discussion would be more intelligently appreciated by the country, in my opinion, if it took place upon the conference report, rather than at the present time, because all of the figures given are based on the appropriations in the bill as it now stands, and it is premature to say that they will all be in the bill when it becomes a law. In fact, it is more or less certain that they will not be in the bill as they now appear.

Mr. RUSSELL. Mr. President, I appreciate the contribution of the Senator from Nebraska. I had already stated that my assumption, in arriving at a total figure for the bill, that all of these amendments would be agreed to by the House was a very violent assumption, and, as experienced legislators like the Senator from Nebraska know, it is wholly improbable that the House will accept all of the Senate amendments in full. Even conceding the acceptance of all of these amendments by the House, $67,000 is the gigantic increase out of which has grown all this furor about alleged greatly increased appropriations. It would have gone unnoticed in any other bill.

Mr. NORRIS. As I understand, as the bill now stands the appropriations amount to $67,000 more than the appropriations contained in the act making appropriations for the present fiscal year. That being true, I think it can be said

without the possibility of successful contradiction that when the bill comes out of conference, instead of the appropriations being increased by $67,000, they will be decreased as compared with last year's appropriation bill.

Mr. RUSSELL. Mr. President, the $67,000 figure is predicated upon the further assumption that the Congress will appropriate in an emergency work relief appropriation bill the full amount of the President's estimate, together with a reappropriation of the unobligated funds for the current fiscal year. I was including in the sum total every appropriation now pending or which has been suggested to be expended by the Department of Agriculture for the coming fiscal year.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BORAH. In Lord Macaulay's great Essay on Byron he made the statement that the English people about every 7 years become outrageously virtuous, and thereupon select some person for the purpose of persecution. I believe we are to appropriate somewhere in the neighborhood of $2,000,000,000 for military purposes at this session of Congress. And every time we discover a visitor representing some foreign country and looking somewhat impecunious we loan him a few million. I do not recall that there has been 5 minutes' discussion of any of those subjects during this session. I suspect that we are imitating the virtues of which Lord Macaulay spoke but applying it to economic subjects.

Mr. RUSSELL. Mr. President, it is my opinion that those who have never favored the Congress making appropriations for the purpose of assisting the farmers of the country have seized the opportunity, in connection with a measure for which the Budget did not submit estimates even approximating the amount appropriated last year, to raise a great clamor and outcry for the purpose of creating the impression that the farmers had made a demand for more money and that the amendments are born in expediency. These critics are trying to make a mountain of increased appropriations out of a molehill of $67,000 in an attempt to create sentiment against farm appropriations generally.

Despite these attacks on farm appropriations, I should like to point out that recently a survey made by those conducting the Gallup poll, wherein they submitted a questionnaire to the people of the United States, in which they enumerated the purposes for which appropriations were made by the Congress, and asked the people whether or not they favored a reduction of 10 percent in every one of those appropriations, showed that the American people understand the importance of farm appropriations. With the exception of national defense and the farm program, the people of the United States voted overwhelmingly in favor of reduction. But when it came to the farm program, the people of the cities, in the small towns, and on the farms, all of those who were reached in this sampling of public opinion, voted 68 percent against any decrease in the appropriation to be made to the Department of Agriculture for the aid of those who live on the farm.

The Budget estimates this year cut the appropriation from that of last year by $512,000,000, while at the same time it made the staggering increases to which the Senator from Idaho [Mr. BORAH] has referred for the Military Establishment. The appropriations for that purpose for this year are double those of last year. My recollection is that the appropriations for national defense last year were approximately a billion dollars, and they will be $2,000,000,000 this year.

Despite that fact, not a word of criticism has been made with respect to that increase. Where is that money to be spent? It is going into steel, it is going into shipyards, it is going into aviation factories. I have not read any editorial criticism of those expenditures. I voted for them. I believe they are necessary. Certainly they are no more important than the farm appropriations, because if we strike down the agricultural economy of America and let the farm population drift into absolute destitution and starvation, we will have much more trouble at home than can possibly threaten us from outside the limits of the United States. Our institutions of government will be in much greater danger than they could possibly be from any invasion from abroad. The entire business of this Nation has a vital interest in affording purchasing power and income to the farmers. The bill which came to the Senate committee would have arbitrarily cut the payment to farmers under the farm program by more than 30 percent below the amount of those payments for the current fiscal year.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. O'MAHONEY. It may be pertinent to observe at this point that one of the items which is contained in the bill is an appropriation of $47,975,000 for the administration of the Sugar Act, and that the estimates which have been submitted to the Appropriations Committee of the revenue to be derived during the year 1940 from the tax upon sugar fix the amount at $62,200,000. This is a tax which is paid by the processor and by the producer. It is not a tax upon the consumer. So we have a net revenue over and above the entire cost of the administration of the Sugar Act to the Federal Treasury of almost fourteen and one-quarter million dollars.

Before I take my seat I desire to give notice that on next Tuesday, if the opportunity is presented, I shall seek recognition by the Chair in order that I may discuss at greater length the administration of the Sugar Act and the need for amendment of that act during the present session of Congress.

Mr. RUSSELL. Mr. President, there are in the bill any number of items of the character referred to by the Senator from Wyoming. There is a charge made for grazing in the national-forest area and all funds derived go to the Treasury. There is a considerable income from the sale of timber in the national forests. Those funds are covered into the Treasury as income. None of the critics make reference to the various sums raised by the activities of the Department of Agriculture, such as inspection fees and the like, which are sources of revenue.

There is a special tax levied upon the sportsmen of the country, upon ammunition, shotgun shells, rifle cartridges, which brings into the Treasury over two and a half million dollars a year. The basic law provides that that fund is to be expended by the Biological Survey in promoting wildlife, but only part of it is carried as an appropriation item in this bill. Never yet has the Congress appropriated the full amount of the tax. Some years as much as a million dollars or a million and a half dollars have reverted to the Treasury to help sustain other departments of the Government and other swollen appropriation bills.

Mr. President, I do not desire to tire the Senate. I did feel it my duty to put certain figures in the RECORD.

I concur wholly with what the Senator from Nebraska has said. We may be assured when the bill has finally gone through the Congress, when the amendments have all been considered by the House and the conference committee, that the total amount of appropriations for the Department of Agriculture for the fiscal year 1940 will be considerably below the amount that was available for the fiscal year 1939. I here and now confidently predict that the pending agricultural appropriation bill will be one of the few, if not the only supply bill of the Government that will show a reduction in appropriations for 1940 below the amount that was appropriated for 1939.

My complaint against the measure is that it does not provide adequate funds, on account of all the budgetary limitations and because of the difficulties we always encounter with some Members of the Congress when we come to make agricultural appropriations.

The measure, as reported, was the best that the committee could do. I feel we have been fair to the Treasury of the United States. In view of the limitations and the obstacles with which we were confronted, I feel we have done the best we could for the farm interests of the United States and for the wide variety of other interests which are provided for in the bill.

We tried to protect the consuming public in the inspection of meats, and of containers for fruits and vegetables, and

in all of the many other items in the bill that are not for the benefit of the farmers but for the general public. We maintained the appropriations to be given to the States for construction of public roads. That is charged up as a farm appropriation in all the criticisms of the bill. We have endeavored to maintain a balance, to have due regard for the necessity of observing some measure of restraint in making appropriations, and at the same time have endeavored to deal fairly with the agricultural population of the country. Though they may not be as numerous as those who live in the cities, they are still the backbone of our civilization and one of the most important factors in our economic life.

I shall not tire the Senate, but I do want to make clear again that the bill does not constitute any staggering increase in expenditures, as has been stated in so many quarters.

The PRESIDING OFFICER (Mr. HATCH in the chair). The bill is still before the Senate and open to further amendment.

Mr. JOHNSON of Colorado. Mr. President, in a few moments I shall ask unanimous consent to reconsider the item on parity payments on page 96 for the purpose of eliminating, in lines 15 and 16, the clause in parenthesis reading as follows: "(in the commercial corn-producing area)."

Mr. LUCAS. I object.

Mr. JOHNSON of Colorado. Mr. President, I have not yet asked for unanimous consent. The Senator is objecting before I make the request. The phrase I refer to looks perfectly innocent.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. SHIPSTEAD. Will the Senator please restate his proposed amendment?

Mr. JOHNSON of Colorado. In a moment I am going to ask for unanimous consent to open for further consideration the parity-payment paragraph on page 96, lines 15 and 16. My purpose will be to strike from that paragraph the words "(in the commercial corn-producing area)."

Mr. SCHWELLENBACH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SCHWELLENBACH. I should like to inquire whether or not it is possible, as suggested by the Senator from Colorado, to open up a question by a motion to reconsider certain portions of a section of the bill without opening up the entire question with reference to parity payments.

Mr. JOHNSON of Colorado. The Senator misunderstands my request. I will make the motion to open up the paragraph on parity payments, and I am stating for his information and for the information of the other Senators the purpose I have in mind in making that request.

The PRESIDING OFFICER. The Chair did not understand the Senator from Colorado to say that he expects to make a motion to reconsider. The time for that motion has passed. But the Senator from Colorado stated, as the Chair understood, that later he would propose a unanimous-consent request, which he has not yet made.

Mr. JOHNSON of Colorado. That is correct, Mr. President.

Mr. SCHWELLENBACH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SCHWELLENBACH. I wish to explain the question that I have in mind. My understanding is that the Senator from Colorado proposes, when he shall have concluded his remarks, to ask for a reconsideration of this particular section of the appropriation bill. The question I submit is, Is it possible to open up one part of the section and not open up all the section?

The PRESIDING OFFICER. Under the unanimous-consent practice, if the Senator so frames his request and the Senate agrees to it, the opening of the section would be limited to the particular purposes stated in the request.

Mr. BARKLEY. Mr. President, my recollection is that the amendments on pages 96 and 97 were voted on as two separate amendments in the agricultural bill. One related to parity payments and the other to the disposal of surplus commodities. Of course, any Senator may ask unanimous consent to reconsider the vote by which any amendment was adopted. My impression is that the request would have to be a request to reconsider the vote by which the amendment as a whole was agreed to, so that further amendments to that section could be offered.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. Has not the time passed within which a motion to reconsider this item could be entered?

The PRESIDING OFFICER. That is correct; but the Senator from Colorado [Mr. JOHNSON] does not propose to make a motion. The Chair will reserve ruling on the unanimous-consent request of the Senator from Colorado until it is actually propounded.

Mr. JOHNSON of Colorado. As I stated, the language referred to appears perfectly innocent; but, as a matter of fact, it has a very arbitrary purpose. Its object is to restrict parity payments on corn to a certain preferred territory of the United States and not make them apply generally to the whole country. As a matter of fact, under that language, farmers in only 12 States, and only 586 counties in those 12 States, may receive parity payments. In my own State of Colorado we are denied parity payments on corn. Corn is not our principal crop, but we have farms in Colorado which produce as high as 80 bushels of corn to the acre; and under this language they are denied the benefit of parity payments on corn.

In the basic law which was passed last year, loans were provided to the producers of corn. The corn farmer could borrow 57 cents a bushel, except in certain restricted areas, including Colorado, and 80 percent of the area of the country, in which only 43 cents a bushel could be borrowed. Last year my farmers wanted to know how that happened. They said, "Are we not still in the United States of America? Are we in a foreign country? Should we not be treated on the same basis as the rest of the country?" What answer could I make?

Mr. President, an arbitrary trick or joker in the bill denies to 80 percent of the country the benefits of parity payments which have been provided by the Congress. That is bad enough; but at the present time it is proposed to deprive our section of the country of any benefits at all under the parity payments.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Oregon.

Mr. McNARY. I am in sympathy with the purpose of the Senator from Colorado [Mr. JOHNSON]; but I am sure the request he makes would not bring about the result he seeks. I understand the Senator is to request a unanimous-consent agreement to eliminate the language which restricts the corn area.

Mr. JOHNSON of Colorado. That is my purpose.

Mr. McNARY. In my opinion that is a perfectly reasonable request, and one which comes within the rule. The Senator does not have to ask unanimous consent to reconsider the whole amendment. He may ask unanimous consent to reconsider any portion of it. I am with the Senator on the matter of the propriety of his request; but his request comes too late.

The act passed in 1938, which is now the law, limits the corn area to 18 States. I objected to that limitation when we considered the organic act in 1938. The Senator's State, my State, and many others, were outside the benefits to be derived from the law. The limitation is contained in the substantive law. If we should strike out the language to which the Senator refers, we should still go back to the substantive law, which contains a restriction on the corn area, and we should accomplish nothing. That is the point I make.

Mr. JOHNSON of Colorado. I do not agree with the conclusion of the Senator.

Mr. McNARY. I agree with the Senator as to the rule. He has a right to ask unanimous consent. That point is perfectly clear to me. The Chair has ruled that the Senator

has a right to ask unanimous consent that a portion of the amendment be stricken out. However, if the Senator is successful in having the language referred to stricken out, he bumps up against the substantive law, which eliminates the area referred to. How can the Senator accomplish anything? He cannot, by the elimination of the language referred to, repeal an act of Congress. That point is as plain as daylight.

Mr. JOHNSON of Colorado. I should like to ask the Senator why the language is in the bill.

Mr. McNARY. The language probably is in the bill because the Senator did not aid me in opposing it in 1938.

Mr. JOHNSON of Colorado. Why is it in this particular bill?

Mr. McNARY. It sets forth in brackets simply the limitation in the substantive act. If the Senator strikes out the language referred to, he still has the substantive act, because he cannot repeal the law by striking out the language in brackets.

Mr. JOHNSON of Colorado. I thank the Senator. Then, I presume there would be no objection on the part of any Member of the Senate to striking out the language referred to, if it does not mean anything.

Mr. McNARY. I have no objection; but I stood on the floor when the able former Senator from Idaho, Mr. Pope, was in the Senate and objected to restricting the corn area to a few favored States in the Corn Belt. I called attention to the fact that the State of Colorado, my State of Oregon, and others were receiving no benefits because of the restrictive definition of the corn area. I do not recall having heard the dulcet voice of the able Senator from Colorado supporting the Senator from Oregon. The Senator is up against neglect, or what the lawyers would call laches. I am with him, but he appears too late.

Mr. JOHNSON of Colorado. I thank the Senator from Oregon; and I hope that the other Senators, including the Senator from Illinois [Mr. LUCAS], will take the same position the Senator from Oregon takes—that the phraseology referred to is perfectly harmless, unnecessary, and meaningless, and that they will agree to the unanimous-consent request which I shall make in a few moments that it be stricken from the bill as legislation which is unnecessary.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Illinois.

Mr. LUCAS. Mr. President, I deeply regret that I shall be compelled to object to the unanimous-consent request when it is made by my distinguished friend the Senator from Colorado.

As I understand, the Secretary of Agriculture and his subordinates in the Department of Agriculture have taken an unusual amount of time in selecting the commercial corn-producing area in America. I have every sympathy with the position taken by the Senator. As I understand the Secretary of Agriculture, there might be one section in the Senator's State which would be rightly subject to this particular provision. Two miles away, or perhaps half a mile, or perhaps 3 miles away, would be a section which produces corn, but not in sufficient quantities to meet the adequate requirements. That is to say, the corn area in the Senator's State is not compact and contiguous as it is in Illinois and Iowa and other corn commercial areas. In the Senator's State doubtless there are fields which produce better corn than we produce; but because of the administrative expense in connection with trying to take in every separate 40 acres in the country which might be eligible, standing alone, the commercial corn-producing area has been confined to a particular section, including the 12 States which the Senator from Oregon [Mr. McNARY] has discussed.

Mr. President, there is one thing which we cannot overlook: As I understand the distinguished Senator from Colorado, he does not believe very much in the present Farm Act. He does not favor the control of surpluses of the basic agricultural commodities. If I have understood him correctly throughout the debates, he is opposed to that sort of philosophy.

It is true that the parity payment feature does not reach the farmer in the Senator's State. Nevertheless, that farmer may raise all the corn he wants to raise, and he is not subject to control at all, and if the Senator believes in no control of surplus corn he should be happy that his State is outside the corn commercial area.

Mr. JOHNSON of Colorado. But the Colorado farmer must compete with Illinois corn.

Mr. LUCAS. He may compete; but while the Illinois farmer is raising 100 acres of corn on a farm on which he could possible raise 200 acres if his acreage were not curtailed, the farmer in Colorado may raise all the corn he wants to raise. He may put every acre of his farm into wheat, corn, or any other commodity, because he does not come under the control provision. Therefore, if we in Illinois and the other commercial corn-producing areas must suffer as the result of curtailing our acreage, we feel that we are entitled to benefit payments. If we make the sacrifice, we are entitled to the benefits.

That statement is also true of the noncooperating farmer in Illinois. He does not have to comply with the program if he does not wish to do so. He may raise all the corn he wants to raise; but if he does not comply with the acreage curtailment and the soil-conservation program, and go along with the program as designed and regulated by the Secretary of Agriculture, he does not receive the benefit of the payments which come along. He does not receive the benefit of the corn loan. He is not entitled to those benefits unless he cooperates with the program. If I understand the situation correctly, the corn farmer in Colorado is unable to cooperate because the tremendous administrative expense is prohibitive.

Mr. JOHNSON of Colorado. Because the law does not permit him to cooperate.

Mr. LUCAS. The reason for it, as I have said, is because of the tremendous expense which would be entailed by the Department of Agriculture in permitting him to partake in the program.

Mr. JOHNSON of Colorado. The Senator is entirely mistaken about the expense, because the program extends to wheat, and it extends to other commodities besides corn. The same agricultural set-up which pertains to parity payments on wheat, and provides for a survey of farms, pertains to corn as well. So there is no extra expense.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. FRAZIER. As I understand, most of North Dakota is not in the corn area. We raise some corn in the southern part of the State for commercial purposes; but, generally speaking, we are not in the commercial corn-producing area. But corn is considered a soil-depleting crop, and if we are under the wheat provision of the Agricultural Adjustment Act we cannot raise corn that we want for our own feed.

Mr. LEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Oklahoma?

Mr. JOHNSON of Colorado. I yield.

Mr. LEE. Mr. President, is not this situation just another proof of the failure of the present farm program when it is admitted that the farmers in the Senator's State must suffer injustice because it would be more expensive to give them a corn quota? It seems to me it is merely another proof of the injustice of a plan that cannot be made to apply with equal effect upon all the farmers producing a particular crop. I think it should cause us to put our heads together in an effort to formulate a farm program that will give the farmers a real benefit on that portion of a crop that is consumed in this country and then take the bridle off and let them produce above that all they want to produce for the world trade.

Mr. JOHNSON of Colorado. I thank the Senator. He means, as I understand, that we should give all farmers everywhere an equal opportunity. They are all in the United States of America, and we should treat them all fairly. The Senator from Illinois says, "Oh, yes; but your farmers can produce all the corn they want." Suppose they do that; does not that affect the production in the United States? Is not that the very thing we are trying to get away from? Do we not want to bring the farmers of Colorado and in every other

State of the Union into the program? Do Senators want the program simply to apply to 12 States and 586 counties? Is that the object?

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. LUCAS. I will say to the Senator that I am sure my figures are correct; if not, I will stand corrected and put the proper figures in the RECORD as they should be. But I think all the corn produced which finds its way into commerce outside the commercial corn-producing area in this country is approximately 7 percent of the total.

Mr. JOHNSON of Colorado. But the States outside the commercial, corn-producing area are still in the Union, are they not?

Mr. LUCAS. I hope so.

Mr. JOHNSON of Colorado. I do not know what the answer to that is.

Mr. RUSSELL and Mr. HUGHES addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Colorado yield; and if so, to whom?

Mr. JOHNSON of Colorado. I yield first to the Senator from Georgia.

Mr. RUSSELL. Mr. President, this question has been a subject of controversy ever since the original Agricultural Adjustment Act of 1938 was introduced. I should like to point out the effect striking this provision from the bill would have on the distribution of funds. We only have $225,000,000 available, and every time there is any alteration in the formula for the distribution of funds, it, of course, has the effect of taking money away from some other commodity. The estimates of the Department of Agriculture as to the distribution of this fund of $225,000,000 based on section 303, and using 1938 data except for wheat, of which there will be a shift in production this year, shows that cotton will get $90,000,000, corn in the commercial area will get $65,000,000, and wheat will get $64,000,000. If the amendment suggested by the Senator from Colorado were adopted, it would have a most disastrous effect on the wheat farmer; it would take away one dollar of every three that is appropriated for the wheat farmer, and would take about 17 cents from every dollar that would otherwise go to the cotton farmer. If the amendment were adopted, the figures would be as follows: Cotton would get $73,000,000 instead of $90,000,000; corn would get $101,654,000—and I might say that my State would get a considerable amount of it because there is a larger acreage planted to corn in Georgia than there is to cotton—and the wheat farmer would get but $46,571,000.

So if this amendment were agreed to it would mean a reduction of over a third in the subsidy payments paid the wheat producers and would be most disastrous to the effort to secure cooperation by the farmers with the wheat program. My State does not produce any wheat in commercial quantities; most of the production is ground there and consumed on the farm; but I understand that the wheat farmers of the West are expecting to be in difficulty this fall, and their difficulties will be added to considerably if we take $20,000,000 away from them, to be expended on the basis of some new formula we do not understand. The first adjustment payment provision, adopted last year, has the same limitation; payments are limited to the commercial corn area.

Mr. JOHNSON of Colorado. Mr. President, I understood the Senator from Illinois to say that all the territory outside the favored 12 States and 586 counties only produce 7 percent of the corn. If what I propose can only affect 7 percent of the corn producers, I cannot follow the Senator from Georgia in his conclusion as to the disastrous effect of extending a square deal, a fair deal, to the farmers of the other territory.

Mr. RUSSELL. I am not in a position to controvert the figures of the Senator from Illinois, but I am of the opinion that the Senator from Illinois refers to corn which gets into the usual channels of the corn trade and into corn storage and not to the total production of corn. Corn is more widely produced than is any other agricultural commodity in the United States; practically every State produces some corn; and I assume that the 7-percent figure refers to the corn which goes into the normal channels of trade and commerce and not that which is fed or consumed on the farm.

Mr. President, I ask unanimous consent to have printed in the RECORD the table to which I have referred in order that Senators may have the benefit of it.

The PRESIDING OFFICER. Without objection, the table will be printed in the RECORD.

The table referred to is as follows:

Distribution of price-adjustment funds by commodities

[Thousand dollars]

Commodity	1938–39[1]	1939–40					
		A	B	C	D	E	F
Cotton	84,578	93,438	90,240	73,445	71,444	88,140	94,019
Corn, commercial	61,613	68,076	65,745	101,654	98,886	64,192	34,700
Wheat	64,113	59,249	64,922	46,571	51,430	66,121	93,341
Rice	1,696	2,515	2,430	1,977	1,923	1,755	2,940
Tobacco	.....	1,722	1,663	1,353	1,317	4,792	.....
Total	212,000	225,000	225,000	225,000	225,000	225,000	225,000

[1] Actual distribution under the Price Adjustment Act of 1938 after transfer of $4,464,000 from tobacco to wheat.

A—Based on sec. 303, using 1938 data.

B—Based on sec. 303, using 1938 data except for wheat, for which an assumed production of 750,000,000 bushels and an assumed price of 60 cents were used.

C—Same as A, using all corn instead of commercial corn.

D—Same as B, using all corn instead of commercial corn.

E—Based on secs. 303 and 104, using 1938 data except for wheat. (Giving equal weight to distribution B and distribution of funds for 1939 A. C. P.)

F—Based on column B, with the additional provision that the payment rate plus the higher of farm price or loan rate shall not exceed 75 percent of parity.

Mr. HUGHES. Mr. President——

Mr. JOHNSON of Colorado. I yield to the Senator from Delaware.

Mr. HUGHES. I am moved to ask the Senator if he can tell me what, according to the Secretary of Agriculture's determination, is the commercial corn-producing area. The Senator suggested it represented so many acres, but I should like to know where they are located, and what States are denominated the corn-producing area.

Mr. JOHNSON of Colorado. I regret I cannot answer that question.

Mr. McNARY. Mr. President, may I obtrude for a moment on that point?

Mr. JOHNSON of Colorado. I yield to the Senator from Oregon.

Mr. McNARY. It may seem, because of the statement I made a moment ago as to the Senator's proposal coming too late, that I am not in sympathy with the objective of his amendment, but such is not the case.

The commercial corn-producing area is not defined by States, but by producing areas. The definition is found in section 301, paragraph (4) (A) of the act of 1938, and was discussed on the floor at the time very intelligently by the then able Senator from Idaho, Mr. Pope. I objected to the definition. I shall read it for the RECORD. It is found on page 11 of the act:

> "Commercial corn-producing area" shall include all counties in which the average production of corn (excluding corn used as silage) during the 10 calendar years immediately preceding the calendar year for which such area is determined after adjustment for abnormal weather conditions, is 450 bushels or more per farm and four bushels or more for each acre of farm land in the country.

Mr. JOHNSON of Colorado. Not corn farm land but all farm land.

Mr. McNARY. That excluded the area as to which I complained then and my very able friend from Colorado complains now. It excluded it because we did not have a 10-year average upon which we could base a request for parity payments, which were then called benefit payments.

So I am saying to my very learned friend from Colorado that if the Senate strikes out the language which he proposes, we will then revert to the law of 1938, which defines this area, and he will accomplish nothing. It is not necessary for the language to be in the bill; it might as well be out, because the provision goes back to the act of 1938, anyway. While my sympathy for the Senator's proposal is unbounded,

yet the area is defined by statute, and merely placing the words parenthetically in the provision now before the Senate for some reason adds nothing and detracts nothing from the subsidy act passed in 1938.

Mr. JOHNSON of Colorado. I think the Senator from Oregon would agree with me that the paragraph he has just read is nothing more nor less than a definition of what is meant by the term "commercial corn-producing area."

Mr. McNARY. Certainly.

Mr. JOHNSON of Colorado. The Senator has read nothing but a definition; he has not read any provision of law; and when the pending bill refers to that definition naturally it describes the very thing he has in mind.

I hope that all Senators will agree with the Senator from Oregon that the words in this bill are entirely useless, so that we may strike them out and go right along. I will take my chances, if we strike them out now, as to whether or not they are useless and as to whether we are too late in taking action.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BARKLEY. The Senator has not as yet made his request. Unless he wishes to discuss the matter further on principle, I suggest that he make his request, so that, if granted, we can then consider the matter on its merits, and if it is not granted we will know the parliamentary status. I do not wish to cut the Senator off if he wishes to discuss the question further, but the concrete proposition will come if, when he makes his request for unanimous consent, the request is granted.

Mr. GILLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Iowa?

Mr. JOHNSON of Colorado. I yield.

Mr. GILLETTE. I wish to make a brief statement concerning the matter involved in this discussion. I am in full agreement with the Senator from Oregon that the matter the Senator from Colorado has in mind comes too late. I opposed this restriction at the time the bill was before the Senate committee for an entirely different reason, however, than the Senator from Oregon. All of my State of Iowa, of course, is fully within the commercial corn-producing area, but there were two elements taken into consideration. One was that most of the States of the Union produce small amounts of corn, and the effect of the act on the little areas that produce an acre or two of corn for home use was to prohibit inclusion in the benefits of the act. There was however, another vital matter. Those who came within the commercial corn-producing area could impose on themselves marketing quotas, not only on the cooperators but those within that area who did not choose to cooperate were limited in the amount of corn that they could market if marketing quotas were imposed. But the farmers outside the commercial corn-producing area were not brought within that responsibility or that penalty for not complying with the marketing restriction. The result is that while the Senator is complaining, and with some justification and logic, that his section of the country is not benefiting under the program, it is not charged with responsibilities under the program. My strong objection to defining the area was that if that were done we might impose restrictions and marketing quotas on ourselves in the commercial corn-producing area, and farmers in the noncommercial area could produce and increase their production as much as they saw fit, and go into the market, and take the market away from us who were restricted.

Mr. JOHNSON of Colorado. But the Senator overlooks one point in his argument. That is that we are restricted as to wheat growing. We cannot go from wheat to corn, or from corn to wheat, because we are in a restricted area so far as wheat is concerned; and we might just as well be restricted so far as corn is concerned.

Mr. ADAMS and Mr. LOGAN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Colorado yield; and if so, to whom?

Mr. JOHNSON of Colorado. I yield first to my colleague.

Mr. ADAMS. Mr. President, with reference to the suggestion of the Senator from Oregon [Mr. McNARY] that the suggestion which my colleague makes is too late, I merely wish to call attention to the fact that if the Senator from Oregon is correct in stating that the law as it stands is wrong in fixing corn-producing areas, then it ought to be amended; and if this clause is left in, we shall have to amend two statutes instead of one. In other words, this clause nails down the error. So, it seems to me that if the law is wrong, the Senator from Oregon and the rest of us should be eager to leave the matter in such shape that a proper amendment could be made to the law of 1938.

Mr. McNARY. Mr. President, I assure the Senator that I am anxious.

Mr. LOGAN. Mr. President——

Mr. JOHNSON of Colorado. I yield to the Senator from Kentucky.

Mr. LOGAN. I am in full sympathy with all that the Senator from Colorado says; but I must agree with the Senator from Oregon that whether we strike out the words in parentheses or whether we leave them in can make no difference whatever.

This is an appropriation of $225,000,000 pursuant to the provisions of section 303 of the Agricultural Adjustment Act of 1938. The Agricultural Adjustment Act of 1938 specifically defines to whom these benefits may be paid—that is, to the growers of corn—and they are those within the commercial corn-producing area as defined in that act. So the senior Senator from Colorado [Mr. ADAMS] is evidently correct when he says that nothing could be done unless we should amend the previous act, because the act is binding. This appropriation is made under the previous act, and the act limits the payment of corn benefits to those who are in the corn-producing area defined in the act; and there is no way that I can see for us to reach the matter in this measure.

Mr. JOHNSON of Colorado. I am very glad the junior Senator from Kentucky will not object to striking this language from the pending bill.

Mr. LOGAN. No; I should agree to it.

Mr. JOHNSON of Colorado. That is fine.

Mr. President, I ask unanimous consent that the paragraph dealing with parity payments on page 96 be opened to amendment.

The PRESIDING OFFICER. As the Chair has understood the discussion of the Senator from Colorado, his request perhaps may be thus stated. The Chair will ask the Senator to see if the Chair is correct in his understanding:

The Senator from Colorado requests unanimous consent to reconsider the vote by which the paragraph constituting the committee amendment relating to parity payments was adopted, only for the purpose, however, of striking from the paragraph the words appearing in parentheses in lines 15 and 16, page 96, which are "in the commercial corn-producing area."

Does the Chair correctly understand the Senator?

Mr. JOHNSON of Colorado. The Chair is correct. That is my request.

The PRESIDING OFFICER. Is there objection?

Mr. LUCAS. Mr. President, I am forced to object.

The PRESIDING OFFICER. Objection is heard.

Mr. JOHNSON of Colorado. Mr. President, I have at the desk a motion which I ask to have stated.

The PRESIDING OFFICER. The motion of the Senator from Colorado will be stated.

The LEGISLATIVE CLERK. Mr. JOHNSON of Colorado moves to recommit House bill 5269 with instructions to the Appropriations Committee to eliminate all items in excess of Budget estimates or items not recommended by the Budget.

Mr. JOHNSON of Colorado. Mr. President on that motion I ask for a roll call.

Mr. LA FOLLETTE. I move to lay on the table the motion of the Senator from Colorado.

The PRESIDING OFFICER. The question is on the motion of the Senator from Wisconsin to lay on the table the motion of the Senator from Colorado.

Mr. JOHNSON of Colorado. On the motion to lay on the table I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. VANDENBERG. Mr. President, I think we are entitled to a chance to make a record on this motion; and it will save a good deal of time if we may have a roll call.

The PRESIDING OFFICER. The Chair will request Senators who favor seconding the demand for a roll call to rise.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BARKLEY. Mr. President, a parliamentary inquiry. The vote now being taken is on the motion to lay on the table?

The PRESIDING OFFICER. The Senator is correct. The question is on the motion of the Senator from Wisconsin [Mr. LA FOLLETTE] to lay on the table the motion of the Senator from Colorado [Mr. JOHNSON].

The roll call was concluded.

Mr. BURKE. The senior Senator from Rhode Island [Mr. GERRY] is necessarily detained from the Senate. If he were present, he would vote "nay."

Mr. LOGAN (after having voted in the affirmative). I have a general pair with the senior Senator from Pennsylvania [Mr. DAVIS], who is absent. I do not know how he would vote if he were present. Therefore I transfer my pair to the senior Senator from Alabama [Mr. BANKHEAD], and allow my vote to stand.

Mr. HILL. My colleague the senior Senator from Alabama [Mr. BANKHEAD] is absent on important official business.

Mr. McKELLAR. My colleague the junior Senator from Tennessee [Mr. STEWART] is absent on official business. If he were present, he would vote "yea."

Mr. McNARY. The Senator from Ohio [Mr. TAFT] is paired with the Senator from New York [Mr. MEAD]. If present and voting, the Senator from Ohio would vote "nay," and the Senator from New York would vote "yea."

Mr. CAPPER. My colleague the junior Senator from Kansas [Mr. REED] is unavoidably detained. If present, he would vote "yea."

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is detained from the Senate because of illness.

The Senator from Nevada [Mr. McCARRAN] is absent on official business for the Committee on the Judiciary.

The Senator from Washington [Mr. BONE], the Senator from Ohio [Mr. DONAHEY], and the Senator from Maryland [Mr. RADCLIFFE] are unavoidably detained.

The Senator from North Carolina [Mr. BAILEY], the Senator from Idaho [Mr. CLARK], the Senator from Missouri [Mr. CLARK], the Senator from Iowa [Mr. HERRING], the Senator from New York [Mr. MEAD], the Senator from Arkansas [Mr. MILLER], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Maryland [Mr. TYDINGS] are absent on important public business.

The Senator from Florida [Mr. ANDREWS], the Senator from Arizona [Mr. ASHURST], the Senator from Nevada [Mr. PITTMAN], and the Senator from New York [Mr. WAGNER] are detained in important committee meetings.

The Senator from South Carolina [Mr. SMITH] is absent because of illness in his family.

The Senator from Vermont [Mr. AUSTIN] has a general pair with the Senator from Missouri [Mr. CLARK].

The result was announced—yeas 42, nays 28, as follows:

YEAS—42

Barkley	George	McKellar	Schwartz
Bilbo	Gillette	McNary	Schwellenbach
Bulow	Green	Minton	Sheppard
Byrnes	Harrison	Murray	Shipstead
Capper	Hatch	Neely	Slattery
Caraway	Hayden	Norris	Thomas, Okla.
Chavez	Hill	Nye	Truman
Connally	La Follette	Overton	Wheeler
Downey	Logan	Pepper	Wiley
Ellender	Lucas	Reynolds	
Frazier	Lundeen	Russell	

NAYS—28

Adams	Gibson	Hughes	O'Mahoney
Barbour	Glass	Johnson, Calif.	Thomas, Utah
Bridges	Guffey	Johnson, Colo.	Tobey
Brown	Gurney	King	Townsend
Burke	Hale	Lee	Vandenberg
Byrd	Holman	Lodge	Walsh
Danaher	Holt	Maloney	White

NOT VOTING—26

Andrews	Clark, Idaho	Mead	Stewart
Ashurst	Clark, Mo.	Miller	Taft
Austin	Davis	Pittman	Tydings
Bailey	Donahey	Radcliffe	Van Nuys
	Gerry	Reed	Wagner
Bone	Herring	Smathers	
Borah	McCarran	Smith	

So the motion of Mr. JOHNSON of Colorado was laid on the table.

Mr. CONNALLY. Mr. President, I wish to offer an amendment on page 37, line 15, to increase the appropriation by $10,000.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 37, line 15, it is proposed to strike out "$1,373,982" and to insert in lieu thereof "$1,383,982."

Mr. CONNALLY. Mr. President, the amendment proposes an increase of $10,000 under the Bureau of Plant Industry for the operation of a citrus fruit laboratory now in course of construction.

The PRESIDING OFFICER. The proposal of the Senator is to amend a committee amendment which has already been agreed to.

Mr. CONNALLY. Mr. President, I ask unanimous consent that the vote by which the committee amendment was agreed to be reconsidered.

The PRESIDING OFFICER. Is there objection?

Mr. RUSSELL. Mr. President, as much as I regret to do so, I do not feel that the committee can now grant unanimous consent to opening up amendments in the bill.

The PRESIDING OFFICER. Objection is heard.

Mr. ADAMS. Mr. President, during the consideration of the bill a number of us, including the Senator in charge of the bill, discussed the possibility or desirability of reducing the aggregate appropriation. In the committee two motions were submitted providing for horizontal reductions. They were opposed by the chairman of the subcommittee, the Senator from Georgia, and were defeated. Suggestion was subsequently made that an amendment might be offered to send the bill back to the committee with instructions, not in just the form of the motion that was laid on the table, but to reduce the aggregate by a certain percentage or a certain amount, and to leave to the committee the selection of the items where the reductions should be made.

The matter was discussed with the Senator from Georgia, who said he did not feel that that ought to be done as to the agricultural appropriation bill alone, that he was in entire accord with those who were interested in reducing governmental expenditures and appropriations, and would be glad to cooperate if the scope of such a motion to reduce were broader, and included other measures.

I merely wish to say that it is contemplated that at a subsequent date a motion will be made to reduce the aggregate of different appropriation bills, either by a percentage or by amounts, the form of the motion to be formulated, which will include all appropriation bills, making appropriate exceptions, such as in the case of the interest on the Government debt, in which case, of course, no reduction can be made. I think I am correctly quoting the Senator from Georgia, that he would be inclined to cooperate in a movement of that kind.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. McNARY. I think the able senior Senator from Utah [Mr. KING] has anticipated the Senator, for he offered a resolution to that effect this morning.

Mr. ADAMS. The Senator from Utah may have anticipated the offering of such a motion, but I think he has anticipated the time, also, because the movement should not be

inaugurated until the other major appropriation bills have been considered, so that the reductions would apply to all the bills.

Mr. RUSSELL. Mr. President——

Mr. ADAMS. Mr. President, if the Senator will pardon me, I want to say one word while the Senator from Georgia is before me. The Senate does not, and I am afraid cannot, appreciate the burdens which the Senator from Georgia has carried in connection with the pending bill. He has done a wonderfully conscientious job. He has been under pressure, as is the case in connection with other appropriation bills, from departments and from individuals who were seeking appropriations, and while the amount appropriated in the pending bill is somewhat large, there is only one complaint I have had as to the Senator from Georgia, and that is that he did not state his case to the Senate when the consideration of the bill began as he has stated it this morning. The result was that in the Senate and in the press of the country a false impression was given.

I wish to pay tribute to the Senator from Georgia, both because of the work he has done and because I know of his desire to cooperate with those who would like to reduce the aggregate of governmental expenditures.

Mr. KING. Mr. President, I wish to say to the Senator from Colorado, if he will pardon me, that the resolution I have offered not only covers the pending bill and the bills which have been passed, but those which are to be passed in the future.

Mr. ADAMS. Of course, there is the practical consideration that those in charge of the departments are a very worldly wise lot—they are financially wise—and I am apprehensive that if we were to say to them today that we wanted them to scale down appropriations 5 or 10 percent their requests would be accordingly increased to meet the anticipated reductions.

Mr. KING. I had that point in mind, and therefore I did not ask for the immediate consideration of the resolution. I wanted my resolution to lie upon the table as an admonition to the distinguished gentlemen to whom the Senator refers that the Senate is taking cognizance of the fact that their appropriations are too large and too extravagant and that we intend to cut them down.

Mr. BILBO. Mr. President, will the Senator from Colorado answer a question?

Mr. ADAMS. I will attempt to do so.

Mr. BILBO. The Senator's proposal is that there be a 10-percent cut in all appropriations?

Mr. ADAMS. No; I had no figure in mind. Some of us have had the feeling that it is possible to make substantial reductions, for the Congress to exact more economic administration here and there, and that at an appropriate time an effort should be made to require the departments to spend something less than the amounts which have been appropriated for them in the past. We had no fixed amount in mind. Perhaps 10 percent is a rough estimate of what is in the minds of those who have discussed the matter.

Mr. BILBO. Does the Senator think that is fair, in view of the fact that in this particular bill the Appropriations Committee has already cut the parity payment from $250,000,000 to $225,000,000? It is now proposed to impose another 10-percent cut.

Mr. ADAMS. I will say to the Senator that no one has talked of a horizontal cut. I tried to make that clear. We are not talking about a horizontal cut but a cut in the aggregate appropriation and to be made in those places where the cuts can be stood without doing an injury; and under such a provision there might not be a single cut in the parity payments.

Mr. BILBO. In the proposed cut in all appropriations, or in a part of them, to get a reduction of 10 percent, is the Senator contemplating to have the cut apply to his salary?

Mr. ADAMS. I shall be glad to join the Senator from Mississippi to cut more than that from our salaries. I voted for a cut of 15 percent before the Senator from Mississippi was a Member of the Senate.

Mr. BILBO. It is only upon that condition that I will agree to the Senator's proposal. If every appropriation we have made is cut, I will agree to the Senator's proposal.

Mr. ADAMS. Will the Senator come along with us if we agree to cut our salaries?

Mr. BILBO. If every appropriation we have made is cut, I will include myself, but if we cut only the salaries I will not go with the Senator from Colorado. I will not go with him unless he agrees to cut all the appropriations.

Mr. BARKLEY. Mr. President, I suggest that we cross that bridge of cutting when we get to it, and that we now vote on the bill. All of this talk about something which may or may not happen is academic.

Mr. ADAMS. I apologize for disturbing the Senator from Kentucky, because I know he never will indulge in any wasteful talk about anything that may occur in the future.

Mr. BARKLEY. I did not have in mind that the Senator from Colorado was engaging in wasteful talk, but he served notice of what he would talk about in the future, and when the time comes I believe it will be discussed not only by him but by others. Inasmuch, however, as much of the discussion today has been on questions not really before the Senate, and that other measures are waiting to be acted upon, I expressed the hope, which I still entertain, that we may vote on the pending bill and then proceed to consider something else.

Mr. VANDENBERG. Mr. President, the amendment to the bill dealing with parity payments was acted on by voice vote only. The same statement applies with regard to the amendment dealing with the disposal of surplus commodities. Inasmuch as no record vote was taken, I wish to state for the RECORD that on the voice vote on the parity-payments amendment, and on the amendment dealing with the disposal of surplus commodities, I voted "no," because I am opposed to appropriations for which there are no funds available.

On the motion submitted by the Senator from Colorado [Mr. JOHNSON] a direct individual attitude could not be registered because of the motion which cut off debate. I wish simply to announce for the RECORD that if the motion submitted by the Senator from Colorado had come to a vote I should have voted "yea."

Mr. CHAVEZ. I wish to state that in the voice vote that was taken on the payment of parity payments I voted "yea."

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. RUSSELL. I move that the clerks be directed to correct the totals.

The motion was agreed to.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. RUSSELL. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. HILL (when Mr. BANKHEAD's name was called). My colleague the senior Senator from Alabama [Mr. BANKHEAD] is absent on important official business. If he were present, he would vote "yea."

Mr. LOGAN (when his name was called). I have a general pair with the senior Senator from Pennsylvania [Mr. DAVIS], who is absent. Not knowing how he would vote, I transfer that pair to the senior Senator from Alabama [Mr. BANKHEAD], and will vote. I vote "yea."

The roll call was concluded.

Mr. BURKE. I desire to repeat the announcement previously made with respect to the senior Senator from Rhode Island [Mr. GERRY], who is unavoidably detained. If present, he would vote "nay."

Mr. CAPPER. My colleague the junior Senator from Kansas [Mr. REED] is unavoidably detained. If present, he would vote "yea."

Mr. WAGNER. My colleague [Mr. MEAD] is detained on official business. He is paired with the junior Senator from Ohio [Mr. TAFT]. If my colleague were present, he would vote "yea." If the junior Senator from Ohio were present, he would vote "nay."

Mr. MINTON. I announce that the Senator from Indiana [Mr. VAN NUYS] is detained from the Senate because of illness.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business for the Committee on the Judiciary.

The Senator from Utah [Mr. KING] and the Senator from Nevada [Mr. PITTMAN] are detained in important committee meetings.

The Senator from North Carolina [Mr. BAILEY], the Senator from Missouri [Mr. CLARK], the Senator from Idaho [Mr. CLARK], the Senator from Iowa [Mr. HERRING], the Senator from Arkansas [Mr. MILLER], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Maryland [Mr. TYDINGS] are absent on important public business.

The Senator from Washington [Mr. BONE] and the Senator from Maryland [Mr. RADCLIFFE] are unavoidably detained.

The Senator from South Carolina [Mr. SMITH] is absent because of illness in his family.

I am advised that if present and voting, the Senators from Nevada, the Senator from Washington, the Senator from Missouri, the Senator from Idaho, the Senator from Iowa, the Senator from Arkansas, the Senator from New Jersey, and the junior Senator from Maryland would vote "yea."

Mr. MCNARY. The Senator from Vermont [Mr. AUSTIN] has a pair with the Senator from Rhode Island [Mr. GERRY]. If present, the Senator from Vermont would vote "yea," and, if present, the Senator from Rhode Island would vote "nay."

The result was announced—yeas 61, nays 14, as follows:

YEAS—61

Adams	Ellender	Lee	Russell
Andrews	Frazier	Logan	Schwartz
Ashurst	George	Lucas	Schwellenbach
Barkley	Gillette	Lundeen	Sheppard
Bilbo	Glass	McKellar	Shipstead
Borah	Green	McNary	Slattery
Brown	Guffey	Maloney	Stewart
Bulow	Gurney	Minton	Thomas, Okla.
Byrd	Harrison	Murray	Thomas, Utah
Byrnes	Hatch	Neely	Truman
Capper	Hayden	Norris	Wagner
Caraway	Hill	Nye	Wheeler
Chavez	Holman	O'Mahoney	Wiley
Connally	Hughes	Overton	
Donahey	Johnson, Colo.	Pepper	
Downey	La Follette	Reynolds	

NAYS—14

Barbour	Gibson	Lodge	Walsh
Bridges	Hale	Tobey	White
Burke	Holt	Townsend	
Danaher	Johnson, Calif.	Vandenberg	

NOT VOTING—21

Austin	Davis	Miller	Taft
Bailey	Gerry	Pittman	Tydings
Bankhead	Herring	Radcliffe	Van Nuys
Bone	King	Reed	
Clark, Idaho	McCarran	Smathers	
Clark, Mo.	Mead	Smith	

So the bill H. R. 5269 was passed.

REORGANIZATION PLAN NO. II—RESOLUTION OF DISAPPROVAL

Mr. BARKLEY. Mr. President, it has been my purpose and is my purpose to move that the Senate consider Calendar No. 349, Senate bill 1100, the Florida ship canal bill. However, the Senator from South Carolina [Mr. BYRNES] desires to have a vote on the resolution reported by the Select Committee on Government Organization, with the understanding that it will not be debated. For that purpose I yield to the Senator from South Carolina.

Mr. BYRNES. Mr. President, I move that the Senate proceed to the consideration of Senate Concurrent Resolution 16.

Mr. MCNARY. Mr. President, may the resolution be stated?

The PRESIDING OFFICER. The clerk will read the concurrent resolution.

The Chief Clerk read the concurrent resolution (S. Con. Res. 16), as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress does not favor the reorganization plan No. II transmitted to Congress by the President on May 9, 1939.

The PRESIDING OFFICER. The Senator from South Carolina [Mr. BYRNES] moves that the Senate proceed to the consideration of Senate Concurrent Resolution No. 16. The motion is not debatable.

The motion was agreed to.

Mr. BYRNES. Mr. President, I do not desire to discuss the concurrent resolution. The Senate is familiar with it. I think it is important that it be disposed of at this time. If the Senate approves the reorganization plan submitted by the President, the officials in the various bureaus and departments affected by the plan will know that it is to become effective and can proceed to arrange the affairs of the departments in accordance with the plan.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

Mr. BYRNES. I yield to the Senator from Michigan.

Mr. VANDENBERG. Has the concurrent resolution been surveyed by any committee?

Mr. BYRNES. It has; and it was adversely reported by the Select Committee on Government Organization.

Mr. VANDENBERG. Was there any division in the committee?

Mr. BYRNES. Yes. The Senator from Oregon [Mr. MCNARY] voted contrary to the majority of the committee. His was the only such vote.

Mr. MCNARY. Mr. President, the concurrent resolution submitted by the able Senator from South Carolina was in opposition to the approval of reorganization plan No. II.

Mr. BYRNES. Yes.

Mr. MCNARY. I supported the chairman of the committee, who submitted the concurrent resolution.

Mr. BYRNES. Mr. President, that is true. The Senator supported the concurrent resolution. I knew then that there was something wrong with it, and I intend to vote against it. [Laughter.]

Mr. HOLT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TRUMAN in the chair). Does the Senator from South Carolina yield to the Senator from West Virginia?

Mr. BYRNES. I yield.

Mr. HOLT. Were any tears shed over the demise of the Bituminous Coal Commission?

Mr. BYRNES. I know of none.

Mr. BARKLEY. Mr. President, on this question those who favor reorganization plan No. II will vote "nay."

The PRESIDING OFFICER. The statement of the Senator from Kentucky is correct. Those in favor of the reorganization plan will vote "nay." The question is on agreeing to the concurrent resolution.

The concurrent resolution was rejected.

FLORIDA SHIP CANAL

Mr. BARKLEY. I move that the Senate proceed to consider Calendar No. 349, Senate bill 1100, the Atlantic-Gulf Ship Canal bill.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1100) for the completion of the Atlantic-Gulf Ship Canal across Florida, which had been reported from the Committee on Commerce without recommendation.

Mr. SHEPPARD. Mr. President, the bill now before the Senate, S. 1100, provides for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida in accordance with the recommendation of the Chief of Engineers, Maj. Gen. E. M. Markham, in his report to the Secretary of War on April 1, 1937, which was transmitted by the Secretary of War to the Speaker of the House of Representatives on April 3, 1937, and which is contained in House Document No. 194, Seventy-fifth Congress, first session.

This report was made by Major General Markham in the course of his official duty while he was Chief of Engineers and was made pursuant to section 4 of the Rivers and Harbors Act of January 21, 1927, an act signed by President Coolidge, that section providing for a preliminary examination and survey of a "waterway from Cumberland Sound, Ga. and Fla., to the Mississippi River," and section 2 of the Rivers and Harbors Act of July 3, 1930, signed by President

Hoover, providing for preliminary examinations and surveys of:

First. Waterway across northern Florida to connect the Atlantic Intracoastal Waterway with the proposed Gulf Intracoastal Waterway by the most practicable route;

Second. Waterway for barge traffic across southern Georgia and northern Florida to connect the Atlantic Intracoastal waterway with the proposed Gulf Intracoastal waterway by the most practicable route;

Third. From the mouth of the St. Marys River on the Atlantic Ocean, waterway for barge traffic to connect with the proposed Gulf Intracoastal waterway by the most practicable route.

General Markham states in his report of April 1, 1937, that the investigations directed under section 4 of the Rivers and Harbors Act of January 21, 1927, and section 2 of the Rivers and Harbors Act of July 3, 1930, to which I have referred—were for the purpose of ascertaining the best route for a canal across the base of the Florida Peninsula in the States of Florida and Georgia and of determining the most suitable dimensions, cost, and advisability. The route finally selected is entirely in the State of Florida.

Thus, the canal provided in the pending bill is a river and harbor project recommended by the Chief of Engineers as the outcome of an extended series of studies by the most competent engineering boards, covering a period of something like 10 years, and by the Chief of Engineers himself. Each of these boards made its study and submitted its report for the purpose of enabling the ultimate reviewing authority—the Chief of Engineers—to make a final report and recommendation to Congress in compliance with river and harbor law and practice. None of the conclusions reached by the engineering boards which studied the proposed canal as a river and harbor measure in the course of the examination and survey authorized by the acts of 1927 and 1930 was regarded as final under river and harbor law and procedure. They constituted the basis on which the final reviewing authority—the Chief of Engineers—having all these studies and conclusions before him relating to physical feasibility, financial benefits, effect on ground waters, volume of shipping, interests affected, general desirability, and the like, as well as his own deductions and the results of his own judgment, made up his report to Congress.

Paralleling this river and harbor procedure, and independently of it, were a series of efforts by Florida citizens to secure the construction of the proposed canal through a loan from the Reconstruction Finance Corporation and otherwise. Later they were required by law to transfer their application to the Public Works Administration, and this Administration turned down the proposal as a self-liquidating project for the type and size of canal then under consideration, and also turned it down when presented in two other forms. Then allotments were secured from the President under the Emergency Relief Act of 1935 to the extent of $5,400,000, and work began on the canal as a relief project under Government engineers. When these funds were expended no further relief money was available and the work ceased. Then the river and harbor studies of the canal culminated in the favorable report of the then Chief of Engineers, General Markham, April 1, 1937. Here it will be helpful to review in some detail these river and harbor studies.

1927

On February 5, 1927, the Chief of Engineers appointed a special board of Government engineers, which I shall call the first special board, to make a preliminary examination and survey of the waterway from Cumberland Sound, Ga. and Fla., to the Mississippi River, authorized by Rivers and Harbors Act of 1927 which was signed by President Coolidge. The first special board continued its work throughout the remainder of 1927, and throughout 1928 and 1929.

1930

In 1930 the first special board of Army engineers was assigned also the duty of making preliminary examination and survey of waterways for barge traffic across southern Georgia and northern Florida.

On December 1, 1931, the first special board reported on the preliminary examination it had made pursuant to Rivers and Harbors Act of 1927 and in that report recommended that a survey be made to determine the best available location, cost of construction, and economic justification for (a) a ship canal across the northern portion of the peninsula of Florida and a barge canal along the same route; and (b) a barge canal between the western terminus of such a waterway and the eastern terminus of the existing Gulf intracoastal waterway.

As a result of the work and recommendations of the first special board, and the recommendation thereon of the Board of Engineers for Rivers and Harbors, the Chief of Engineers who at that time was Maj. Gen. Lytle Brown, authorized on January 28, 1932, a second special board to make surveys to determine (a) plans and estimates of cost for a ship canal along the most practicable route, (b) plans and estimates of cost for a barge canal along the route selected for a ship canal, with connections at either end with the intracoastal waterway; (c) plans and estimates of cost for a barge canal to connect the Atlantic and Gulf Intracoastal waterways along the most practicable and economically feasible route, independent of the question of a ship canal. The Chief of Engineers further directed that the territory to be covered by the survey be extended to include all practicable routes, and that separate economic studies be made and recommendations be submitted covering (a), (b), and (c) above. The territory covered by the surveys resulting from these orders of the Chief of Engineers extended over all of the Florida Peninsula and a large portion of southern Georgia. However, preliminary studies eliminated routes outside of the area lying south of the thirty-first parallel of latitude and east of the Appalachicola and Flint Rivers. The total number of routes surveyed was 28.

On July 21, 1932, the Emergency Relief and Construction Act was approved by President Herbert Hoover. Paragraph 3, subsection A, section 201, empowered the Reconstruction Finance Corporation—

> To make loans to private corporations to aid in carrying out the construction, replacement, or improvement of bridges, tunnels, docks, viaducts, waterworks, canals, and markets devoted to public use and which are self-liquidating in character.

On August 1, 1932, the National Gulf-Atlantic Ship Canal Association made application to the Reconstruction Finance Corporation for a loan to construct a Gulf-Atlantic Ship Canal as a self-liquidating project.

On December 19, 1932, the National Gulf-Atlantic Ship Canal Association appeared before the engineers' advisory board of the R. F. C. for a formal hearing upon its application for a loan. Gen. Charles P. Summerall, president of the corporation, presented the application.

Bear in mind that the application of this association to the Reconstruction Finance Corporation did not change the status of the canal project then pending before the Army engineers as a river and harbor project.

1933

On February 4, 1933, the Board of Directors of the Reconstruction Finance Corporation decided that since the project was being studied by the United States Engineers Corps, under instructions and with appropriation from Congress, no consideration of it should be made until the Engineering Corps had finished its work and filed its report.

On February 10, 1933, the Southern Railway Co., the Seaboard Air Line Railway, the Florida East Coast Railway, and the Atlantic Coast Line Railroad Co. appeared through representatives in opposition to the Gulf-Atlantic Ship Canal before the second special board of Army engineers appointed on January 28, 1932, by the Chief of Engineers to make the survey previously recommended by the Army engineers for such canal.

On March 18, 1933, Gov. David Sholtz, of Florida, addressed a communication to the President of the United States, Franklin Delano Roosevelt, requesting the President to

give very serious consideration to the inclusion of the Florida ship canal in the President's public-works program, and stating that a very large amount of common labor could be used on the project of a class that lent itself admirably to the cantonment system for the unemployed, that benefits from this project would be permanent, that they would accrue to the Nation's shipping between the Gulf and the Atlantic, that the project would complete a vital and necessary link in the Nation's intracoastal system from Boston to the Rio Grande, that plans for the project were so far advanced that work could start promptly, that construction would necessitate large expenditures of private capital for auxiliary work thereby causing additional employment of labor, that the Florida ship canal was endorsed by all outstanding waterways associations of the United States, and that he, the Governor, urged the President's favorable consideration of the proposal.

On May 12, 1933, the Legislature of the State of Florida created the Ship Canal Authority of the State of Florida, and this authority took over the application of the National Gulf-Atlantic Ship Canal Association to the Reconstruction Finance Corporation for a loan with which to construct the canal.

On June 3, 1933, the second special board of Army engineers, created on January 20, 1932, to make a survey for the canal, had not completed its work but had determined on the best route for the canal and had completed collection of all basic data necessary to an estimate of its cost of construction and had substantially completed its economic survey. On that day—that is, June 3, 1933—the Chief of Engineers, by direction of the President, caused the second special board to make a preliminary report in order that the data contained therein might be submitted to the engineers of the Reconstruction Finance Corporation, to be used by them as a basis for computing the cost of construction, and on that same day the preliminary report was submitted to the Chief of Engineers. The special board, having made this preliminary report for the benefit of the Reconstruction Finance Corporation, continued its studies of the canal as a river and harbor project.

On June 16, 1933, the President approved an act amending the Emergency Relief Construction Act of 1932, under which amendment the application for a loan by the Ship Canal Authority of the State of Florida, originally the application of the National Gulf-Atlantic Ship Canal Association, was transferred at a subsequent date, to wit, August 14, 1933, according to a letter dated June 11, 1936, from Assistant Administrator Hackett, Public Works Administration, in answer to an inquiry regarding the matter from the Reconstruction Finance Corporation to the Public Works Administration, and was thereafter examined by and prosecuted before that agency. This did not displace the work of the second special board of Army engineers, however, which continued its studies and examinations of the project as a river and harbor proposal under river and harbor laws.

On October 19, 1933, the report of the engineer examiner of the Public Works Administration on the Florida ship canal was made and was favorable. The canal contemplated in the application to the Public Works Administration was to have the following characteristics:

First. It was to be a lock canal—following the same route as that of the canal now under consideration—with two sets of locks across the northern portion of the Florida Peninsula, and was to be a toll canal.

Second. The western or Gulf approach section was to be approximately 27 miles long with a bottom width of channel varying from 1,000 to 500 feet.

Third. The summit section was to be 67.8 miles long with a bottom width of 250 feet.

Fourth. The remaining portion of the canal from the east lock to the Atlantic was to be approximately 106.6 miles long with a bottom width of 400 feet.

Fifth. Except for the summit section, the canal was to be at sea level with channel depth of 30 feet plus a 2-foot overdepth in sand and a 3-foot overdepth in rock.

Sixth. The summit section was to be at elevation 40 feet above mean sea level with depths as above.

Seventh. The project contemplated a ship canal with all necessary locks, dams, bridges, ferries, shops, buildings, and so forth, necessary for its operation.

Eighth. The total cost of the project was estimated to be $115,000,000, the amount recommended by the engineer examiner of P. W. A. for a loan.

Ninth. This estimate of cost was based on data furnished by the second special board of the Corps of Engineers, United States Army, in its report to the Chief of Engineers, dated June 3, 1933, which had been ordered by the President for submission to the Reconstruction Finance Corporation for its use in computing the cost of the project and transferred with the orginal application to the Public Works Administration. This estimate was also based on later modifications and revisions made by United States Engineer Department.

The report on the Florida ship canal of the engineer examiner of the Public Works Administration on October 19, 1933, estimated the total tonnage that would have passed through the canal in 1932 at 40,338,000 tons of cargo, with a total revenue of $8,100,000 based on a toll of 21 cents per ton of cargo.

This report stated that the construction of the proposed canal and its necessary appurtenances would present no new nor unusual engineering problems; that its economic soundness was demonstrated in a reasonable and conservative manner; and the conclusion and recommendation of the report were:

> It is concluded that the project covered herein constitutes a public necessity and is of real social value. The project will afford much employment to many classes of skilled and unskilled labor; that the design is in accord with sound engineering practice and that the project is economically sound. It is recommended that the loan with or without grant be made.

The Administrator of the Public Works Administration at a later date rejected the application of the Ship Canal Authority on the ground that it was not a self-liquidating project.

On December 30, 1933, the second special board of Army engineers made its report, embodying the following plan:

A ship canal 35 feet in depth, with sea-level approaches on the Atlantic and the Gulf sides connected by a summit-level section 65.5 miles long, the approaches to be 400 feet in width, and the summit-level section 400 feet for a distance of 23 miles and 250 feet through the remaining 42.5 miles; the approach channel in the open Gulf, 27 miles long, to be 500 feet wide for the inner 15 miles and 1,000 feet wide from there to deep water; the summit level to vary from 40 to 45 feet above sea level, to be entered through locks in parallel, one of each pair to have clear dimensions of 110 feet by 1,000 feet and the second of 110 feet by 610 feet; the construction cost, exclusive of interest, but including lands and damages being estimated at a total of $208,043,000.

In reference to this plan the second special board held that while the expense of constructing either a barge or a ship canal between the Atlantic and the Gulf would be unjustified economically, a ship canal would result in large, though economically insufficient benefits to water-borne commerce and to the convenience of the Nation, particularly to that of the States bordering the Atlantic and Gulf coasts and in the Mississippi Valley. The second special Board held that the construction of neither a barge nor a ship canal was economically justified at that time. This report was submitted to the Board of Engineers for Rivers and Harbors and taken under consideration by it. It was by no means a final decision.

1934

On February 1, 1934, the Bureau of Foreign and Domestic Commerce of the Department of Commerce, having been requested by the Chief of Engineers theretofore to make an economic survey of the proposed ship canal, submitted its report to the Chief of Engineers. This report, which was based upon a lock canal, estimated that the total number of ship transits through the canal, as of 1931, would have

been 9,573, that the savings in hours of travel would have been 204,777 in 1931, and that the savings in money would have amounted to $6,424,369. It estimated that the savings per ton of general cargo would have been 19.3 cents and per ton of petroleum cargo 14.2 cents. The Bureau's report stated that a ship canal along the route selected by Army and P. W. A. engineers—the route followed by the project now before us—can be considered practicable from a navigation standpoint. The report stated that the portion of the shipping industry which the Bureau had been able to contact had held that the probable cost of building the waterway then under consideration was not justified through any benefits which might thereby accrue to cargo or vessel.

On March 2, 1934, nine southern Senators wrote the President calling his attention to the variance of the estimates by P. W. A. engineers and Army engineers as to the cost of the proposed Florida ship canal and requesting him to appoint a special board of review to make further examination.

In response to this request the President appointed a special board of review consisting of two Army engineers to be designated by the Secretary of War, two engineers to be designated by the Administrator of Public Works, and one engineer from civil life selected by the other four.

On June 28, 1934, the President's special board of review submitted a report to him. This report recommended a sea-level canal 30 feet deep, to be deepened to 35 feet if traffic later should justify; 400 feet wide from the Atlantic Ocean to Palatka; 250 feet wide from Palatka to the Gulf; and 500 to 1,000 feet wide from the Gulf shore to deep water, to follow route 13–B, as recommended by the second special board of January 28, 1932, estimated the cost at $142,709,000, exclusive of interest, during the period of construction, and estimated the period of construction at 6 years. The report stated that the previous report by the second special board and the report by the P. W. A. engineer on the P. W. A. application of the Canal Authority were for a lock canal, selected on account of certain ground-water conditions; but that this Board—that is, the President's board—after considering these reports and later data, was of the opinion that these ground-water conditions were not controlling and preferred the sea-level canal for the additional reasons, first, slightly lower first cost and much lower operating and maintenance cost; second, greater ship capacity; third, lesser difficulties in construction.

On September 12, 1934, seven United States Senators joined in a letter to the President stating that the special board of review appointed pursuant to the authority and direction of the President in response to the letter of March 2, 1934, from said Senators had completed its work and comunicated its findings to the President, urging the President to authorize the prompt initiation of the work if in his opinion the report of the board justified the project. The letter stated that the benefits of the project were national, affecting favorably the commerce of practically every State in the Nation; that it was the logical complement to all plans for development in the territory between the Alleghenies and the Rocky Mountains, including the Mississippi River development and the Tennessee Valley project; that by means of reasonable tolls it would pay all or the major part of the entire cost of operating charges and interest; that since it would pay for itself it would provide without cost to the Government the missing link across Florida in the inland waterway system from Boston to Mexico; that it would serve as an important element in the national defense for the quicker and safer transport of munitions and supplies as well as the passage of fighting craft; that a large part of the canal's cost would be expended in the industrial centers of the United States for materials and equipment of construction and would thereby stimulate the heavy and specialized industries in addition to furnishing large employment on the job; that the new business opportunities created by the construction of the canal would encourage the investment of private capital in large amounts over a long period of years, thereby aiding in the general recovery program; that the benefits of the canal to the Nation and its commerce would be perpetual; that for these reasons the financing of this project by the Federal Government was particularly appropriate; that such financing might properly include the crediting to the project of an amount equal to that which the Government would have to expend to construct the intracoastal canal link across Florida, an interest rate as low as the actual cost of the money to the Government, and a grant which the Public Works Administration is authorized by law to make for such projects. This letter was concurred in by Senator PAT HARRISON in his letter to the President of September 17, 1934. Senator Black, in a telegram to Senator Fletcher on September 19, 1934, also joined in the letter of September 12 to the President, thus making nine in all, and Senator Fletched so advised the President.

On September 15, 1934, the President requested his special board of review to examine the project further in respect to the matter of tolls. On the same date the board reported to the President that the canal probably could not be financed as a self-liquidating project by tolls collected from shipping.

On December 11, 1934, the Board of Engineers for Rivers and Harbors issued a notice of a public hearing on January 12, 1935, for consideration of the report of the second special board of Army engineers made on December 30, 1933.

On December 15, 1934, the Ship Canal Authority of Florida proposed to the President that (1) the Government through the War Department and with the joint cooperation of the Public Works Administration, the Federal Emergency Relief Administration, and the ship canal authority construct this sea-level ship canal at a cost of $143,000,000; that (2) upon completion of construction the ship canal authority would issue to the appropriate department of the Government either $80,000,000 of 2-percent 99-year bonds, or $60,000,000 of 3-percent 99-year bonds; that (3) the ship canal authority would give to the Government such rights as it might desire in the maintenance, operation, and regulation of the ship canal until the bonds were retired; and that then the ship canal authority would deed the canal to the United States. As an alternative to the above proposal the ship canal authority suggested that if the President desired to construct the project as a toll-free canal the ship canal authority would lend its assistance and (1) that under the act creating the Public Works Administration, the Chief of Engineers could recommend to the Administrator of Public Works an expenditure for this purpose up to an amount which he believed the project economically justified; and (2) that such additional funds as might be required be allotted by the Federal Emergency Relief Administration upon the basis of work relief to be provided by the project both in the State of Florida and in the industrial centers of the United States.

These proposals were transmitted on the same day by the President to the Administrator of Public Works for examination and action. It will be observed that these proposals were separate and distinct from the original ship canal authority application to the Public Works Administration on August 14, 1933. On December 15, 1934, this original application of the Ship Canal Authority still held the approval of the examining engineer of the Public Works Administration which it had received on October 19, 1933, and was still awaiting action by the Administrator.

On December 21, 1934, Maj. P. B. Fleming, Deputy Administrator of Public Works, addressed a memorandum to the Administrator of Public Works stating that the application of the Ship Canal Authority of Florida which had reached the Public Works Administration on August 14, 1933, had been disapproved by an independent board of engineers, meaning the President's special board of review, on the ground that it was not self-liquidating, and that he, Major Fleming, Deputy Administrator, concurred in the conclusion of that board and recommended that the original application of the Florida Ship Canal Authority be disapproved.

1935

On January 2, 1935, Senator Fletcher, of Florida, requested the Chief of Engineers, Major General Markham, to postpone the public hearing set for January 12 on the report of the second special board of Army engineers made on December 30,

1933. On January 3, 1935, the Board of Engineers for Rivers and Harbors issued a notice to the effect that at the request of the proponents of the waterway across Florida the hearing on the waterway which had been scheduled for January 12, 1935, had been indefinitely postponed. Later General Pillsbury, chairman of the Board of Engineers for Rivers and Harbors, stated that the hearings had been postponed until further data could be prepared and presented.

On January 3, 1935, Representative GREEN, of Florida, introduced a bill for a special commission to construct a ship canal across northern Florida, providing for an appropriation of certain funds with which to begin the work, and the issuance of 2¼ percent bonds by the Federal Treasury to defray the cost.

On January 29, 1935, the Administrator of the Public Works Administration disapproved the application of the Ship Canal Authority for a loan on the ground that the project in the form then before him was not self-liquidating.

On February 2, 1935, the Director of the Legal Division of the Public Works Administration signed a memorandum disapproving the alternative proposals of the Ship Canal Authority made to the President on December 15, 1934, and referred by him to the Public Works Administration on that day.

On April 8, 1935, the Emergency Relief Act of 1935 became law, and by its terms made possible the authorization and construction of river and harbor projects by the President.

On April 10, 1935, the Finance Division of the Public Works Administration disapproved the alternative proposals of the Ship Canal Authority made to the President on December 15, 1934, and referred by him to the Public Works Authority on that day.

On May 23, 1935, Senator Fletcher and General Summerall, president of the National Gulf-Atlantic Ship Canal Association, addressed separate letters to the Chief of Engineers, General Markham, asking if Government engineers had made a study of the effect of the proposed sea-level canal on the underground waters of Florida, and if so, to what conclusion they had come.

On May 25, 1935, Major General Markham replied to Senator Fletcher and General Summerall that Army engineers had found that a sea-level canal would be more advantageous than a lock canal, that any possible damage to agriculture beyond the right-of-way to be secured by the canal would be negligible, that any damage to water supply would consist only in lowering the level of nearby wells. That is all taken care of in the estimate for the project now before us—that is, the damages which will occur from that source.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield.

Mr. VANDENBERG. I want to be sure that I understood the Senator's last statement. Did he say that all damages to water supply have now been taken care of?

Mr. SHEPPARD. Not all damages; I said damages to nearby wells. General Markham testified that his estimates included amounts for that damage.

Mr. VANDENBERG. The Senator means in the adjacent wells?

Mr. SHEPPARD. Yes.

Mr. VANDENBERG. The Senator is not referring to the larger problem which may or may not exist?

Mr. SHEPPARD. Not at all; just the damages to the nearby wells. That was the expression I quoted—damage from lowering the level of nearby wells.

On June 1, 1935, the Legislature of the State of Florida created the Florida Ship Canal Navigation District, the essential purpose of which was to authorize the counties included in the district to issue bonds for the purchase of the right-of-way for the proposed canal and for the dedication of same to the Federal Government without charge, the amount covered by this bond authority being a million and a half dollars.

On August 26, 1935, Mr. Harry Slattery, personal assistant to the Secretary of the Interior, addressed a communication to Representative J. HARDIN PETERSON, saying that Secretary Ickes had referred to him, Slattery, for reply, Mr. PETERSON's letter of August 22, in which Mr. PETERSON had requested a report on the views of the United States Geological Survey upon the possible effect on the water supplies of Florida of a canal connecting the Atlantic and Gulf across the northern part of the peninsula; that the United States Geological Survey reported that the proposed canal for 40 miles or more would be in effect a huge drainage ditch cut deeply into the Ocala limestone; that the Ocala limestone was in large part a soft, chalky limestone, containing many solution cavities and channels through which water circulates freely; that it is one of the principal sources of water supply in Florida; that its surface was pitted with sinkholes; that rain sank into it and joined the underground circulation; that large springs rose from it, and numerous wells derived their supplies from it; that Silver Springs, discharging about 500,000,000 gallons of water a day, approximately the amount of water used each day by New York City, were within a few miles of the proposed route; that Silver Springs were the largest springs in Florida; that they issued from the Ocala limestone about 40 feet above sea level; that Blue Spring, almost as large, was not far away; that a canal excavated 30 feet below sea level would cut into this porous, water-bearing limestone to a depth of about 70 feet below the present outlet of these springs; that unless the canal could be effectively sealed throughout many miles of its course, a procedure presenting difficulties that appeared to be practically insurmountable, it would inevitably drain enormous quantities of water from the limestone, would lower the water level in it, and might even divert the water that now rose in many of the springs; that the water that would thus be drained off now circulates underground to considerable distances and was the source of important municipal and domestic supplies; that after an unlined sea-level canal with the passage of time had drained down the fresh water now in the limestone, ocean water, particularly from the western end, would tend to enter the canal at high tide and seep into the limestone along the canal banks and thus contaminate its fresh waters; that with the loss of head of fresh water, due to the drainage from the upper part of the limestone along the zone of the canal, the salt water already present in the lower part of the limestone would have a tendency to rise and enter the wells; that, to summarize, there appeared to be no reasonable doubt that serious, adverse effects would be produced upon the important underground water supplies of the Ocala limestone in a wide zone extending outward from the canal line by the construction of the sea-level canal along route 13–B; that the particular danger discussed in this report applied to a sea-level canal only and not to a lock canal so constructed as to avoid deep cuts into the Ocala limestone and thus to leave undisturbed the present water level in this important water-bearing formation.

On August 30, 1935, the President of the United States wrote the Secretary of the Treasury stating that by virtue of the authority vested in him under the Emergency Relief Appropriation Act of 1935, approved April 8, 1935, it was requested that $5,000,000 be transferred from the appropriation made in that act to the War Department, Corps of Engineers, for the purpose of providing work relief and increased employment to carry on the project of a sea-level ship canal across Florida by way of St. Johns River from its mouth to Palatka, thence by way of the Oklawaha and Withlacoochee Rivers to the Gulf near Port Inglis, connecting the Atlantic and the Gulf of Mexico to provide a shorter and safer route for oceangoing vessels, saving from 1 to 2½ days and representing an annual saving in transportation costs estimated at seven and a half million dollars, including clearing right-of-way, housing, and excavation in central area, to give employment to those on relief rolls, work to be started immediately to absorb a large portion of the local relief load and also workers from transient camps and adjacent States.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield.

Mr. BRIDGES. I did not understand the Senator's statement as to the seven and a half million dollars of saving. What does it include?

Mr. SHEPPARD. It is the saving on transportation rates and costs through the canal.

Mr. BRIDGES. Was the statement based on present conditions?

Mr. SHEPPARD. It was based on conditions existing at that time, in 1935. It was based on the tonnage at that time, and the estimated cost at that time.

The President added that during the first 12 months the money included in the estimate for wages would amount to 73 percent of the total allotment for the first 12 months. The President then prescribed the expenditure of the $5,000,000 as follows: Clearing right-of-way, $500,000; housing, shops, storehouses, and minor structures, $500,000; excavation in central area, $3,500,000; bridge foundations, question.

On September 3, 1935, the Chief of Engineers established the Ocala district and designated Lt. Col. Brehon B. Somervell as district engineer with headquarters at Ocala.

On September 3, 1935, the Chief of Engineers issued orders to the district engineer of the Ocala district, Lt. Col. Brehon B. Somervell, to begin construction of the canal pursuant to the authorization issued by the President on August 30, 1935, and actual work on the project was begun on that day.

On October 22, 1935, in conformity with the conditions imposed by the Federal authority, the six counties comprising the Florida Ship Canal Navigation District, to wit, Duval, Clay, Putnam, Marion, Levy, and Citrus Counties, voted by a majority ratio of 27 to 1 a bond issue of one and a half million dollars for the purchase of all necessary land for right-of-way for the canal and for the dedication of such right-of-way to the Federal Government for the purpose of constructing, maintaining, and operating a ship canal.

In his report for the fiscal year ending June 30, 1935, which he presented on October 31, 1935, the Chief of Engineers states that the then existing canal project was authorized by the President on August 30, 1935, under the provisions of the Emergency Relief Act approved April 8, 1935, that on that date the President had allotted $5,000,000 for the beginning of the project, and that $143,000,000 would be required to complete the project; that the project was for a sea-level ship canal across Florida by way of the St. Johns River from its mouth to Palatka, thence by way of the Oklawaha and Withlacoochee Rivers to the Gulf of Mexico, near Port Inglis, connecting the Atlantic Ocean with the Gulf of Mexico; that this canal was to be 30 feet deep below mean sea level, 400 feet wide from Jacksonville to Palatka, 250 feet wide from Palatka to the Gulf and from 500 to 1,000 feet wide in the Gulf channel, the total length from deep water to deep water to be 195 miles; that the project included all work of dredging, excavation, construction of bridges, and regulating or control work and all of the work necessary for the completion of the project.

On November 7, 1935, 72 Members of the Senate, the Governors of 36 States, and the heads of important national waterway associations addressed through Senator Fletcher a letter to the President expressing approval of his action in authorizing and beginning construction of the canal.

I give here the letter and the names of the signers:

WASHINGTON, D. C., *November 7, 1935.*

HON. FRANKLIN D. ROOSEVELT,
The President, The White House.

MY DEAR MR. PRESIDENT: Today I have the privilege and pleasure of presenting to you on behalf of those whose names appear below a token of appreciation commemorating your action in authorizing and beginning the construction of the Florida Canal. This token is a shell from the coast of Florida, encased in gold, and containing a portion of the first earth excavated in the construction of the canal as a result of a blast set off by you at 1 o'clock on the afternoon of September 19, 1935.

I am sure you will be gratified to read the names of those who tender this memento to you. Here is no array of party or sectional interest. Every State in the Union is represented. All are joined on the common ground of patriotism to applaud this splendid undertaking in the service of our country.

This great waterway will be a new primary trade route favorably affecting the commerce of the entire Nation. In magnitude it is comparable only with the Panama Canal, which it surpasses in the amount of material to be excavated and in the commerce it will serve. With a construction cost not much more than one-third of that of the Panama Canal, the Florida Canal will transit annually nearly 50 percent more tonnage. With respect to the commerce it will bear, it will be the greatest artificial seaway in the world. Surveys conducted by the Federal Government show that approximately 1,500 ships making 11,000 voyages per year are now waiting to pass along this new route and that the direct benefits to these ships in time and money saved will constitute an unusually large return on the cost. This is in addition to the general and very real benefits to agriculture, industry, and commerce, which are estimated to be more than $30,000,000 per year.

The canal will make it no longer necessary for life and property to be subjected to the hazards which beset navigation in the longer and dangerous passage through the Straits of Florida. In time of war it will provide the vital necessity of a route for our commerce, protected from enemy attack, which would gravely menace shipping in the straits. It will afford a connecting link between the intracoastal waterway systems of the Atlantic seaboard and the Gulf of Mexico, and it will do more than any other one thing to promote and develop the economical interchange of agricultural and industrial products between the seaboard and interior sections of the United States.

Desired by Philip II, of Spain, when all known North America was under his dominion, advocated by President Jackson in the early days of our country, sought for many years by the agricultural and commercial interests of the Nation, approved by all appropriate agencies of the Federal Government, it has remained for you, Mr. President, with vision and courage, to launch this great undertaking, and by so doing to express the determination of our people to solve their material problems and evidence their faith in the future of our country.

With all good wishes,

Sincerely and respectfully,

DUNCAN U. FLETCHER.

Those whose names are inscribed on the token are the following:

Members of the Senate: Henry F. Ashurst, Nathan L. Bachman, Josiah W. Bailey, John H. Bankhead, Alben W. Barkley, Theodore G. Bilbo, Hugo L. Black, Homer T. Bone, Fred H. Brown, Robert J. Bulkley, Edward R. Burke, James F. Byrnes, Arthur Capper, Hattie W. Caraway, Dennis Chavez, Tom Connally, Marcus A. Coolidge, Royal S. Copeland, Edward P. Costigan, James Couzens, James J. Davis, William F. Dieterich, Vic Donahey, F. Ryan Duffy, Duncan U. Fletcher, Walter F. George, Ernest W. Gibson, Carter Glass, Thomas P. Gore, Joseph F. Guffey, Pat Harrison, Carl A. Hatch, William J. Bulow, Harry F. Byrd, Robert M. La Follette, Jr., Louis K. Murphy, Key Pittman, Millard E. Tydings, Carl Hayden, Rush D. Holt, Hiram W. Johnson, Henry W. Keyes, M. M. Logan, Augustine Lonergan, Francis T. Maloney, George McGill, Kenneth McKellar, Charles L. McNary, Jesse H. Metcalf, Sherman Minton, A. Harry Moore, Matthew M. Neely, John H. Overton, James P. Pope, George L. Radcliffe, Robert R. Reynolds, Joseph T. Robinson, Richard B. Russell, Jr., Lewis B. Schwellenbach, Morris Sheppard, Henrik Shipstead, Ellison D. Smith, Frederick Steiwer, Elmer Thomas, Elbert D. Thomas, John G. Townsend, Jr., Park Trammell, Harry S. Truman, Frederick Van Nuys, Robert F. Wagner, David I. Walsh, Burton K. Wheeler.

Governors of States: James V. Allred, Governor of Texas; Tom Berry, Governor of South Dakota; Henry H. Blood, Governor of Utah; Louis J. Brann, Governor of Maine; R. L. Cochran, Governor of Nebraska; M. S. Conner, Governor of Mississippi; Frank E. Cooney, Governor of Montana; Wilbur L. Cross, Governor of Connecticut; James M. Curley, Governor of Massachusetts; George H. Earle, Governor of Pennsylvania; John C. Ehringhaus, Governor of North Carolina; J. M. Futrell, Governor of Arkansas; Bibb Graves, Governor of Alabama; Theodore F. Green, Governor of Rhode Island; Clyde L. Herring, Governor of Iowa; Henry Horner, Governor of Illinois; Edward C. Johnson, Governor of Colorado; Olin D. Johnson, Governor of South Carolina; Richard Kirman, Governor of Nevada; H. G. Kump, Governor of West Virginia; Ruby Laffoon, Governor of Kentucky; Philip F. La Follette, Governor of Wisconsin; Herbert H. Lehman, Governor of New York; E. W. Marland, Governor of Oklahoma; Clarence D. Martin, Governor of Washington; Hill McAlister, Governor of Tennessee; Paul V. McNutt, Governor of Indiana; Leslie A. Miller, Governor of Wyoming; B. B. Moeur, Governor of Arizona; Floyd B. Olson, Governor of Minnesota; Guy B. Park, Governor of Missouri; George C. Peery, Governor of Virginia; C. Ben Ross, Governor of Idaho; Dave Sholtz, Governor of Florida; Clyde Tingley, Governor of New Mexico; Walter Welford, Acting Governor of North Dakota.

The national associations: The National Gulf-Atlantic Ship Canal Association, Charles P. Summerall (president), Walter F. Coachman, Jr., Sumter L. Lowry, Jr., Henry H. Buckman, John Alsop, George H. Baldwin; the Mississippi Valley Association, Robert Isham Randolph, president; the National Rivers and Harbors Congress, Frank R. Reid, president; Louisiana and Texas Intracoastal Waterway Association, Roy Miller, president.

Mr. BRIDGES. Mr. President, perhaps the Senator does not desire to have questions asked; and if so, of course, I shall be governed by his wishes.

Mr. SHEPPARD. I am glad to have any questions asked.

Mr. BRIDGES. I wish to turn for a moment to what the Senator stated about the number of Governors. He said there were 72 Senators.

Mr. SHEPPARD. The Governors of 36 States.

Mr. BRIDGES. Just to get the record straight, what percentage of these 72 United States Senators and 36 Governors were members of the Democratic Party and what number were members of the Republican Party?

Mr. SHEPPARD. Mr. President, I have made no effort to ascertain that percentage, because this is a nonpartisan, national proposition, into which party considerations do not enter.

Mr. BRIDGES. I agree that perhaps that is the Senator's viewpoint, but I hope it will be a partisan proposition, and that the Republicans of this country will oppose it as a group, because I think it is absolutely unsound. It is one issue I should be very glad to see made a partisan issue, and that was my purpose in raising the question.

Mr. SHEPPARD. I am sorry the Senator has injected partisanship into the matter. He has a right to his opinion as to the unsoundness or unworthiness of the project, but I do not believe he is making a statement worthy of himself in his better moments when he attempts to place this on a partisan basis.

Mr. SCHWARTZ. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield.

Mr. SCHWARTZ. I join in the request of the Senator from New Hampshire that some of the Republicans should oppose this measure, because I think that would be of great help to the Democratic Party.

Mr. SHEPPARD. I do not desire the partisan issue to enter into the matter at all.

Mr. BRIDGES. Mr. President, will the Senator yield to me a moment again?

Mr. SHEPPARD. I yield.

Mr. BRIDGES. I do not base my opposition on partisan grounds, but I believe that the proposal to build the Florida ship canal is unsound, and my reason for asking the percentage of Republicans and Democrats among the Governors and Senators was because of the fact that I should like to see my party—and I happen to be a Republican, and have no apologies for that fact—oppose such an unsound measure, not as a partisan matter but to oppose it as an unsound measure.

Mr. SHEPPARD. I am trying to demonstrate to Republicans and Democrats alike, and to members of other parties and other persuasions, that it is a sound project, and, believing it to be a sound project, I am thoroughly in favor of it and am endeavoring to make the best showing I can for it.

On December 18, 1935, a special board of geologists and engineers which had been appointed by the district engineer at Ocala, Fla., to make a study of the effect of a sea-level canal on the underground water resources of the State of Florida submitted a report. This report stated, among other things, that, first, the canal would cross the peninsula of Florida where drainage systems from the north and south met and diverged to the east and west to the Atlantic Ocean and the Gulf of Mexico; that of the 195 miles of canal from deep water to deep water excavation along only 14 percent, or 27 miles, would have any appreciable effect on the level of the ground-water table; that the artesian reservoir would not be cut anywhere; that the ultimate effect of a sea-level canal on springs and lakes in the area contiguous to the canal could not be predicted with certainty at that time; that an analysis of the possible effects on those features was reserved until further extensive investigations then in progress had been completed; that studies already made led to the belief that should the lowering of the water table encroach upon such features of intrinsic value as Silver Springs and Blue Spring, regulatory works could be constructed which would minimize if not entirely obviate the damages; that the flow into the canal from these points of heavy discharge would have to be controlled in any event, and that, therefore, any expense incurred in the preservation would serve a double purpose; that the shallow farm wells adjacent to the canal right-of-way between Dunellon and Silver Springs would need to be deepened.

Mr. BRIDGES. Mr. President, will the Senator yield again?

Mr. SHEPPARD. I yield.

Mr. BRIDGES. Referring to the damage which might come to certain springs to which the Senator has referred, because of correspondence which has been coming to me, and because of what certain citizens of the lower part of Florida have had to say, I am led to ask whether there is danger of affecting the whole water supply of some territory below the site of the canal?

Mr. SHEPPARD. In my judgment, after very careful study of the situation, it will not affect southern Florida at all; and I shall submit further observations on that phase of the question.

The special board reported that the pursuit of agriculture and the growth of vegetation even in the area contiguous to the right-of-way where the ground water table would be lowered by the canal cut would not be affected—that the water supply of the city of Ocala would continue to be adequate—that the domestic water supplies of Jacksonville, Tampa, Orlando, Palm Beach, and Miami would be entirely unaffected by the canal cut.

Mr. BRIDGES. Mr. President, will the Senator yield again?

Mr. SHEPPARD. Certainly.

Mr. BRIDGES. On what does the Senator base that statement? Is that his opinion, or has he some technical advice that it would not affect those water supplies?

Mr. SHEPPARD. I am giving the report of able geologists now. I have studied the report very carefully, and I base my conclusions on the studies of these geologists' opinions.

Mr. BRIDGES. By whom were these geologists hired?

Mr. SHEPPARD. By the local district engineer—who was placed in charge of the canal by the Chief of Engineers—in the course of a study which he was directed to make by the Chief of Engineers.

Mr. BRIDGES. It is the Federal Geological Survey, then?

Mr. SHEPPARD. The Federal Government authorized it. I think two civilian geologists were employed.

Mr. VANDENBERG. Mr. President, will the Senator from Texas yield?

Mr. SHEPPARD. I yield.

Mr. VANDENBERG. I am sure the Senator would want the Senator from New Hampshire fully informed at that point. The only United States geologists, as such, who have expressed themselves in respect to the project, are related to the United States Geological Survey, and they have warned that there is a grave element of danger involved; and they have not changed their minds. That is a correct statement, is it not?

Mr. SHEPPARD. Yes; except that these United States geologists stated they had made no specific, direct study of this situation, but based their opinion on their general knowledge of the geology of Florida. They added that there was no question that the canal would not have any effect on the southern part of Florida, in the vicinity of Miami, and that section.

Mr. VANDENBERG. So far as the argument over water is concerned I think General Markham summed it all up himself, and I think we could all agree that General Markham made a correct statement, when he said, "There will be some damage; the question is, How much?"

Mr. SHEPPARD. I have said that he did.

The special board selected by the district engineer, Colonel Somervell, reported further that the information before the board indicated that the quality and quantity of artesian water supply of the city of Sanford and vicinity would not be adversely affected, that salt water encroachment inward from the Gulf and Atlantic ends of the canal or by upward movement from the bottom of the fresh-water

reservoir, underground, insofar as it might take place could not cause salted water to enter and thereby contaminate the main body of the readjusted ground-water reservoir against the fresh-water discharge into the canal.

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On January 6, 1936, Senator VANDENBERG introduced a resolution which was referred to the Committee on Commerce (S. Res. 210, 74th Cong., 2d sess.). That resolution provided that the Senate Commerce Committee, or any subcommittee thereof, be instructed to investigate and report to the Senate as promptly as possible respecting the Florida ship canal to determine the following facts: (1) The nature and extent of expenditures to be made from emergency relief funds and subsequent expenditures for construction and maintenance to be made from regular funds; (2) the sufficiency of plans and information to determine whether the canal should be a sea-level or lock canal and whether it should be 30 or 35 feet in depth; (3) the sufficiency of authentic information to determine whether the canal would contaminate the ground water supply of adjacent areas; (4) the nature and extent of available traffic to warrant the ultimate expenditure of between $140,000,000 and $200,000,000 upon the project; that in pursuit of this inquiry the Commerce Committee be instructed to study and report its conclusions upon the advisability of continuing this project or starting any other project for the establishment of waterways without an enabling act of Congress. Senator Copeland, chairman of the Commerce Committee, appointed a subcommittee consisting of himself as chairman and of Senators Fletcher and VANDENBERG to consider the resolution.

On January 14, 1936, the House Appropriations Committee in making up appropriations for the fiscal year ending June 30, 1937, had before it the following items recommended by the Chief of Engineers and approved by the Director of the Budget, to wit, projects authorized by the Emergency Relief Appropriation Act of 1935, for which additional funds were required for continuation as follows: Atlantic-Gulf Ship Canal of Florida, $12,000,000; Sardis Reservoir, Miss., $2,500,000; Conchas Dam, N. Mex., $3,500,000; Bluestone Reservoir, W. Va., $2,000,000; and Passamaquoddy tidal power project, Maine, $9,000,000. General Markham stated before this committee that the report on the survey—meaning the survey of the canal as a river and harbor project authorized in 1927—was still before the Board of Engineers for Rivers and Harbors and had not yet been submitted to Congress. General Pillsbury, chairman of the Board of Engineers for Rivers and Harbors, stated before the Appropriations Committee that the report on this survey was then before this Board, and that upon request of Members of Congress from Florida the Board had adjourned the hearing on the proposition until interested parties should have further opportunity to assemble data in support of it.

On February 10, 1936, the House Appropriations Committee, to which had been submitted the above items, namely, Atlantic-Gulf Ship Canal, Sardis Reservoir, Conchas Dam, Bluestone Reservoir, and Passamaquoddy tidal power project, omitted these items from the bill it introduced on that date, the nonmilitary War Department appropriation bill, carrying appropriations for authorized river and harbor projects for the fiscal year ending June 30, 1937, and the bill passed the House with these items omitted.

On February 13, 1936, Senator Fletcher addressed a letter to Hon. Harold L. Ickes, Secretary of the Interior, stating that in reference to the letter of Mr. Slattery of August 26, 1935, in which Mr. Slattery referred to an opinion of the United States Geological Survey to the effect that the construction of a sea-level canal across Florida might seriously damage the underground water supply of the State, the impression seemed to have obtained in the minds of some people that the Geological Survey made a special survey and investigation of this specific question and had issued a report of its findings—that, so far as he, Senator Fletcher, was able to determine from an examination of the records of the United States Geological Survey, no such specific survey was ever made by the United States Geological Survey, nor was any final or formal report made by it on this question; that the opinion referred to in Mr. Slattery's letter to Mr. Peterson was preliminary and informal and based upon general data on the geology and water supply of Florida theretofore collected, and could not be considered as a final or formal report of the United States Geological Survey. Senator Fletcher added that it was his understanding that the Geological Survey had made available to the War Department its applicable data on this subject, published and unpublished, and asked the Secretary of the Interior to advise him if his; Senator Fletcher's, understanding of the matter was correct.

On February 18, 1936, Secretary Ickes replied to Senator Fletcher, stating that the United States Geological Survey's information on the geology and underground waters of the peninsula of Florida was based on a series of studies made independently, or in cooperation with the Florida State Geological Survey, over a period of a quarter of a century; that it was entirely true that the Geological Survey had not specifically studied the particular question of the possible effects upon ground-water conditions of the trans-Florida canal; that it was equally true, of course, that detailed studies of the geology of the State and of the relation of ground waters to the geology throughout the State could not fail to give a broad perspective on the whole problem which afforded a sound basis for at least certain general conclusions about the effects of any proposed alteration of natural conditions; that the quotation of the Geological Survey's opinion in Mr. Slattery's letter to Mr. Peterson had that basis, and that basis only; that it was also entirely true that the Geological Survey had made freely available to the War Department all of the information it had bearing upon the problems for the solution of which the War Department was responsible; that this information included a manuscript on the artesian water in the Florida Peninsula, as yet unpublished; that it was also clear from a reading of the Preliminary Report on the Geological and Ground Water Conditions in Florida in Their Relation to the Atlantic-Gulf Ship Canal, issued by the War Department on December 18, 1935, that, in the preparation of that report, extensive use had been made of that manuscript and of earlier reports by the United States Geological Survey and the Florida State Geological Survey; that the understanding of the United States Geological Survey's relation to this problem set forth in Senator Fletcher's letter of February 13 was substantially correct, except that it, perhaps, did not take full cognizance of the broad background of experience with ground-water problems and of knowledge of conditions in Florida that underlay the informal survey opinion presented in Mr. Slattery's letter.

On January 17, 1936, Senator VANDENBERG's resolution (S. Res. 210) was considered by the subcommittee consisting of Senators Copeland, Fletcher, and Vandenberg. General Markham testified, as did Secretary Ickes. Secretary Ickes stated that the canal project then under way, the project to which $5,000,000 had been allotted, was not a W. P. A. project but a War Department project; that the Public Works Administration had determined that the project before it for a loan for a toll canal would not be self-liquidating under the provisions and regulations governing such projects before the Public Works Administration; that the Public Works Administration never considered the project from the standpoint of a toll-free Federal river and harbor project, because such a project was outside the jurisdiction of the Public Works Administration; that the Public Works Administration had considered it from the standpoint of a self-liquidating proposition and from that standpoint had disapproved it. It should be noted here that while the War Department was in charge of the expenditure of the sum of $5,000,000 allotted by the President on the canal project authorized by him under the Emergency Relief Act of 1935, the Army engineers were still considering the project as a river and harbor project and had come to no conclusion.

Hearings were also held by this subcommittee of the Committee on Commerce on February 4 and 19, 1936, on Senator VANDENBERG'S resolution (S. Res. 210).

On March 4 and 5, 1936, the subcommittee on War Department appropriation bills of the Senate Appropriations Committee held hearings on the five relief fund projects, including the Florida ship canal, which had been omitted from the nonmilitary War Department appropriation bill as it passed the House. This subcommittee and the entire Senate Committee on Appropriations adopted three of these relief items, rejecting two—the Florida ship canal and the Passamaquoddy tidal basin project—and reported the War Department nonmilitary appropriation bill to the Senate with these last two items omitted.

On March 16, 1936, Senator Fletcher offered an amendment to this bill on the floor of the Senate, adding to it the Florida ship canal and the Passamaquoddy tidal power project. After extended debate, Senator Fletcher's amendment was defeated by four votes.

Senators will remember with what pathetic energy Senator Fletcher pressed the canal project when it was evident he had only a short time to live. In fact, the physical efforts he put forth in presenting the measure to the Senate practically cost him his life.

Mr. BRIDGES. Mr. President——

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Texas yield to the Senator from New Hampshire?

Mr. SHEPPARD. I yield.

Mr. BRIDGES. Does the Senator believe that the Florida ship canal should be foisted on the State of Florida, as well as the Nation, if a substantial number of the people in the southern part of Florida are bitterly opposed to it?

Mr. SHEPPARD. In my judgment, those who are opposed to it are not on solid ground.

Mr. BRIDGES. I admit that they probably will not be on solid ground after the canal is put through.

Mr. SHEPPARD. Even the United States geologists, to whom the Senator from Michigan [Mr. VANDENBERG] referred, said that Miami would not be affected. There is no serious question about Miami being affected unfavorably at all.

Mr. BRIDGES. Does the Senator think the country as a whole is for the Florida ship canal?

Mr. SHEPPARD. I think if it is not it will be when it understands the matter. I think it is a question of the merits of the project.

Mr. BRIDGES. Do I understand the Senator's argument to be that he is primarily for the canal because he thinks it will mean a saving in shipping, or does he think it is a great public-works project, or what is the primary consideration?

Mr. SHEPPARD. I am in favor of it on both grounds. It shortens the distance of one of the greatest shipping routes in the world; it shortens the distance between the Gulf ports and the Atlantic seaboard and Europe by 24 hours and by 300 to 350 nautical miles, and competent authorities estimate that it means a saving of about 15 cents or more per ton. It will also be of tremendous aid to national defense, in my judgment.

Mr. BRIDGES. In what way?

Mr. SHEPPARD. I am coming to that later.

Mr. BRIDGES. Very well.

Mr. SHEPPARD. On March 18, 1936, Senator TRUMAN entered a motion to reconsider this vote.

On March 23 this motion to reconsider was defeated by one vote.

I see Senators about me who will recall those events very vividly.

On April 16, 1936, the Chief of Engineers ordered the creation of a third special board of Army engineers to review the Florida canal project and make a report which would be available for the Chief of Engineers and the Board of Engineers for Rivers and Harbors for the purpose of making his report to Congress. That report has not as yet been made.

On May 7, 1936, efforts were made to include in a deficiency appropriation bill in the House the item of $12,000,000 recommended by the Budget for the Florida ship canal, under the Emergency Relief Act of 1935, but the item was not included. No further effort, therefore, was made to continue the canal under the authority of the Relief Act of 1935.

On May 12, 1936, Senator Robinson introduced a joint resolution providing for boards to study and report upon the Atlantic-Gulf Ship Canal project and the Passamaquoddy tidal power project, and so forth. It was referred to the Committee on Commerce on that day, and on that same day reported favorably to the Senate.

On May 29, 1936, Senator Robinson offered as an amendment to the first deficiency appropriation bill for 1936 the joint resolution he had introduced on May 12. That part of Senator Robinson's amendment relating to the Florida ship canal was agreed to, his amendment having been divided on a point of order. That part of his amendment relating to Passamaquoddy was rejected. On June 1, 1936, Senator Hastings moved to reconsider the vote by which the Senate had, on May 30, adopted that part of the Robinson amendment relative to the Florida ship canal. Senator Robinson moved to table Senator Hastings' motion, and the motion to table prevailed by a vote of 35 to 32. However, the Robinson amendment relating to the Florida ship canal was eliminated from the first deficiency appropriation bill for 1936 in the conference on that bill between the two Houses.

It will be interesting to note how that $5,000,000 was expended in beginning the construction of the Florida ship canal. A splendid beginning was made through the expenditure of that money.

Mr. BRIDGES. Is the Senator going to describe just how it was spent?

Mr. SHEPPARD. Yes.

The Chief of Engineers, in his report for the fiscal year ending June 30, 1936, stated in reference to the existing ship-canal project—that is, the relief project—authorized on August 30, 1935, under the Emergency Relief Act of 1935, and for which the President had allotted $5,000,000 and an additional sum of $400,000 later, that clearing operations by Government plant and hired labor had been carried on over the right-of-way, commencing October 1, 1935, and were discontinued on June 19, 1936; that clearing operations consisted in clearing 1,749 acres of spoil areas and clearing and grubbing 2,178 acres additional, at a total cost of $314,-997.73; that buildings for the district office headquarters were constructed September 7 to November 10, 1935, by Government plant and hired labor, at a cost of $500,000, and consisted of 4 office buildings, 78 residences, 2 dormitories, a mess hall, necessary storehouses, garages, shops, and minor buildings and camp facilities; that excavation of overburden—"overburden," as I understand, means dirt above the rock—by Government plant and hired labor had been started October 1, 1935, and discontinued February 29, 1936; that work on 8 contracts for excavation of overburden had been started about November 1, 1935; that 4 of those contracts were finished and work on the others was about 88 percent complete; that a total of 12,601,728 cubic yards had been removed at a cost of $3,007,482.74; that necessary surveys and subsurface borings had been carried on by hired labor at a cost of $140,109.95; that general sanitation work and mosquito control by hired labor had cost $12,971.09; that plans and designs of dredging units by hired labor had cost $8,423.88; that extensive ground-water investigations and observations had been carried on by hired labor at a cost of $42,032.41; that foundations for the highway bridge at Santos started by contract on January 8, 1936, would be completed about August 20, 1936; that total costs of these had been $111,411.30; that surveys, borings, studies, and design had been carried on at various bridge sites by hired labor at a cost of $48,528.81; that on June 30, 1936, approximately 32 percent of the total estimated clearing had been completed; that construction on the reservation for the district offices at Camp Roosevelt was about 46 percent complete; that plans had been prepared for area offices and contemplated shops and yards; that general surveys were 40 percent complete; that about 20 percent of the dry-earth excavation had been completed; that foundations for the highway bridge

at Santos were about 67 percent complete, and plans and specifications for the superstructure were 80 percent complete; that borings and surveys for 2 railroad bridge sites at Santos and 1 highway bridge site at Dunellon were practically complete; that the work completed was about 3 percent of the entire project; that operations were discontinued shortly after the close of the fiscal year ending June 30, 1936, as Congress had not appropriated any funds for their continuation; that the cost to that date had been $4,326,707.39 for new work, and that the expenditures to that date had been $4,535,867.91, all from emergency funds.

No project was ever more carefully studied nor had a greater amount of engineering talent expended upon its consideration than this one.

On November 1, 1936, the third special board of Army engineer officers appointed by the Chief of Engineers on April 16, 1936, for the proposed reviewing of all previous reports and for making such further studies as might appear requisite or desirable, submitted its report.

That also was not a final report. It was the report of a board appointed by the Chief of Engineers to aid him in reaching his final conclusion.

The report was to the effect:

First. That the route discussed in the various previous reports as route 13–B was the most practical and economical route for either a ship or a barge canal.

That is the route in the pending bill.

Second. That a ship canal along this route should be constructed entirely as a sea-level canal, while a barge canal along the route should conform to the plans for a barge canal proposed by the second special board of engineers in its report of December 30, 1933.

Third. That the most practical and economic dimensions for a ship canal along the proposed route are those providing a depth of 33 feet, providing for bottom widths of 400 to 1,000 feet in the Gulf of Mexico, 400 feet from the Atlantic Ocean to Palatka, and 250 feet in land cuts.

Fourth. That highway bridges should be high-level, fixed structures of 135 feet vertical clearance above mean high water.

Fifth. That the United States should provide at cost the necessary pilotage service between the St. Johns Bar and the Gulf of Mexico.

Sixth. That the cost of construction of the ship canal based on the then present-day unit prices and excluding the costs to be borne by local interests would be approximately $162,985,000, of which $5,400,000 had been expended, and that annual maintenance and operation charges would be approximately $650,000 exclusive of cost of pilotage.

Seventh. That the probable traffic after the development period would be 90 percent of the potential traffic—that is, 90 percent of the entire traffic going through the Florida Straits.

Eighth. That the average saving of time per transit would be approximately 22 hours.

Ninth. That material collateral damages to agriculture, forestry, or water supply are not anticipated to result from the construction of a sea-level canal.

Tenth. That the benefits to the general public which might be expected from a sea-level canal having the dimensions and facilities herein recommended are fully commensurate with the expenditures involved—a clear endorsement of the project.

Eleventh. That in view of the foregoing this board recommended: (a) The completion, at an estimated cost of $157,585,000, in addition to $5,400,000 already expended, of a sea-level canal to provide for minimum depths of 33 feet at mean low water and as otherwise set forth in this report, subject to such minor changes in design and route as might be prescribed by the Chief of Engineers, and on the condition that local interests should furnish free of cost to the United States all necessary rights-of-way and other lands for construction and maintenance of the canal, should agree to relieve the United States from all claims for damages that might arise out of the construction of the canal, should provide appropriate terminal and transfer facilities, and should accept the obligation of constructing all future additional highway bridges and of maintaining and operating highway crossings; (b) that the United States should provide the necessary pilotage at cost; (c) that allotment of funds at a rate of not less than $25,000,000 per annum for the economical, advantageous prosecution of the work should be provided; and (d) that an average annual expenditure by the United States of $650,000 for the maintenance and operation of the canal, exclusive of cost of pilotage, should be made.

This report was submitted to the Chief of Engineers and to the Board of Engineers for Rivers and Harbors, and by them taken under consideration.

On February 24, 1937, the Board of Engineers for Rivers and Harbors, having reviewed the report of the third special board of engineers of April 16, 1936, made on November 1, 1936, and all other previous reports, submitted its report to the Chief of Engineers. This is the authority next to the Chief of Engineers.

This report was to the effect:

First. That a ship canal of adequate dimensions across the Florida peninsula would shorten the route for the large traffic between the ports on the Gulf and the ports on the Atlantic seaboard of the United States and Europe by somewhat less than 1 day's steaming time.

Second. That to pass this large traffic with reasonable convenience and safety such a canal should have a depth of 35 feet, increased to 36 feet in the rock sections, and increased to 37 feet at the Atlantic and Gulf entrances, and a minimum width of 400 feet in the land cuts and of 600 feet in the open waters.

Third. That inconvenience and delay both to the ships transiting the canal and to the heavy passenger and freight traffic on the main rail lines extending south from Jacksonville could be eliminated only by the construction of a high-level rail crossing over the canal at that locality.

Fourth. That the estimated expenditure at present cost of labor and material—that is, in February 1937—for the construction of a sea-level canal of these dimensions, including the high-level rail crossing, would be $263,838,000.

Fifth. That in view of the undeterminable possibility that the excavation of a sea-level canal might open underground channels in the Ocala limestone of such size and extent as to drain a wide area, with consequent extensive damage to ground-water supplies, any authorization for the construction of the canal should empower the Secretary of War, on the recommendation of the Chief of Engineers, to modify the plans to provide for the construction of a lock canal if at any time during the progress of the work such modification should be found warranted in the interest of protecting the ground-water supply.

Sixth. That the added cost of such a modification could not be definitely estimated in advance of the determination of the elevation at which it might be necessary to maintain the summit level.

Seventh. That construction of a canal should be contingent upon the fulfillment by local interests of their present agreement to furnish without cost to the United States the rights-of-way, exclusive of the cost of construction, of bridges as particularly set forth in the plans of the board of April 16, 1936, and upon the assumption of the maintenance, operation, and future reconstruction of all highway bridges without cost to the United States.

Eighth. That the responsibility for the indirect damage which might result from an impairment of the water supplies was beyond the financial resources of any organized taxing district and appeared to be beyond the constitutional powers of the State.

Ninth. That the Federal Government must face the onus of meeting claims for such damages.

Tenth. That since the principal purpose to be gained by the construction of such a canal lay in its benefit to through traffic, there was no occasion for a requirement that suitable terminals be constructed thereon by local interests.

Eleventh. That the reasonably assured present and prospective benefits from a canal across Florida did not establish the economic justification for the large expenditures necessary for its construction.

That was the opinion of the Board of Engineers for Rivers and Harbors, and it was submitted to the Chief of Engineers for his consideration in making up his final official report to Congress.

On April 1, 1937, the Chief of Engineers, having reviewed all previous reports, including the report of the third special board of engineers of April 16, 1936, made on November 1, 1936, and also including the report of the Board of Engineers for Rivers and Harbors of February 24, 1937, submitted his report to the Secretary of War, who, on April 3, 1937, submitted that report of the Chief of Engineers to the Congress of the United States.

That report is the report on which the bill is based—a favorable report by the final reviewing authority of the Army engineers who deal with river and harbor improvements.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question at this point?

Mr. SHEPPARD. Certainly.

Mr. VANDENBERG. As I understand the Senator's recital, General Markham on his own responsibility vetoed the adverse report of seven members of the Board of Engineers for Rivers and Harbors. Is that correct?

Mr. SHEPPARD. Yes; and he had a right to do so.

Mr. VANDENBERG. Certainly.

Mr. SHEPPARD. He did it on his official responsibility. It cannot be said that he did it on his personal responsibility.

Mr. VANDENBERG. I did not say anything about his personal responsibility.

Mr. SHEPPARD. I understood the Senator so to say.

Mr. VANDENBERG. I did not mean to. What I am trying to establish is that the vote among eight engineers is 7 to 1 against the canal.

Mr. SHEPPARD. That is true of the Board of Engineers for Rivers and Harbors, but the board which had previously acted, the third special board, was for it.

Mr. VANDENBERG. I am talking about the official Board of Engineers of the War Department.

Mr. SHEPPARD. Yes; but the Senator said that General Markham overruled one board. When he did that he sustained another.

That report was favorable to the construction of a canal defined therein and was to the effect, first, that the commerce through the ports of the United States on the Gulf of Mexico increased from 38,600,000 tons in 1920 to 83,500,000 tons in 1935, principally because of the growth in the shipments of petroleum products from the great oil fields of the adjacent territory, such shipments of petroleum products in 1935 aggregating nearly 70 percent of the total.

Mr. NORRIS. Mr. President——

Mr. SHEPPARD. I yield.

Mr. NORRIS. I wish to carry out a little further a suggestion which comes to me from the question asked by the Senator from Michigan [Mr. VANDENBERG]. As I understand, the final report, upon which the Senator says the bill is based, was made by General Markham. In making that report, as suggested by the Senator from Michigan, General Markham reversed the report of one board of engineers.

Mr. SHEPPARD. That is true.

Mr. NORRIS. As I understand, there was another board of engineers, which made a favorable report.

Mr. SHEPPARD. That is true.

Mr. NORRIS. So the Senator was technically correct, at least, when he said that General Markham overruled one board, and by that operation sustained the conclusions of another. I should like to have clearly in mind the set-up of the two boards, the report of one of which he approved, and the report of the other he reversed.

Mr. SHEPPARD. Does the Senator mean the names of the engineers composing them?

Mr. NORRIS. I should like to have the Senator give a general idea of what those two boards consisted.

Mr. SHEPPARD. They consisted of Army engineers.

Mr. NORRIS. Were they of the same grade?

Mr. SHEPPARD. Does the Senator mean the same rank?

Mr. NORRIS. Yes.

Mr. SHEPPARD. I cannot say as to that, for Army officers have different ranks according to the time they enter the service.

Mr. NORRIS. I do not mean that. I mean was the report of one of those boards superior to the report of another?

Mr. SHEPPARD. Not at all.

Mr. NORRIS. They were all equal?

Mr. SHEPPARD. No report was final.

Mr. NORRIS. As I understand, the board whose conclusions General Markham reversed, itself, in its report reversed another board?

Mr. SHEPPARD. It did.

Mr. NORRIS. So that, as I get the picture, it is in the nature of a court. The lower court, consisting of a board, approved the project; the next court, a step higher, like our court of appeals, reversed that decision, and then General Markham, like the Supreme Court, reversed that decision and sustained the original report. So, it seems to me, that the boards that passed on the question were not of equal authority, because, as I understand, the first board that considered the project sustained it; it went up on appeal, as it were, from that board to another one, and the second board reversed it; it went still further up on appeal to General Markham, the supreme court, and he sustained the decision of the first board and reversed the decision of the intermediate board, as it might be called. Is that correct?

Mr. SHEPPARD. General Markham's decision was the final one and he made it after considering the reports of all boards.

In a general way that seems to be correct except that no report was final.

Mr. NORRIS. I understand that. I am thinking of it as being somewhat like a lawsuit in a Federal court. Suit is brought first in the district court, and the district court makes a decision; that decision is reversed on appeal by the circuit court of appeals, and that decision is itself reversed by the Supreme Court.

Mr. SHEPPARD. Someone has to appeal a lawsuit. An appeal is not taken in the case of boards of this kind.

Mr. NORRIS. That is a technical difference, of course.

Mr. SHEPPARD. If an appeal is not taken from a decision of a lower court, that decision becomes final; but in these river and harbor proceedings that is not the case.

Mr. NORRIS. I desire to know whether the two boards were equal. In the case of a lawsuit, with which I have been trying to compare the proceedings of the Army boards, the court of appeals is of a higher grade than the district court, and the Supreme Court is still higher than the court of appeals. Does that same line of procedure apply to these boards?

Mr. SHEPPARD. I do not think the analogy is entirely accurate as it relates to the Board of Engineers for Rivers and Harbors.

Mr. NORRIS. May I ask the Senator from Michigan, in the time of the Senator from Texas, what his idea is about those boards?

Mr. SHEPPARD. Certainly.

Mr. VANDENBERG. I think perhaps the analogy for which the Senator from Nebraska is striving would be a little closer if the advisory board were compared to a referee appointed by a court for a report and findings of fact. The advisory board was a special group created solely for the purpose of making an inquiry into this particular situation. It reported upon its conception of what would be an acceptable canal project. The regular standard Board of Rivers and Harbors Engineers received that report and filed adverse findings based upon a somewhat different conception of the canal, for there are different widths and depths involved in the various plans. Then came General Markham, who overruled the Board of Rivers and Harbors Engineers, which is his regular standard force of advisers, and recommended

a totally different canal than the one which the Board had rejected. In other words, the Board had, for instance, considered a 600-foot-wide canal, while General Markham said 400 feet would be sufficient. The official board said the canal should be 35 feet deep, whereas General Markham said 33 feet would be sufficient. The standard board said it would cost two-hundred-and-forty-odd million dollars, while General Markham said it would cost only $198,000,000. General Markham found that his set of facts justified his conclusion that the canal would be an economically justified project.

So there is something of an analogy similar to that which the Senator had in mind, although it is impossible to draw it accurately, because each one of these three authorities is talking about a different kind of project in detail.

Mr. SHEPPARD. I say to the Senator from Nebraska that two other special boards were convened while this subject was being considered during the years, and each time the board considered the subject the traffic had continued to increase enormously.

Mr. NORRIS. The Senator means the traffic going around the Florida Peninsula?

Mr. SHEPPARD. Yes; around the Straits of Florida. That traffic had continued to increase tremendously, and it has increased tremendously since General Markham's report in 1937.

Mr. ANDREWS. Mr. President, will the Senator permit an interruption?

Mr. SHEPPARD. Certainly.

Mr. ANDREWS. Along the line of the question asked by the Senator from Michigan, is it not a fact that subsequent events with regard to the increase in tonnage have, in fact, borne out most of the recommendations and conclusions of General Markham.

Mr. SHEPPARD. I agree with the Senator. I should like to give here a statement of that tonnage during the last 18 years which will throw some light on the tremendous importance and significance of this shipping route.

Mr. VANDENBERG. Mr. President, I do not desire to interrupt the Senator controversially, but I should like to keep the record straight as we go along. The Senator from Florida [Mr. ANDREWS] asked if events have not borne out all General Markham's figures and calculations, and I understood the Senator from Texas to give his assent.

Mr. SHEPPARD. I think they have; in fact, General Markham so testified this year.

Mr. VANDENBERG. I wish to refer to General Markham's estimates of cost. He estimated the cost of excavation first at ten and a fraction cents per cubic yard, which, of course, was for work to be under contract, but when he actually spent $5,000,000 in excavation it cost him 20 cents a cubic yard. He was only 100 percent wrong in his calculations.

Mr. SHEPPARD. Except that in his excavation work he was using relief labor, which is much more expensive than skilled labor. The present estimate for the canal is based on regular skilled labor and the use of the latest and most powerful machinery.

Mr. VANDENBERG. Yes; except that the President's letter, under which the project is revived, contemplates using it as a relief project, and so it will be necessary to go back to the 100 percent expansion in estimates of cost.

Mr. SHEPPARD. No; the bill before us is not a relief project except to the extent that it will give employment to a large amount of labor. The project embodied in this bill is a regular river and harbor project, contemplating the use of the latest machinery and regular skilled and unskilled labor. It is not on the basis of what we call relief labor at all, as I understand.

Mr. VANDENBERG. I wonder if the Senator is fully justified in that statement, because it would make a great deal of difference if he is justified?

Mr. SHEPPARD. Certainly it would, and I am coming to that in a few moments; I am going to discuss it later.

Mr. VANDENBERG. It seems to me that there is nothing in the bill which prohibits the construction of the canal precisely as the President said he wanted it built, and he said he did not care if it took 15 years, and he wanted it primarily as a relief project.

Mr. SHEPPARD. I differ from the Senator, and I shall endeavor to give the reasons for my position when I have concluded my statement as to tonnage going through the straits from 1920 to 1938.

In 1920 40,000,000 tons—and I give merely the round numbers—in 1921, 47,000,000 tons; in 1922, 45,000,000 tons. For the purpose of comparison, I will say that the tonnage that goes through the Panama Canal is 36,000,000; and through the Suez Canal it is still less; and they are the two greatest canals in the world up to this time.

In 1924 the tonnage passing around the Florida Straits was 55,000,000; in 1925, 68,000,000; in 1928, 71,000,000; in 1927, 73,000,000; in 1928, 77,000,000; in 1929, 77,000,000; in 1930, 72,000,000; in 1931, 70,000,000; in 1932, 76,000,000; in 1933, 86,000,000; in 1934, 84,000,000; in 1935, 91,000,000; in 1936, 111,000,000; in 1937, 138,000,000. There was an average increase per year for the 18-year period of 5,417,000 tons. Army engineers and the Department of Commerce compute approximately 66 percent of the total annual tonnage would move through the proposed ship canal.

General Markham's report further was to the effect—

(2) That shipping plying between the Gulf ports and ports of the Atlantic seaboard or of Europe passes around the southern end of the Florida Peninsula through the straits of Florida;

(3) That a canal across the upper part of the State of Florida would provide a route between the Gulf and the Atlantic seaboard from 300 to 350 nautical miles shorter than the present route around its southern end;

(4) That the cross-Florida canal project differs from many others in that there can be but little doubt as to the tonnage it would carry; that the traffic of the Gulf ports is not speculative; that "it exists and doubtless will expand";

(5) That the various boards reporting on the waterway were in substantial agreement on the amount of the commerce that the waterway would carry if constructed; that differences related only to the question whether the benefits to this commerce justified the cost;

(6) That the answer to this question rested on a number of factors, such as the cost of excavating operations in soft rock on an unprecedented scale as determined by the probable output of extremely powerful hydraulic dredges in this material after it had been blasted, the speed which can be realized by vessels in the transit through the canal, the necessary width and depths of the channel, and the annual cost of maintenance after completion;

(7) That the determination of each of these questions rested on personal judgment and had led to different conclusions as to whether or not the construction of the canal would be a good investment of Federal funds;

(8) That he, the Chief of Engineers, did not share the apprehension expressed in the report of the Board of Engineers for Rivers and Harbors as to the possible adverse effect on ground-water supplies, because he was of the opinion that a sea-level canal would not to any consequential or vitiative degree influence the ground-water levels of the State, or result in serious intrusion of salt water;

(9) That the success of the canal depended upon its safe and expeditious transit by Gulf-Atlantic shipping; that if the canal did not offer that advantage the potential economies would not be realized;

(10) That he concurred with the Board of Engineers for Rivers and Harbors that the canal should have a least width of 400 feet, but that he regarded a minimum depth of 33 feet, as proposed by the third special board of April 16, 1936—that is, the board acting immediately prior to the Board of Engineers for Rivers and Harbors—to be adequate; that the canal should be flared and deepened at the Atlantic and Gulf ends;

(11) That an interest rate of 3 percent to fairly represent the cost of Federal money during the construction period and 3½ percent thereafter should be charged; that the

amortization charge set up by the Board of Engineers for Rivers and Harbors should be omitted because there was no apparent reason for amortizing a sea-level cut of adequate width and depth that would provide a navigation route in perpetuity;

(12) That a personal examination of the cores from borings on the line of the land cuts and personal inspections of quarries then in operation in the Ocala limestone had convinced him that not only were the estimates of the Board of Engineers for Rivers and Harbors for the excavation of that material unduly conservative but that the estimates of the third special board of April 16, 1936, for that part of the work were ample;

(13) That he, the Chief of Engineers, had had computations made of the total cost of the canal and the annual charges and benefits—that such computations showed that at prices then current the canal could be built at a cost to the United States of $197,921,000 and to local interest of $3,000,000, with annual maintenance and operation at $1,090,000; that these computations showed that the annual fixed charges and maintenance and operation expenses against the United States would amount to $8,641,000 and against local interests to $274,000;

(14) That the annual benefits to shipping then in being would be $8,741,000;

(15) That these figures indicated definitely that the canal would not in any sense be a bad investment;

(16) That the great development in the Gulf States in recent years is certain to continue for many years to come, with a considerable though necessarily, indeterminable expansion of general commerce between the Gulf and Atlantic seaboards; that while the oil movement might approximately stabilize in the next several decades he, the Chief of Engineers, believed a sustained and substantial increase in the general commercial use of the canal was a safe anticipation;

(17) That it appeared likely that for a period of years it might be advisable to finance public works with the dual purpose of constructing useful facilities and of employing those who otherwise would require relief;

(18) That this canal would provide a shorter route for commerce that would be valuable to a large portion of the United States and at the same time furnish employment to many people during its construction;

(19) That if the amount to be expended for labor, in whole or in substantial part, were deducted from the capital investment, the canal would show a handsome profit to shipping;

(20) That in view of the foregoing considerations a canal of the basic dimensions stated, to wit, 400 by 33 feet, is worthy of favorable consideration as a combination of unemployment relief and navigation improvement;

(21) That he, the Chief of Engineers, therefore recommended the construction of a canal following route No. 13–B, having minimum depth of 33 feet, increased to 34 feet for the outer 8.5 miles to the Gulf approach channel; 400 feet in minimum bottom width from the Atlantic Ocean to a point in the Gulf 4.5 miles from shore, thence 500 feet for 5.4 miles, 730 feet for 7 miles, and 1,000 feet to deep water 8.5 miles; and the protection of the approach channel in the Gulf by jetties, one on the south side extending 17 miles from shore and one on the north side extending 4.5 miles from shore, subject to the conditions that local interests furnish, free of cost to the United States, all necessary rights-of-way and other lands for construction and maintenance of the canal and accept obligation of maintaining and operating the bridges started as a part of the relief project, and of building, maintaining, and operating any further necessary highway crossings;

(22) That to meet the estimated construction cost to the United States—to wit, $197,921,000—provision should be made for accomplishment of the work in a period of about 6 years; that beyond such a period interest and other charges would increase capital costs by about $3,000,000 per year.

On April 5, 1937, Representative GREEN, of Florida, introduced a bill, H. R. 6150, for the completion of the construction of Florida ship canal in accordance with the recommendation of the Chief of Engineers, General Markham, as above summarized. As soon as the report of the Chief of Engineers was received by Congress, Representative GREEN introduced a bill to carry it out.

On June 8, 1937, the House Committee on Rivers and Harbors made a favorable report on H. R. 6150, there being a majority and minority report.

No legislative action occurred during 1938, the last year of the Seventy-fifth Congress.

On January 16, 1939, soon after the opening of the Seventy-sixth Congress, President Roosevelt wrote Senator JOSIAH W. BAILEY, chairman of the Senate Commerce Committee, asking that this committee give renewed attention to two subjects—the Florida ship canal and the development of tidal power in Passamaquoddy Bay. He stated that surveys had been completed and a good deal of work had been done on the Florida ship canal; that it had long been his belief that a Florida ship canal would be built one of these days, and that it was justified by commercial and military needs; that it was his thought that the Government should continue its construction, but should take its time in doing this, using, as far as possible, relief labor, especially in periods when there is a good deal of unemployment. The President stated further that he would not personally object to a construction period lasting as long as 10 or 15 years; that the canal would, according to the engineers, receive in tolls enough revenue to pay for its upkeep, and over a period of years to amortize its cost, though it was doubtful that these revenues would take care of accumulated interest charges; that, in other words, the Government would get its money back without interest.

Inasmuch as the question of tidal power in Passamaquoddy Bay is not now before us, I shall not quote the portion of the President's letter relating thereto.

On January 19, legislative day of January 17, 1939, Senator VANDENBERG introduced Senate Resolution 63, to the effect that whereas the Department of the Interior reported on August 26, 1935, the opinion of the United States Geological Survey that "there appears to be no reasonable doubt that serious adverse effects will be produced upon the important underground water supplies of the Ocala limestone in a wide zone extending outward from the canal line by the construction of a sea-level—Florida—canal," and that whereas the United States Geological Survey asserted on December 15, 1936, that it "knows no facts that require modification of the opinions it has heretofore expressed about the probable effects on ground-water levels in Florida" of the construction of such a canal, and that whereas this phase of the Florida ship canal problem is of deep concern to many citizens and of primary interest to the Congress in connection with any further study of this project, that, therefore, be it resolved that the Secretary of the Interior be requested to report to the Senate at its earliest convenience the present opinion of the United States Geological Survey regarding the probable effect of the construction of the Florida canal, as reprojected, upon ground-water levels and ground-water supplies in any affected area.

On January 19—legislative day of January 17—1939, Senator VANDENBERG introduced Senate Resolution 64 to the effect that whereas the Department of Commerce made an exhaustive and voluminous report upon the proposed Florida ship canal in 1934 and found that "the consensus of opinion of that part of the shipping industry with which contact has been established appears to be that the probable cost of building the projected waterway is not justified through any benefits which might thereby accrue to the cargo or the vessel," and that whereas the Congress is again asked to consider this project, that therefore be it resolved that the Department of Commerce is requested to survey its previous findings respecting the Florida ship canal and bring them down to date and to report thereon to the Senate at its earliest convenience.

On January 25, 1939, Senator JOSIAH W. BAILEY, chairman, Senate Commerce Committee, wrote the Secretary of War for a brief historical sketch and information on present status of Florida ship canal and the Passamaquoddy tidal projects.

On February 1, 1939, I introduced the bill now before us, S. 1100, authorizing completion of the construction of the Atlantic-Gulf Ship Canal across Florida in accordance with the recommendation of the Chief of Engineers, Major General Markham, to Congress through the Secretary of War on April 3, 1937, contained in House Document No. 194, Seventy-fifth Congress, first session. This bill also called for an examination of the question of tolls and a report thereon prior to completion of the project.

On February 9, 1939, Senator VANDENBERG's resolutions, Senate Resolution 63 and Senate Resolution 64, passed the Senate with the whereases stricken out.

On February 13, 1934, Hon. E. K. Burlew, Acting Secretary of the Interior, acknowledged for the Secretary of the Interior receipt of a communication from the Secretary of the Senate, Hon. Edwin A. Halsey, requesting a report on Senator VANDENBERG's resolution, Senate Resolution 63, and stated that a report would be submitted at the earliest possible date.

On February 14 the Secretary of War replied to the request of January 25, 1935, by Senator BAILEY, submitting the history and present status of the Florida ship canal and the Passamaquoddy tidal project desired by Senator BAILEY.

On February 21, 1939, Acting Secretary of Commerce Hon. R. C. Patterson, Jr., wrote Hon. Edwin A. Halsey, Secretary of the Senate, in response to Senate Resolution No. 64, by Senator VANDENBERG, requesting the Department of Commerce to survey its previous findings respecting the Florida ship canal and bring them down to date and report to the Senate at its earliest convenience, stating that the Bureau of Foreign and Domestic Commerce of the Department of Commerce, which prepared the original report, had reviewed this study in the light of recent developments and transmitted with this letter from Mr. Patterson to Mr. Halsey the results of this further study for the use of the Senate.

Mr. Patterson stated further in this letter that the Bureau's recent study showed that according to the annual statistical report of the Chief of Engineers for 1937 the volume of commerce of Gulf coast ports had increased nearly 100 percent over 1931, the year on which the data for the original study were based; that the original study of the Bureau was based on a 200-foot lock canal, whereas the present proposal of the Chief of Engineers recommends a sea-level canal with a minimum bottom width of 400 feet; that these changes increased greatly the economy of the project.

I may say to the Senator from Nebraska that some of the studies of the boards of engineers preceding this decision by the Chief of Engineers, General Markham, were based on the idea of a lock canal.

Mr. NORRIS. Mr. President, I do not expect the Senator to do so now, but before he concludes I should be glad to have him discuss the question of sea-level canals and lock canals, as it applies to the particular location involved. I do not see any necessity for a lock canal there, although there may be some good reason for it.

Mr. SHEPPARD. The distinction between lock and sea-level canals appears a number of times in the course of my remarks.

Mr. Patterson added that in his present proposal the Chief of Engineers had placed the construction cost at $197,921,000, with annual charges for interest at 3½ percent, annual maintenance, operation, and depreciation at $8,641,000; that on the basis of the potential 1937 use and benefits of the project there would thus be a net annual surplus of $6,293,000; that it appeared reasonably certain that this annual surplus would be substantially greater by the time the canal could be completed and would continue to increase thereafter; that the magnitude of these savings undoubtedly justified the cost of the project and emphasized the desirability of construction.

The statement of the Bureau of Foreign and Domestic Commerce of the Department of Commerce referred to by Mr. Patterson and transmitted to the Senate by him was:

First. That at the request of the Chief of Engineers, War Department, an economic survey of this project was made by the Bureau and reported under date of February 1, 1934.

Second. That in that report the Bureau determined the factors involved in a computation of the savings which would result from the construction of a lock-type ship canal, with a minimum bottom width of 200 feet along route 13–B, the route of the canal recommended in the report of the Chief of Engineers, Maj. Gen. E. M. Markham, on April 1, 1937, and developed those factors by a thorough examination of all data available on the basis of the year 1931.

Third. That for a canal of the location, type, and dimensions stated, and on the basis of the Atlantic-Gulf commerce of 1931, the essential findings of the Bureau were: (a) A ship canal across Florida is practical from a navigation standpoint; (b) there would have been available for transiting such a canal in 1931 a minimum commerce of approximately 44,556,000 short-tons of cargo; (c) the minimum savings on each average short ton of this cargo would have been 13.8 cents; (d) the total direct savings that would have thus accrued to this commerce in 1931 had all of it utilized the waterways were $6,137,000—that this was exclusive of benefits to local commerce and indirect benefits.

Fourth. That the translation of these findings into figures substantially applicable to the latest available data, 1937, and present conditions is, for all practical purposes, a comparatively simple operation if we may assume that the formula for the 1934 study is substantially the same today; that the essential factors which apparently have undergone substantial change since 1931 are the type and dimensions proposed for the canal, and the volume of Gulf commerce; that the Chief of Engineers has recommended to Congress a sea-level canal with a minimum bottom width of 400 feet, instead of a 200-foot lock canal upon which the Bureau's former report was based; that the volume of commerce of the ports for the Gulf coast has increased approximately 100 percent since 1931, the year used as a basis for the original study.

Fifth. That the changes in type and dimensions of the canal, especially the doubling of the width of the minimum section—now 400 feet—reduce by at least 1.55 hours the transit time and thereby increase by approximately 7.2 percent the savings per ton of cargo passing through, increasing the Bureau's former finding of 13.8 cents per average ton of cargo to 14.8 cents.

Sixth. That the increased minimum width of the canal—400 feet—now proposed would increase the general use of this improvement by vessels provided (a) that the waterway be available for ship movement on a 24-hour basis; (b) that all expenses, if any, incident to transit represent only a reasonable proportion of the resulting savings to ships utilizing the waterway.

Seventh. That studies by the Chief of Engineers—House Document 194, Seventy-fifth Congress, first session—indicate that the Florida ship canal will result in economies favorably affecting commerce in areas comprising approximately 45 percent of the land area of the United States and 74 percent of the population.

Eighth. That on the basis of the detailed study for 1931 and an analysis for 1935 by the Chief of Engineers and his annual statistical report for 1937 the commerce which would have been available for transiting this canal during 1937 had it been in operation is estimated to be 91,212,000 tons, as compared with 44,556,000 short tons in 1931; that this growth of commerce of Gulf ports has been continuing at varying rates for a long period with occasional years of recession; that while the future rate of growth cannot be predicted with accuracy, it will probably continue in some degree for an indefinite time.

Ninth. That the minimum total direct savings to through commerce which could have transited the canal in 1937 is therefore 14.8 cents multiplied by 91,212,000, or $13,499,000; that to this amount should be added the savings to local commerce; that this item had been determined by the third special board of engineers of April 16, 1936, as $1,435,000 for 1935; that this may be taken as a reasonable figure for 1937; that the total direct savings which might have been effected by the canal had it been open to traffic in 1937 may therefore

be placed at $14,934,000; that in addition to these direct savings there would have been indirect general benefits which cannot be accurately reduced to dollars and cents.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield.

Mr. NORRIS. Can the Senator inform the Senate whether the time saved passing through the canal is based on a lock canal or sea-level canal?

Mr. SHEPPARD. On sea-level canal.

Mr. NORRIS. Manifestly more time would be saved in going through a sea-level canal than a lock canal. I suppose there is no dispute about that.

Mr. SHEPPARD. That is very true. The chief value of the lock canal is to protect the ground-water situation in the event is was found to involve danger. The lock canal would be erected at a higher elevation and therefore would not affect the underground water in the vicinity.

Mr. NORRIS. Where would the water be obtained with which to supply the canal? If the canal were a lock canal, above sea level, no water could be obtained either from the Atlantic Ocean or the Gulf of Mexico. Is the supply of water in Florida high enough so all the water necessary for the canal could be obtained?

Mr. SHEPPARD. There is a tremendous fresh water supply on both sides of the canal. I shall ask the Senator from Florida to answer that question further.

Mr. ANDREWS. There is sufficient water to supply a lock canal with all the water that is necessary. There flow out of Silver Springs alone 500,000,000 gallons of water per day. That would not be the only flow of water into the canal, whether it were a lock canal or a sea-level canal. There is another spring a little farther west which flows 400,000,000 gallons of water. The fact that these springs would flow into the canal, even a sea-level canal, would make it absolutely impossible for any salt water or any water except the purest kind of water to get into the ground and in any way injure the water supply.

Mr. NORRIS. In case the canal were a lock canal, the supply of water coming from the springs must be high enough so as to reach the highest point in the canal.

Mr. SHEPPARD. It is.

Mr. ANDREWS. In addition to that, the Withlacoochee, which is a large river, and also the Oklawaha, another large river, run into it.

Mr. SHEPPARD. On February 25, 1939, Hon. Harry Slattery, Acting Secretary of the Interior, transmitted to Hon. Edwin A. Halsey, Secretary of the Senate, the response of the Secretary of the Interior to Senate Resolution Numbered 63, by Senator VANDENBERG, and stated in that response that the problem of the effect of the Florida ship canal as reprojected, on ground-water levels and ground-water supplies in any affected area, had not changed since the cessation of construction in 1937 by the Corps of Engineers under allocations from emergency funds, nor since the hearings in April 1937 on H. R. 6150, Seventy-fifth Congress, first session, before the Committee on Rivers and Harbors of the House of Representatives following the preparation and submission to that committee of the reports that had been published as House Document No. 194, Seventy-fifth Congress, first session.

That no new evidence had appeared since the opinion of the United States Geological Survey on the effect of a sea-level canal on ground-water levels and ground-water supplies was expressed directly by Survey representatives at the hearings before the House Committee on Rivers and Harbors and in letters responding to inquiries from Members of the Congress and others that were placed in the records of the hearings; that the opinions thus expressed were based on a quarter century of general studies of the geology and ground waters of the State of Florida and the United States; that in the absence of new evidence, or of altered plans for the canal, there was no basis for a modification of the opinions thus expressed.

That to again summarize the Survey's attitude in direct response to Senate Resolution Numbered 63 the Survey had the following to say:

(A) That a sea-level canal along route 13–B would cut the Ocala limestone for more than 40 miles from the Gulf of Mexico nearly to the Oklawaha River; that this limestone is one of the principal sources of water supply in Florida; that it is the source of most of the large springs in the State; that it is in large part a soft, chalky, porous limestone, which contains numerous cavities and channels, through which water circulates freely, as is abundantly shown by the exceptionally large yield of wells and springs that derive their water from it; that such water-bearing openings are penetrated by wells not only near the surface but also at depths of several hundred feet;

(B) That for a stretch of about 30 miles along route 13–B the water level in wells now stands at 40 to 50 feet above sea level; that along this stretch the canal would be in effect a huge drainage ditch which would be cut to a minimum depth of 33 feet below sea level, or to about 70 feel below the present ground-water level; that with the cutting of the canal the ground-water level immediately adjacent to it would inevitably drain down approximately to sea level—that is, to about 40 feet below its present position; that this lowering necessarily would spread indefinite distances outward from the canal, thus depressing the ground-water level in the limestone over a wide zone; that the width of the zone in which the lowering of ground-water levels would take place could not be predicted with any certainly, but that it might well be several tens of miles on either side of the canal;

(C) That Silver Springs, which is only about 3 miles from the route of the canal and issues from the limestone at about 40 feet above sea level, is without doubt well within the area in which the ground-water level would be materially lowered; that along the Oklawaha River the Ocala limestone is not at the surface, but the canal would cut through relatively impervious overlying beds that now confine artesian water in the limestone and would permit the escape of some of this water, thus adversely affecting the artesian pressure in the area to the east and southeast; that with the lowering of the ground-water level and the reduction of artesian pressure encroachment of salt water, which is already present at moderate depths in parts of the Ocala limestone, might contaminate the fresh water in some localities;

(D) That, as has been repeatedly stated by the United States Geological Survey, the construction of the canal will not affect the water supplies in the southern part of the State, as at Miami and Palm Beach, or in the northern part of the State, as at Jacksonville;

(E) That on the basis of studies that had been made of the geologic and hydrologic conditions in Florida the United States Geological Survey found itself in substantial agreement with the conclusions expressed in paragraph 28 of the report of the Board of Engineers for Rivers and Harbors (H. Doc. 194, 75th Cong., 1st sess., p. 17), where it is given in substance;

(F) That the conditions discussed in this report of the United States Geological Survey, transmitted by Mr. Slattery, apply to a sea-level canal and not to a lock canal, so constructed as not greatly to disturb the present ground-water levels.

On February 25, 1939, Senator CLAUDE PEPPER addressed a letter to Dr. W. C. Mendenhall, Director of United States Geological Survey, stating he—Senator PEPPER—had noted the reply of the Acting Secretary of the Interior to Senate Resolution 63, by Senator VANDENBERG, requesting the present opinion of the United States Geological Survey regarding the probable effect of the construction of the Florida canal, as reprojected upon the ground-water levels and ground-water supplies in any affected area.

Senator PEPPER in this letter stated further that because Senate Resolution 63 inquired only of the opinion of the Geological Survey upon ground-water levels and ground water—that is, underground water as geologists used those terms—it was only natural that the reply of the Acting Secretary of the Interior of February 25 to Senate Resolution 63 did not refer to the probable effect of the construction of the

Florida canal is reprojected upon the water supplies which nourish vegetation—that is, the rain water which is the source of the surface water which feeds vegetation, both natural and cultivated, growing from the surface of the soil.

Senator PEPPER said further in this letter that what he was interested in and what the people of Florida were interested in was to know whether (1) the agriculture and horticulture which was then being carried on in Florida was nourished by water supplies derived from rainfall or from the underground water referred to in the letter of February 25 of the Acting Secretary of the Interior in response to Senate Resolution 63; (2) whether the people engaged in agriculture and horticulture in Florida, after the construction of the Florida ship canal as reprojected, could continue to carry on that agriculture and horticulture without harm from the construction of the canal; (3) that he—Senator PEPPER—had noted from the reply of the Acting Secretary of the Interior that the injury might extend several tens of miles, and that he—Senator PEPPER—would like to know how many miles, in Dr. Mendenhall's opinion, on each side of the canal the water level—that is, the underground water supply—which had nothing to do with vegetation would be lowered; (4) that, in Senator PEPPER's exact words:

I ask you these questions because most of us are not interested in the theory of geology. We want to know as practical farmers, growers, and citizens of Florida whether there is any substantial reason in geology why this canal should not be built. I will appreciate your cooperation in trying to get this controversy down to a practical basis and giving me your considered answer at earliest convenience.

On February 28, 1939, Dr. W. C. Mendenhall, Director of the United States Geological Survey, wrote Senator PEPPER that he had received Senator PEPPER's letter of February 25 inviting attention to the fact that the Acting Secretary of the Interior, Hon. Harry Slattery, in responding to Senate Resolution 63, reported only on the anticipated effect of the cutting of the Florida ship canal as reprojected on the ground waters of the State.

Dr. Mendenhall stated further in this letter that Senator PEPPER had recognized with entire fairness that, since Senate Resolution 63 called only for "the present opinion of the United States Geological Survey regarding probable effect of construction of the Florida canal as reprojected upon ground-water levels and ground-water supplies in any affected area," an appropriate response to it would deal only with ground waters; that since the staff of the United States Geological Survey included no experts in agriculture or horticulture, it could not appropriately report on conditions affecting these activities in Florida, except perhaps as they might be related to the underground water supply; that in this connection he—Dr. Mendenhall—referred Senator PEPPER to the report of a special board appointed by the Secretary of Agriculture at the request of the Secretary of War, given in substance on page 147 of House Document No. 194, Seventy-fifth Congress, first session.

Continuing this letter Dr. Mendenhall quoted the three questions propounded by Senator PEPPER in his letter to Dr. Mendenhall of February 25, 1929.

Replying to Senator PEPPER's question No. 1, Dr. Mendenhall stated that House Document 194, page 147, reported that in 1934, out of somewhat more than 2,000,000 acres of cropland in Florida, 63,000 acres were irrigated from wells, and that in the remainder of the cropland, except such part of it as might be naturally subirrigated, because the ground water table was close to the surface, agriculture depended on direct rainfall for its water supply. Dr. Mendenhall further stated in reply to question No. 1 that it was his understanding that the precipitation within the State averaged about 52 inches annually, the greater part of this precipitation falling during the summer months, and added that neither horticulture nor agriculture, insofar as it depended upon direct rainfall for its water supply, could be in any wise affected by the building of the canal.

Replying to Senator PEPPER's question No. 2, Dr. Mendenhall stated that he could see no reason why those people who are engaged in agriculture and horticulture in the State, insofar as this agriculture and horticulture did not depend upon irrigation nor subirrigation from ground waters, should not continue to carry on their activities just as well after as before the construction of the canal—and that he repeated that none of the natural vegetation of the State and none of the cultivated crops that were independent of irrigation or of the maintenance of existing levels of water in the ground could conceivably be affected by the canal.

Replying to Senator PEPPER's question No. 3, Dr. Mendenhall stated that various estimates had been made as to the distance outward from the banks of the canal that the lowering of ground water levels, which all agreed would take place immediately adjacent to those banks, would extend; that some of the advisors of the Corps of Engineers had indicated that the lowering of ground-water levels might extend 10 or 15 miles; that the United States Geological Survey students of the problem were inclined to think that these effects might extend as much as 50 or 60 miles; that it was not possible by theory alone to resolve these differences satisfactorily.

Dr. Mendenhall added that the canal, however, crossed a low area in the north central part of the State; that its route was over land lower than that north and south of it; that along a stretch of the canal about 30 miles in length, near the middle of the peninsula, ground-water drainage was toward it from both directions; that it was within a zone immediately adjacent to the canal that the most marked lowering of ground-water levels, amounting to about 40 feet was to be expected; that it was within this zone, variously estimated as extending from 10 to 50 or 60 miles outward from the canal, that the natural levels at which ground waters now stood would be reviewed; that he could conceive of no possible effects that the cutting of the canal would have on the water levels in the southern part of the peninsula.

Dr. Mendenhall said further in this letter to Senator PEPPER that the canal could have no conceivable effect upon rainfall and therefore none of the activities of man in the State depending directly on local rainfall could be affected by it; that, as the United States Geological Survey had repeatedly stated, the activities in the southern part of the State, whether dependent on local rainfall or upon waters derived from underground sources would be unaffected; that the chief effect would be in the vicinity of the canal; that the effect would be the lowering of the water table by about 40 feet and by the extension of this lowering to indeterminate distances north and south of the canal with possible related effects upon the quality of the waters within the affected zone.

On February 24, 1939, Senator JOSIAH W. BAILEY, chairman of the Senate Committee on Commerce, referred to the Secretary of the Navy Senate bill 1100 and asked the Secretary to let the Committee on Commerce have his general views on the value of the canal and specifically the Secretary's views as to the necessity of the canal as a national defense measure.

On March 9, 1939, Hon. Charles Edison, Assistant Secretary of the Navy, replied to Senator BAILEY's letter to the Secretary of the Navy of February 24 to the effect that by shortening the distance and providing an additional route for sea-going vessels between the Atlantic ocean and the Gulf of Mexico, the Atlantic-Gulf Ship Canal would be of definite value during war in the shipment of necessary materials for both military and commercial use, as well as for the passage of naval vessels if sufficient draft were provided; that the improvements of the St. Johns River contemplated under the plans for the construction of the canal would contribute materially to the use of this location for the operation of naval seaplanes.

On April 26, 1939, the House bill (H. R. 3223) for the completion of the canal after hearings covering several days was reported favorably to the House from the House Committee on Rivers and Harbors, there being a majority and a minority report.

The United States Geological Survey adhered to its original opinion. It also stated that it was agreed that the southern

part of Florida in the vicinity of Miami would not be affected in any event. All agreed on that.

Mr. VANDENBERG. Mr. President, I wish to say to the Senator in his time that he is making the fairest kind of a statement regarding the historical background of this controversy, and I congratulate him and thank him for the way he is doing it. We may disagree in our conclusions, but the Senator is making a splendid historical presentation.

Mr. SHEPPARD. I thank the Senator.

On April 27, 1939, the Senate bill (S. 1100) for the completion of the canal, that is the bill I have introduced, after hearings covering a number of days, was reported to the Senate from the Senate Committee on Commerce without recommendation.

Returning to the bill (S. 1100) it should be said that after authorizing the completion of the canal it requests the President while construction of the proposed canal is in progress to examine the question of tolls on vessels using the canal and to report thereon to Congress before completion of construction.

General Markham recommends this project both as a relief and a navigation measure. He recommends a definite limit of cost provided the construction is accomplished within a period of 6 years. There is no question, therefore, as to what the Senate is voting upon.

The President's letter to Senator BAILEY stating that he believes the Government should continue the construction of the canal, but should take its time, using, as far as possible, relief labor, especially in periods when there is a good deal of unemployment, and that he would not personally object to a construction period lasting as long as 10 or 15 years, if carried out to the limited extent possible under the terms of the official report before us. The employment made possible under the amount and the time specified in the report is relief for labor to that degree.

That is, labor will be helped insofar as labor can be employed during the 6 years in the event we adopt that figure, $197,000,000. I do not think there can be any question as to that.

Mr. VANDENBERG. Mr. President, will the Senator yield to me to ask him a question?

Mr. SHEPPARD. I yield.

Mr. VANDENBERG. Will the Senator point out to me what there is in the bill which thus specifically confines the expense to the Markham estimate and the time limit to the Markham period of 6 years?

Mr. SHEPPARD. The bill specifically adopts the project defined in his report.

Mr. VANDENBERG. But suppose the President should direct that relief labor shall be used and a longer period of time covered, what is there to prevent the construction of the canal under his subsequent instructions of that character?

Mr. SHEPPARD. I do not think he would have the legal authority to do so. If he wanted that done, he would have to ask Congress for further authorization. That is my judgment.

Mr. VANDENBERG. The Senator means that the bill is not responsive to the President's recommendation?

Mr. SHEPPARD. Certainly; that is what I have said.

Mr. VANDENBERG. That it is not responsive?

Mr. SHEPPARD. That it is not, except to the extent that it will give employment to regular skilled labor for 6 years and probably, of course, some common labor.

Mr. VANDENBERG. I am afraid I cannot agree with the Senator's conclusion on that point.

Mr. ANDREWS. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield.

Mr. ANDREWS. Are we not assuming there something which is not always borne out, when we say that relief labor is so much more expensive than other labor? I have it on the best of authority that in some counties in Florida the Government and the sponsors, whether a municipality or a county, have gotten a dollar's worth for every dollar that has been spent through relief labor. Possibly it is due to the men who have supervision of it, from the head man on down through to the immediate superiors. But they have performed well in several counties in my State, and, in my judgment, have delivered service, dollar for dollar.

Mr. VANDENBERG. Mr. President, if the Senator will permit me, on that point, so we may keep the record straight, I wish to say that General Markham himself testified that this estimate of time must be increased 25 percent minimum if relief labor is used. There can be no argument about that.

Mr. SHEPPARD. He so testified.

Mr. VANDENBERG. And he also testified that if relief labor was used it would cost 100 percent more than the estimate he made. There can be no question about that.

Mr. SHEPPARD. He said that his report contemplated a project to cost $197,000,000, to be completed in 6 years, and that regular skilled and unskilled labor was to be employed.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield.

Mr. NORRIS. I do not know whether my opinion on the matter would be of any value, but since the question has been raised, it seems to me perfectly plain that the Senator from Texas is correct when he says that the pending bill provides specifically for carrying out the project as recommended in a specific document by the Chief of Engineers, which would mean that it must be, if possible, carried out in accordance with the terms of that document, which means the building of a canal in 6 years. I do not think there can be any doubt about that.

Mr. SHEPPARD. I am glad to note what the Senator says.

Mr. NORRIS. The project would be undertaken under an act of Congress. I assume that so far as they can, they would attempt to carry out the act of Congress, because it would be the relief law under which they were acting.

Mr. SHEPPARD. The act of Congress controls.

Mr. VANDENBERG. What would happen at the end of 6 years if the canal were half complete and the money were all gone?

Mr. SHEPPARD. That would be a matter, then, for Congress.

Mr. NORRIS. Such things often happen, and that may happen.

Mr. VANDENBERG. That is perfectly true. I do not see how it can be governed by fiat.

Mr. NORRIS. The act of Congress would provide for building the canal and completing it in 6 years, at such and such a cost. If it could not be done it could not be done.

Mr. SHEPPARD. We have very competent opinion to the effect that it can be completed within that time—opinion of the character on which we have heretofore relied in connection with all such matters.

Mr. NORRIS. Congress knows, when it is acting, that it is acting on an estimate.

Mr. SHEPPARD. Yes.

Mr. NORRIS. And everybody knows that an estimate is not likely to be mathematically correct.

Mr. SHEPPARD. The Senator is correct.

Mr. NORRIS. Besides, many conditions may change, so that it would either be cheaper or more expensive.

Mr. SHEPPARD. Very true.

Mr. NORRIS. Those are conditions over which Congress would have no control.

Mr. SHEPPARD. Gulf coast ocean-borne tonnage utilizing Gulf ports originates in a vast portion of the interior of the United States, including the South, much of the Southwest, much of the West, much of the Mississippi Valley, and parts of the Central States.

In connection with the apparent reluctance on the part of shipping interests to use the canal it is of interest to observe that although no ship operator appeared before the Rivers and Harbors Committee of the House of Representatives in favor of the Cape Cod Canal, almost all ship operators now use it. Objection was made originally by ship operators to the use of the Livingstone Channel in the Detroit River. Now a hundred million tons of commerce go through it without hazard.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

Mr. SHEPPARD. Certainly.

Mr. VANDENBERG. I was advised today that the Cape Cod Canal has been one of the most collossal failures in the history of public works. The Senator's information seems to be quite different.

Mr. SHEPPARD. It certainly is.

Mr. WALSH. Mr. President, I regret to say that I do not agree with the statement made by the distinguished Senator from Michigan. On the contrary, the increase in shipping through the Cape Cod Canal has been very remarkable. I think I put in the RECORD last year or the year before a study of the increase in the use of the canal. It was a complete failure while it was in the hands of private ownership. To that extent the statement of the Senator from Michigan is correct. However, since the Government took over the canal and has widened it, it has become a very useful and very helpful means of transportation between Boston and New York.

Mr. VANDENBERG. Does the Senator know whether or not the figures regarding the cost of operation have fallen within the contemplated estimates?

Mr. WALSH. I regret to say that I can give no figures on the financial side of the question.

I look upon these canals as public highways. In that respect I am somewhat in accord with the views of the Senator. A canal should be open to the public and should be used by ships in the same way that highways are used by automobiles. When dangers of navigation can be eliminated and shortening of routes of travel can be accomplished through a canal, it is desirable and important to build such a canal.

There is an element in the case of the Cape Cod Canal to which the Senator did not refer, and that is the great danger which navigators experienced in going around Cape Cod. With the construction of the Cape Cod Canal that danger was very largely removed. So there was not only a shortening of the route but also a removal of very serious danger in connection with navigating along that part of the coast of New England.

I wish to emphasize the fact that the use of the canal has grown beyond my expectations, and the expansion of travel through it has continued. I suggest to the Senators from Florida that the figures are available, and I think they would be surprised to see the extent of use of the canal.

I come back to what I previously said: Originally, the canal was poorly constructed. It was poorly managed, and operated by private interests. It now has all the benefits and advantages of management and control by Army engineers, and it has become a very valuable and useful waterway.

Mr. NORRIS. Mr. President, may I interrupt to make a comment on the Florida ship canal?

Mr. SHEPPARD. I yield to the Senator from Nebraska.

Mr. NORRIS. I do not want to let go unnoticed the statement of the senior Senator from Massachusetts [Mr. WALSH]. I am delighted that his statement will appear in the CONGRESSIONAL RECORD. I hope all the conservative newspapers in the United States will publish it in full, because it is really a remarkable statement and discloses the very remarkable fact that a canal built by private interests was a colossal failure, as the Senator says. It was unloaded on the Government, and under Government operation and management it has become a wonderful success.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield.

Mr. BURKE. I should like to ask the Senator from Massachusetts a question.

Mr. WALSH. Certainly.

Mr. BURKE. What is the situation in the case of the Cape Cod Canal in reference to the collection of tolls since the Government has taken over the canal?

Mr. WALSH. That is a very important item to which I should have referred. There is no toll collection at all. Under private management there were toll collections, and of course that fact had a deterrent effect on the use of the canal by vessels passing north and south through the canal.

Mr. BURKE. In giving publicity to the statement made by the Senator as to the failure under private management, when tolls had to be collected to pay for the investment which was made, I think attention should be called to the fact that when the canal was taken over and supported by the Government as a part of the public highway system of the country, with the expense borne out of the Public Treasury a very different situation existed.

Mr. WALSH. The Senator is correct.

I ought to add to what the senior Senator from Nebraska [Mr. NORRIS] has said that, in my opinion, the original construction of the canal by private interests contemplated a future sale to the Government at a profit.

Mr. NORRIS. That sale took place, did it not?

Mr. WALSH. Exactly.

Mr. NORRIS. And the Government paid much more than the canal was worth.

Mr. WALSH. I think it is only fair to say that the sale to the Government was to the advantage of the Government and resulted in a substantial loss to the bondholders and investors. I am certain that the Government did not pay an extravagant price. However, the canal had depreciated to such a low standard——

Mr. NORRIS. Very low.

Mr. WALSH. It had depreciated to such a low standard that almost any price was a high price for it, in the condition in which it was.

Mr. NORRIS. Under the private ownership and control of financial geniuses, the canal was a financial failure. It is now a success under Government ownership. As the Senator says, it was probably built by men who wanted to unload it and who expected later to unload it on the Government. As is the case in many instances when men are moved entirely by the great feeling of private initiative, the builders of the canal did not build it properly. It was a very poorly constructed canal. The first thing the Government did when it took over the canal was to enlarge it and improve it and put it in shape, so that it is now worth something, and is a source of pride to Massachusetts.

Mr. WALSH. It is certainly a very useful and valuable sea highway at the present time.

Mr. ANDREWS. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield.

Mr. ANDREWS. What is the depth and width of the Cape Cod Canal?

Mr. WALSH. It has been doubled in width during the past 2 years.

Mr. ANDREWS. Can seagoing vessels go through it? Is it 33 feet deep?

Mr. WALSH. No. I doubt if the larger naval vessels could go through it. I have never heard of their going through. Passenger boats of rather substantial size, such as those which ply nightly between New York and Boston, go through the canal. However, I do not think the canal is large enough for cruisers and battleships.

Mr. ANDREWS. The ships which use it go through with safety?

Mr. WALSH. They go through without any danger whatever, especially since the Government has made valuable additions, improvements, and expansions to the waterway, and is still making them.

Mr. ANDREWS. The canal affords ships the opportunity of going safely through a peaceful canal instead of going around the cape.

Mr. WALSH. It is certainly very much safer, because the trip around the cape was always dangerous, and very many sad disasters and wrecks have occurred. That danger now is entirely removed.

Mr. ANDREWS. How many miles are saved by the use of the canal?

Mr. WALSH. I have been through it frequently. I go through it virtually every summer. It is 7 miles long from

land to land and 11 miles long from entrance to entrance, with a depth of 25 feet.

Mr. ANDREWS. How many miles does it save?

Mr. WALSH. It saves at least 140 miles.

Mr. ANDREWS. Would not the same situation apply to the Florida Canal? In other words, in the event of a hurricane around Puerto Rico and the Florida coral reefs, where many ships have gone on the rocks, would not the Florida canal afford a safe passage?

Mr. WALSH. Of course, I firmly believe that all inland waterways are beneficial to seagoing travel, and I assume that the Florida ship canal would be beneficial in the respects the Senator has mentioned. Before the debate is over I hope the extent to which vessels move up and down the Atlantic coast and could move through the canal will be disclosed, as well as the kind of vessels which could use the canal, and the extent to which they could use it.

Mr. ANDREWS. I think those facts will be shown.

Mr. WALSH. I also hope the Senators from Florida will be able to remove some of the many objections which Senators have received from the residents of Florida and other sections of the country.

Mr. ANDREWS. I think we shall be able to do that.

Mr. SHEPPARD. The same contention about shipper nonuse was made in connection with the Panama Canal. Representative J. J. MANSFIELD, of Texas, chairman of the Rivers and Harbors Committee, said the original decision of shipping interests not to navigate the Houston Ship Channel has broken down; that 67 ship lines now use that channel, and that it carried annually about 23,000,000 tons of freight. General Markham stated that shipowners originally opposed also the Beaumont Channel, the Sabine-Neches Channel, and the Port Arthur Canal, stating they would not use them, but that these waterways are now being used most extensively. He said that there is nothing unusual about shipowners or ship captains saying they will not use a proposed channel; that it is the customary thing to anticipate; but that a ship will go anywhere it can gain a profit, unless the captain should find something in the situation that counterweighs that profit; and that he, General Markham, could find nothing in the Florida project that counterweighs that profit.

In the proposed canal the speed would be 7 knots in the rock section and 10.6 knots in the open waters. For a ship to go around the peninsula in the same time that a 10.6-knot ship goes through the canal it would need to go at the rate of 20 knots. It would need to go twice as far as and twice as fast, and this would be economically out of the question on account of increased fuel expense.

The canal will put the Mississippi Valley, its tributary territory, and the Gulf coast 24 hours closer to eastern markets.

The Mississippi Valley Association approved the construction of the canal at a meeting of that association attended by delegates from 20 States in the valley. The sentiment was expressed that anything that would shorten the distance by water from the Mississippi Valley to the New England States by approximately 350 miles is worth while. The National Rivers and Harbors Congress approved the project at its recent meeting in Washington.

The canal will make possible a reduction of transportation charges to shippers and consumers. It will lower such charges to the farmers and the fruit growers of Florida. The production of lumber, naval stores, cotton, tobacco, and bacon also will be benefited.

The United States uses 9,000,000 tons of sulfuric acid, 71 percent of which is made from Texas sulfur. The four largest sulfur-consuming States are New York, New Jersey, Pennsylvania, and Delaware. All that sulfur would come through the canal. About 500,000 tons are at present shipped abroad.

The canal will be a new route for the coastwise and foreign commerce of the United States, particularly the coastwise commerce between the Atlantic seaboard and the Gulf of Mexico. It will bring closer together the Mississippi Valley, the Atlantic coast, and the Gulf. Its benefits will inevitably flow to the public, as have the benefits of other similar great projects that have been instituted in the past. Those benefits will come through rate economies to agriculture, industry, trade, and commerce.

Col. Brehon Somervell testified that winds and storms would not be a substantial hazard in navigating the canal; that the intensity and frequency of storms in the canal area are small compared with those in the Florida Straits. It is his opinion that the canal would be practically free from the tropical storms of the Florida Straits.

General Markham regards the navigation of the canal as of much greater simplicity than navigation in exposed waters where blinking buoys must be depended upon. With a canal adequately lighted by night and regulated by an effective signal system by day, hazard will be reduced to a minimum. General Markham's report is based upon the condition that the canal will be continuously navigated by night as well as day.

On the relation of the canal to natural defense, Major General Markham stated that some battleships would be able to go through the canal if they were lightened. He stated that he regarded the canal as of greater value than merely for the passage of battleships or heavy cruisers; that the lifeblood of the Navy is fuel; and that it is of military value for tankers to avoid the straits route, which in time of war would be the area of trouble.

General Markham stated that he regards the canal as of tremendous benefit and value as a national defense facility, even if nothing should go through it except oil, naval stores, and materials for the consumption of the Army, and the defense benefits and advantages to the Navy. It is his opinion that these two things combined make out a very strong case for the value of the canal in national defense. It is General Markham's opinion that a war involving combat in the Atlantic would be in the Caribbean, under which circumstances, if oil, naval stores, and all other things of military or naval value were to be sent around Key West, they would go through the field of combat, with all the hazards that would mean. The alternative, he said, would be this second route, which he thinks can be decently guarded.

Admiral Frederic B. Bassett, United States Navy, retired, stated before the Senate Committee on Commerce that if the estimated tonnage through the canal were 91,000,000 tons a year during time of peace, it would be very much greater during time of war. The largest part of our raw materials, he said, comes by way of the Gulf of Mexico, and that among such raw materials is sulfur, the source of sulfuric acid and smokeless powder. Admiral Bassett said that national defense is largely dependent upon transportation; that everything except battleships and airplane carriers could go through the canal. It was General Markham's opinion, as I have stated, that battleships, when they were lightened, could go through the canal. Admiral Bassett stated that about 1,300 vessels of all classes, from tugboats up to heavy cruisers, could use the canal.

Admiral Bassett stated it as his belief that the Florida canal is necessary for national defense and for commercial use to and from the Panama Canal from either Gulf or eastern Atlantic ports; that in time of war, vessels would rather go from the Florida canal to the Panama Canal than through the dangerous Windward Passage on the east end of Cuba; and that it would be much easier to protect the narrower entrance of a canal than to protect 135 miles of water in the straits.

We have already the statement of Hon. Charles Edison, Assistant Secretary of the Navy, that it is the opinion of the Navy Department that by shortening the distance and providing an additional route for seagoing vessels between the Atlantic Ocean and the Gulf of Mexico, the Atlantic-Gulf Ship Canal would be of definite value during war in the shipment of necessary material for both military and commercial use, as well as for the passage of naval vessels, if sufficient draft is provided; that the improvements of the St. Johns River, contemplated under the plans for the construction of the canal, would contribute materially to the use of this location for the operation of naval seaplanes.

The House Committee on Rivers and Harbors again favorably reported the Florida ship canal bill at the present session of Congress, there being, as was the case in the last session, majority and minority reports. On the question of national defense the Committee on Rivers and Harbors in its favorable report of April 26, 1939, on H. R. 3223, a bill for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida stated that, notwithstanding the abundant economic justification of this canal, its military value in emergency will transcend its commercial value, that in the event of war, with the theater of operations on either the Atlantic or the Pacific coast, transportation problems of the Nation would involve the transport of immense quantities of troops, munitions, raw materials, and supplies from the region between the Alleghenies and the Rockies to either or both coasts, the experience in this regard of our World War participation demonstrated that peacetime facilities and equipment of the railroads cannot adequately meet such a demand. The report stated that the committee had evidence presented to it which demonstrated conclusively that as a protected route for the movement of troops, munitions, and supplies between the Gulf of Mexico and the Atlantic seaboard, and as a safe alternate route to the Panama Canal, compared with the potentially hazardous route via the Windward Passage, ordinarily used, the Atlantic-Gulf Ship Canal would serve as a major element of national defense in time of war. The committee report stated further that whatever may have been true in the past, there is no longer any room for doubt that the present and future key to the ultimate defense of the United States is the body of water comprised in the Gulf of Mexico and the Caribbean Sea. The committee stated further that our military policy is based upon the defense of our own territory, that the success of that policy pivots upon our ability to prevent serious curtailment of the water-borne traffic now moving through the Panama Canal and the Straits of Florida, that the eastern defense of the Panama Canal depends almost entirely on the ability of the Navy to close the Atlantic entrances to the Gulf and the Caribbean Sea; that with the closing of these, the Atlantic-Gulf Ship Canal would become a logical military necessity. It was asserted by the committee that the idea that naval engagements in the Gulf of Mexico and the Caribbean are not contemplated, and therefore that this canal would not transit fighting craft, could only be the result of an incomplete understanding of the situation and the military purposes which the canal would serve; that its primary function, in the event of war, would be to afford a safe route for troops, munitions, supplies, and raw materials between the ports of the Gulf of Mexico and our eastern seaboard, and between the latter and the Pacific Coast States via the Panama Canal; that in the face of determined enemy oppositions, the maintenance of this flow via the existing channels, that is, the Straits of Florida and the Windward Passage, would be possible only at a cost in ships and men which would dwarf into insignificance the cost of the canal.

The committee said, further, that it should be remembered that all of the very numerous islands lying immediately south and east of Florida are foreign possessions; that the strategic location of these is such that, should they be in enemy hands, they would serve as bases for submarine and air attack on our shipping in the Straits of Florida, which would practically close that route; that in such an event the absence of the Atlantic-Gulf Ship Canal might prove pivotal. The committee also stated that the Army and Navy Munitions Board, in a memorandum of recent date to the Senate Committee on Military Affairs, had named those materials and supplies which it considered strategic, critical, or essential to the defensive efforts of the United States during war, that a list of these with their geographic origin and relation to the canal was as follows:

From the area tributary to the canal east of the Mississippi River: Cotton, clays, steel, lumber, iron, coal.

From the area tributary to the canal west of the Mississippi River and in Gulf States: Silver, molybdenum, potash, asbestos, bromine, tungsten, uranium, graphite, fluorspar, salt, bauxite, sugar, hemp, lead, wheat, arsenic, zinc, manganese, mica, fuller's earth, copper, antimony, mercury, vanadium, beef, hides, cotton, wool, tannin, vegetable oils, pumice, phosphates, petroleum, asphalt, alcohol, titanium.

From the area tributary to the canal (via Panama) on the United States west coast: Chromium, tungsten, platinum, wool, potash, uranium, fluorspar, borates, mercury, graphite, magnesium, lumber, copper, vanadium, iodine, petroleum.

From the area tributary to the canal in Mexico: Cadmium, tannin, copper, molybdenum, graphite, arsenic, lead, sisal, zinc.

From the territory tributary to the canal in Central America: Platinum, lumber.

From the territory tributary to the canal (via Panama) in western South America: Antimony, mica, wool, copper, potash, tin, tungsten, platinum, nitrates, silver.

From the territory tributary to the canal (via Yucatan Channel) in eastern South America: Mica, rubber, hides, hemp, shellac, quartz crystal, wool, kapok, potash, zirconium.

From the territory tributary to the canal (via Yucatan Channel) in northern South America: Petroleum, silver, platinum, asphalt.

With the closing of the Atlantic openings into the Gulf of Mexico and the Carribbean Sea, the committee said that all of these necessary materials could move with comparative safety and dispatch through the Atlantic-Gulf Ship Canal to our Atlantic seaboard.

The committee asserted that the evidence before it showed that more than one-half of the total petroleum reserves of the Nation were in the Gulf States and that of the remainder a large part was also directly tributary to this canal. The committee said that Army engineer officers have pointed out the absolutely necessity in time of war of safeguarding the enormous ocean-going petroleum movement, upon which the Navy and a large part of our industries are dependent and which now use the straits of Florida, and that this vast volume of petroleum and petroleum products could be moved through the canal to the Atlantic seaboard more quickly than through the straits and with comparative safety from submarine attack.

The committee states further in this report that any great use of the canal by fighting craft must be predicated upon operations in the Gulf or the Caribbean Sea; that, aside from the obvious advantage of permitting the naval defense of the Florida-West Indian line to be conducted from within, it is evident that a piercing of this line by the enemy, or even the temporary occupation by the enemy of any of the West Indian islands or any territory on the north coast of South America or the east coast of Central America, might make the use of the canal by our naval vessels not only desirable but necessary. The House Committee on Rivers and Harbors states further that at full-service draft the heavy cruisers and all naval vessels except the battleships could transit the canal with its present proposed depth of 33 feet; that battleships could be passed through by lightening their bunker-oil supply.

That committee adds in this most informative report that the gravity of the considerations it has outlined lead to the conclusion that the canal is not only desirable for, but essential to, the adequate defense of the United States; that on this ground alone the wisdom of its prompt completion is indicated.

Mr. President, such is the factual background of this proposal as I have studied it. In view of the facts presented and the authorities cited, I do not deem it an exaggeration to say that no other project ever came before the Senate more thoroughly considered by official reviewing expert authority, more logically justified, nor more replete with benefit to the American people.

Mr. VANDENBERG. Mr. President, I desire to announce that, if I may be recognized when the Senate reconvenes on Tuesday morning at 11 o'clock, I should like to speak at that time on the unfinished business.

ORDER FOR RECESS—AUTHORITY TO REPORT AND SIGN BILLS, ETC.

During the delivery of Mr. SHEPPARD's speech,

Mr. BARKLEY. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until 11 o'clock a. m. on Tuesday next; that during the recess the Vice President be authorized to sign bills and resolutions, that all committees be authorized to report, and that the Secretary of the Senate be authorized to receive and refer messages from the House of Representatives.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. VANDENBERG. Mr. President, I should like to ask the able leader whether he contemplates a recess at the conclusion of the address of the Senator from Texas.

Mr. BARKLEY. I assumed that the Senator from Texas would continue for some time and that, due to the lateness of the hour, the Senator from Michigan, or any other Senator who might desire to discuss the pending matter in detail, would not feel justified in proceeding. So far as I now know, the Senate will take a recess at the conclusion of the address of the Senator from Texas.

Mr. VANDENBERG. I thank the Senator.

NAVAL CONFIRMATIONS—NOTIFICATION TO THE PRESIDENT

Mr. BARKLEY. Mr. President, on Monday, May 8, and on yesterday, the Senate confirmed sundry nominations for appointment and promotion in the naval service. As in executive session, I now ask unanimous consent that the President be notified of the confirmations.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

TIVE MESSAGES REFERRED

After the conclusion of Mr. SHEPPARD'S speech,

The PRESIDING OFFICER (Mr. MINTON in the chair), as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

TIVE REPORT OF A COMMITTEE—CHIEF OF STAFF

Mr. SHEPPARD. Mr. President, as in executive session, from the Committee on Military Affairs, I report back favorably the nomination of Brig. Gen. George Catlett Marshall, Deputy Chief of Staff, to be general in the Regular Army, while holding office as Chief of Staff of the Army, with rank from September 1, 1939, under the provisions of law, vice Maj. Gen. Malin Craig, Chief of Staff, to be retired on August 31, 1939.

Mr. President, I wish to say briefly that President Roosevelt, in submitting the name of General Marshall for the Senate's consideration, has made one of the outstanding nominations of his administration.

General Marshall will move into the Chief of Staff's office with an outstanding reputation for getting things done with the very minimum of pressure upon subordinates and with complete absence of any of those characteristics which are attributed to the military martinet. By the Regular Army, by National Guard men, and Reservists he is acclaimed as a leader in the fullest meaning of that word.

Anyone who has visited Army posts the country over sees everywhere the influence of General Marshall and hears everywhere of his accomplishments.

Dignified, yet amiable; quiet, yet firm, General Marshall is always accessible. His superior World War record included service as Assistant Chief of Staff for Operations of the famous First Division, in which capacity he served when that organization participated in the first American offensive on the western front, when in May 1918 Cantigny and the surrounding heights were captured; duty with the operations division of General Pershing's staff at General Headquarters; service with the operations section of the General Staff of the First American Army, of which he became chief in October 1918, participating in the St. Mihiel and Meuse-Argonne offensives; and the assignment after the armistice as Chief of Staff of the Eighth Army Corps.

Equally outstanding in his peacetime achievements, General Marshall will prove a worthy successor to Gen. Malin Craig, a Chief of Staff under whose strong and capable directing hand the Army has made remarkable progress during the past 3 or more years.

It is with very deep regret that the Members of the Senate Military Affairs Committee view the approaching relinquishment by General Craig of his heavy military responsibilities. The efficiency, the integrity, the quiet calm, the affability of the present Chief of Staff have commanded the deep admiration and the profound respect of every Member of Congress and every citizen of our country. It is with genuine sorrow that we contemplate General Craig's impending retirement from active military service; we congratulate the Army, the Congress, and the country on having had so able a Chief of Staff. He has set a lofty standard, one of lasting benefit to the service.

The PRESIDING OFFICER. The nomination will be placed on the Executive Calendar.

RECESS TO TUESDAY

Mr. SHEPPARD. Mr. President, I was requested by the majority leader at the conclusion of the business today to move a recess; and, unless some other Senator desires the floor to speak on the unfinished business, I now move that the Senate, in pursuance of the order previously entered, take a recess until Tuesday next.

The motion was agreed to; and (at 4 o'clock and 12 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Tuesday, May 16, 1939, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 12 (legislative day of May 8), 1939

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO JUDGE ADVOCATE GENERAL'S DEPARTMENT

Capt. Joseph Vincent de Paul Dillon, Coast Artillery Corps, with rank from August 1, 1935.

Capt. David Hottenstein, Coast Artillery Corps, with rank from August 1, 1935.

Capt. Albert Walker Johnson, Cavalry, with rank from February 7, 1935.

Capt. Albert Svihra, Field Artillery, with rank from August 1, 1935.

Capt. Arthur Nicholas Ziegler, Infantry, with rank from October 1, 1934.

TO QUARTERMASTER CORPS

First Lt. Howard Walter Quinn, Infantry, with rank from August 1, 1935.

TO AIR CORPS

Second Lt. Jack Alban Gibbs, Corps of Engineers, with rank from September 20, 1937.

Second Lt. John Thomas Shields, Cavalry, with rank from June 12, 1937.

Second Lt. William Swinton Steele, Infantry, with rank from June 12, 1936.

PROMOTIONS IN THE REGULAR ARMY

To be first lieutenant

Second Lt. William Swinton Steele, Air Corps, from June 12, 1939.

MEDICAL CORPS

To be lieutenant colonel

Maj. Samuel Winchester Reeves, Medical Corps, from June 19, 1939.

To be major

Capt. Charles Tindal Young, Medical Corps, from June 17, 1939.

To be captains

First Lt. Walter Richard Cook, Medical Corps, from June 1, 1939.

First Lt. Frank Wilson Threadgill, Medical Corps, from June 8, 1939.

First Lt. George John Matt, Medical Corps, from June 18, 1939.

DENTAL CORPS

To be colonel

Lt. Col. Walter Lee Reesman, Dental Corps, from June 12, 1939.

MEDICAL ADMINISTRATIVE CORPS

To be first lieutenant

Second Lt. Wilfred Arthur Emond, Medical Administrative Corps, from June 18, 1939.

POSTMASTERS

ALABAMA

Lennie E. Tutt to be postmaster at Butler, Ala., in place of E. G. Liddell, removed.

Grace Roy to be postmaster at Deatsville, Ala., in place of A. C. Simmons, deceased.

Walter M. Thompson to be postmaster at Gadsden, Ala., in place of O. W. Freeman, deceased.

Daniel W. Hollis to be postmaster at Headland, Ala., in place of D. W. Hollis. Incumbent's commission expired February 18, 1939.

Morgan M. Pearson to be postmaster at Wadley, Ala., in place of M. M. Pearson. Incumbent's commission expired June 18, 1938.

ARIZONA

Ida N. Holt to be postmaster at Buckeye, Ariz., in place of S. P. Shoemaker, removed.

Harold B. Collins to be postmaster at Tucson, Ariz., in place of H. B. Collins. Incumbent's commission expired January 16, 1939.

ARKANSAS

Thomas M. Coker to be postmaster at Glenwood, Ark., in place of T. M. Coker. Incumbent's commission expired January 15, 1939.

Ella B. Mitchell to be postmaster at Havana, Ark., in place of E. B. Mitchell. Incumbent's commission expired January 15, 1939.

CALIFORNIA

Charles E. Hogancamp to be postmaster at Alta Loma, Calif., in place of C. E. Hogancamp. Incumbent's commission expired May 7, 1938.

Franklin M. Whiting to be postmaster at Berkeley, Calif., in place of F. M. Whiting. Incumbent's commission expired February 9, 1939.

Elwin E. Carpenter to be postmaster at Clearlake Highlands, Calif. Office became Presidential July 1, 1938.

Paul H. Jarrett to be postmaster at Culver City, Calif., in place of G. W. Richards, resigned.

Thomas J. Conway to be postmaster at Fontana, Calif., in place of Nicholas Nanassy. Incumbent's commission expired June 28, 1936.

William E. Weiper to be postmaster at Lower Lake, Calif., in place of F. L. Turner, removed.

Charles E. Fox to be postmaster at Manteca, Calif., in place of J. M. Toomey, deceased.

Wilma L. Price to be postmaster at Midway City, Calif. Office became Presidential July 1, 1938.

Randolph H. Moultrie to be postmaster at Santa Paula, Calif., in place of L. H. Dunning, resigned.

Rose H. O'Brien to be postmaster at Taft, Calif., in place of T. J. O'Brien, deceased.

Dortha Mae Roberts to be postmaster at Wilmington, Calif., in place of C. P. Roberts, deceased.

COLORADO

Glemma M. Chapin to be postmaster at Crook, Colo., in place of J. H. Duncan. Incumbent's commission expired April 9, 1938.

Edward R. Mulvihill to be postmaster at Palisade, Colo., in place of E. R. Mulvihill. Incumbent's commission expired January 21, 1939.

CONNECTICUT

James R. May to be postmaster at New London, Conn., in place of J. R. May. Incumbent's commission expired March 28, 1939.

Thomas P. Loughlin to be postmaster at Sharon, Conn., in place of I. H. Bartram, removed.

FLORIDA

James I. Martin to be postmaster at Blountstown, Fla., in place of F. C. Wilson, removed.

Edith C. Miller to be postmaster at Crescent City, Fla., in place of A. E. Lounds. Incumbent's commission expired May 1, 1938.

Alexander G. Shand to be postmaster at Fort Lauderdale, Fla., in place of A. G. Shand. Incumbent's commission expired March 16, 1939.

Guy P. Ruhl to be postmaster at Frostproof, Fla., in place of G. P. Ruhl. Incumbent's commission expired January 17, 1939.

Ruth K. Palmer to be postmaster at South Miami, Fla., in place of J. W. Barrs. Incumbent's commission expired June 1, 1938.

GEORGIA

Jonas R. Myers to be postmaster at Athens, Ga., in place of J. R. Myers. Incumbent's commission expired January 24, 1939.

Benjamin E. Lester to be postmaster at Augusta, Ga., in place of T. J. Hamilton, deceased.

John W. Hammond to be postmaster at Griffin, Ga., in place of J. W. Hammond. Incumbent's commission expired January 22, 1939.

Mary H. Martin to be postmaster at Helena, Ga., in place of G. A. Dunford, removed.

J. Cline Puett to be postmaster at Hiawassee, Ga., in place of W. V. Rice, resigned.

Robert B. Whitworth, Jr., to be postmaster at Lawrenceville, Ga., in place of F. B. Maddox. Incumbent's commission expired June 18, 1938.

Harry L. Wingate to be postmaster at Pelham, Ga., in place of H. L. Wingate. Incumbent's commission expired June 18, 1938.

IDAHO

Stanford W. Christensen to be postmaster at Downey, Idaho, in place of J. W. Christensen, deceased.

Milton F. Haynes to be postmaster at Headquarters, Idaho. Office became Presidential July 1, 1938.

Wheeler McGill to be postmaster at Paul, Idaho. Office became Presidential July 1, 1937.

ILLINOIS

Jesse L. Jennings to be postmaster at Beecher City, Ill., in place of H. R. Engel, deceased.

Linnie M. Robinson to be postmaster at Elkville, Ill., in place of A. R. Adkins, removed.

Alfred Johnson to be postmaster at Hollywood, Ill., in place of C. H. Holtz. Incumbent's commission expired November 12, 1938.

Ethel D. Henry to be postmaster at Lewistown, Ill., in place of E. D. Henry. Incumbent's commission expired February 2, 1938.

IOWA

Thomas C. Kelly to be postmaster at Charles City, Iowa, in place of T. C. Kelly. Incumbent's commission expired February 28, 1938.

John R. Reider to be postmaster at Eagle Grove, Iowa, in place of T. H. Kenefick, deceased.

Glenn G. Braden to be postmaster at Goldfield, Iowa, in place of Eva Keith. Incumbent's commission expired May 31, 1938.

Leon C. Thorp to be postmaster at Sidney, Iowa, in place of L. L. De Freece, deceased.

KENTUCKY

Annie R. Young to be postmaster at Allensville, Ky., in place of W. B. Carvell, deceased.

Alphonse B. Jaeger to be postmaster at Independence, Ky., in place of J. T. Maher, resigned.

LOUISIANA

Minnie M. Baldwin to be postmaster at Bernice, La., in place of M. M. Baldwin. Incumbent's commission expired April 5, 1936.

Thomas W. Hendrix to be postmaster at Grayson, La. Office became Presidential July 1, 1936.

Lucille M. Wilton to be postmaster at Laplace, La., in place of L. M. Wilton. Incumbent's commission expired February 22, 1938.

Henry H. Sample to be postmaster at Lecompte, La., in place of H. H. Sample, resigned.

Dorothy S. Roy to be postmaster at Mansura, La., in place of T. R. Roy, Jr., resigned.

Pierre F. Morein to be postmaster at Ville Platte, La., in place of Avenant Manuel. Incumbent's commission expired April 5, 1936.

MAINE

Norman R. Thombs to be postmaster at Greenville, Maine, in place of N. R. Thombs. Incumbent's commission expired April 25, 1938.

MARYLAND

Ralph E. Ireland to be postmaster at Grasonville, Md. Office became Presidential July 1, 1938.

Ernest K. Taylor to be postmaster at Perry Point, Md., in place of W. J. Einwachter, removed.

MASSACHUSETTS

George J. Newitt to be postmaster at Duxbury, Mass., in place of G. J. Newitt. Incumbent's commission expired January 23, 1939.

Mark W. Supple to be postmaster at Easthampton, Mass., in place of M. W. Supple. Incumbent's commission expired January 18, 1939.

John J. Stewart to be postmaster at North Scituate, Mass., in place of J. J. Stewart. Incumbent's commission expired January 18, 1939.

MICHIGAN

Alice M. Wolohan to be postmaster at Birch Run, Mich., in place of A. M. Wolohan. Incumbent's commission expired May 15, 1938.

Loyal W. Rector to be postmaster at Dexter, Mich., in place of F. M. Cunningham, removed.

Geraldine E. Vincent to be postmaster at Falmouth, Mich. Office became Presidential July 1, 1937.

Nola B. McIntosh to be postmaster at Houghton Lake, Mich. Office became Presidential July 1, 1938.

Clare M. Troub to be postmaster at Middleton, Mich., in place of F. O. Grover, resigned.

Victor P. Weidensee to be postmaster at Pentwater, Mich., in place of T. S. Shober. Incumbent's commission expired May 10, 1936.

Clement H. Oxenger to be postmaster at Reading, Mich., in place of D. S. Kelly, deceased.

MINNESOTA

Odin A. Jacobson to be postmaster at Barrett, Minn., in place of J. G. Johnson, deceased.

Evelyn K. Soes to be postmaster at Climax, Minn. Office became Presidential July 1, 1938.

Margaret E. Mahling to be postmaster at Randall, Minn., in place of R. M. Gosch, removed.

Morten G. Pedersen to be postmaster at Tyler, Minn., in place of E. B. Petersen. Incumbent's commission expired January 31, 1938.

Oscar W. Hennings to be postmaster at Wanamingo, Minn., in place of O. W. Hennings. Incumbent's commission expired May 12, 1938.

MISSISSIPPI

Ida A. Lacey to be postmaster at Bolton, Miss., in place of W. G. Gearhart. Incumbent's commission expired July 15, 1936.

Ola L. Stubblefield to be postmaster at Brandon, Miss., in place of Lillie Burns. Incumbent's commission expired February 15, 1938.

Aaron B. Johnston to be postmaster at Enid, Miss. Office became Presidential July 1, 1938.

Ulabelle Lehmann to be postmaster at Fayette, Miss., in place of M. Z. Lewis. Incumbent's commission expired June 10, 1936.

Ethel M. Henton to be postmaster at Hickory, Miss., in place of A. J. Griffin. Incumbent's commission expired January 30, 1938.

John I. Smith to be postmaster at Mathiston, Miss., in place of M. L. Harvey. Incumbent's commission expired April 25, 1938.

Joseph A. Jones to be postmaster at Summit, Miss., in place of J. T. Dawson. Incumbent's commission expired May 1, 1938.

MISSOURI

Ferd W. Goeltz to be postmaster at Bismarck, Mo., in place of G. J. Goeltz, deceased.

Waller W. Eubank to be postmaster at Madison, Mo., in place of C. G. Eubank, deceased.

MONTANA

Leroy Von Eschen to be postmaster at Fort Peck, Mont., in place of Peter Peterson, resigned.

Floyd J. Hughes to be postmaster at Manhattan, Mont., in place of H. B. Chambers. Incumbent's commission expired January 18, 1936.

Olive M. Mitchell to be postmaster at Poplar, Mont., in place of C. S. Hall, removed.

NEBRASKA

Rudolph H. Rennecker to be postmaster at Alma, Nebr., in place of H. C. Furse, resigned.

NEW JERSEY

John B. Johnson to be postmaster at Freehold, N. J., in place of J. B. Johnson. Incumbent's commission expired January 28, 1939.

Irma M. Adams to be postmaster at Hammonton, N. J., in place of I. M. Adams. Incumbent's commission expired April 2, 1939.

James Simpson to be postmaster at River Edge, N. J., in place of Anna Willins, removed.

Marie C. Riordan to be postmaster at Shrewsbury, N. J., in place of R. T. Beak. Incumbent's commission expired February 9, 1936.

Howard F. Bradway to be postmaster at Somers Point, N. J., in place of W. L. Stretch, removed.

NEW MEXICO

Helen M. Sears to be postmaster at Capitan, N. Mex., in place of H. M. Sears. Incumbent's commission expired June 7, 1938.

NEW YORK

Helen E. Kane to be postmaster at Averill Park, N. Y., in place of P. D. Kane, deceased.

Mamie B. Crabtree to be postmaster at Central Square, N. Y., in place of S. H. Covell, removed.

Donald W. Rogers to be postmaster at Eaton, N. Y., in place of C. W. Thompson, removed.

Arnold W. Rollins to be postmaster at Edmeston, N. Y., in place of C. W. Talbot, deceased.

Matilda L. Probeck to be postmaster at Greenlawn, N. Y., in place of L. H. Springsteen, resigned.

Viola B. Hawk to be postmaster at Hadley, N. Y. Office became Presidential July 1, 1938.

John F. Farrell to be postmaster at Indian Lake, N. Y., in place of H. T. Farrell, resigned.

Catherine McCarthy to be postmaster at Massapequa, N. Y., in place of H. M. Freese, resigned.

James W. Haines to be postmaster at Mohonk Lake, N. Y., in place of B. S. Helmer, deceased.

Walter J. Greene to be postmaster at Sayville, N. Y., in place of S. J. Lempert, removed.

Charles Q. Archdeacon to be postmaster at Stony Brook, N. Y., in place of L. O. Newton. Incumbent's commission expired July 13, 1936.

NORTH CAROLINA

Bascombe N. Allen to be postmaster at Blue Ridge, N. C. Office became Presidential July 1, 1938.

Stella M. Blue to be postmaster at Bolton, N. C. Office became Presidential July 1, 1938.

Willie B. Jennings to be postmaster at Fairmont, N. C., in place of W. B. Jennings. Incumbent's commission expired January 16, 1939.

John L. Williams to be postmaster at Kenansville, N. C., in place of J. L. Williams. Incumbent's commission expired June 18, 1938.

Charles R. Evans to be postmaster at Manteo, N. C., in place of C. R. Evans. Incumbent's commission expired January 16, 1939.

NORTH DAKOTA

Theodore J. Naumann to be postmaster at Kramer, N. Dak. Office became Presidential July 1, 1937.

Frederic H. Palmer to be postmaster at Page, N. Dak., in place of M. F. Alm, removed.

OHIO

Ross E. P. Benter to be postmaster at Addyston, Ohio. Office became Presidential July 1, 1937.

David R. Reider to be postmaster at Delaware, Ohio, in place of W. E. Haas, deceased.

John Charles Violet to be postmaster at Lucasville, Ohio, in place of A. M. Cook, resigned.

William Howard Clark to be postmaster at Rossmoyne, Ohio. Office became Presidential July 1, 1938.

Etta Newell to be postmaster at South Webster, Ohio. Office became Presidential July 1, 1937.

Henry H. Unger to be postmaster at West Alexandria, Ohio, in place of L. L. Enler, removed.

OKLAHOMA

Ernest R. Christopher to be postmaster at Bartlesville, Okla., in place of A. A. Johnson, removed.

Orly D. Moreland to be postmaster at Freedom, Okla., in place of E. E. McMillan. Incumbent's commission expired June 13, 1938.

Robert P. McCoy to be postmaster at Haworth, Okla. Office became Presidential July 1, 1938.

James D. Bullington to be postmaster at Sasakwa, Okla., in place of G. W. Shed, resigned.

Lawrence W. Karr to be postmaster at Tecumseh, Okla., in place of C. A. Knight, removed.

Clarence C. Russell to be postmaster at Wilson, Okla., in place of E. L. McKenzie, deceased.

OREGON

James Hinds to be postmaster at Empire, Oreg. Office became Presidential July 1, 1938.

Nona F. Fulton to be postmaster at Rockaway, Oreg., in place of B. A. Wood, deceased.

PENNSYLVANIA

Samuel M. Rathman to be postmaster at Adamstown, Pa., in place of S. M. Rathman. Incumbent's commission expired February 1, 1938.

Earl E. Carey to be postmaster at Biglerville, Pa., in place of O. A. Nary, resigned.

Percival W. Lukens to be postmaster at Bryn Mawr, Pa., in place of B. H. Kerrigan, removed.

Ella C. Rineer to be postmaster at Conestoga, Pa. Office became Presidential July 1, 1938.

Charles M. Clancy to be postmaster at Devon, Pa., in place of C. L. Lehman, removed.

W. Vernon Mertz to be postmaster at Honey Brook, Pa., in place of S. M. Lemmon. Incumbent's commission expired June 6, 1938.

Frances E. MacKenzie to be postmaster at Ivyland, Pa., in place of W. H. Molloy, removed.

Marion E. Devon to be postmaster at Moylan, Pa., in place of T. J. Devon. Incumbent's commission expired March 14, 1938.

Ada L. Newton to be postmaster at West Elizabeth, Pa., in place of C. C. Braum, removed.

RHODE ISLAND

Frederick Malone to be postmaster at Greystone, R. I., in place of Robert Liptrot. Incumbent's commission expired February 9, 1936.

SOUTH CAROLINA

Dollie M. Carr to be postmaster at Goldville, S. C. Office became Presidential July 1, 1938.

Arthur J. Ham to be postmaster at Olanta, S. C., in place of S. R. Floyd, resigned.

Annie B. Stephen to be postmaster at Pacolet, S. C. Office became Presidential July 1, 1938.

Andrew L. Smoak to be postmaster at Smoaks, S. C., in place of D. E. Sauls, resigned.

Benjamin M. Robertson to be postmaster at Taylors, S. C., in place of R. A. Gray, removed.

SOUTH DAKOTA

John A. Druley to be postmaster at Ashton, S. Dak., in place of R. L. Marlett, resigned.

Vernon R. Zimmermann to be postmaster at Wentworth, S. Dak., in place of D. E. Berther. Incumbent's commission expired March 8, 1938.

TENNESSEE

Daniel O. Clemmer to be postmaster at Benton, Tenn., in place of J. D. Clemmer, removed.

John W. Farmer to be postmaster at Cedar Hill, Tenn., in place of J. F. Ruffin, removed.

William A. Murphy to be postmaster at Harrison, Tenn. Office became Presidential July 1, 1938.

TEXAS

Irene J. Brice to be postmaster at Bruni, Tex., in place of J. M. Brice, deceased.

Buna T. McDaniel to be postmaster at Floresville, Tex., in place of L. M. McDaniel, deceased.

Oscar Humphrey to be postmaster at Hutto, Tex. Office became Presidential July 1, 1938.

Charles A. Fleming to be postmaster at Kress, Tex., in place of G. T. Elliott, resigned.

Margaret Chrystene Ayers to be postmaster at Laird Hill, Tex. Office became Presidential July 1, 1938.

Edwin M. Lockey to be postmaster at Palestine, Tex., in place of T. B. O'Connell, deceased.

Lewis C. Davis to be postmaster at Richmond, Tex., in place of G. A. Reading, resigned.

UTAH

William Z. Black to be postmaster at Blanding, Utah. Office became Presidential July 1, 1936.

VIRGINIA

Fergus McRee to be postmaster at Richmond, Va., in place of Berkeley Williams, removed.

WASHINGTON

Frank E. Thomas to be postmaster at Ellensburg, Wash., in place of J. H. Van Gesen, removed.

Thomas E. Skaggs to be postmaster at Everett, Wash., in place of T. E. Skaggs. Incumbent's commission expired June 18, 1938.

Clarence E. Sears to be postmaster at Mason City, Wash., in place of W. E. Kier, resigned.

WEST VIRGINIA

Orrin D. Madison to be postmaster at Powellton, W. Va. Office became Presidential July 1, 1938.

Stephen P. Shlanta to be postmaster at Weirton, W. Va., in place of G. E. Walters, removed.

WISCONSIN

Archie A. Veness to be postmaster at Exeland, Wis., in place of A. A. Veness. Incumbent's commission expired June 8, 1938.

William B. Ackerman to be postmaster at Gays Mills, Wis., in place of W. B. Ackerman. Incumbent's commission expired June 12, 1938.

Clarence H. Bodden to be postmaster at Theresa, Wis., in place of C. H. Bodden. Incumbent's commission expired June 18, 1938.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 15, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Gracious Lord, Thou who givest freely and largely, impress us that only he who forgets to hoard has learned how to live. Shame the heart that dreams only of blessings past and sees not the cheerful offerings which Nature sings in joy and hope; how manifold are Thy mercies. Garden, field, and hillside are covered with a mantle of green which promise a rich and an abundant harvest. Heavenly Father, how much more wonderful are Thy gifts to the souls of men through Christ. Do Thou possess our hearts and minds that we may resist evil and overcome difficulty. Amid turbulent conditions and mental disquietude, unfold to men everywhere the deep things of the soul. The Lord bless and preserve the ideals of our Republic and establish the work of these Thy servants. In the name of our Saviour who became obedient to Calvary's cross. Amen.

The Journal of the proceedings of Thursday, May 11, 1939, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the following title:

H. R. 5269. An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes.

HEARINGS BEFORE COMMITTEE ON THE POST OFFICE AND POST ROADS ON THE BILL H. R. 3835

Mr. TARVER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TARVER. Mr. Speaker, tomorrow morning at 10 o'clock the Committee on the Post Office and Post Roads will afford a hearing on my bill H. R. 3835, which is intended to afford some measure of cooperation on the part of the Post Office authorities with State taxing authorities, particularly in the matter of the collection of cigarette taxes. There are 21 States directly concerned, and a large number of the Members of the House have indicated to me their interest in the bill. Since I do not have an opportunity to confer with each of them separately, I am giving this notice with the idea that those who are concerned will appear before the committee tomorrow morning and present their views.

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that after the other special orders of the day I may be permitted to address the House for 20 minutes today.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a brief article from the Brooklyn Citizen on legislation which I introduced.

The SPEAKER. Is there objection?

There was no objection.

ACQUIRING STOCKS OF STRATEGIC AND CRITICAL MATERIALS

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 572) to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and to encourage, as far as possible, the further development of strategic and critical materials within the United States for common defense, insist on the House amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MAY, THOMASON, FADDIS, CLASON, and MARTIN of Iowa.

EXTENSION OF REMARKS

Mr. CROSSER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by printing a speech delivered by Postmaster General Farley before the trainmen's convention in Cleveland.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my own remarks, first, by including a radio address delivered by myself last Saturday night over the Columbia Broadcasting System, and, second, by including an article by Arthur J. Ballantine, former Under Secretary of the Treasury of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ARGENTINE BEEF

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. CUMMINGS. Mr. Speaker, reserving the right to object, would the gentleman mind telling us what he is going to talk about?

Mr. RICH. I want to try to discuss with the gentleman from Colorado, the gentleman from Texas, and the gentlemen from the Western States and get their opinion as to whether they think that South American beef is better than beef from cattle raised in your States.

Mr. CUMMINGS. Just hop to it. You have my consent. [Laughter.]

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker and Members of the House of Representatives, has the Buy American Act been violated; and if so, by whom? It seems pretty tough on American meat-producing farmers; it is hard on the American meat packers and businessmen and pretty tough on American labor when we have poor business, with low farm prices and 12,000,000 American men and women unemployed, to have our Chief Executive, when writing to Secretary Hull in reply to his letter of April 5 regarding purchasing supplies for the 110,000 naval officers and men, that the President of the United States would advise him to buy beef canned in Argentina, claiming that it is better than American canned beef and because its price of 9.7 cents a pound plus the duty of 6 cents is cheaper than American prices paid of 23.61 cents per pound.

How will we maintain a high price for our American farmers and cattle raisers of Texas and Colorado and Idaho and Montana and other States? How will we keep standards of living high? How will we put the 12,000,000 unemployed back to work by such statements as that coming from men in authority? Where is there any incentive to have the slogan "Buy American" if our trusted officers betray us? How will we put our men back to work if we give foreign countries our business, our money, and our good will?

God forbid that this betrayal of the American trust shall have to be endured much longer or the America of tomorrow would be a sad day for our future generations.

EXTENSION OF REMARKS

Mr. SECCOMBE. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a letter to the Secretary of the Interior and also a letter to Senator THOMAS, of the Committee on Education and Labor.

The SPEAKER. Is there objection?

There was no objection.

ARGENTINE BEEF

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD on the importation of Argentine beef.

The SPEAKER. Is there objection?

There was no objection.

Mr. CARLSON. Mr. Speaker, for several years we have heard much about the good-neighbor policy of this administration, but it seems to me that President Roosevelt's recent statement that we buy Argentine beef for our Navy, despite provisions of the Buy American Act, should be of concern to every citizen.

The farmers and livestock producers have suffered from large importations of farm products and competitive commodities during recent years and now the President infers that he does not believe the American farmer is entitled to the American market. This recent statement should clear the atmosphere and the American farmer should know that his products and his labor are being used in a game of international politics. The question here is not merely the purchase of so many pounds of Argentine beef; the real question is, Would the President of the United States drive the livestock producers to a state of peonage and peasantry in order to curry favor with a South American republic? When a good-neighbor policy with its many reciprocal features is carried so far as to urge American citizens to buy and use foreign meat products, it is high time for the American livestock producer to protest vigorously. The livestock producers of this country cannot be expected to meet competitive prices of imported meats any more than American labor and industry can compete with cheap foreign labor and manufacturing. I cannot conceive how anyone would suggest that the corn-fed beef of the United States must meet competitive prices of Argentine grass- and alfalfa-fed cattle. Nor can I imagine anyone desiring that the American farmer be forced to pay peon wages to his help or reduce his own living standards to that of some of our competitive nations. Agriculture in the United States is in a demoralized condition, and now is no time to take from the American farmer his own market. When one realizes that those engaged in agriculture comprise about 30 percent of our population and that this great group receives less than 10 percent of our national income, one need not look far for the cause of our economic condition. Six and a half million families in the United States are engaged in agriculture and they should be entitled to some consideration.

I feel I must call the attenton of the House to the number of live cattle we are now importing at reduced tariff rates. The tariff on beef or heavy cattle from Canada under the 1932 tariff was 3 cents per pound. Under the 1939 agreement this tariff is reduced to 1½ cents per pound on a quota of 51,720 head of cattle quarterly. For the first quarter of 1939 this quota was completely filled during the first part of February. On April 1 large droves of cattle were waiting at the Canadian border to be driven across the line in order to receive benefit of the second quarter quota. The good-neighbor provisions of the reciprocal trade agreement permits Mexico to bring in a quota of cattle on the same basis. In addition to the number of livestock imported we have always imported great quantities of canned meats from South America. The President's statement that this beef was "better and cheaper" than the American product will no doubt increase the consumption of this product in American homes. In my opinion his statement has gone far toward destroying the effects of the "Buy American" movement.

When this matter is presented to the House for further consideration I sincerely hope the Members will vote to protect our American farmers and livestock producers.

EXTENSION OF REMARKS

Mr. HESS. Mr. Speaker, I ask unanimous consent to insert in the RECORD a speech delivered by the junior Senator from Ohio [Mr. TAFT].

The SPEAKER. Is there objection?

There was no objection.

PURCHASE OF ARGENTINE BEEF FOR THE NAVY

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

THE AMERICAN FARMER HIT AGAIN

Mr. SPRINGER. Mr. Speaker, it has been stated on many occasions that the American farmer has been "sold down the river" during the past 6 years. The President has just made public a letter which he has written to Secretary of State Hull, bearing date of April 13, 1939, in which he fully authorized our Navy to purchase 48,000 pounds of canned corned beef from the Argentine Republic, despite the provisions of the Buy American Act.

Mr. Speaker, the reports from the press indicate the chief reason assigned by our President for such an unusual and surprising authorization was "that our American cattle do not make as good corned beef as some of the foreign cattle."

This statement is a very unusual one; and since I represent the Tenth Congressional District of Indiana, and many of our Members represent the great Central, Midwestern, and Western States, where our pasture and grazing lands are the most fertile in the world, and where we observe great and large herds of fine cattle in which our farmers and stock raisers take great pride, we doubt the correctness of the statement made. Our cattle, and especially those raised in my own State, are the finest specimens produced in the world, and they provide the finest and very best beef and meat products known to man, any statement to the contrary notwithstanding.

Our farmers and our stock raisers are our very best American citizens; they have materially aided in the building of this great Nation; they have endeavored to fully comply with every regulation imposed by the Government, yet they have been struggling throughout the past 6 years under the various forms of Government control and regimentation imposed by the national administration now in power; they have been entirely loyal and patriotic. When the President of our Nation boldly asserts that the meats and meat products which are produced in a foreign country are infinitely better than our own, that is certainly a hard slap in the face for every farmer and stock raiser in this Nation.

And, Mr. Speaker, it has become known that the dread and highly dangerous hoof-and-mouth disease is prevalent in many parts of the Argentine Republic; certain regions in that Republic are barred from making shipments of meat into this country because of that terrible disease existing among the cattle. It is further reported in the press that the President said "but the hoof-and-mouth disease cannot be imported in cans of corned beef." That assertion may be true, but pray tell me who would relish meats or meat products for human consumption which came from diseased cattle? And may I especially ask who would desire to eat, as food, meats coming from cattle which might be afflicted with the hoof-and-mouth disease? Yet that is the decree of the President—that Argentine corned beef be purchased for consumption by our naval forces. If our Navy should become involved, our men would subsist upon rations provided by a foreign country which might have come from diseased animals and which might cause sickness and other ill effects among our naval forces.

While we feed and market the finest cattle in the world and our cattle are free from any dangerous and transmissible diseases, yielding the finest beef and meat products known to man, yet this character of American-produced beef is not good enough for our Navy, according to the Chief Executive. He desires that our boys in our Navy eat the meat products purchased from a foreign country which come from that region where a dangerous disease is prevalent. Therefore, is it strange in the light of such philosophy that the American farmer and stock raiser has claimed that they were sold down the river?

While the quality of American beef and the meat products from our cattle is unsurpassed anywhere, yet the canned beef

and meat products from Argentina have been placed on the shelves of the grocery stores in Indiana and elsewhere because of our low tariff wall, all of which is in direct competition with our own producers and citizens. This policy has materially injured our farmers and our own citizens. Our people are now, and have been for the past 5 years, struggling for their existence and to retain their possessions; they have had their own markets largely taken away from them, and this gesture on the part of the President gives to the Argentine a market for her meats and deprives our own producers of that opportunity to dispose of their produce. The policy of "buying foreign" instead of "buying American" is a highly dangerous one.

There can be no doubt, Mr. Speaker, that Argentina is highly elated because an added channel of trade has been developed which will be highly beneficial to her farmers and stock raisers. That country has again taken our market and our own people are again deprived of an opportunity to make progress in their own enterprise and business. Our Navy, which is entirely supported and maintained by our people, will by this procedure consume the food products of a foreign country.

May I say in the light of the Buy American Act, which law was passed in the interest of our farmers and laboring men and women, business and industry—which law has been generally adhered to in our country—I am greatly surprised and highly disturbed when our President violates both the letter and the spirit of that exacting law and directs the purchase of meats and meat products from a foreign country, thereby refusing to recognize our own people by buying American? By that lone act the evidence is conclusive that the American farmer and stock raiser are being sold down the river.

I offer this simple suggestion in the face of the very unbusinesslike attitude which has been taken in this matter: Our Government can aid our laboring men and women, our farmers, business, and industry by complying with the law and by buying American. A good-neighbor policy is not one which materially helps the one and materially hurts the other. That policy, as I have grasped it, is one of equality and of fairness, where due consideration is reasonably extended by each to the other. We have been the paymaster for the past 6 years, and our own people are suffering materially because of it. We have much to do within our own borders to rehabilitate our farmers, labor, business, and industry, and to save our own country.

Our President can materially aid the people of our Nation by observing the existing laws and by permitting our Navy to consume American food—and not the food produced in some foreign land.

Let us be American and let us buy American.

EXTENSION OF REMARKS

Mr. HARNESS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a resolution on behalf of the Indiana American Legion.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a radio address I delivered on the American Forum of the Air on May 7, 1939.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WILLIAMS of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short editorial on the P. W. A.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD and to include therein a brief extract from an article in Fortune magazine on taxes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, it will, I believe, be worthwhile for every Member to read carefully the following passage from Fortune magazine. There are some things in this so-called "area of agreement" with which I would hesitate to agree; but there are many more with which I do agree and the very extent of agreement that was reached on this very controversial matter is indicative of the fact that when people get down to business and really face the issues real progress can be made.

The taxes which we are now paying are in large measure the necessary price of our keeping a system of free economy and certainly they are the price we pay for our failure to adjust our national economic life more speedily to the machine age. I am extremely glad that a measure has been passed by the House providing for reciprocal taxation of salaries of Federal officials by States and localities and the taxation of salaries of local officials by the Federal Government. For there is great necessity for us to learn to take a new and much more constructive and patriotic attitude toward taxes than Americans have generally been accustomed to take.

The Fortune article follows:

[From Fortune Magazine of May 1939]

THE AREA OF AGREEMENT

Here are 15 men: A "conservative" midwestern manufacturer, a "progressive" New England manufacturer, an anti-Roosevelt southern businessman, a pro-Roosevelt labor leader, a couple of men who inherited wealth, a Socialist, several tax experts, also one of Sweden's most distinguished economists and practical Socialists, Gunnar Myrdal, invited to the table for his comments on our American tax system.

On the subject of Federal taxation these men are known to disagree; but after struggling with the complicated issues before them they were able to define an area of agreement and even to concur upon some immediate reforms. With the exceptions and qualifications noted in the text, that area of agreement is as follows:

I. Taxation should be primarily for revenue.

II. It is an obligation of citizenship that should fall more heavily on the wealthy than on the poor.

III. The amount of Federal revenue must be increased.

1. While apparently the Budget cannot be balanced immediately, a cyclical balance is imperative.

IV. If we are to maintain the capitalist system, taxes must be imposed so as to place the least hindrance upon economic progress.

V. The present tax system is inadequate:

1. Because it cannot raise enough revenue.

2. Because, bearing too heavily on the poor, it is inequitable.

3. Because, bearing too heavily on the rich, it holds back investment and therefore employment.

VI. The Round Table recommends:

1. Reform of corporation taxes to eliminate double taxation of dividends, the capital-stock tax, and the excess-profits tax; also to permit consolidated returns, reasonable allowances for depreciation, and the carry-over of losses.

2. Abolition of tax-exempt securities.

3. Relief of the poor by repeal of all Federal excise and sales taxes (except gasoline, tobacco, and liquor).

4. An increase of $700,000,000 in the income tax, to be raised from the middle-income brackets by lowering exemptions and raising present rates.

5. Establishment of a national tax commission to formulate long-term tax policy, eliminating present uncertainty and complexity.

MAJOR QUESTIONS UNRESOLVED

I. Do surtaxes on large incomes discourage venture capital?

II. Is the principle of the undistributed-profits tax sound?

PERMISSION TO ADDRESS THE HOUSE

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that on tomorrow, after the disposition of the legislative program for the day and one other special order heretofore made, I may address the House for 45 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

THE GOVERNORSHIP OF PUERTO RICO

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. IGLESIAS. Mr. Speaker, the President of the United States announced last Friday the appointment of a new Governor for Puerto Rico. His appointment of Admiral William D. Leahy will mean the retirement of Maj. Gen. Blanton Winship, who for the past several months has sought to be relieved of his duties as Governor of Puerto Rico.

Mr. Speaker, I ask unanimous consent to insert at this point as part of my remarks a letter which I wrote to the President of the United States under date of May 4 regarding Governor Winship and the high esteem in which he is held by all the people of Puerto Rico and the President's reply.

The SPEAKER. Without objection, it is so ordered.

The letters referred to follow:

MAY 4, 1939.

Hon. FRANKLIN DELANO ROOSEVELT,
President of the United States of America,
White House, Washington, D. C.

DEAR MR. PRESIDENT: On May 2 I wrote to you a letter requesting a few minutes of your time to talk to you in view of the various rumors circulating about the possibility that Gov. Blanton Winship might resign and that charges against him are being made in Washington. My most recent conversation with Governor Winship left me with the opinion that there might be some truth in these rumors.

Such a move, Mr. President, is unthinkable to me from the viewpoint of the needs of Puerto Rico. The people of Puerto Rico are now comforted with the thought that they have a strong, capable, and honest Governor.

Never before has any Governor been so highly respected by the people of the whole island. No man could maintain the respect and admiration of all our political leaders, yet every political party would deplore Governor Winship's resignation.

Under his leadership during the last 5 years Puerto Rico has enjoyed a great progress as never before. The island's laborers have won better conditions and legislation which they hardly dared hope to obtain. Governor Winship has been Puerto Rico's greatest Governor, a statement which even his critics in Puerto Rico will confirm.

I sincerely hope, Mr. President, that you will use all your influence to persuade the Governor to remain in Puerto Rico if he should ask your permission to resign.

Respectfully yours,

SANTIAGO IGLESIAS,
Resident Commissioner from Puerto Rico.

THE WHITE HOUSE,
Washington, May 12, 1939.

Hon. SANTIAGO IGLESIAS,
House of Representatives, Washington, D. C.

MY DEAR MR. COMMISSIONER: I have your letter of May 4, in which you speak highly of Gov. Blanton Winship and express the hope that he will continue to serve as Governor of Puerto Rico. I share your feeling about Governor Winship personally. I know that he has served both Puerto Rico and the Government with ability and devotion, but some time ago I determined to make Admiral Leahy Governor of Puerto Rico when he went on the retired list. This will be some time this summer.

I am sure that you will find that Governor-Admiral Leahy will serve the people of Puerto Rico with ability and understanding.

Sincerely yours,

FRANKLIN D. ROOSEVELT.

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to include as part of my remarks at this point an article from the New York Times relating to the appointment by the President of Admiral William D. Leahy as Governor of Puerto Rico.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The matter referred to follows:

LEAHY TO SUCCEED GOVERNOR WINSHIP—ROOSEVELT TAKES NAVY BY SUPRISE IN DESIGNATING ADMIRAL TO PUERTO RICO POST

WASHINGTON, May 12.—In an announcement that took naval circles by surprise, President Roosevelt said today that he would soon send to the Senate the nomination of Admiral William D. Leahy, Chief of Naval Operations, to be Governor of Puerto Rico, succeeding Gov. Blanton Winship.

The President was uncertain when he would send up the nomination, but said that Admiral Leahy would remain in his present post and not go to Puerto Rico until after Congress had adjourned. Admiral Leahy conferred with the President yesterday, and it was understood that the new post was then offered to him.

The President's intention to place the island under jurisdiction of the Navy instead of under the War Department, where it has been for years, was regarded as official recognition of the increasing strategic importance of the Carribean area in the Nation's Atlantic defenses.

While President Roosevelt's decision was a complete surprise to the Navy, all naval officers agreed that the President would find it difficult to get a better equipped man for the job.

LEAHY HEADS NAVY PROGRAM

The building of the Navy's maximum strength has largely been directed by Admiral Leahy, and this fact is responsible more than any one other thing for his continuance in his present position until the adjournment of Congress.

Admiral Leahy was 64 years old on Saturday, which is the age limit fixed by law for the retirement of Army, Navy, and marine officers.

The fact that San Juan, P. R., is to be made a major link in the Atlantic defensive chain is also considered a prime reason for the appointment of Admiral Leahy as Governor of Puerto Rico.

The Navy has been authorized by Congress to spend $9,000,000 to build an air and submarine base on Isla Grande in San Juan Harbor while shore improvements, principally for air operations, will be undertaken by the Army and will cost millions of dollars.

In other words, it was said at the Navy Department today that Puerto Rico might be destined to be the Pearl Harbor of the Atlantic. Pearl Harbor is the key outpost of the Pacific defense. Admiral Leahy made no comment today on the President's statement. The opinion is general, however, that he will accept the appointment.

Governor Winship and Secretary Ickes have been at odds for some time, their differences having been widened recently when Mr. Ickes was said to blame the Governor for the long-continued conflict in the Puerto Rican Department of Education, which resulted in a demand by the Commissioner, Jose M. Gallardo, for the resignation of his assistant, Noster Vincent.

Representative MARCANTONIO, of New York, not long ago called at the White House to demand Governor Winship's removal on the ground that he had failed to cooperate with a movement in the Puerto Rican Legislature for an investigation of the auditor's office. It was said at the White House that this demand had not necessarily influenced the President in his apparent decision to allow Governor Winship to retire to private life.

WINSHIP TWICE FIRED UPON

WASHINGTON, May 12.—Since Governor Winship was inducted in San Juan in 1934, two attempts have been made to assassinate him by members of the island's Nacionalista Party.

The last attempt occurred at Ponce last summer, when assailants fired on a reviewing stand, missed General Winship, but killed several Puerto Rican officials who shielded the Governor with their bodies. General Winship said a year ago that he wanted to resign and enjoy life on his Army general's retirement pay.

"But," he added, "I'm an old soldier and I don't quit under fire."

The last time Governor Winship was in the Capital he told friends he was thinking of buying a trailer to tour the country and "enjoy the fishing and hunting."

WINSHIP PRAISES LEAHY

SAN JUAN, P. R., May 12.—No better man could be chosen to be Governor of Puerto Rico than Admiral Leahy and the island is to be congratulated on the President's designation; this was Gov. Blanton Winship's first reaction this afternoon to the information in news dispatches from Washington that the President had announced the selection of Admiral Leahy to head the island government when he retires as Chief of Naval Operations.

Governor Winship said that he would remain on the job, to suit the President's convenience. In a recent Washington conference with Mr. Roosevelt, it is understood, Governor Winship discussed his retirement after 5½ years as Governor. This afternoon the Governor said that he thought it his duty to stay until he had accomplished certain things and not to leave until the appropriate time.

Mr. Winship had only praise for his successor and the President and Puerto Rico. He said that the island could call on him at any time for anything. Mr. Winship did reiterate that he had suggested to the President that he wanted to continue here until "the appropriate time" to get out.

WINSHIP TELLS OF PLANS

Mr. Winship said that he had spent less than a month with his family in more than 5 years and that, besides his family, there were lots of places that he wanted to visit. Many of these are merely places where he has served in the last 40 years.

Admiral Leahy's assignment at the close of an active Navy career is not unlike that of Governor Winship, who was sent to Puerto Rico on his retirement from the Army at the age of 64, after attaining the rank of major general and serving as Judge Advocate General. Governor Winship said that Admiral Leahy's selection was most appropriate in view of the naval development in the Caribbean, centering at San Juan base.

He alluded also to the creation of an Army military department of Puerto Rico, with Brig. Gen. E. J. Daley in command. So far as a hurried reference to the island's history revealed, Admiral Leahy may be the first Navy officer to govern Puerto Rico in more than four centuries. Spain almost invariably sent Army field marshals to administer the island. After the change in sovereignty in 1898 the United States governed through Army officers for 3 years. From 1901 until General Winship's designation in February 1934, all island Governors were from civil life.

WAGE-HOUR LEGISLATION

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection it is so ordered.

Mr. COX. Mr. Speaker, the chairwoman of the Committee on Labor gave notice several days ago that she would today ask the Speaker to recognize her to move to suspend the

rules and pass the bill recently reported by the Committee on Labor amending the Wage-Hour Act. I understand the chairwoman of the Committee on Labor has stated that in the event the motion to suspend is voted down she will pocket the resolution and that the House would have no opportunity of taking action on the measure this session.

I wish to say, Mr. Speaker, that it is within the right of the Committee on Rules on its own motion to grant a rule for the consideration of any bill reported to the House. If the motion of the gentlewoman from New Jersey is voted down and a resolution is offered by any Member of the House, the probabilities are that the Rules Committee would grant a rule on the bill which would provide for full consideration and the offering of amendments to the measure. [Applause.]

[Here the gavel fell.]

ARGENTINE BEEF

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, we have heard considerable about canned beef from Argentina. Many of us believe that American beef has no superior in the world. I have, therefore, offered a resolution asking that the Speaker appoint five Members of Congress to constitute a committee to inquire into the circumstances and facts in regard to American beef and also in regard to the Buy American Act.

Last Saturday the public press carried the story that the President of the United States at a press conference in the White House last Friday made public a letter he wrote to the Secretary of State April 13, 1939, authorizing the Navy Department to purchase 48,000 pounds of Argentine canned corned beef, notwithstanding the provisions of the said so-called Buy American Act of March 3, 1933.

It was stated that the President declared that—

The Argentine product was infinitely superior in quality to the American product; * * * that the enlisted men of the Navy should have the best beef.

Many of us believe that American beef has no superior. Therefore I am introducing today a resolution providing for a select committee of five, to be appointed by the Speaker, whose duty will be to make a thorough investigation of all the facts and circumstances concerning contracts to supply the United States Navy, to determine the reason for the statement that Argentine beef is infinitely superior to American beef.

I ask unanimous consent to include said resolution at this point.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The resolution referred to follows:

Whereas the Navy Department invited bids to supply the Navy with canned corned beef; and

Whereas the lowest bidder appears to have been the Argentine Meat Producers Cooperative, an alleged institution of the Government of Argentina; and

Whereas section 2, title 3, of the act of March 3, 1933, commonly known as the Buy American Act, requires the purchase for public use of supplies only produced or manufactured in the United States with certain exceptions; and

Whereas the bill (H. R. 6149) making appropriations for the naval service for the fiscal year 1940, passed by the House of Representatives May 8, 1939, now pending in the Senate, contains a provision that no part of the appropriation, or any other appropriation for subsistence of Navy personnel, shall be available for the procurement of any article of food not grown or produced in the United States or its possessions, with certain exceptions; and

Whereas it was stated in the public press of Saturday, May 13, 1939, that the President of the United States at a press conference in the White House on Friday, May 12, 1939, made public a letter he wrote to the Secretary of State, dated April 13, 1939, authorizing the Navy Department to purchase 48,000 pounds of Argentine canned corned beef, notwithstanding the provisions of the said so-called Buy American Act; and

Whereas it was further stated that the President of the United States in his said letter to the Secretary of State declared that "the Argentine product was infinitely superior in quality to the American product," which statement, it is said, the President reiterated with emphasis at the said press conference: Therefore

Resolved, That a select committee of five Members of the House of Representatives be appointed by the Speaker, whose duty it shall be to make a thorough investigation of all the circumstances and facts concerning bids and contracts to supply the United States Navy with canned corned beef; also whether or not the Argentine Meat Producers' Cooperative, an alleged institution of the Government of Argentina, was awarded the contract to furnish to the United States 48,000 pounds, more or less, of canned corned beef; also, whether or not, if a contract was so awarded, such action was in violation of the provisions of the so-called Buy American Act (title III, sec. 2, act of March 3, 1933); also whether or not the President of the United States did, on April 13, 1939, address a letter to the Secretary of State, said to have been written at the latter's request, in which, as alleged, the President is said to have authorized and directed the Navy Department to purchase 48,000 pounds, more or less, of canned corned beef produced in Argentina; also whether or not it is true that the President of the United States, in said alleged letter to the Secretary of State stated in language or in effect that "the Argentine product was infinitely superior in quality to the American product," and whether or not he repeated and reiterated the said statement at a press conference to the effect that Argentine canned beef is better in quality than the American product, and at the same time, as alleged, recommended trial of both products so as to demonstrate the superior quality of the Argentine product.

Said committee, or any subcommittee thereof, is hereby empowered to send for persons and papers, to administer oaths to witnesses, to incur such expenses as may be necessary for the employment of clerical and stenographic services, to have such printing and binding done as the committee may require, and to sit during the sessions of the House. Said committee shall report its findings, together with such recommendations as it shall deem necessary, to the House of Representatives at the earliest possible moment during the present session of Congress.

Pending the investigation herein authorized the Secretary of the Navy is hereby requested to suspend the awarding, and, if already awarded, the execution of the contract alleged to have been authorized with the Argentine Meat Producers' Cooperative or with any other Argentine producer of canned corned beef for the use of its product by the United States Navy.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MUNDT. Mr. Speaker and my colleagues, we have heard a lot this week end about last Friday's order by President Roosevelt authorizing the United States Navy to purchase Argentine beef in preference to American beef. There seems to be some question as to whether this action violates the letter and spirit of the Buy American Act; however, I would not want to go so far as to say that the President's order was a direct violation of this act, but it does very definitely and directly point to the necessity of having a new law enacted by this body which will prevent a recurrence of discrimination against American producers. So long as we have a President who is so internationalistic that he chooses to feed the fighting forces of America with foreign foodstuffs instead of supplying them with food raised by American farmers on American farms, it is imperative that we have adequate legislation preventing such favoritism to foreign producers.

A "BLACK FRIDAY" FOR AMERICAN FARMERS

Therefore, I introduced at the beginning of today's session a bill to be known as the "Buy American Farm Products In America Act," which would make it mandatory for all Government purchases of foodstuffs to be made from products which are raised in America, insofar as they are available in this country. I sincerely hope that the Members on both sides of the aisle will join with me in support of this bill. Unless we can pass it and prevent a repetition of Friday's fiasco, last Friday will go down into history as a "black Friday" for American farmers because that date will mark the time when the President of this country officially put our Government in the business of pounding down prices on American farm products through the vicious expedient of using public tax money to stimulate foreign production of competitive farm products. The huge farm imports resulting from the New Deal reciprocal trade pacts have already brought American farmers to the brink of ruin and stimulated foreign agriculture to the point where it will now be a permanent threat to any future American farm prosperity.

I have been considering some such legislation as I have today introduced for some time, but President Roosevelt's

order to the Navy last Friday to buy Argentine beef because it was both "cheaper and infinitely better" proved the New Deal straw that broke the farmer's economic back and caused me to introduce this bill in the first House session following the President's declaration. When the New Deal leader announces this policy of using tax money taken in due proportion from the American farmers to force down the prices of their own products through making Government food purchases from their chief foreign competitors, it is time for Congress to forget playing politics and to begin practicing patriotism toward American agriculture.

NEW DEAL EVADES ITS OWN LAWS

My colleagues, I wonder whether you have thought through the President's unique and unhappy statement to ascertain where it leads in its final implications? Remember, he ordered the Navy to buy this beef because it was both "cheaper and better." We can quickly dispose of the "better" part of this statement because every one of you knows that the Navy can buy beef of as choice a grade as it desires or as the world affords right here in this country—it is quite true that for the specified price stipulated in the bids in question the Argentine beef may have been of a better grade on a competitive price basis, and there is a clear-as-day reason for that.

The New Deal administration has passed wage and hour legislation which requires American packers to pay their workers a specified wage scale; such legislation very naturally must reflect itself, at least in part, either upon the price which the packers must charge for their products or in the price they can pay the farmer who raises the beef. In all probability it results in both a little higher price for the consumer and a little lower price for the producer. However, I am making no quarrel against such legislation if it is necessary to give decent wages to American workingmen, because I am one of those who insist on the right of a worker to receive an honest day's pay for an honest day's work. But I do have a very definite quarrel with the President when, after sponsoring such legislation, he deliberately proceeds to penalize the farmer, the worker, and the packer in America by ordering the Navy, of which he is the directing officer, to buy its foodstuffs from foreign countries because they can thus get them cheaper.

WILL ROOSEVELTIAN INCONSISTENCY NEVER CEASE?

Mr. Speaker and my colleagues, will the miracles of Roosevelt inconsistency never cease? When, oh when, will we settle down to trying to give equitable opportunity to American workers and farmers and cease trying to play Santa Claus to all the world? Unless my "Buy American Farm Products in America Act" is passed, the President has demonstrated by his word and action that after establishing price and labor standards in this country he now openly orders the Government to spend the taxpayers' funds in buying foreign foodstuffs which neither employ American laborers to any extent nor give them so much as an hour's work at the attractive wage and hour standards which he insists they should enjoy. Good friends, continued unemployment for American labor is just as devastating at one wage and hour standard as at another. If Uncle Sam himself seeks to evade the wage and hour standards by making his purchases from the low production-cost countries of America on the basis that his own legislation makes American products cost too much, what chance is there to employ American labor, reduce unemployment, give purchasing power to American farmers, and end this Roosevelt era of debts and depression? And if our Government chisels and cheats to evade the price effects of fair labor standards, what can we expect of private citizens?

The time has come to apply the test of reason to the acts of Government, and I urge the members of the majority party of this House, who must be charged with the bill's defeat if they kill it in committee, to report out my "Buy American Farm Products in America Act" and give American workers and farmers, as well as American businessmen, the guaranty that at least insofar as Uncle Sam is able he will not only strive to provide decent working standards but he will also strive to provide work upon which these standards can become operative in providing income for the people of this country. I shall now add a copy of my bill to the conclusion of these remarks, as it is very short, although I believe it is very significant, and I want each of you to read it, because I invite you all to join me in this program to help restore honest prices and sincere Government cooperation to the laborers, farmers, and businessmen of the United States.

The bill referred to is as follows:

A bill to give the American market to the American farmer on all Government purchases of food products raised in the United States

Whereas the American farmer, engaged as he is in the basic industry of this country, is not now receiving a fair price for the products which he raises; and

Whereas the restoration of prosperity to the American farmer is the first and fundamental step which must be taken in a sound recovery program for this country; and

Whereas the American farmer is now suffering from unfair competition from low-cost farm products imported from abroad and put into American markets in direct competition with the products he raises on expensive high tax-paying and high production-cost land; and

Whereas money spent on American-raised farm products remains in this country and develops many times its original value in contributing additional labor, business, and national wealth, while money spent for foreign farm products serves only to develop increased competition for American producers; and

Whereas the American farmer is entitled to the American market for all food products which he can raise in this country and since it is the duty of the Government to take the lead in providing an equitable opportunity for the farmers of America: Therefore

Be it enacted, etc., That beginning with the passage of this act which is to be known as the "Buy American Farm Products in America Act" it shall be the duty of all Government departments, bureaus, boards, and all other Government agencies buying food supplies from money provided through the United States Treasury, to buy all of these food supplies from farmers and other producers of the United States, provided these supplies are raised in the United States and provided sufficient American products are available to supply the demands of the Government.

Violation of this act shall be deemed good and sufficient reason for the impeachment of the authorities responsible for its violation.

PERMISSION TO ADDRESS THE HOUSE

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. MICHENER]?

There was no objection.

Mr. MICHENER. Mr. Speaker, I arise for the purpose of assuring the gentleman from Illinois [Mr. ALLEN] that I shall enthusiastically support the resolution which he has introduced and to which he has just referred.

This resolution sets up a committee of the House to make investigation as to the facts upon which the President based his recent statement to the press concerning the purchase by our Government of Argentine beef to be used by the Navy.

The press advises us that "President Roosevelt has directed the Navy to accept a bid on Argentine beef in place of American beef, because," he said, "the foreign product was found to be cheaper and superior in quality." The press also says that "the President expressed himself with considerable feeling on the subject."

It is stated the President further strengthened his position, in recommending the selection of foreign-produced beef by the Navy in preference to American beef, by adding that "it was a question of feeding the Navy men with the best quality of food." And pursuing his excuse further, the President said, "A careful examination of all samples furnished with the bids showed the Argentine beef was far superior in quality."

It appears that the President concluded his statement by advising that he had written a letter to the Secretary of State approving the purchase of the Argentine beef and asserting "that in doing so he felt certain that the intent of buy American products had not been violated."

The country should be especially interested in this position taken by the Chief Executive, because his statements do, and should, carry weight throughout the world. If it is true that Argentine beef is cheaper and superior to our American beef, and that the United States Government is buying Argentine beef to feed to our own Navy because it is better for their health, the American beef producers should know about it.

I am advised that this statement by the President has been given world-wide publicity. I heard a radio commentator make the statement that the President had written the best possible advertisement and publicity for Argentine beef to be used in every country in the world where the United States and Argentine beef are sold on a competitive market. This commentator stated further that in some of the countries of Europe advantage was already being taken of the President's recommendation to buy the "cheapest and the best" beef in the Argentine.

I am wondering what the cattle producers of the country will think of such an attitude on the part of the President. The district which I represent in the Congress is a large beef-feeding district. We purchase the steers from the western range in the fall, feed up the corn and alfalfa raised on our farms, and furnish to the market in the spring the best corn-fed beef cattle in the world—that is, we have always believed that this was the best quality of beef. Therefore we are naturally vitally interested in ascertaining the truth. If it is true that the quality of our beef is inferior to such an extent that our President does not want to feed the beef to our Navy and our soldiers, then the producers of this beef have a right to know about it.

The Allen resolution will create a forum where the truth can be ascertained. If the President is correct, he will have no difficulty in bringing in his experts and those who are advising him. In view of the seriousness of this matter I can hardly see how the House leadership and the administration can object to this resolution. All we want is the truth and the facts. The natural presumption is that the President has stated the truth and the facts about the quality of our beef. However, I challenge the truth of any such statement. Therefore, in fairness to the President and to the American farmer and beef producer, speedy action should be had on the resolution.

Of course, if the President interprets that "buy American products" refers to the Western Hemisphere, that is one thing. That may be, and probably is, the basis of his treaty-making and good-neighbor policy. I am sure, however, that the people of the United States interpret this phrase to mean to buy in our own country.

The Army and the Navy are maintained by the tax dollar, much of which is taken from the pockets of the farmer and the livestock producer. As a result, every time our Government buys beef or other supplies for our Army and Navy from foreign countries it heaps insult upon injury so far as our taxpayers are concerned. It is pretty tough to ask our farmers to pay the taxes they do and then have this money used to purchase foreign products, the effect of which is to put out of business, or at least cripple, these very taxpayers.

When the people understand just what the President has said, and just what the effect will be, there will be a justifiable protest from every quarter section of land in the Nation. This whole thing just does not make sense.

[Here the gavel fell.]

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, it was not my intention to make any comment on the appointment of a new Governor for Puerto Rico, nor was it my intention to comment on the removal of Blanton Winship as Governor of Puerto Rico. My reason for not making comment, as well as for my not publishing the charges I had made against him with the President, is that it is not my policy to kick a man when he is down. However, since the Resident Commissioner from Puerto Rico has just stated that Mr. Winship had "intended to resign," thereby conveying the impression that Mr. Winship quit of his own volition, I call the attention of the House to the fact that Mr. Winship was requested to resign by the Secretary of the Interior. Instead of resigning, he saw the President on May 4. Upon arriving in Puerto Rico, he bragged that he had defeated Mr. Ickes and conveyed the impression that he had satisfactorily disposed of my charges against him. In fact, before leaving Washington, in the presence of newspapermen, he invited people to visit him during the summer in Puerto Rico. On May 12, at a press conference, the President announced that Admiral Leahy would succeed Mr. Winship as Governor of Puerto Rico. Up to then and never before this announcement had Mr. Winship resigned. The conclusion, therefore, is inescapable. Winship was removed. Notification of one's successor without one's resignation constitutes removal.

I am not surprised to see the gentleman from Puerto Rico [Mr. IGLESIAS] apologize for Mr. Winship and try to convey the impression that Mr. Winship left of his own free will. The role of official apologist for removed Governor of Puerto Rico on the part of the gentleman from Puerto Rico [Mr. IGLESIAS] is not new for him. When Mr. Gore, Mr. Winship's predecessor, was forced out the gentleman from Puerto Rico [Mr. IGLESIAS] played the same identical role for him, that of official apologist.

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the entire membership of the House, I believe, is very much shocked at the President's recommendation with reference to Argentine beef. One can readily see that as goes the Argentine beef so goes the rest of our trade. I hope the Members of the House will most earnestly protest against the taking over by the State Department of the commercial and agricultural attachés, the people who are supposed to sell our agricultural and commercial products in other countries. The President has proposed such a transfer under the reorganization plan. I voted against the reorganization bill because I felt just such a thing would happen.

In view of the President's statement about Argentine beef, may I ask what chance in the world has our trade in other countries? We will buy from other countries, but we will sell nothing. It was bad enough to suggest that the beef be purchased from Argentina, but it was adding insult to injury to say that our beef was inferior.

I am informed by reliable sources that because the reciprocal-trade agreements are handled by the diplomats, many of the consuls are doing only minor jobs, instead of trying to sell our goods to foreign countries. It makes a farce of the program for the farmers. Millions are appropriated to assist them, and then the foreign trade is taken away from them. It stands to reason that the commercial attachés and trade commissioners can go much further in assisting industry and agriculture in exploiting its products abroad than can the diplomats, who are told by the administration they must be very careful not to interfere with the reciprocal-trade agreements program. Reciprocal trade is fine, but is very harmful at the cost of our own trade. The President's statement certainly indicates we are well on the road to free trade. [Applause.]

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to propound some inquiries of the gentleman from Georgia [Mr. COX].

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. RANKIN. Mr. Speaker, since the Republicans have now finished eating up all the Argentine beef, may I take the time of the House to ask the gentleman from Georgia [Mr. COX] some questions about the parliamentary procedure?

The gentleman from Georgia made certain statements a while ago which I should like to have clarified. As I understand, when a bill is taken up under suspension of the rules there has to be a second from somebody.

Mr. COX. Not necessarily, unless someone moves for a second.

Mr. RANKIN. I understand that. If the motion for a second is voted down, the bill cannot be taken up under suspension of the rules. I understood the gentleman from Georgia to say that if such took place the Rules Committee would give us a rule which would enable the Members to offer amendments to the bill. Is that correct?

Mr. COX. I made the statement that in the event a motion to suspend the rules is voted down the Rules Committee—and I think I speak advisedly—would grant a rule upon an application coming either from the chairwoman of the Labor Committee or any member of that committee or any Member of the House, and that that rule would provide for full debate and the right of Members to impress their influence upon this type of legislation.

Mr. RANKIN. Would that give individual Members the right to offer amendments?

Mr. COX. Of course.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. MARTIN]?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I have the attention of the majority leader for a moment? There is a general demand throughout the country for a tax revision which will help business and enable the American people to get back to work at American wages. There have been conflicting reports. First we hear there will not be any general tax revision; then we hear there will be. May I ask the majority leader if he can give us any assurance as to the possibility of real tax revision at this session of Congress?

Mr. RAYBURN. I may say to the gentleman that I cannot speak for the Ways and Means Committee or for the Treasury or for the executive department headed by the President. There will be a tax bill. The so-called nuisance taxes must be reenacted or else we shall lose a billion dollars. Many of the corporation taxes expire on December 31 this year. They must be reenacted or else some other kind of corporation tax bill must be enacted to raise $250,000,000 that the Treasury needs very much. A bill therefore will be reported renewing these nuisance taxes and rearranging or reenacting the corporation taxes. Just what revision of corporation taxes will be reported by the Ways and Means Committee I am not in position to say at this time.

In all probability, however, when the bill relating to corporation taxes comes up for consideration it may be subject to amendment and, if that be the case, Members will have the opportunity of offering amendments to anything they believe may be called a deterrent tax. And may I say to the gentleman and to the House that some one coined the phrase "deterrent tax" in speaking of "repealing deterrent taxes." If all deterrent taxes were repealed, no taxes would be left on the statute books because there is not a tax on the statute books, local, State, or Federal, that is not to that extent a deterrent, because it takes money from capital.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

The SPEAKER. Does the gentleman from Texas desire additional time?

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute, and I will yield to the gentleman from Massachusetts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MARTIN of Massachusetts. Of course, the gentleman understands this is a very acute problem. The gentleman can, I hope, give us assurance when the tax bill does come up in the House it will not be under a gag rule but will be subject to amendment. Furthermore, I hope, the gentleman believes we should stay in session until some remedial tax legislation is considered by the House?

Mr. RAYBURN. I may say to the gentleman that I said the measure may come up so amendments could be offered to it, and I suppose—and I believe this is a very definite thing—that we will remain in session until laws continuing expiring taxes are enacted or something is adopted in their stead.

[Here the gavel fell.]

Mr. COFFEE of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. COFFEE of Nebraska. Mr. Speaker, I want it known that I highly resent the statement made and the action taken by the President of the United States in reference to the purchase of Argentine beef. There is plenty of resentment on this side of the aisle and plenty of resentment throughout the western livestock-producing States.

I want to say that the American livestock producer cannot afford to pay the price necessary to appease Argentina. I can see in this appeasement gesture to Argentina the implication to influence the Senate to ratify the Argentine sanitary pact, which would permit the importation of fresh and chilled beef from Argentina. We now prohibit the importation of chilled and fresh meats from any country where foot-and-mouth disease is prevalent. Should this sanitary pact be ratified, it would permit the importation of meats from those Provinces in Argentina that are free from foot-and-mouth disease. This, however, would be a serious threat to the livestock industry in this country, not only because of increased competing imports of meat but because it would expose this country again to a possible outbreak of the dread foot-and-mouth disease, which is so devastating to livestock. The United States is one of the few countries in the world that is free of this disease. Let us keep it that way.

The American cattle producers cannot and should not be asked to compete with Argentine prices in supplying the requirements of the United States Navy. The high labor standards maintained in the livestock industry make it impossible to compete with the peon labor in Argentina. The cost of freight, processing, and distribution is much higher in this country. The ocean freight from Argentine ports to the eastern seaboard of the United States on canned meats is $7 a long ton, and the freight rate from the Missouri River to the eastern seaboard is approximately double that. Incidentally the ocean freight rate on canned meats from New York to the River Plate ports is approximately three times as much as it is from River Plate points to New York.

The American livestock producers are entitled to the American market, and any effort to encourage increased importations of Argentine beef into this country will meet with strenuous opposition. [Applause.]

[Here the gavel fell.]

Mr. HORTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. HORTON. Mr. Speaker, in his press conference of the 12th the President went out of his way to take a shot at the beef industry of this country, saying that canned Argentine beef is vastly, infinitely superior to the United States product. And when pressed as to why, he said he "guessed the Argentine cow was just naturally better than the United States cow."

There are no cattle on the face of the earth that can approach in quality the good old range bred, Corn Belt fed cattle of this country.

If, as the President says, the Argentine canned meat is superior to United States canned meat, then it must be that choicer cuts are canned in Argentine. But in that connection, let us inquire as to the kind of cattle from which these choice cuts may come.

Perhaps Mr. John McKenzie, of the Matador Land & Cattle Co., who spent 11 years in the cattle business in South America, and who still has vast interests there, can tell us. I quote from his address before the Wyoming cattlemen's convention in June of 1937 in which he discussed rinderpest, commonly called foot-and-mouth disease. He states that

during his entire stay and connection with his South American properties that there never was a time when everyone of their ranches was free of foot-and-mouth disease.

My experience in South America was practically all in Brazil. However, I visited in the Argentine and I know that the conditions existing in the Argentine are practically the same as in Brazil. For instance, in Brazil we have no sanitary regulations; none whatsoever. When we would see cattle taking the foot-and-mouth disease we immediately shipped them to the packing house. There was no rule or anything against it.

[Here the gavel fell.]

Mr. HORTON. Mr. Speaker, this is the first time I have ever spoken on this floor. I can complete my statement in about a minute, and I ask unanimous consent that I be permitted to proceed for 1 additional minute.

Mr. RAYBURN. Mr. Speaker, I shall have to object.

Mr. HORTON. If I am out of order, Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and include therein a statement that appeared in the Kiplinger Washington letter of February 18, 1939, on the question of the foot-and-mouth disease and the sanitary pact with Argentine; release No. 5 under date of April 4, 1939, from the American National Livestock Association; and my own release under date of last Friday.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. HORTON. The foot-and-mouth disease of which Mr. McKenzie speaks is the most loathsome and disgusting disease known to cattle. They run a high fever, slobber and drool at the mouth; the nose, teats, and udder are covered with lesions and blisters; they have lesions and open, bloody sores between the cloven hoofs; the mouth is covered with blisters and sores and if you were to put your hand in the mouth and take hold of the tongue, the mucous membrane would peel off like the skin of a rattler in August.

As Mr. Roosevelt says, "You cannot ship foot-and-mouth disease in cans." Right, but it is possible to can meat from foot-and-mouth diseased cattle and that does not sound so attractive. True, such meat may not kill a man, but a calf sucking its diseased mother will be dead within 2 days' time.

Follow the President's advice. Buy a can or two of this Argentine beef the next time you and your children go on a picnic and find out for yourself whether his statement is true. But while you are at it, ask yourself whether you want our great fighting Navy boys, the best in the world, to be protected by good old United States of America meat inspection laws or whether they are to be fed the mess which Mr. McKenzie describes and which possibly is being purchased for them by Mr. Roosevelt. [Applause.]

The Kiplinger Washington letter, February 18, 1939:

Argentine beef: State Department is quietly searching for a method of lifting the embargo on Argentine beef, because there is no chance of Senate ratification of the long-pending Sanitary Convention.

Here's Hull's tentative plan: Get House Ways and Means Committee, on which livestock is not strongly represented, to approve a resolution repealing provisions of the tariff act which keeps out Argentine beef.

If this scheme is adopted, it might be forced through this year because all administration forces would be rallied behind it.

The whole plan is aimed at short-circuiting livestock forces.

AMERICAN NATIONAL LIVE STOCK ASSOCIATION,
Denver, Colo., April 4, 1939.

AMERICAN BEEF SUPERIOR

Emphatically it is not the competitive feature of beef importation from Argentina that is the reason stockmen insist on maintenance of the embargo against that country, declared F. E. Mollin, secretary of the American National Live Stock Association, in a letter to the New York Herald Tribune, made public today. The reason is that Argentina, along with many other barred countries, has foot-and-mouth disease, he said.

Mollin's statements were made in reply to a Tribune editorial entitled "Good Beef Makes Bad Neighbors."

"There has been a lot of amusing publicity recently as to the superior beef which Argentina produces," said Mollin. "Apparently an attempt is being made to create the impression that the United States is afraid of the competition of this beef from a quality standpoint, and that this is the main reason why the livestock industry in this country insists on the maintenance of the embargo provision of the Smoot-Hawley Tariff Act.

"Nothing is further from the truth. It so happens that only last Saturday I talked to a prominent Texas cattleman who has recently been in the Argentine, and I asked him how the quality of the beef served in first-class restaurants and hotels in Buenos Aires compared with the quality of our best beef in this country. He replied that it was about the same quality as good Kansas grass beef. This is plenty good, but it is not of the same quality as the thousands of tons of prime and choice corn-fed beef which is marketed annually in this country. We are interested in the maintenance of the embargo provision because we feel that only in that way can we safeguard the health of our herds and flocks. Foot-and-mouth disease exists in some sixty-odd countries in the world. The embargo applies to all alike. There is no discrimination against Argentina. If you break down the embargo in order to permit importations from some certain sections of Argentina, you establish a precedent which eventually would mean the complete breaking down of the embargo and the infestation of our herds and flocks with disease. We have had many costly experiments with it; our fears are not imaginary. During the past 2 years almost every country in Europe has had severe outbreaks. We can produce in this country all the meat that we need, and hence, fortunately, unlike many European countries, we do not need to take the risk involved in such importations with the dire consequences that so frequently follow.

"There is an interesting contrast in the attitude of the Argentine Government in this matter and that of Brazil. They are in exactly the same position, yet Brazil has the good sense to recognize our situation and to make the best of it. She long ago executed a trade agreement with the United States and has recently concluded a new economic agreement which will lead to increased trade between the two countries. Argentina, on the other hand, has made an issue of the admission of dressed meats, placing severe restrictions on American imports and doing everything possible to stir up trouble in attempting to force a relaxation of the embargo against foot-and-mouth disease. The livestock industry is determinedly opposed to any change in the present situation until such time as any country of the ones against which the embargo applies cleans its herds and flocks of foot-and-mouth disease. When they do that, the embargo is automatically lifted. The reason for Argentina's attitude is very plain. Under the terms of the Ottawa agreement, Great Britain has steadily reduced its import quotas for Argentine beef and lamb, giving preference to the British dominions. It would be very accommodating of the United States to take up the slack, but the reasons cited above are entirely sufficient for our refusing to do so."

Representative FRANK O. HORTON (Republican), of Wyoming, today issued the following statement with reference to President Roosevelt's remarks at a press conference directing the purchase by the Navy Department of foreign beef:

"I am amazed at the statement attributed today by the press to the President of the United States lauding the superior quality and cheaper price of foreign-produced beef over that of the American product. Why a President of the United States should use his influential office as a sounding board to boost foreign products is inconceivable to me.

"The President's statement that he had directed the Secretary of the Navy to award a contract for some 48,000 pounds of canned beef to the Argentine Meat Producers' Cooperative is the more surprising because of action taken only this week by the House of Representatives in connection with the Navy Department appropriation bill.

"In that bill the House provided that no part of $773,000,000 thus appropriated shall be used for the purchase of 'any article of food not grown or produced in the United States or its possessions, except articles of food not so grown or produced or which cannot be procured in sufficient quantities as and when needed.' Mr. Roosevelt certainly would not contend that this country is unable to produce beef in sufficient quantities for the Navy.

"Mr. Roosevelt bases his preference for foreign canned beef on the contention that it is cheaper and superior to our American product. Naturally the price for American beef is higher because our producers and processors pay a wage that permits a decent standard of living. To insist upon an Argentine price is to demand Argentine wage levels and living standards for the people of this country. The price is higher here also because of the increased costs of production brought about in large part by New Deal legislation, such as the Social Security Act, the Wages and Hours Act, the National Labor Relations Act, and the Federal tax laws of the last 4 or 5 years, not to mention the New Deal's farm scarcity program.

"I am not objecting in this place to those enactments, but it does seem illogical to me for Mr. Roosevelt, after sponsoring such price-raising legislation, to turn around and insist that a Government department must purchase canned beef from a foreign country because it is cheaper.

"Indeed I am amazed at the inconsistency of the President. Again and again he has professed that his aim in regard to agriculture was to raise the prices of farm products. I distinctly remember that in July 1933 Mr. Roosevelt asserted that 'for many years the two great barriers to a normal prosperity have been low farm prices and the creeping paralysis of unemployment.' Yet by ordering the Navy Department to buy Argentine canned beef the President is making a contribution to depressing American beef prices and preventing reemployment of Americans who process that product. Has Mr. Roosevelt abandoned his professed desire to raise farm prices?

"Certainly the American taxpayer, and that means every American, who shortly will be called on to provide the seven hundred and seventy-three millions appropriated for the Navy, has a right to demand, and does demand, that those millions appropriated be spent in this country for the benefit of American labor, farmers, and industrialists, and not for the benefit of foreign countries.

"I am making a vigorous protest, and I am also urging Senators O'MAHONEY and SCHWARTZ to uphold the action taken by the House of Representatives."

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD and include therein an article by Westbrook Pegler appearing in this morning's Washington Post.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The article referred to is as follows:

FAIR ENOUGH

(By Westbrook Pegler)

AN OPEN LETTER

Mr. HENRY MORGENTHAU,

Secretary of the Treasury, Washington, D. C.

DEAR HENRY: I have just received your form letter in which you express a desire to borrow some money from me on your United States savings bonds. The proposition sounds interesting, but, as you know, the Government has laws nowadays where promoters and business firms are required to meet certain conditions and conform to certain standards, and I assume that you are willing to set private business a good example.

In the sad days after the great boom we learned that some business houses squandered investors' money on frivolous expenditures and that they pyramided issues until they were selling people bonds to pay the interest on previous issues.

They aren't allowed to do that now. In fact, only this morning there was a piece in the paper saying that the Securities and Exchange Commission was demanding information from a gas and electric company as to the services performed by a Mr. Ben Gray in return for a salary of $55,000 a year. A good idea, too, and if a company goes to the public for money the Government should see to it that the pay rolls are not loaded with relatives and fraternity brothers of the management at high salaries or even at medium salaries, because medium salaries mount up, too.

GOVERNMENT ALSO NEEDS INVESTIGATING

A big shot who owed somebody $50,000 could make a deal to put that creditor on the company's pay roll a couple of years at $25,000 a year and make the investors pay off his private debt.

I don't think the S. E. C. would let a big corporation doing business on money borrowed from the people maintain one or more company yachts for the pleasure of the executives, even though they pretended to concentrate and work better at sea, away from the telephone and all.

Before I decide whether to lend you some money on these savings bonds, suppose you get yourself inspected according to the same requirements that are applied to private operators. Being of the Government yourself you should be the last one to refuse to meet conditions which are held to be correct and ethical for other borrowers, and even if you hold that the Government, by reason of its authority to tax, is in a better position to extend itself, you can't honestly say that a government has any more right than a private concern to toss investors' money around to its personal and political friends.

ANY NEPOTISM, MR. MORGENTHAU?

Well, what about the pay rolls of your concern? Are there any employees on the rolls there in Washington and in bureaus around the country who were taken on merely because they were related to somebody or worked for somebody's election or wrote flattering pieces about the administration? Have you gone over the pay rolls lately and checked each man and woman to determine what duties they were performing and whether such duties are necessary? It's my money you want to be paying them, you know.

What about your position at the time of proposing this loan? Are you running in the red; and if so, to what extent, and how long have you been running behind, and about when would you say you will be able to turn the corner, and what makes you think so? You know the S. E. C. wouldn't let a private concern borrow money from the public indefinitely just to pay the interest on past issues and thus make a deceptive appearance of soundness.

What about private yachts for the executives? Have Ickes and Hopkins been vacationing off the coast of Florida lately? I don't want to lend you my money to be spent for yachting parties.

THE ANSWER IS NO, IF FOR FLORIDA CANAL

And what about that Florida canal? Here you boys are talking about saving $20,000,000 by tightening up a few bureaus, but you still insist on this canal thing at $200,000,000, although the southern half of Florida is afraid it will destroy the fresh-water supply, and the ditch, when dug, would save only a couple of hours sailing time from the Atlantic to the Gulf. Do you think the S. E. C. would let a private company borrow from the people for a comparable folly?

Your note to me just said these bonds were the most widely heralded security in America, which may be true, but I notice that you didn't say what you intended to do with the money. A lender always likes to know that and a borrower usually is willing to tell. If you are intending to spend any money of mine building that ditch for $200,000,000, the answer is no.

Let me hear from you on this, will you, Henry?

Sincerely,

GEORGE SPELVIN, *Average American.*

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD on the subject of the recent recommendation of the President that the Navy purchase Argentine beef.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Inasmuch as the President has frequently expressed his solicitude for the welfare of the American farmer, his recent statement in substance and to the effect that canned beef produced in Argentina was cheaper and better than American-grown beef and that the Navy should purchase this foreign product, rather than the product of our own farmers, for whose advancement the vast Agriculture Department is maintained and for whose benefit we have appropriated billions of dollars, it is not only pertinent but imperative that we inquire as to the President's acts not matching his words; whether he was really sincere in this recommendation or whether he was—to express it in the language of the street—just "shooting the bull."

If he was not, it might not be amiss to assert that rather than accept this Argentina canned beef we "can the President."

The President has on many occasions previous to this shown his utter disregard of the welfare of our own people as a whole. His Department of Agriculture is putting the Michigan sugar-beet growers out of business. His Department of Labor, with the assistance of his man Murphy, John L. Lewis, the C. I. O. and its communistic allies, through the sit-down strikes, put the brakes on recovery, which was being brought back to Michigan by the motor industry.

This past week the administration has signified its intention, by supporting John L. Lewis in his demand that no one shall dig coal until he becomes a member of the C. I. O., to deprive the American worker of his right to earn a livelihood except under conditions imposed by John L. Lewis.

Hence we should not be surprised that the President should act as the advertising manager and sales agent for a foreign product. His head is so high in the clouds, his thoughts are so engrossed by world affairs, that he fails to see and have at heart the interests of his own people.

Mr. MARTIN of Colorado. Mr. Speaker, in order to save time I ask unanimous consent that all Members may be permitted to extend their remarks on Argentine beef at this point in the RECORD. [Laughter.]

The SPEAKER. The gentleman from Colorado asks unanimous consent that all Members may have 5 legislative days within which to extend their own remarks in the RECORD on the subject of beef.

Mr. RAYBURN. Reserving the right to object, Mr. Speaker, in deference to my friend from Colorado, I think all Members can speak for themselves, and therefore I object.

The SPEAKER. Objection is heard.

WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL, 1940

The SPEAKER. The unfinished business is the reading of the engrossed copy of the bill (H. R. 6260) making appropriations for the fiscal year ending June 30, 1940, for civil functions administered by the War Department, and for other purposes.

The bill was read the third time.

Mr. POWERS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. POWERS. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies, and the Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. POWERS moves to recommit the bill to the Committee on Appropriations with instructions to report the same back forthwith with amendments reducing the total amount of the bill $50,000,000.

Mr. COLLINS. Mr. Speaker, I make the point of order that the motion to recommit undertakes to do indirectly what cannot be done directly.

The amount carried in this bill, with these amendments, totals $305,000,000. Part of it is for the Panama Canal, part for cemeterial expense, part for the Signal Corps and Alaskan Communications Commission, part for rivers and harbors, part for flood control, and part for the United States Soldiers' Home. Of the amount of $305,000,000, $277,000,000 is for rivers and harbors and flood control, leaving only $28,000,000 for all of these other governmental activities. A reduction of $50,000,000 would take away a large part of the money carried in the two amendments voted in the House last Wednesday. A motion to recommit to do this cannot be done. This motion to recommit attempts to do indirectly what cannot be done directly. It proposes a second vote on the same propositions that were voted on last Wednesday; therefore is subject to a point of order.

The SPEAKER. The Chair may state, in connection with the point of order made by the gentleman from Mississippi, that the Chair understands the purpose of the motion to recommit, one motion to recommit always being in order after the third reading, is to give to those Members opposed to the bill an opportunity to have an expression of opinion by the House upon their proposition. It is true that under the precedents it is not in order by way of a motion to recommit to propose an amendment to an amendment previously adopted by the House, but the motion now pending does not specifically propose to instruct the Committee on Appropriations to do that. The Chair is inclined to the opinion that the motion to recommit in the form here presented is not subject to a point of order.

The Chair overrules the point of order.

Mr. SHORT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SHORT. According to the language of the motion to recommit, the $50,000,000 could be taken from either rivers and harbors or flood control, or at any other place in the bill.

Mr. COLLINS. Mr. Speaker, I move the previous question on the motion to recommit.

Mr. RANKIN. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. I want to ask whether or not, if this motion is sustained, they could cut these old soldiers out and take the funds away from them? That is what I want to find out. I want to know what we are voting on.

Mr. SHORT. Mr. Speaker, the motion is simply to reduce the bill $50,000,000.

The SPEAKER. The Chair understands the rule to be that the House can adopt a motion to recommit with instructions to reduce the amount of the appropriation by $50,000,000, but the committee, if this motion should be adopted, could not report the bill back to the House with an amendment proposing a change in the amendments adopted by the House.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. POWERS) there were—ayes 95, noes 201.

Mr. POWERS. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 127, nays 255, not voting 48, as follows:

[Roll No. 70]

YEAS—127

Allen, Ill.	Cluett	Fish	Hall
Allen, Pa.	Coffee, Nebr.	Flannery	Halleck
Andrews	Cole, N. Y.	Fulmer	Hancock
Arends	Crawford	Gamble	Harness
Barton	Crosser	Gifford	Harter, N. Y.
Blackney	Crowther	Gilchrist	Hartley
Bolles	Darrow	Gillie	Hawks
Bolton	Dirksen	Gore	Heinke
Bradley, Mich.	Ditter	Gossett	Hoffman
Brown, Ohio	Dondero	Graham	Hope
Case, S. Dak.	Dowell	Grant, Ind.	Horton
Chiperfield	Dworshak	Griswold	Houston
Church	Eaton, N. J.	Gross	Hull
Clevenger	Engel	Gwynne	Jarrett
Jenks, N. H.	Maas	Robertson	Taylor, Tenn.
Johns	Mapes	Robsion, Ky.	Thill
Johnson, Ill	Martin, Iowa	Rockefeller	Thomas, N. J.
Johnson, Ind.	Martin, Mass.	Rodgers, Pa.	Tinkham
Jones, Ohio	Mason	Rogers, Mass.	Van Zandt
Kean	Michener	Routzohn	Vorys, Ohio
Keefe	Moser	Rutherford	Vreeland
Kinzer	Murray	Ryan	Wadsworth
Knutson	O'Day	Sandager	Wheat
Kunkel	O'Neal	Schafer, Wis.	White, Ohio
Landis	Pace	Schiffler	Wigglesworth
Lanham	Powers	Simpson	Williams, Del.
Larrabee	Rabaut	Smith, Ohio	Wolcott
LeCompte	Reece, Tenn.	Springer	Wolfenden, Pa.
Luce	Reed, Ill.	Sumner, Ill.	Woodruff, Mich.
Ludlow	Reed, N. Y.	Sweeney	Woodrum, Va.
McLean	Rich	Taber	Youngdahl
McLeod	Risk	Talle	

NAYS—255

Alexander	Dickstein	Kelly	Pittenger
Allen, La.	Dies	Kennedy, Martin	Poage
Andersen, H. Carl	Dingell	Kennedy, Md.	Polk
Anderson, Calif.	Disney	Kennedy, Michael	Ramspeck
Andresen, A. H.	Doughton	Keogh	Randolph
Angell	Doxey	Kerr	Rankin
Arnold	Drewry	Kilday	Rayburn
Austin	Duncan	Kirwan	Richards
Ball	Dunn	Kitchens	Robinson, Utah
Barden	Durham	Kleberg	Rogers, Okla.
Barnes	Eaton, Calif.	Kocialkowski	Sabath
Barry	Eberharter	Lea	Sacks
Bates, Ky.	Edmiston	Leavy	Sasscer
Beam	Elliott	Lemke	Satterfield
Beckworth	Ellis	Lesinski	Schaefer, Ill.
Bender	Elston	Lewis, Colo.	Schuetz
Bland	Englebright	Lewis, Ohio	Schulte
Bloom	Fay	Lord	Seccombe
Boehne	Fenton	McAndrews	Secrest
Boland	Ferguson	McArdle	Seger
Boren	Fitzpatrick	McCormack	Shannon
Boykin	Flaherty	McKeough	Sheppard
Bradley, Pa.	Flannagan	McLaughlin	Short
Brewster	Folger	McMillan, John L.	Sirovich
Brooks	Ford, Miss.	Maciejewski	Smith, Conn.
Brown, Ga.	Ford, Thomas F.	Mahon	Smith, Maine
Bryson	Fries	Mansfield	Smith, Va.
Buck	Garrett	Marcantonio	Smith, Wash.
Bulwinkle	Gathings	Marshall	Smith, W. Va.
Burch	Gavagan	Martin, Colo.	Snyder
Burdick	Gearhart	Martin, Ill.	Somers, N. Y.
Burgin	Gehrmann	Massingale	South
Byrne, N. Y.	Gerlach	May	Sparkman
Byrns, Tenn.	Geyer, Calif.	Merritt	Spence
Caldwell	Gibbs	Miller	Steagall
Cannon, Mo.	Grant, Ala.	Mills, Ark.	Stearns, N. H.
Carlson	Green	Mills, La.	Stefan
Cartwright	Gregory	Mitchell	Sullivan
Celler	Griffith	Monkiewicz	Sutphin
Chandler	Guyer, Kans.	Monroney	Tarver
Clark	Hare	Mott	Taylor, Colo.
Clason	Harrington	Mouton	Tenerowicz
Claypool	Hart	Mundt	Terry
Cochran	Harter, Ohio	Murdock, Ariz.	Thomas, Tex.
Coffee, Wash.	Healey	Murdock, Utah	Thomason
Cole, Md.	Hendricks	Myers	Thorkelson
Collins	Hennings	Nelson	Tibbott
Colmer	Hess	Nichols	Tolan
Connery	Hill	Norrell	Treadway
Cooley	Hinshaw	Norton	Vincent, Ky
Cooper	Hobbs	O'Connor	Vinson, Ga.
Corbett	Hook	O'Leary	Voorhis, Calif.
Costello	Hunter	Oliver	Wallgren
Cox	Izac	O'Toole	Walter
Creal	Jacobsen	Owen	Warren
Crowe	Jarman	Parsons	Weaver
Culkin	Jenkins, Ohio	Patman	Welch
Cullen	Johnson, Luther A.	Patrick	West
Cummings	Johnson, Lyndon	Patton	Whelchel
Curtis	Johnson, Okla.	Pearson	Whittington
D'Alesandro	Johnson, W. Va.	Peterson, Fla.	Williams, Mo.
Darden	Jones, Tex.	Peterson, Ga.	Wolverton, N. J.
Delaney	Kee	Pfeifer	Zimmerman
DeRouen	Keller	Pierce, Oreg.	

NOT VOTING—48

Anderson, Mo.	Dempsey	Lambertson	Rees, Kans.
Ashbrook	Douglas	McDowell	Romjue
Bates, Mass.	Evans	McGehee	Schwert
Bell	Faddis	McGranery	Scrugham
Buckler, Minn.	Fernandez	McMillan, Thos. S.	Shafer, Mich.
Buckley, N. Y.	Ford, Leland M.	McReynolds	Shanley
Byron	Gartner	Magnuson	Smith, Ill.
Cannon, Fla.	Havenner	Maloney	Starnes, Ala.
Carter	Holmes	O'Brien	Sumners, Tex.
Casey, Mass.	Jeffries	Osmers	White, Idaho
Chapman	Jensen	Pierce, N. Y.	Winter
Curley	Kramer	Plumley	Wood

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. O'Brien (for) with Mr. Dempsey (against).

Mr. Jensen (for) with Mr. Maloney (against).

Mr. Pierce of New York (for) with Mr. Havenner (against).
Mr. Douglas (for) with Mr. Gartner (against).
Mr. Osmers (for) with Mr. Wood (against).
Mr. Holmes (for) with Mr. McGranery (against).
Mr. Jeffries (for) with Mr. Fernandez (against).

General pairs until further notice:

Mr. McReynolds with Mr. Carter.
Mr. Starnes of Alabama with Mr. Plumley.
Mr. McGehee with Mr. Lambertson.
Mr. Sumners of Texas with Mr. Winter.
Mr. Scrugham with Mr. Shafer of Michigan.
Mr. Thomas S. McMillan with Mr. Leland M. Ford.
Mr. Magnuson with Mr. Bates of Massachusetts.
Mr. Evans with Mr. McDowell.
Mr. Chapman with Mr. Rees of Kansas.
Mr. Bell with Mr. Romjue.
Mr. Cannon of Florida with Mr. Buckler of Minnesota.
Mr. Faddis with Mr. Schwert.
Mr. Anderson of Missouri with Mr. Byron.
Mr. Shanley with Mr. Ashbrook.
Mr. Buckley of New York with Mr. White of Idaho.
Mr. Kramer with Mr. Curley.

Mr. GEARHART and Mr. DREWRY changed their votes from "aye" to "no."

The result of the vote was announced as above recorded.

A motion to reconsider the vote by which the motion to recommit was rejected was laid on the table.

The SPEAKER. The question now is on the passage of the bill.

The question was taken, and the bill was passed; and a motion to reconsider was laid on the table.

AMENDMENTS TO WAGE AND HOUR LAW

Mrs. NORTON rose.

The SPEAKER. For what purpose does the gentlewoman from New Jersey rise?

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mrs. NORTON. Mr. Speaker, because of the evident misunderstanding and extraordinary misstatements issued of certain provisions of H. R. 5435 which have arisen over the week end, due to the vicious and unreliable propaganda spread by those who in the first place were opposed to the law, and who now would repeal it if they dared to do so, it has been decided not to call the bill up at this time under suspension of the rules.

The SPEAKER. The time of the gentlewoman from New Jersey has expired.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day, and the Clerk will call the first bill on the calendar.

CONSTRUCTION OF CERTAIN VESSELS FOR COAST AND GEODETIC SURVEY

The Clerk called the bill (H. R. 138) to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

AMENDING REIMBURSABLE FEATURES OF TITLE II, SECTION 208, OF ACT APPROVED JUNE 16, 1933

The clerk called the bill (H. R. 4679) to amend title II, section 208, of the act approved June 16, 1933 (48 Stat. 205–206), to authorize the Secretary of the Interior to adjust or cancel reimbursable features of said act insofar as they apply to Indians, and for other purposes.

Mr. SCHAFER of Wisconsin, Mr. WOLCOTT, and Mr. THILL objected.

BRIDGE ACROSS MISSISSIPPI RIVER AT DELTA POINT, LA.

The Clerk called the bill (H. R. 3224) creating the Louisiana-Vicksburg Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to purchase, maintain, and operate a bridge across the Mississippi River at or near Delta Point, La., and Vicksburg, Miss.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Is there objection?

NATURALIZATION OF ALIENS

The Clerk called the bill (H. R. 5030) to amend section 4 of the act of June 29, 1906, entitled "An act to establish a Bureau of Immigration and Naturalization and to provide for a uniform rule for the naturalization of aliens throughout the United States."

The SPEAKER. Is there objection?

Mr. ALLEN of Louisiana. Mr. Speaker, I object.

PAYMENT OF CERTAIN CLAIMS OF GRAIN ELEVATORS

The Clerk called House Joint Resolution 156, authorizing and directing the Comptroller General of the United States to certify for payment certain claims of grain elevators and grain firms to cover insurance and interest on wheat during the years 1919 and 1920 as per a certain contract authorized by the President.

Mr. COCHRAN, Mr. RICH, and Mr. TABER objected.

PROVIDING LOSS OF UNITED STATES CITIZENSHIP IN CERTAIN CASES

The Clerk called the bill (H. R. 5188) to provide for the loss of United States citizenship in certain cases.

The SPEAKER. Is there objection?

Mr. JENKINS of Ohio. Mr. Speaker, I reserve the right to object to ask what the bill does.

Mr. DICKSTEIN. I think the gentleman knows what it does.

Mr. JENKINS of Ohio. Is this the bill that provides against aliens in this country going back and participating in elections?

Mr. DICKSTEIN. It applies to American citizens who go back to foreign lands and vote in elections in those lands.

Mr. SCHAFER of Wisconsin, Mr. JENKINS of Ohio, and Mr. LEWIS of Colorado objected.

NATIONAL ANIMAL THEFT ACT

The Clerk called the next bill, H. R. 4372, to provide for the punishment of persons transporting stolen animals in interstate commerce, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. MURDOCK of Utah. Mr. Speaker, I ask unanimous consent that Senate bill 90, an identical bill, be substituted.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That this act shall be cited as the National Animal Theft Act.

SEC. 2. When used in this act—

(a) The term "animal" shall include any cattle, hog, sheep, horse, or mule.

(b) The term "interstate or foreign commerce" shall include transportation from one State, Territory, or the District of Columbia to another State, Territory, or the District of Columbia, or to a foreign country, or from a foreign country to any State, Territory, or the District of Columbia.

SEC. 3. Whoever shall transport or cause to be transported in interstate or foreign commerce any animal, or the carcass or hide or any part of the carcass or hide of any animal, knowing the same to have been stolen, shall be punished by a fine of not more than $5,000 or by imprisonment of not more than 5 years, or both.

SEC. 4. Whoever shall receive, conceal, store, barter, buy, sell, or dispose of any such animal, or the carcass or hide or any part of the carcass or hide thereof, moving in or constituting a part of interstate or foreign commerce, knowing the same to have been stolen, shall be punished by a fine of not more than $5,000 or by imprisonment of not more than 5 years, or both.

SEC. 5. Any person violating section 3 of this act may be prosecuted in any district from, into, or through which such animal, or the carcass or hide or any part of the carcass or hide thereof, has been transported or removed.

SEC. 6. Nothing herein shall be construed to repeal, modify, or amend any part of the National Stolen Property Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 4372) was laid on the table.

QUAPAW INDIANS, OKLAHOMA

The Clerk called the next bill, H. R. 3796, to extend the period of restrictions on lands of the Quapaw Indians, Oklahoma, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

PARK FIELD MILITARY RESERVATION, TENN.

The Clerk called the next bill, H. R. 3364, to transfer the control and jurisdiction of the Park Field Military Reservation, Shelby County, Tenn., from the War Department to the Department of Agriculture.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the lands embracing the Park Field Military Reservation, Shelby County, Tenn., together with all improvements and equipment thereon, be, and they are hereby, transferred from the control and jurisdiction of the War Department to the control and jurisdiction of the Department of Agriculture.

SEC. 2. The Secretary of Agriculture of the United States is authorized to supervise, control, and direct the development and administration of the said lands, improvements, and equipment pursuant to the powers, functions, and duties heretofore vested in him by Executive Order No. 7530 of December 31, 1936, as amended by Executive Order No. 7557 of February 19, 1937.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAN CARLOS APACHE INDIANS

The Clerk called the next bill, S. 18, authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, the Bureau of the Budget said that these Indians are entitled to $33,725. The bill calls for $277,966.37. As far as I am concerned, if the gentleman from Arizona [Mr. MURDOCK] wants to accept the figures of the Bureau of the Budget and will accept an amendment which I will offer, I will not object to the passage of the bill. Otherwise I will object to the passage of the bill.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. SCHAFER of Wisconsin. The Department favored the bill as reported by the committee. The Indian Affairs Committee carefully considered this bill and by a unanimous vote favorably reported it. I am somewhat surprised to find the gentleman from Missouri objecting to this meritorious bill which the Department of the Interior favors and which was unanimously approved by the Indian Affairs Committee after thorough investigation.

Mr. COCHRAN. I will say that I have objected to this bill for several years, and I have tried to get those interested to accept the figures of the Bureau of the Budget. Now let me say to the gentleman from Wisconsin, whenever you are going to follow the Department of the Interior or its Bureau of Indian Affairs in connection with Indian legislation, then the doors of the Treasury are wide open.

Mr. SCHAFER of Wisconsin. We do not rubber stamp the Bureau of the Budget. We consider bills on their merits. The committee considered this bill and unanimously reported it out. If the gentleman wants to object, we cannot stop him.

Mr. SCHULTE. Mr. Speaker, I object.

Mr. COCHRAN. Will the gentleman from Arizona accept my amendment?

Mr. MURDOCK of Arizona. I will accept it with this understanding: This is an involved case. The amount in this bill to be paid was $1.25 per acre, which would amount to $277,966.37. The $33,725 indicated by the gentleman from Missouri will merely buy part of it at $1.25 per acre, but it is understood that this bill, with or without this amendment, will return to public domain and open up the entire area for mineral entry, except what has become private property. With that understanding I will accept the gentleman's amendment.

Mr. COCHRAN. I am not going to agree to any such suggestion as that. I am only accepting what the Bureau of the Budget says. The Bureau of the Budget says this:

The Budget recommends payment for such lands at $1.25 per acre which would amount to the sum $33,725.

Mr. MURDOCK of Arizona. In accepting this proposed amendment to the bill as it stands, it will simply mean that the Indians will be paid less than $1.25 an acre, which I am reluctant to agree to, but I do want this matter in dispute for so many years to be cleared up.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. SCHAFER of Wisconsin. The gentleman from Arizona is in a very embarrassing position. I do not think the Bureau of the Budget, under the Constitution, has legislative power. In order to protect the gentleman and the committee reporting the bill, I call for the regular order.

The SPEAKER. The regular order is demanded.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I object.

Mr. COCHRAN. Mr. Speaker, I object to the consideration of the bill.

Mr. RICH. Mr. Speaker, I object to the consideration of the bill.

WAPATO SCHOOL DISTRICT NO. 54, YAKIMA COUNTY, WASH.

The Clerk called the next bill, H. R. 3824, to provide funds for cooperation with Wapato School District No. 54, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

MARKETING AGREEMENTS UNDER AGRICULTURAL ADJUSTMENT ACT

The Clerk called the next bill, H. R. 4539, to extend the time during which orders and marketing agreements under the Agricultural Adjustment Act, as amended, may be applicable to hops.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TO AMEND SECTION 344 (H) OF THE AGRICULTURAL ADJUSTMENT ACT

The Clerk called the next bill, H. R. 5911, to amend subsection (h) of section 344 of the Agricultural Adjustment Act of 1938, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COSTELLO. Mr. Speaker, although this bill is about to be passed over without prejudice, I nevertheless desire to make some comment upon the effect which this legislation would have should it be enacted into law. I feel that the Members should understand more fully what this bill proposes to do before allowing the bill to pass without some discussion.

The bill H. R. 5911 further amends subsection (h) of section 344 of the Agricultural Adjustment Act of 1938, as amended, to provide that payments to any producer would be made upon the basis of his original allotment even though he released a portion of his allotment to another producer under the so-called "frozen" acreage amendment to section 344 (h). In other words, it is proposed that the original allottee would receive the same consideration with respect to parity and agricultural conservation payments as if he had not transferred any portion of his allotment. This amendment also provides "that the recipient of the portion of the allotment transferred shall receive such acres with the understanding that he will not receive conservation or parity payments upon them." The latter provision is not specifically included in that part of S. 2052 concerning this subject.

The Price Adjustment Act of 1938 provides that payments thereunder shall be made upon the normal yield of the farm and the acreage allotment, and shall be made with respect to a farm only in the event that the acreage planted for harvest on the farm is not in excess of the farm acreage allotment established for the commodity. By the expression "the farm-acreage allotment established for the commodity under the 1939 agricultural conservation program" it is believed that the Congress meant the final acreage allotment established for the farm. It has been considered by the Department, therefore, that a producer who received an original allotment of 100 acres by signifying his intention to release, under the provisions of section 344 (h), 50 acres of such allotment actually receives a final allotment of only 50 acres for cotton for the applicable year.

The amendment would necessitate the establishment of two cotton acreage allotments for each farm involved in a transfer of acreage allotment in accordance with the "frozen" acreage amendment. One of the cotton acreage allotments would be used as a basis for payment under the agricultural conservation program and the price adjustment payment program. It should be noted that if such acreage allotment is exceeded no payment could be made in accordance with the Price Adjustment Act of 1938. The other cotton acreage allotment would be used for the purposes of planting, marketing quotas, and deductions under the agricultural conservation program.

Some of the more important difficulties which would result if this amendment is enacted are as follows:

First. It would be necessary to explain to producers releasing cotton acreage why their cotton acreage allotment may be knowingly overplanted or why there may be deductions from their conservation payments for planting an acreage less than the acreage upon which the conservation payment is based. Under the present program payments and deductions are based upon only one acreage allotment figure.

Second. It would be necessary to explain to producers who receive additional allotments why they would not be entitled to an additional payment. The division of payments to interested producers on the farm is based upon each interested person's proportionate share of the planted acreage. The question would likely arise with respect to which producer on the farm planted the additional acreage allotment upon which no payment would be made.

Third. When producers release all or a portion of their cotton acreage allotment many request an increase in their general crop acreage allotment so that their farm operations may be kept in balance. Since some of the "frozen" acreage will be released in the commercial grain and feed crop area, there would be a duplication of payments if the producer should be paid on the "frozen" cotton acreage released and at the same time should receive payment for planting the same acreage in general crops.

Fourth. The necessity of computing two cotton acreage allotments on each cotton farm and revising the general crop acreage allotments for such farms may cause considerable difficulty on the part of both county and State offices in determining that the sum of the allotments for all farms does not exceed the maximum allotment to the county for the purposes of (1) the 1939 agricultural conservation program, (2) the 1939 marketing quota, (3) the 1939 general crop acreage allotment, and (4) the 1939 total soil-depleting acreage allotment.

Fifth. The determination of two cotton acreage allotments for each farm involved in a transfer of allotments would result in widespread confusion among the operators of the farms involved and would increase the expenses in administering the program.

NONSUBSIDIZED VESSEL CONSTRUCTION

The Clerk called the next bill, H. R. 5756, to amend section 509 of the Merchant Marine Act, 1936, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RUTHERFORD, Mr. SIMPSON, and Mr. RICH objected.

Mr. BLAND. Mr. Speaker, will not the gentlemen withhold their objections in order that I may make a statement?

Mr. RUTHERFORD. Mr. Speaker, I withhold my objection.

Mr. BLAND. Mr. Speaker, the purpose of the bill is simply to place persons who desire to secure money for the construction of ships to operate in domestic and foreign commerce, and who do not ask for a subsidy, in identically the same position as the law has already placed those who apply for the construction of ships and ask for a subsidy. In other words, the sole purpose of this bill is to reduce the cash payment in accordance with exactly the same provisions that have been made for others asking for subsidies.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. TABER. Does this bill provide that the Government shall pay a subsidy to these people who went ahead themselves and did not arrange for the subsidy to start with?

Mr. BLAND. Not at all. This covers the case of persons who desire to get money to aid in the building of their ships on the premise of a cash-down payment and 20 years' amortization. We have already provided this in the case of those who ask for a subsidy that substantially the same cash payment shall be made. By this bill we would extend to those who do not ask for a subsidy the benefit we have already given those who do.

To provide an example, I may state that the gentleman from Alabama [Mr. BOYKIN] has constituents who are ready to go ahead and make their contracts. They do not intend to ask for a subsidy. Should national-defense features be incorporated in the ships, of course, they would be paid for by the Government, as in any other case; but the parties in question are asking for neither operating differential nor construction differential. I ask the gentleman from Alabama if this is not correct.

Mr. BOYKIN. That is absolutely correct.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SIMPSON. I object, Mr. Speaker.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 509 of the Merchant Marine Act, 1936, as amended (52 Stat. 959; U. S. C., 1934 ed., Supp. IV, title 46, sec. 1159), is amended as follows:

(1) By amending the second sentence thereof to read as follows: "If such application is approved by the Commission, the vessel may be constructed under the terms and conditions of this title, but no construction-differential subsidy shall be allowed."; and

(2) By amending so much of the fourth sentence thereof as precedes the first semicolon therein to read as follows: "In case the vessel is designed to be of not less than 3,000 gross tons and to be

capable of a sustained speed of not less than 14 knots, the applicant shall be required to pay the Commission not less than 12½ percent of the cost of such vessel, and in the case of any other vessel the applicant shall be required to pay the Commission not less than 25 percent of the cost of such vessel (excluding from such cost, in either case, the cost of national-defense features);".

With the following committee amendment:

Page 2, at the end of line 3 and the beginning of line 4, strike out the words "three thousand" and insert in lieu thereof the words "thirty-five hundred."

The SPEAKER. The question is on the committee amendment.

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RICH. Were not three objections made to this bill?

The SPEAKER. The record shows three objections were made to the bill, but the gentleman from Virginia asked the gentlemen objecting to withhold their objections to permit him to make a statement with reference to the bill. Thereupon the gentleman from Pennsylvania [Mr. RUTHERFORD] withheld his objection and the gentleman from Virginia made his statement. The Chair then asked if there were objections. One objection was heard. Three objections are required to stop consideration of the bill.

The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PACIFIC NORTHWEST BOXED APPLES

The Clerk called the next bill, S. 1096, to amend section 8c of the Agricultural Marketing Agreement Act of 1937, as amended, to make its provisions applicable to Pacific Northwest boxed apples.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GRISWOLD. Mr. Speaker, I object.

Mr. LEAVY. Mr. Speaker, will the gentleman withhold his objection to permit me to make a statement? I am sure if the gentleman understands the bill he will not object.

Mr. GRISWOLD. Mr. Speaker, I withhold my objection to permit the gentleman to make a statement.

Mr. LEAVY. Mr. Speaker, this bill applies only to the three specific Northwest States—Washington, Oregon, and Idaho—in reference to apple production. The growers of every other agricultural commodity are permitted to enter into agreements, but the growers of apples are prohibited to do so. Our growers feel that if they were allowed to enter into such agreements as growers of other agricultural products are they could save what is to them a bad situation in the undercutting of prices between the individual growers. I hope the gentleman will withdraw his objection. It affects merely the three Northwest States.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. LEAVY. I yield.

Mr. RICH. May I ask the gentleman what effect the Sherman Antitrust Act will have on such agreements?

Mr. LEAVY. I understand these agreements are entirely outside the Sherman antitrust law.

Mr. RICH. The gentleman being a lawyer and a judge, and knowing the laws, I wondered why he would want such a bill, and what would be the difference between such a bill and one permitting manufacturers to establish contracts to maintain prices.

Mr. LEAVY. If time permitted, I could answer the gentleman I think in a manner that would satisfy him.

I trust the gentleman from Wisconsin will withdraw his objection.

The SPEAKER. Does the gentleman from Wisconsin withdraw his objection?

Mr. GRISWOLD. Mr. Speaker, I renew my objection.

The SPEAKER. The gentleman renews his objection. The Clerk will call the next bill.

MINIMUM NATIONAL ALLOTMENTS FOR COTTON

The Clerk called the next resolution, House Joint Resolution 247, to provide minimum national allotments for cotton.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. SCHAFER of Wisconsin. Mr. Speaker, I object.

MINIMUM NATIONAL ALLOTMENTS FOR WHEAT

The Clerk called the next resolution, House Joint Resolution 248, to provide minimum national allotments for wheat.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. SCHAFER of Wisconsin. Mr. Speaker, I object.

AMENDMENT TO SECTION 344 OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

The Clerk called the next bill, H. R. 5498, to make applicable to the years after 1939 the special provisions relating to cotton baleage and acreage allotments which apply for 1939.

The SPEAKER pro tempore (Mr. WARREN). Is there objection to the present consideration of the bill?

Mr. SCHAFER of Wisconsin. Mr. Speaker, I object.

INCLUSION OF MATERIAL PORTIONS OF EVIDENCE IN RECORDS CERTIFIED TO SUPREME COURT

The Clerk called the next bill, H. R. 2567, to provide that records certified by the Court of Claims to the Supreme Court, in response to writs of certiorari, may include material portions of the evidence, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to substitute the Senate bill, S. 198, for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 3, subsection b, of the act of February 13, 1925 (43 Stat. 936, 939, c. 229; U. S. Code, title 28, sec. 288 b), be amended so as to read as follows:

"(b) In any case in the Court of Claims, including those begun under section 180 of the Judicial Code, it shall be competent for the Supreme Court, upon the petition of either party, whether Government or claimant, to require, by certiorari, that the cause be certified to it for review and determination of all errors assigned, with the same power and authority, and with like effect, as if the cause had been brought there by appeal. In such event, the Court of Claims shall include in the papers certified by it the findings of fact, the conclusions of law, and the judgment or decree, as well as such other parts of the record as are material to the errors assigned, to be settled by the court.

"The Court of Claims shall promulgate rules to govern the preparation of such record in accordance with the provisions of this section.

"In such cases the Supreme Court shall have authority to review, in addition to other questions of law, errors assigned to the effect that there is a lack of substantial evidence to sustain a finding of fact; that an ultimate finding or findings are not sustained by the findings of evidentiary or primary facts; or that there is a failure to make any finding of fact on a material issue."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 2567) was laid on the table.

SALE OF CARSON CITY (NEV.) MINT SITE AND BUILDING

The Clerk called the next bill, H. R. 5328, authorizing sale of old Carson City (Nev.) Mint site and building.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to substitute the Senate bill, S. 2050, for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the old Carson City (Nev.) Mint site and building may be sold under the provisions of the act of August 26, 1935 (49 Stat. 800; U. S. C., title 40, sec. 345b), or the act of August 27, 1935 (49 Stat. 885; U. S. C., title 40, sec. 304a), notwithstanding Joint Resolution No. 18 of February 23, 1865 (13 Stat. 569), providing that said site shall be reserved from public sale and shall remain the property of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 5328) was laid on the table.

AUTHORIZING SECRETARY OF THE TREASURY TO ACCEPT REAL ESTATE DEVISED BY THE LATE LIZZIE BECK, OF MENA, ARK.

The Clerk called the next bill, H. R. 5836, to authorize the Secretary of the Treasury to accept real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to substitute the Senate bill, S. 2244, for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to accept on behalf of the United States the real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and to deal with the same in the manner provided by the act of August 27, 1935 (49 Stat. 885; U. S. C., title 40, sec. 304a), or the act of August 26, 1935 (49 Stat. 800; U. S. C., title 40, sec. 345b).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 5836) was laid on the table.

AUTHORIZING PRESIDENT TO RENDER CLOSER AND MORE EFFECTIVE THE RELATIONSHIP BETWEEN AMERICAN REPUBLICS

The Clerk called the next bill, H. R. 5835, to authorize the President to render closer and more effective the relationship between the American republics.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, may I inquire whether this bill proposes a raid of $500,000 on the American Treasury so that South American dictator countries will be able to sell more canned bully beef in America?

Mr. BLOOM. This has nothing to do with that.

Mr. SCHAFER of Wisconsin. Does this bill provide a half million dollar handout from the Federal Treasury to the South American countries?

Mr. BLOOM. No. It has nothing to do with that at all. I may say to the gentleman from Wisconsin it is an entirely different thing. It is absolutely divorced from any other legislation that we have along this line.

Mr. SCHAFER of Wisconsin. What is the purpose of this bill?

Mr. BLOOM. If the gentleman will read the report, he will see it provides for closer relationship between the South American countries and the United States. That is all there is to it. There is no appropriation of any kind involved. If the gentleman will read this paragraph of the report, he will find this sentence:

All that is contemplated at this time is a general advisory committee, and in addition, special advisory committees on exchange of students, professors, books, library translations, and educational films.

That is all.

Mr. SCHAFER of Wisconsin. The gentleman states "at this time." What does it provide for some other time?

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BOLLES. Mr. Speaker, I object.

COOS BAY WAGON ROAD GRANT LANDS

The Clerk called the next bill, H. R. 2317, relating to the disposition of funds derived from the Coos Bay Wagon Road grant lands.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that an identical Senate bill, S. 242, may be considered in lieu of the House bill.

Mr. COCHRAN. Reserving the right to object, I should like to ask if the Senate bill conforms to the recommendations of the Bureau of the Budget?

Mr. COSTELLO. The language of the Senate bill is identical with that of the House bill.

Mr. COCHRAN. Then I have no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That beginning with the fiscal year next following the date of the passage of this act, not to exceed 75 percent of the receipts derived in any one year from the Coos Bay Wagon Road grant lands in Oregon and deposited in the special fund in the Treasury created by the act of February 26, 1919 (40 Stat. 1179), and designated "The Coos Bay Wagon Road grant fund" shall be paid annually, in lieu of taxes, by the Secretary of the Treasury, upon certification by the Secretary of the Interior, to the treasurers of Coos and Douglas Counties according to the ratio that the total assessed valuation of the reconveyed Coos Bay Wagon Road grant lands, belonging to the United States, in each of said counties bears to the total assessed valuation of all said lands in those counties, to be used for the purposes mentioned in said act: *Provided*, That until such time as the general fund of the Treasury of the United States shall have been fully reimbursed by Douglas County for expenditures which were made charges against the Coos Bay Wagon Road grant fund by section 5 of the act of February 26, 1919, said Douglas County shall be entitled to receive only 50 percent of the amount to which it would otherwise be entitled under this act: *Provided further*, That prior to making any payment under this authorization an appraisal of the land and timber thereon shall be made, within 6 months after the passage of this act, by a committee to consist of a representative of the Secretary of the Interior, one representative for the two counties interested, and a third person satisfactory to the Secretary of the Interior and the county officials, but who shall not be an employee of the United States nor a resident of, nor a property owner in, either Coos or Douglas County. Upon appraisal thereof, the land and timber thereon shall be assessed as are other similar properties within the respective counties, and payments hereunder in lieu of taxes shall be computed by applying the same rates of taxation as are applied to privately owned property of similar character in such counties.

SEC. 2. Appraisals of the land and timber thereon shall be made, in the manner prescribed in section 1 hereof, not less frequently than once in each 10-year period, and the amounts due hereunder in any year shall be computed as specified in section 1 of this act upon the basis of the last appraisement. The expenses of making the appraisements provided for in this act shall be paid by the Secretary of the Treasury upon certification by the Secretary of the Interior, from that portion of the receipts derived from such lands and timber payable to the counties and shall be deducted from any amount due said counties.

SEC. 3. If, during any one year, 75 percent of the receipts are insufficient fully to meet the payments due the counties hereunder, the Secretary of the Treasury, upon certification by the Secretary of the Interior, may pay an additional sum from any surplus of 75 percent of prior year receipts: *Provided, however*, That in no event shall the aggregate of payments during any 10-year period commencing with the period beginning July 1, 1940, exceed 75 percent of the receipts deposited in the Treasury to the credit of the Coos Bay Wagon Road grant fund for such period: *Provided further*, That at the end of each 10-year period, any balance of the 75 percent not required for payments to the counties shall be covered into the general fund of the Treasury of the United States.

SEC. 4. Not to exceed 25 percent of the annual receipts shall be available, in such amounts as the Congress shall from time to time appropriate for the administration of the act of August 28, 1937 (50 Stat. 874), insofar as it applies to the Coos Bay Wagon Road grant lands. Any balance not used for administrative purposes shall be covered into the general fund of the Treasury of the United States.

SEC. 5. All acts or parts of acts inconsistent with this act are hereby repealed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 2317) was laid on the table.

FORT NIAGARA MILITARY RESERVATION, N. Y.

The Clerk called the next bill, H. R. 5436, to authorize the grant of a sewer right-of-way and operation of sewage-treatment plant on the Fort Niagara Military Reservation, N. Y., by the village of Youngstown, N. Y.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to grant to the village of Youngstown, Niagara County, N. Y., a municipal corporation, for a term of 50 years, an easement for right-of-way for a sewer line to be constructed by said village on the Fort Niagara Military Reservation, N. Y., from said village to a sewage-treatment plant to be constructed by the Secretary of War on said reservation, and to contract therein for the operating and maintenance of said plant by the village for the treatment of sewage of said post and the village, upon such terms and conditions as the Secretary of War deems advisable, the village's share of the cost of operation and maintenance to be $600 per annum for a population of 1,000 or less and an additional 60 cents per capita per annum over and above said thousand.

SEC. 2. That said easement shall not be granted until the Legislature of the State of New York shall have first provided by appropriate legislation that the granting of the easement shall not impair or invalidate any of the rights, title, or privileges granted to the United States pursuant to the act of the Legislature of New York passed April 21, 1840 (New York Laws, 1840, ch. 155, p. 113).

SEC. 3. That the act of May 31, 1938 (52 Stat. 592), to authorize the Secretary of War to lease to the village of Youngstown, N. Y., a portion of the Fort Niagara Military Reservation, N. Y., be, and the same is hereby, repealed.

SEC. 4. There is hereby authorized to be appropriated the sum of $60,000 to carry out the provisions of this act.

Mr. ANDREWS. Mr. Speaker, I offer two amendments, which conform to the recommendations of the War Department in a favorable report.

The Clerk read as follows:

Amendments offered by Mr. ANDREWS:

Page 1, line 10, strike out the word "therein" and insert in lieu thereof the words "from time to time."

Page 2, line 2, after the word "advisable", change the comma to a period and strike out the balance of section 1.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WESTERN OR OLD SETTLER CHEROKEES

The Clerk called the next bill, H. R. 4498, for the relief of the Western or Old Settler Cherokees, and for other purposes.

Mr. COCHRAN and Mr. WOLCOTT objected.

INDIANS ALLOTTED ON THE QUINAIELT RESERVATION, STATE OF WASHINGTON

The Clerk called the next bill, H. R. 2654, authorizing the payment of necessary expenses incurred by certain Indians allotted on the Quinaielt Reservation, State of Washington.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Reserving the right to object, Mr. Speaker, I should like the RECORD to show there is a great deal of merit to the contention of the attorneys that they should be paid for their services in connection with this matter, but I insist this is not the way they should be paid. Under the terms of this bill the taxpayers of the United States would be required to make the payments. The attorneys can be paid if the Secretary of the Interior will allot the necessary amount of land so it can be sold and the attorneys receive the money, to which I admit they are entitled. The attorneys, I understand, have liens on this property and it never can be sold until the liens are released and the claims satisfied. Therefore, I believe it is the duty of the Department of the Interior, instead of recommending the Congress of the United States take this money out of the Treasury, to sell sufficient land or timber and then settle the attorneys' bill. If it requires additional legislation to enable the Secretary to sell the land or timber, I will support it; but it is wrong to ask us to require the taxpayers to pay the attorneys, regardless of how meritorious their claim is.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COCHRAN. I object, Mr. Speaker.

DESERTERS FROM THE MILITARY OR NAVAL FORCES OF THE UNITED STATES

The Clerk called the next bill, H. R. 6035, to provide for the exclusion from the United States of persons who have been convicted of desertion from the military or naval forces of the United States while the United States was at war.

Mr. SMITH of Connecticut. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. SCHAFER of Wisconsin. Mr. Speaker, this bill should be enacted at an early date, and I object to passing it over.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SMITH of Connecticut. I object, Mr. Speaker.

PORTRAIT OF FORMER PRESIDENT HERBERT HOOVER

The Clerk called the joint resolution (H. J. Res. 208) authorizing the Joint Committee on the Library to procure an oil portrait of former President Herbert Hoover.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. ANDERSON of Missouri. I object, Mr. Speaker.

Mr. KELLER. Mr. Speaker, will the gentleman withhold his objection for a moment?

Mr. ANDERSON of Missouri. I object, Mr. Speaker.

Mr. CHURCH. Mr. Speaker, I make the point of order that the objector did not stand when objecting to this bill.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. ANDERSON] rose and addressed the Chair and objected, in conformity with the rules of the House.

Mr. CHURCH. That is perfectly satisfactory, Mr. Speaker.

RAILWAY MAIL SERVICE

The Clerk called the next bill, H. R. 1827, to allow moving expenses to employees in the Railway Mail Service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That hereafter officers and regular clerks in the Railway Mail Service, when arbitrarily transferred under orders of the Department from one official station to another for permanent duty, may be allowed their actual and necessary transportation expenses for moving their household goods, including packing and drayage, not in excess of 3,500 pounds.

With the following committee amendment:

Line 4, after the word "Service", insert "and the Post Office Inspection Service."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938

The Clerk called the next bill, S. 1569, to amend the Agricultural Adjustment Act of 1938, as amended.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

INTERNATIONAL PETROLEUM EXPOSITION AT TULSA, OKLA.

The Clerk called the next bill, H. R. 5447, authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 18 to May 25, 1940.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States is authorized to invite by proclamation, or in such other manner as he may deem proper, the States of the Union and all foreign countries to participate in the proposed International Petroleum Exposition, to be held at Tulsa, Okla., from May 18 to May 25, 1940, inclusive, for the purposes of exhibiting samples of fabricated and raw products of all countries used in the petroleum industry and bringing together buyers and sellers for promotion of trade and commerce in such products.

SEC. 2. All articles which shall be imported from foreign countries for the purpose of exhibition at the International Petroleum Exposition or for use in constructing, installing, or maintaining foreign buildings or exhibits at the said exposition, upon which articles

there shall be a tariff or customs duty, shall be admitted without payment of such tariff, customs duty, fees, or charges under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful at any time during or within 3 months after the close of the said exposition to sell within the area of the exposition any articles provided for herein subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury may prescribe: *Provided*, That all such articles, when withdrawn for consumption or use in the United States, shall be subject to the duties, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal; and on such articles, which shall have suffered diminution or deterioration from incidental handling or exposure, the duties, if payable, shall be assessed according to the appraised value at the time of withdrawal from entry hereunder for consumption or entry under the general tariff law: *Provided further*, That imported articles provided for herein shall not be subject to any marking requirements of the general tariff laws except when such articles are withdrawn for consumption or use in the United States, in which case they shall not be released from customs custody until properly marked, but no additional duty shall be assessed because such articles were not sufficiently marked when imported into the United States: *Provided further*, That at any time during or within 3 months after the close of the exposition, any article entered hereunder may be abandoned to the Government or destroyed under customs supervision, whereupon any duties on such article shall be remitted: *Provided further*, That articles which have been admitted without payment of duty for exhibition under any tariff law, and which have remained in continuous customs custody or under a customs exhibition bond, and imported articles in bonded warehouses under the general tariff law may be accorded the privilege of transfer to and entry for exhibition at the said exposition under such regulations as the Secretary of the Treasury shall prescribe: *And provided further*, That the International Petroleum Exposition shall be deemed for customs purposes only, to be the sole consignee of all merchandise imported under the provisions of this act, and that the actual and necessary customs charges for labor, services, and other expenses in connection with the entry, examination, appraisement, release, or custody, together with the necessary charges for salaries of customs officers and employees in connection with the supervision, custody of, and accounting for, articles imported under the provisions of this act, shall be reimbursed by the International Petroleum Exposition to the Government of the United States, under regulations to be prescribed by the Secretary of the Treasury, and that receipts from such reimbursements shall be deposited as refunds to the appropriation from which paid, in the manner provided for in section 524, Tariff Act of 1930.

SEC. 3. That the Government of the United States is not by this act obligated to any expense in connection with the holding of such exposition and is not hereafter to be obligated other than for suitable representation thereat.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELEVENTH INTERNATIONAL CONGRESS FOR THE RHEUMATIC DISEASES

The Clerk called the joint resolution (H. J. Res. 180) to provide that the United States extend to foreign governments invitations to participate in the Eleventh International Congress for the Rheumatic Diseases, to be held in the United States during the calendar year 1940, and to authorize an appropriation to assist in meeting the expenses of the session.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the President is hereby authorized and requested to invite foreign governments to participate in the Eleventh International Congress for the Rheumatic Diseases to be held in New York, N. Y., Philadelphia, Pa., and Boston, Mass., probably from May 26 to June 1, inclusive, 1940, under the auspices of the Ligue Internationale contre le Rhumatisme (the International League Against Rheumatism).

SEC. 2. The sum of $5,000, or so much thereof as may be necessary, is hereby authorized to be appropriated for the expenses of organizing, holding, and publishing the proceedings of the Eleventh International Congress for the Rheumatic Diseases, including expenditures for personal services in the District of Columbia and elsewhere without regard to the Classification Act of 1923, as amended, communication services, stenographic and other services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); travel expenses, local transportation, hire of motor-propelled passenger-carrying vehicles, rent in the District of Columbia and elsewhere, printing and binding, entertainment, official cards, purchase of newspapers and periodicals, necessary books and documents, stationery, membership badges, such expenses as may be actually and necessarily incurred by the Government of the United States by reason of observance of appropriate courtesies in connection therewith, and such other expenses as may be authorized by the Secretary of

With the following committee amendments:

On page 1, line 4, strike out the word "Eleventh" and insert the word "Seventh."

On page 2, line 6, strike out the word "Eleventh" and insert the word "Seventh."

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Seventh International Congress for the Rheumatic Diseases to be held in the United States during the calendar year 1940, and to authorize an appropriation to assist in meeting the expenses of the session."

APPEALS TO CIRCUIT COURTS OF APPEALS

The Clerk called the next bill, H. R. 6071, to permit appeals by the United States to the circuit courts of appeals in certain cases.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved March 2, 1907, entitled "An act providing for writs of error in certain instances in criminal cases" (34 Stat. 1246; U. S. C., title 18, sec. 682), be, and the same is hereby, amended to read as follows:

"That an appeal may be taken by and on behalf of the United States from the district courts direct to the Supreme Court of the United States in all criminal cases in the following instances, to wit:

"From a decision or judgment quashing, setting aside, or sustaining a demurrer or plea in abatement to any indictment or information, or any count thereof, where such decision or judgment is based upon the invalidity or construction of the statute upon which the indictment or information is founded.

"From a decision arresting a judgment of conviction for insufficiency of the indictment or information, where such decision is based upon the invalidity or construction of the statute upon which the indictment or information is founded.

"From the decision or judgment sustaining a special plea in bar, when the defendant has not been put in jeopardy.

"An appeal may be taken by and on behalf of the United States from the district courts to a circuit court of appeals or the United States Court of Appeals for the District of Columbia, as the case may be, in all criminal cases, in the following instances, to wit:

"From a decision or judgment quashing, setting aside, or sustaining a demurrer or plea in abatement to any indictment or information, or any count thereof except where a direct appeal to the Supreme Court of the United States is provided by this act.

"From a decision arresting a judgment of conviction except where a direct appeal to the Supreme Court of the United States is provided by this act.

"The appeal in all such cases shall be taken within 30 days after the decision or judgment has been rendered and shall be diligently prosecuted.

"Pending the prosecution and determination of the appeal in the foregoing instances, the defendant shall be admitted to bail on his own recognizance: *Provided*, That if an appeal shall be taken pursuant to this act to the Supreme Court of the United States which, in the opinion of that Court, should have been taken to a circuit court of appeals, or the United States Court of Appeals for the District of Columbia, the Supreme Court of the United States shall remand the cause to the circuit court of appeals or the United States Court of Appeals for the District of Columbia, as the case may be, which shall then have jurisdiction to hear and determine the same as if the appeal had been taken to that court in the first instance; and if an appeal shall be taken pursuant to this section to any circuit court of appeals or to the United States Court of Appeals for the District of Columbia, which, in the opinion of such court, should have been taken directly to the Supreme Court of the United States, such court shall certify the case to the Supreme Court of the United States, which shall thereupon have jurisdiction to hear and determine the cause to the same extent as if an appeal had been taken directly to that Court."

SEC. 2. That section 128 of the Judicial Code, as amended (U. S. C., title 28, sec. 225), be, and the same is hereby, further amended by adding at the end thereof the following paragraph:

"(f) The circuit courts of appeals, including the United States Court of Appeals for the District of Columbia, are further empowered to review decisions and judgments of the district courts in criminal cases on appeals taken by the United States in cases where such appeals are permitted by law."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FACILITIES FOR THE COAST GUARD

The Clerk called the next bill, S. 1369, to authorize necessary facilities for the Coast Guard in the interest of national defense and the performance of its maritime police functions.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

COMMISSIONED PERSONNEL OF THE COAST GUARD

The Clerk read the next bill, S. 1876, to readjust the commissioned personnel of the Coast Guard, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to readjust the commissioned personnel of the Coast Guard, and for other purposes," approved March 2, 1929 (45 Stat. 1533; U. S. C., title 14, sec. 10), is hereby amended by adding at the end thereof the following paragraph:

"The total number of commissioned officers in the Coast Guard is hereby increased by 154 line officers (exclusive of commissioned warrant officers) and 2 district commanders. Such additional line officers shall be distributed in grades in the same proportion as prescribed by the foregoing provisions of this section: *Provided*, That the total number of vacancies created hereby in each of the grades of captain, commander, lieutenant commander, and lieutenant shall be filled at a rate not exceeding, in any 1 year following the enactment hereof, 20 percent of such total number."

SEC. 2. Section 2 of the act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes," approved January 12, 1923 (42 Stat. 1130; U. S. C., title 14, sec. 12), is hereby amended by changing the second proviso thereof to read as follows: "*Provided further*, That the engineer in chief, while so serving, shall have the rank of a rear admiral and the pay and allowances of a rear admiral (lower half), and hereafter the engineer in chief shall be selected from the active list of engineer officers not below the grades of commander (engineering)."

SEC. 3. Section 1 of the act entitled "An act to increase the efficiency of the personnel of the Revenue Cutter Service," approved April 16, 1908 (35 Stat. 61, as amended; U. S. C., title 14, sec. 11), is hereby amended by adding at the end thereof the following paragraph:

"The President is authorized to appoint in the Coast Guard, by and with the advice and consent of the Senate, one Assistant Commandant who shall serve for a term of 4 years unless sooner relieved by the President. The Assistant Commandant shall be selected from the active list of line officers not below the grade of commander, and such appointment shall not create a vacancy; and the Commandant of the Coast Guard shall make recommendations for the appointment of the Assistant Commandant. The Assistant Commandant shall have the rank of a rear admiral and the pay and allowances of a rear admiral (lower half): *Provided*, That an officer whose terms of service as Assistant Commandant has expired shall take his place on the lineal list in the grade that he would have attained had he not served as Assistant Commandant."

With the following committee amendment:

On page 3, in line 10, strike out the word "terms" and insert the word "term."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAPAGO INDIAN RESERVATION, ARIZ.

The Clerk called the next bill, H. R. 5758, to add certain lands to the Papago Indian Reservation in Arizona.

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Arizona what this bill does?

Mr. MURDOCK of Arizona. This bill provides something over $5,000 to buy 320 acres of land adjoining the Papago Indian Reservation in Arizona, as that piece of land has developed water. The Papago Indians are a stock-raising people and they are in a very dry, desert country. They sadly need this additional water supply.

Mr. RICH. As the gentleman knows, we have appropriated $500,000 in the Interior appropriation bill for the purpose of buying lands for Indians. Why cannot this land be acquired under that act?

Mr. MURDOCK of Arizona. That is a blanket appropriation for Indians all over the country and no doubt has been planned to be spent otherwise. I do not know that the Papago Indians would be entitled to come in or would have a look-in under that act. If I could be assured that the right sum is so earmarked, that would do.

Mr. RICH. It is to buy lands for Indian reservations in every State.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

REPRODUCTION OF OFFICIAL BADGES, ETC.

The Clerk called the bill (S. 1281) to prohibit reproductions of official badges, identification cards, and other insignia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to prohibit the misuse of official insignia," approved on June 29, 1932 (47 Stat. 342; U. S. C., title 18, sec. 76a), be amended to read as follows:

"That hereafter the manufacture, sale, or possession of any badge, identification card, or other insignia, of the design prescribed by the head of any department or independent office of the United States for use by any officer or subordinate thereof, or of any colorable imitation thereof, or the photographing, printing, or in any other manner making or executing any engraving, photograph, print, or impression in the likeness of any such badge, identification card, or other insignia, or of any colorable imitation thereof, is prohibited, except when and as authorized under such regulations as may be prescribed by the head of the department or independent office of which such insignia indicates the wearer is an officer or subordinate."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPENSATION OF JURORS, ETC.

The Clerk called the bill (H. R. 5380) to amend an act approved April 26, 1926, entitled "An act fixing the fees of jurors and witnesses in the United States courts, including the District Court of Hawaii, the District Court of Puerto Rico, and the Supreme Court of the District of Columbia."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act fixing the fees of jurors and witnesses in the United States courts, including the District Court of Hawaii, the District Court of Puerto Rico, and the Supreme Court of the District of Columbia," approved April 26, 1926, be, and the same is hereby, amended by adding at the end thereof the following: "Employees of the Government of the United States in active service, and otherwise qualified according to law, who are called upon to sit on juries shall not be paid for such jury service but their salary shall not be diminished during their term of service by virtue of such service, nor shall such period of service be deducted from any leave of absence authorized by law."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL LAND FOR MILITARY PURPOSES

The Clerk called the bill (H. R. 5735) to authorize the acquisition of additional land for military purposes.

The SPEAKER pro tempore. Is there objection?

Mr. STEFAN. Mr. Speaker, until I receive further information with regard to one item in this bill, I am constrained to object.

LOAD LINES FOR AMERICAN VESSELS

The Clerk called the bill (S. 1583) to amend the act of March 2, 1929 (45 Stat. 1492), entitled "An act to establish load lines for American vessels, and for other purposes."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act of March 2, 1929 (45 Stat. 1492; U. S. C., 1934 ed., title 46, sec. 85), entitled "An act to establish load lines for American vessels, and for other purposes," is amended to read as follows:

"Load lines are hereby established for the following vessels:

"(a) Merchant vessels of 150 gross tons or over, loading at or proceeding to sea from any port or place within the United States or its possessions for a foreign voyage by sea, the Great Lakes excepted.

"(b) Merchant vessels of the United States of 150 gross tons or over, loading at or proceeding to sea from any foreign port or place for a voyage by sea, the Great Lakes excepted."

SEC. 2. That section 8 (c) of the act of March 2, 1929 (45 Stat. 1494; U. S. C., 1934 ed., title 46, sec. 85g (c)), is amended to read as follows:

"If any person shall knowingly permit or cause or attempt to cause any vessel subject to this act and to the regulations established thereunder to depart, or if, being the owner, manager, agent, or master of such vessel, he shall fail to take reasonable care to prevent her from departing from her loading port or place when

loading in violation of section 4, or if any person shall knowingly permit or cause or attempt to cause a foreign vessel exempted pursuant to section 5 to depart, or if, being the owner, manager, agent, or master of such vessel, he shall fail to take reasonable care to prevent her from departing from her loading port or place when loaded more deeply than permitted by the laws and regulations of the country to which she belongs, he shall, in respect of each offense, be liable to the United States in a penalty of $500. The Secretary of Commerce may, in his discretion, remit or mitigate any penalty imposed under this paragraph."

With the following committee amendments:

Page 2, line 6, strike out the word "excepted." " and insert the word "excepted."

Page 2, after line 6, insert a new paragraph, as follows:

"(c) This act shall not apply to merchant vessels that are being towed and which are carrying neither cargo nor passengers."

The committee amendments were agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYING CERTAIN LAND TO STATE OF OREGON

The Clerk called the bill (H. R. 5501) authorizing the Secretary of Commerce to convey a certain tract of land to the State of Oregon for use as a public park and recreational site.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce is authorized and directed to convey by quitclaim deed to the State of Oregon, subject to the condition and the easement specified in section 2 of this act, the following-described tract of land situated in the State of Oregon and now constituting a part of the Umpqua River Lighthouse Reservation, such tract of land being more specifically described as follows: All of the north half southwest quarter section 13 and that portion of the southeast quarter northwest quarter section 13, township 22 south, range 13 west, Willamette meridian, lying easterly of the meanders of the center line of the creek flowing northerly from Lake Marie, containing approximately 110 acres; the conveyance thereof being subject to the payment of a purchase price to be determined by the Procurement Division, Treasury Department: *Provided*, That the total purchase price shall not be less than 50 percent of the appraised value of the land.

SEC. 2. The tract of land authorized to be conveyed by the first section of this act shall be used by the grantee for the purpose of a public park and recreational site and for similar and related purposes. The conveyance of such tract of land shall contain the express condition that if the grantee shall cease to use such tract of land for such purposes, or shall alienate or attempt to alienate such tract of land, or shall fail to perform any contract entered into with the United States for the purchase of the property, title thereto shall revert to the United States for the use of the Lighthouse Service, Department of Commerce, or other agencies of the United States, or for disposal under the act of August 27, 1935 (49 Stat. 885; U. S. C., title 40, sec. 304a), or under the act of August 26, 1935 (49 Stat. 800; U. S. C., title 40, sec. 345b). Such conveyance shall contain appropriate provisions for the purpose of reserving to the United States such rights of ingress and egress over the land conveyed as may be necessary for the maintenance of the light station and other aids to navigation established upon such reservation and as may be necessary for the performance of other governmental activities on such reservation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CREDITING CERTAIN INDIAN TRIBES WITH CERTAIN SUMS

The Clerk called the bill (H. R. 2777) to credit certain Indian tribes with sums heretofore expended from tribal funds on Indian irrigation works.

The SPEAKER pro tempore. Is there objection?

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

CORRECTION OF PINE RIDGE LOST ALLOTMENT CLAIMS

The Clerk called the bill (H. R. 5746) to provide for the correction of the list of approved Pine Ridge lost allotment claims, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to correct the list of 979 Pine Ridge Sioux lost allotment claims, approved December 18, 1936, under the act of May 3, 1928 (45 Stat. 484), by eliminating certain names erroneously placed thereon and the substitution of others in lieu thereof: *Provided*, That the total number of approved claims shall not exceed 979: *And provided further*, That such part of the appropriation authorized by the act of June 29, 1937 (50 Stat. 441), as would have been used to pay those to be eliminated shall be used to pay those to be substituted.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

COAST GUARD RESERVE

The Clerk called the bill (H. R. 5966) to establish a Coast Guard Reserve to be composed of owners of motorboats and yachts.

The SPEAKER pro tempore. Is there objection?

Mr. CHURCH. Mr. Speaker, I reserve the right to object, to suggest an amendment to the gentleman from Virginia [Mr. BLAND], on page 3, line 19, to change the word "with" to the word "without."

Mr. BLAND. Mr. Speaker, the gentleman is correct, and I accept the amendment.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There was no objection, and the Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Coast Guard Reserve Act of 1939."

SEC. 2. In the interest of (a) safety to life at sea and upon the navigable waters, (b) the promotion of efficiency in the operation of motorboats and yachts, (c) a wider knowledge of, and better compliance with, the laws, rules, and regulations governing the operation and navigation of motorboats and yachts, and (d) facilitating certain operations of the Coast Guard, there is hereby established a United States Coast Guard Reserve (hereinafter referred to as the "Reserve") which shall be composed of citizens of the United States and of its Territories and possessions, except the Philippine Islands, who are owners (sole or part) of motorboats or yachts, and who may be enrolled therein pursuant to regulations prescribed under the authority of this act.

SEC. 3. The Reserve shall be a voluntary organization and shall be administered by the Commandant of the Coast Guard (hereinafter referred to as the "Commandant") under the direction of the Secretary of the Treasury, and the Commandant shall, with the approval of the Secretary of the Treasury, prescribe such regulations as may be necessary to effectuate the purposes of this act.

SEC. 4. The Coast Guard is authorized to utilize in the conduct of duties incident to the saving of life and property and in the patrol of marine parades and regattas any motorboat or yacht temporarily placed at its disposition for any of such purposes by any member of the Reserve: *Provided*, That no such motorboat or yacht shall be assigned to any Coast Guard duty unless it is placed in charge of a commissioned officer, chief warrant officer, warrant officer, or petty officer of the Coast Guard during such assignment: *Provided further*, That appropriations for the Coast Guard shall be available for the payment of actual necessary expenses of operation of any such motorboat or yacht when so utilized, but shall not be available for the payment of compensation for personal services, incident to such operation, to other than the personnel of the regular Coast Guard.

SEC. 5. Any motorboat or yacht, while assigned to Coast Guard duty as herein authorized, shall be deemed to be a public vessel of the United States, and, within the meaning of the act of June 15, 1936 (49 Stat. 1514; U. S. C., Supp. IV, title 14, sec. 71), shall be deemed to be a vessel of the United States Coast Guard.

SEC. 6. The Secretary of the Treasury shall prescribe one or more suitable distinguishing flags to be flown from the motorboats and yachts owned by members of the Reserve, and one or more suitable insignias which may be worn by such members. Such flags and insignias shall be furnished by the Coast Guard to members of the Reserve at actual cost, and the proceeds received therefor shall be credited to the appropriation from which paid. Any person who shall, without proper authority, fly from a motorboat, yacht, or other vessels any flag of the Reserve, or wear any insignia of the Reserve, shall, upon conviction thereof, be punished by a fine not exceeding $100.

SEC. 7. No member of the Reserve, solely by reason of such membership, shall be vested with or exercise any right, privilege, power, or duty vested in or imposed upon the personnel of the Coast Guard.

SEC. 8. The services and facilities of the Coast Guard may be employed in the administration and operation of the Reserve; and the appropriations for the Coast Guard shall be available to effectuate the purposes of this act.

With the following committee amendment:

Page 2, line 21, before the words "Coast Guard", insert the word "such."

The committee amendment was agreed to.

Mr. CHURCH. Mr. Speaker, I offer the amendment I suggested.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from Illinois.

The Clerk read as follows:

Amendment offered by Mr. CHURCH: Page 3, line 19, after the word "shall", strike out the word "with" and insert the word "without."

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

RETIREMENT OF ENLISTED PERSONNEL OF COAST GUARD

The Clerk called the next bill, S. 595, to increase further the efficiency of the Coast Guard by authorizing the retirement under certain conditions of enlisted personnel thereof with 20 or more years of service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commandant of the Coast Guard (hereinafter referred to as the "Commandant") shall assemble annually a Coast Guard Enlisted Personnel Board (hereinafter referred to as the "Board"), to be composed of not less than three commissioned officers on the active list of the Coast Guard. It shall be the duty of the Board to recommend for retirement such enlisted men of the Coast Guard, who have 20 or more years of service, whom the Board determines, in its discretion, should be retired from active service. The recommendations of the Board shall be transmitted to the Commandant for final action. If the Commandant shall approve the recommendations of the Board, the enlisted man concerned shall be notified thereof in writing, and any enlisted man who, within 30 days after receipt of such notification, files with the Commandant a written protest of the action taken by the Board in his case, shall not be retired involuntarily under this act unless a subsequent annual Board again determines in its discretion, that such enlisted man should be retired and so recommends, in which case such enlisted man may, upon approval by the Commandant, be retired from active service with retired pay as prescribed by section 5 hereof. At the expiration of 30 days after receipt by an enlisted man of notice as aforesaid, in the event that no such protest is filed by him within the period prescribed, such enlisted man may, upon approval by the Commandant, be retired from service with retired pay as prescribed by section 5 hereof. If the Commandant shall disapprove any recommendation of the Board, the enlisted man concerned shall retain his status in the Coast Guard to the same extent as if his case had not been considered.

SEC. 2. An enlisted man of the Coast Guard who has 20 or more years of service may, upon suitable application to and approval by the Commandant, be retired from active service with retired pay as prescribed by section 5 hereof.

SEC. 3. The total number of enlisted men who may be retired in any one fiscal year under sections 1 and 2 of this act shall not exceed the whole number nearest to 1 percent of the total enlisted force of the Coast Guard on the active list as of January 1 of such year, to be divided in such proportion between retirements under sections 1 and 2 of this act as may be determined by the Commandant.

SEC. 4. The Secretary of the Treasury is authorized to call any enlisted man who has been retired pursuant to this act into active service for such duty as he may be able to perform. While so employed such enlisted man shall receive full pay, allowances, and benefits authorized by law, shall be eligible for promotion, and shall be entitled to the benefits of continuous service for such rank and for such length of time as he is or has been employed in active service, and when relieved of active service shall retain upon the retired list the rank and service held by him at the time of such relief, with pay and such increases as are prescribed in section 5 of this act.

SEC. 5. The annual rate of pay of any enlisted man retired under this act shall be 2½ percent of the sum of his base pay and all permanent additions thereto at the time of his retirement, multiplied by the number of years of his service: *Provided*, That any enlisted man retired under this act who has been cited for extraordinary heroism in line of duty, or whose average marks in conduct during his service in the Coast Guard shall be not less than 97½ percent of the maximum, shall be entitled to have his retired pay increased by an amount equal to 10 percent of the sum of his base pay and all permanent additions thereto at the time of his retirement: *Provided further*, That the retired pay of any enlisted man retired under this act shall not in any case exceed 75 percent of the sum of his base pay and all permanent additions thereto at the time of his retirement: *And provided further*, That the determination of the Secretary of the Treasury as to what constitutes extraordinary heroism for the purpose of this section shall be final and conclusive.

SEC. 6. (a) The provisions of this act shall be supplementary to, but shall not be construed to limit or supersede, existing laws relating to the retirement of enlisted personnel of the Coast Guard.

(b) The Commandant may prescribe such regulations which shall be subject to approval by the Secretary of the Treasury, as may be necessary to carry out the purposes of this act.

With the following committee amendments:

Page 2, line 18, after the word "from", insert the word "active."

Page 3, line 11, after the word "The", strike out "Secretary of the Treasury" and insert "Commandant."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

The SPEAKER pro tempore (Mr. WARREN). At this point the present occupant of the chair will be granted unanimous consent to extend his own remarks in the RECORD.

There was no objection.

Mr. WARREN. Mr. Speaker, I wish to express my deep appreciation to the House for its action in passing this bill by unanimous consent. Three similar bills were introduced in the House by Mr. BARDEN, of North Carolina; Mr. O'LEARY, of New York; and me. It has had widespread interest on both sides of the House, and especially do I desire to thank for their efforts the distinguished chairman of the House Committee on Merchant Marine and Fisheries, Mr. BLAND, of Virginia; Mr. HART, of New Jersey; Mr. GIFFORD, of Massachusetts; Mr. BREWSTER and Mr. OLIVER, of Maine; Mr. CLARK, of North Carolina; Mr. MCMILLAN, of South Carolina; Mr. PACE, of Georgia; and Mr. CALDWELL and Mr. PETERSON, of Florida, as well as others who have shown great interest in this legislation.

In previous sessions of Congress bills seeking the same objective met with the disapproval of the Coast Guard, the Treasury Department, and the Bureau of the Budget. For that reason Mr. BLAND, of Virginia, and I refused to have anything to do with those measures, because we knew it would be futile and we felt that we would be doing the surfmen in the Coast Guard a great disservice by advocating something when there was no chance of it becoming a law. About a year ago we asked the Treasury Department to try to work out a bill that would meet all the objections, and the bill we have just passed is the result of that conference.

There is no finer or nobler service on earth than the Coast Guard. Its long and distinguished record has been filled with brave and heroic acts and it has the respect and admiration of the people of the country. This bill seeks in a small way to give those men who have served as surfmen for as long as 20 years an optional retirement patterned somewhat on the law now in effect concerning the Navy. Its cost for the first 12 years will be nominal, and over a period of 20 years there will actually be a saving over the present system.

I congratulate the surfmen in the Coast Guard over this action of Congress, and, knowing them as I do from a long and close association with them, I know how deeply it is appreciated by them. While the bill does not contain everything that we might desire, it is a forward step and is justly deserved by this fine Service.

CONSENT CALENDAR

BRIDGE OVER MISSOURI RIVER, GARRISON, N. DAK.

The Clerk called the next bill on the Consent Calendar, S. 542, to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.

The SPEAKER pro tempore (Mr. WARREN). Is there objection to the present consideration of the bill?

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, is this a toll bridge or a free bridge? In the absence of an explanation, I will have to object, Mr. Speaker.

Mr. GEHRMANN. Mr. Speaker, will the gentleman withhold his objection?

Mr. SCHAFER of Wisconsin. Yes. I will reserve the objection.

Mr. GEHRMANN. That is only an amendment. The bridge was authorized last year. The two cities will have to agree as to what kind of a bridge it is. No one knows what will be done. It is only an authorization. This simply meets

a new location that the engineers recommended over the bill last year. The authorization was granted last year, but this is a new location which they recommend. It is up to the two cities. It is going to be a free bridge if it is built at all.

Mr. SCHAFER of Wisconsin. Is this bridge going to be a publicly constructed bridge, or are private toll-bridge speculators and racketeers going to get this franchise and make a fortune at the expense of the general public?

Mr. GEHRMANN. No. It will be done by the cities. There is no question about that.

Mr. SCHAFER of Wisconsin. Mr. Speaker, in view of that statement, I will withdraw my objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Garrison, N. Dak., authorized to be built by the State of North Dakota by the act of Congress approved February 10, 1932, and heretofore extended by acts of Congress approved February 14, 1933, June 12, 1934, May 24, 1935, June 5, 1936, and June 16, 1938, are hereby further extended 2 and 4 years, respectively, from June 12, 1938.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE OVER ST. LOUIS RIVER, DULUTH, MINN.-SUPERIOR, WIS.

The Clerk called the next bill, S. 965, to amend the act entitled "An act authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rice's Point in Duluth, Minn., to Superior in Wisconsin," approved June 30, 1938.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rice's Point in Duluth, Minn., to Superior in Wisconsin," approved June 30, 1938, is amended by striking out "to the vicinity of the lower end of Banks Avenue extended to the shore line in Superior, Wis.," and inserting in lieu thereof "to such point in Superior, Wis., as the Harbor Commission of Superior shall designate."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE OVER OHIO RIVER NEAR SHAWNEETOWN, ILL.

The Clerk called the next bill, H. R. 4499, authorizing the county of Gallatin, State of Illinois, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the city of Shawneetown, Gallatin County, Ill., to a point opposite thereto in the county of Union, State of Kentucky.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the Postal Service, and provide for military and other purposes, the county of Gallatin, in the State of Illinois, its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Ohio River at a point suitable to the interests of navigation at or near the city of Shawneetown, Gallatin County, Ill., to a point opposite thereto in Union County, Ky., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

For like purposes said county of Gallatin, its successors and assigns, are hereby authorized to acquire by purchase any and all ferries operating across the said Ohio River within 10 miles on either side of the said bridge and to maintain and operate the same, or abandon the operation thereof, at the discretion of the said county of Gallatin, its successors and assigns, subject to the limitations contained in this act.

SEC. 2. There is hereby conferred upon the county of Gallatin, in the State of Illinois, its successors and assigns, all such rights and powers to enter upon land and to acquire, condemn, occupy, possess, and use real estate and other property in the State of Illinois and the State of Kentucky, including real estate and other property acquired for or devoted to public use or other purposes by the State of Illinois, or the State of Kentucky, or any other governmental or political subdivisions thereof, as may be needed for the location, construction, maintenance, and operation of such bridge and its approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation of private property for public purpose in said States, respectively.

SEC. 3. The said county of Gallatin, in the State of Illinois, its successors and assigns, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, and the cost of the acquisition of any ferries as hereinabove provided, as soon as possible, under reasonable charges, but within a period of not to exceed 40 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 2, line 19, after the word "Illinois", strike out the remainder of the line.

Page 2, line 22, strike out "or the State of Kentucky."

Page 3, line 20, strike out the word "forty" and insert the word "twenty."

Page 3, line 23, after the word "of", strike out the balance of the line 23, all of lines 24 and 25, and on page 4, line 1, strike out the words "maintenance, repair," and insert "tolls. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE OVER RED RIVER NEAR THOMPSON, N. DAK., AND CROOKSTON, MINN.

The Clerk called the next bill, H. R. 5036, authorizing the State Highway Departments of North Dakota and Minnesota and the counties of Grand Forks of North Dakota and Polk of Minnesota to construct, maintain, and operate a free highway bridge across the Red River near Thompson, N. Dak., and Crookston, Minn.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the Postal Service, and provide for military and other purposes, the State highway departments of North Dakota and Minnesota and the counties of Grand Forks of North Dakota and Polk of Minnesota, be, and are hereby, authorized to construct, maintain and operate a free highway bridge and approaches thereto across the Red River, at a point suitable to the interests of navigation, at or near Thompson, N. Dak., and Crookston, Minn., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the State highway departments of North Dakota and Minnesota and the counties of Grand Forks of North Dakota and Polk of Minnesota, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge puposes in the States in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such States, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such States.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE OVER ST. CROIX RIVER NEAR OSCEOLA, WIS.

The Clerk called the next bill, H. R. 5523, authorizing the States of Minnesota and Wisconsin to construct, maintain,

and operate a free highway bridge across the St. Croix River at or near Osceola, Wis., and Chisago County, Minn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the Postal Service, and provide for military and other purposes, the States of Wisconsin and Minnesota be, and are hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the St. Croix River, at a point suitable to the interests of navigation, at or near Osceola in accordance with provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the States of Minnesota and Wisconsin all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXCLUSION FROM UNITED STATES OF PERSONS COVICTED OF DESERTION WHEN UNITED STATES WAS AT WAR

Mr. HARNESS. Mr. Speaker, I ask unanimous consent to return to Calendar No. 156 and I ask for the present consideration of the bill H. R. 6035.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana to return to Calendar No. 156?

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, is this the Bergdoll bill?

Mr. HARNESS. Yes.

Mr. SCHAFER of Wisconsin. I shall not object.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill H. R. 6035?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any person heretofore convicted of desertion from the military or naval forces of the United States, while the United States was at war, and who has heretofore proceeded to any foreign country to escape punishment for such offense, shall be deemed to have voluntarily relinquished and forfeited all rights and privileges of American citizenship as well as the right to become an American citizen, and shall not be readmitted into the United States, either temporarily or permanently, or for any purpose whatsoever.

Mr. WOLCOTT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 1, line 11, after the word "permanently", strike out the word "or."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to return to Calendar Nos. 145 and 146. These bills were objected to by the gentleman from Wisconsin.

The SPEAKER pro tempore. The gentleman can make his request as to only one bill at a time.

The gentleman from South Dakota asks unanimous consent to return to Calendar No. 145. Is there objection?

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, can the gentleman from South Dakota assure the House that members of the committee reporting the bill will thoroughly explain it?

Mr. CASE of South Dakota. I believe they will. I have talked to the chairman of the committee, and I will be glad to yield to the gentleman from Texas [Mr. JONES] at this time.

Mr. RICH. Mr. Speaker, reserving the right to object, is it the intention, if this bill is enacted, to do something to help all the cotton farmers of the South and prohibit the importation of Indian cotton?

Mr. SCHAFER of Wisconsin. If the passage of this legislation will result in the sale of more American cotton and wheat and less foreign cotton and wheat, I shall not object.

Mr. CASE of South Dakota. The gentleman is correct in judging the purpose of the bill. The present Farm Act sets up a formula for determining the annual acreage allotments on cotton and wheat. These two bills seek to establish a floor under which cotton and wheat acreages will not be permitted to go. They seek to protect the farmers against an acreage restriction that might destroy many of them.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I have no particular objection to returning to the bill, but I think, in fairness to the gentleman from South Dakota, I should advise him that I will ask to have the bill passed over without prejudice and not considered on the Consent Calendar because it involves a matter of agricultural policy. I am firmly opposed to the adoption of agricultural policies by unanimous consent. In the next couple of weeks in the ordinary course of events the Committee on Agriculture will have the call on Calendar Wednesday, and I think we should not be put in the position of adopting an agricultural policy by unanimous consent without having some debate on it.

I believe I know the purposes of this act. If I do, I am not so sure but what I am opposed to it. I do not want to prejudice the bill by objecting to it. I do want consideration given to this bill and the next bill under a rule, or under such other circumstances as will afford a hearing to those who might want to discuss it. For this reason I and others have made the same request in respect to all these bills on the calendar today that have to do with agricultural policy—that they be passed over without prejudice.

Mr. JONES of Texas. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. JONES of Texas. I may say to the gentleman from Michigan that these bills would simply continue the provisions that are already effective this year; that is, those minimum limits below which the quota cannot be placed or made effective for 1 year.

Mr. WOLCOTT. I think I understand what the gentleman has in mind.

Mr. JONES of Texas. This would make them permanent as a bottom level, that is all. It does not in any way change the basic nature of the Farm Act. I do not see why there should be any objection to continuing that as a policy. If something like this is not passed a condition might be brought about that would run these quotas so low as to cause great hardship.

Mr. WOLCOTT. I do not agree with the gentleman in that respect. We shall still have control of the situation and to regulate cotton acreage regardless of whether this bill is passed or not. If this be the case, if we are going to be denied any further consideration of this bill other than what can be had in these few minutes, then I will surely object to it to force consideration.

Mr. JONES of Texas. If the gentleman will permit, let me state the reason for having this matter enacted at this session. Congress will probably adjourn sometime this summer. The vote on the cotton program by the farmers is usually had in December, when we are not here. I feel as to both cotton and wheat that it is important that this matter be fixed before we adjourn.

Mr. WOLCOTT. I may say to the gentleman from Texas that many of us who have not perhaps paid too much attention to cotton in years gone by have been giving a great deal of thought to it lately. I would like to take the floor some time to express my own thoughts on cotton, and to express what I believe were the fundamental reasons necessitating these allotments. I think it might be interesting to start a discussion and thresh out this whole thing, because we

surely have not determined the fundamental reason why it is necessary to make these allotments, and I think we should give some study to it.

Mr. JONES of Texas. The passage or failure of passage of these bills will not interfere with the gentleman's right to express his opinion either on this or any other issue connected with agriculture.

Mr. WOLCOTT. The mere fact that we may have made one mistake does not obligate us to continue to make them.

Mr. JONES of Texas. May I say to the gentleman that this does not affect the policy he is talking about except perhaps to make it less burdensome, if it may be termed a burden, on those who go along on the soil-conservation program. It simply puts a limit beyond which the policy may not go; in other words, it softens the policy rather than expands it.

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman from Texas a question?

Mr. JONES of Texas. Certainly.

Mr. RICH. The gentleman seems to feel that we should not agree to do things for the farmers of the United States.

Mr. JONES of Texas. The gentleman is talking. We want to make it possible for the farmers to have an even break in this country.

Mr. RICH. It seems to me the legislation that it was said was necessary to help the farmers of this country in the past few years has not been forthcoming by an act of Congress. As a matter of fact, we have not helped the farmers.

Mr. JONES of Texas. I disagree with the gentleman.

Mr. RICH. How have you helped the cotton farmers when we are permitting the price of cotton to be increased so high we cannot sell it to foreign countries?

Mr. JONES of Texas. We can sell it if we could find somebody that has the money to buy it.

Mr. RICH. But you cannot.

The regular order was demanded.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

Mr. MURRAY. Mr. Speaker, I object.

Mr. CASE of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. CASE of South Dakota. The Chair asked, in answer to my unanimous-consent request, if there was objection. I did not hear any objection.

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. MURRAY] objected to the gentleman's request to return to the bill.

EXTENSION OF REMARKS

Mr. PITTENGER asked and was given permission to extend his own remarks in the RECORD.

Mr. GREEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a memorial of the Florida State Legislature.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida [Mr. GREEN]?

There was no objection.

The SPEAKER pro tempore. Under a previous special order of the House, the gentleman from Illinois [Mr. DIRKSEN] is recognized for 1 hour.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two brief editorials on the Chamber of Commerce convention.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington [Mr. COFFEE]?

There was no objection.

Mr. LEWIS of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address by the Honorable Louis J. Taber, master of the National Grange.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. LEWIS]?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Christian Science Monitor.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. GEYER]?

There was no objection.

COMMITTEE ON CLAIMS

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent that on tomorrow a subcommittee of the Committee on Claims may have permission to sit during the session of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. EBERHARTER]?

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. DIRKSEN] is recognized for 1 hour.

Mr. WARREN. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from North Carolina.

Mr. WARREN. A few days ago the gentleman from Illinois [Mr. DIRKSEN] notified the House and gave me personal notice that he was going to speak today for 1 hour on reorganization plan No. II. I am compelled to attend a very important meeting down at the War Department in a few minutes, and for this reason may I say to the gentleman I am very regretful that I will not hear his very fine speech.

Mr. DIRKSEN. That is very kind of the gentleman.

Mr. WARREN. But may I add one thing? The last time the gentleman spoke he was accorded the unusual privilege by the House to speak for over the customary hour. He delivered, as he always does, a very entertaining and enlightening address. The first 55 minutes of that hour he used in a very fine analysis of the bill, and I think he had all of the Members of the House believing he was going to support the plan. Then in true justice of the peace fashion, in the last 5 minutes he decided in favor of the plaintiff and voted accordingly. I hope, now that the Senate has already acted, the gentleman will certainly approve of plan No. II.

REORGANIZATION PLAN NO. II

Mr. DIRKSEN. Mr. Speaker, gentlemen of the House, you souls of rare fortitude who do me honor to stay here this afternoon while you might be engaged in far more pleasant and felicitous pursuits, let me say at the outset that I do want to discuss the reorganization plan which was approved by the Senate of the United States in a period of about 6 minutes, as nearly as I could estimate by the CONGRESSIONAL RECORD. It is a very clear and patent violation of the rules of the House for anyone to criticize or overtly comment upon the actions of another body. There is, of course, no restriction or inhibition on thinking, so I shall not violate the rules of the House, but I have been doing some thinking since the reorganization plan received approval.

In the course of my remarks I wish to say something this afternoon also on the subject of Argentine beef, because, oddly enough, it figures in very beautifully in connection with reorganization plan No. II.

It is estimated that this plan will save about $1,250,000, and it applies to an aggregate of $25,000,000 in salaries or wages. The President assures us there will be no other plan at this session of Congress. I entertain a sense of regret that this plan was passed so quickly. Certainly it could not have been examined by Members of another body in the space from May 9, when the message came to the Congress, until May 12, when the resolution of disaffirmance was acted on in another body. I have been devoting myself to it for the last 3 or 4 days almost exclusively and thought that it was a rather herculean task. So it is rather interesting to pick up the CONGRESSIONAL RECORD and observe that someone says there, "Of course, everybody is familiar with it." There in the part that is not blocked out as indicated on page 5502

of the CONGRESSIONAL RECORD for May 12 is how the reorganization plan went through another body. You go back and read the RECORD. I had to spend an hour to find it in the RECORD. It indicates pretty well what attention was paid to it by the members of another body.

You cannot pass off these reorganization matters so lightly, as a matter of fact, because there is more than usually meets the eye. I see in this last plan lots of good things, I will say to my distinguished friend from Missouri, who is the able chairman of our committee. I see a number of things that are illogical, and then I see one or two things that, in my judgment, are not in the public interest, and to those I shall address the major portion of my remarks this afternoon.

The first thing I want to call to your attention under the reorganization plan is the transfer of the functions of the Bureau of Foreign and Domestic Commerce in the Department of Commerce to the State Department, also the transfer of the functions of the Agricultural Foreign Service to the State Department. It is rather singular that we should concentrate our foreign-trade activities entirely in that department of government which is charged with the diplomatic negotiations for the country; and the one thing that will result, inevitably result, and it is the reason why, in my judgment, the State Department has been making this drive, is to predicate the considerations of foreign trade upon the ground of diplomacy and international politics. The very first evidence that we have of it is the letter the Secretary of State sent to the President advising him to buy this foreign Argentine beef for the Navy.

There are some exhibits that I can take from the current press to indicate that that is the case. First, let me show you a telegram that must have come to almost every Member, signed by Cathrine Curtis, national director of Women Investors in America, Inc., protesting the fact that this consolidation of cur Foreign Service should be made in the State Department for the very good reason that it is going to mix diplomacy and foreign trade.

We heard a great deal about "dollar diplomacy" some years ago, and I am wondering whether we are going to see a revival of that kind of philosophy, which, in my judgment, is inimical to the best interests of this country; yet how are you going to escape it when all the functions that have been discharged by the Bureau of Foreign and Domestic Commerce are now vested in the Department of State? We have been for years—in fact, for 25 years—building up that arm so we could develop foreign trade, foreign contacts, and marketing undertakings in foreign countries everywhere, and almost overnight, by reorganization plan No. II, all that work is undone. I do not say that Harry Hopkins would do a better job than the Secretary of State, but I am of the opinion, as we evaluate the effect of the reciprocal-trade agreements, that the job could not have been a lot worse in the interest of many lines of endeavor in this country and in the interest of American agriculture. But now all the eggs are in one basket and so diplomacy and international politics shall be mixed up with our efforts to revive and rehabilitate some semblance of substantial foreign trade.

I do not share all the confidence that a great many people have in the trade efficacy of the State Department. In the United States Daily, which appeared this morning on the Members' desks, was this little item to show that all the prescience and all the wisdom is not compounded in the State Department. Under "Washington Whispers," which you can read, you will find this statement:

> Important officials in the State Department are quietly grumbling over what they described as "sensationalized" reports coming to the White House from at least one of this country's Ambassadors in Europe. The dope is that American diplomats have been making some terribly bad guesses and have been caught badly off guard in recent diplomatic maneuvers.

If they have been caught off guard in some of these maneuvers, what assurance have we that they will not be caught off guard in some of the trade maneuvers that are necessary for this country?

Another thing:

> Word is going the inside rounds that American diplomats abroad had a hand in arranging a radio talk by the Duke of Windsor as part of the plan for mobilizing public sentiment against war.

Now, if our State Department officials are out playing with the Duke of Windsor to bring about an international radio speech in the field of international diplomacy, I wonder how safe they will be to be entrusted with all of the foreign trade relations of this country? This question, in my judgment, can be ended with a question mark.

One other item from the United States Daily:

> The word "blackmail" is being used by very responsible and excellently informed Government officials to describe the tactics being employed by a few Latin-American nations to tap the United States Treasury for loans. The technique is said to be to suggest that the loan will be needed to be forthcoming or else concessions will be made to Germany and Italy and Japan. This technique is said to be proving very effective even where past borrowings from this country are in default.

Now, we have made it possible for the State Department, without restriction whatsoever, to employ that kind of technique as they go on pursuing foreign trade for this country. The morning papers have been full of it.

Here is a clipping from the morning Post. There was a dinner at the Willard Hotel last night—I believe it was last night—for the Brazilian Ambassador, and one of the speakers at the dinner was Dr. Maurice S. Sheehy, of a local university, and here is what he is quoted as having said:

> Approving the President's purchase of Argentine beef for the American Navy, Dr. Maurice S. Sheehy, of Catholic University, last night warned that Senate opposition would lead to retaliatory bans by Argentina and drive that country into closer associations with totalitarian nations.

What more proof do we need to show that now there will be an admixture of foreign trade, of diplomacy, of mysticism, of secrecy, of closeted covenants, and of all the things that have been associated with diplomacy, and on that basis the American trade is to be predicated from here on out, as a result of reorganization plan No. 2, that was approved by the Senate in the space of 5 or 6 minutes. They say they knew what was in the plan.

Much more might be said about this matter, but here comes this little incident of Argentine beef that has already been ventilated on the floor this afternoon.

What was the purpose of buying this 48,000 pounds of beef and announcing to the country it was superior and that it was cheaper? Well, when I read that language, I will tell you what I was thinking. I thought of the first Agricultural Adjustment Act in 1933, and I see my friend ANDRESEN, of the House Committee on Agriculture, smile with his eyes over there. I thought of the first effort that was made to raise the price of farm commodities. I thought of dollar devaluation, taking grains of gold out of the dollar so as to make dollars cheaper in order to make prices higher. I thought of the marketing agreements. I thought of all the efforts that had been made, even including the purchase with relief funds of millions of cattle from the drought-stricken areas of the West. I thought of a sustained and consistent program designed to aid and assist the farmers of this country to build up prices, and then I see the ultimate results thrown into the discard when the President of the United States says that we ought to buy 48,000 pounds of beef from the Argentine to satisfy the delicate stomachs of the gobs, because it is cheaper. I wonder what the reaction of the American farmer will be to this? What difference does it make whether it embraces 48,000 pounds or 6,000 pounds or 48,000,000 pounds? The principle is just the same, and the power is now vested in the diplomatic branch of the Government to carry on its efforts to prevent the totalitarian nations from getting into South America, and so we might be buying more beef, we might be buying more oil, and a peculiar kind of nut they produce in South America out of which oleo oil is extracted.

All of these things are within the realm of possibility. I would not be surprised one of these days if they might not

conceivably say that we ought to take care of our delicate sailors on the high seas by providing Swiss cheese that comes from Switzerland on the ground that it is cheaper and allegedly better.

And while we are about it, we may as well see that the sailors get Canadian cream in their coffee in the morning upon the theory that it is cheaper, and also that we buy butter from Denmark and New Zealand because it is certainly cheaper. There is the logical and ultimate result of the thing that the President has produced for the country and that the Senate has seen fit not to disavow under reorganization plan No. II. Under that reorganization plan, foreign commerce will be directed now, not from the Department of Commerce, not by the Foreign Service Department of the Department of Agriculture, but by the diplomatic branch of the Government; and so we must reconcile ourselves now to an admixture of diplomacy and butter and beans and bacon and wheat and coffee and all the rest of it, which, in my judgment, is not in the interest of business, agriculture, and the labor of the United States of America.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. GIFFORD. I take this moment—and it is opportune—to congratulate the speaker and to thank him on my own part as a member of the Reorganization Committee, for his willingness and enthusiastic effort, even though it was futile. I wish to ask the gentleman one or two questions. Has the gentleman found out yet who the wise men were who advised the President and suggested those changes embodied in reorganization plan No. II, or even reorganization plan No. I?

Mr. DIRKSEN. I think they were the spat-wearing, tea-drinking alumni of Harvard and Yale who man the State Department, as suggested by Paul Mallon. Mr. Mallon further says:

> Transfer of the Foreign Commerce Bureau to the State Department was especially disheartening to morale. The State Department is regarded as the post graduate frat house for Harvard and Yale—and only the best frats at that. In the Foreign Commerce Bureau are non-spat-wearing, non-tea-drinking business students interested in commerce. Assistant Commerce Secretary Patterson once called them "shirt-sleeve workers" with an implied comparison that was obvious.

Somebody has been pushing it to identify our trade relations with the diplomatic branch of the Government, and now the interests of the American businessman are liable to be sidetracked and sacrificed if they stand in the way of the foreign policy that this country is going to pursue with respect to South America and other foreign nations. I am rather interested to know what the real pressure was behind it.

Mr. GIFFORD. I am also interested to know that. I can recall how for 15 years or something like that in this House—for several years at least—we fought to have this Commerce Department have businessmen in foreign countries soliciting trade. Now they are to be thrown among the spat-wearing, tea-drinking—oh, I wish I could think of the word that I wish to employ; but it is simply poisonous to try to mix these things. We tried so long and so hard to create a businesslike administration. Who advises the President to do this?

Mr. DIRKSEN. In that connection let me read this other paragraph from Mr. Mellon. He says:

> Also businessmen have less confidence in diplomats than in commercial attachés. When the rule requiring them to communicate through the State Department was abandoned in 1937, correspondents picked up 200 percent in the month following.

They got out from under the rule of the State Department with respect to secrecy and closeted negotiations, with the mystery that surrounds it, and as a result, in a single month after that, correspondence on foreign trade and foreign business picked up by 200 percent. The gentleman has his answer, but it is too late to present it now. I add my feeble voice just like Ishmael shouted in the wilderness centuries ago, because the damage has been done. We have conferred upon the gentleman in the White House and the gentlemen who man the Department of State unrestricted authority to tell the American businessman what is going to happen in the field of foreign commerce.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. AUGUST H. ANDRESEN. The State Department, with the President, has exclusive right to negotiate reciprocal-trade agreements, and we will now find, as a result of the beef incident, that that is just a foundation for an agreement with Argentina to further cut the duty on beef and other competitive farm commodities, so that those countries who enjoy the benefit of that reduction can ship things into this country.

Mr. DIRKSEN. Precisely. If the Secretary of State believes that best subserves the good-neighbor policy, that is what will be done. There can be no mistake about it in the light of past experience. That is what we are up against.

Mr. AUGUST H. ANDRESEN. Another observation: The Department of Commerce in the Bureau of Foreign Commerce has provided Members of Congress and the country with certain statistics and figures on exports and imports into this country.

I assume that particular activity will be turned over to the State Department. What confidence does the gentleman think we might have in these figures after that transfer takes place?

Mr. DIRKSEN. Well, that is a matter for every gentleman in the House to decide for himself. But let me make this observation before I yield to the gentlewoman from Massachusetts: When they put the skids under George Peek, who was first Administrator of the Agricultural Adjustment Act—and they put the skids under him, make no mistake about it—he finally wound up as chief adviser on foreign trade to the President of the United States. George Peek is a man of vigor. He is a man of discernment. He was a very outstanding businessman. So he threw himself, heart and soul, into the job of devising authentic figures on foreign trade. He went at it with a vengeance and submitted his report. Do you know what else he submitted along with it? A recommendation, as chief adviser on foreign trade, that foreign trade and diplomacy should be divorced, and kept divorced. As a result there was introduced in the Senate by the late lamented Senator James Hamilton Lewis the bill S. 3464 in August 1935. That bill was designed to create a foreign trade board, and for other purposes. In this bill there is a recital "to provide for separate, unified administration of foreign commercial and financial activities of the United States as distinguished from diplomatic and political activities thereof."

George Peek, after a long and detailed investigation, saw the danger. He recommended it to Senator Lewis. That bill was introduced. Nothing was done. It was sidetracked, and today it is all concentrated now in that branch that carries on the diplomacy and international politics of this country, and our foreign trade must accept a position that is subordinate to diplomacy. What a tragic commentary upon reorganization plan No. II.

I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I do not know whether the gentleman was on the floor when I stated yesterday that I had heard from very reliable sources that the trade work that was done by some of the consuls had been taken away from them. Everyone knows that in some places there have been no commercial attachés and in those places our consuls have carried on the trade for this country, trying to sell our goods to foreign countries. That work has been taken away from those consuls and given to the diplomats, the reason being that the diplomats handle the reciprocal-trade agreements. I know the gentleman will agree with me that there is small chance in this reorganization plan, under this administration, of our merchants, our farmers, and our people selling their goods to foreign countries.

Mr. DIRKSEN. How much better it would have been if those activities had been reposed in the Department of Commerce, and they had been given extra authority in order to revive and revitalize our foreign trade. The long-headed

British and the long-headed businessmen even in Germany do not make that mistake. For instance, this came from the newspaper this morning:

Anglo-Nazi talk on trade will ease tension.
The projected talks date back to the March meeting at Dusseldorf between representatives of the faction of British industries and its German equivalent, Reichsgruppe Industrie.

They do not even care if there is a crisis over there. Oh, no. They never lose sight of trade; they never let diplomacy get mixed up with trade. The long-headed British traders, the German businessmen, even when at each other's throats, do not make that mistake. But now we put our foreign trade in the department of diplomacy, in the field of international politics. Perish the thought!

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. KNUTSON. Of course, if cookie pushing and trade pushing were synonymous, then it would be perfectly proper to transfer the trade activities over to the diplomats. But a man cannot be putting in his time at pushing cookies and passing tea and expect to promote agreements and commerce.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield at that point?

Mr. DIRKSEN. I yield.

Mr. CASE of South Dakota. I wonder if the gentleman would not like to have a sentence from Washington's Farewell Address at this point, where he said:

The great rule of conduct for us in regard to foreign nations is in extending our commercial relations, have with them as little political connections as possible."

Mr. DIRKSEN. That is right.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CRAWFORD. I want to submit this question from the standpoint of practical application of the Argentine beef proposition: If you were running a retail grocery store in some city that was very, very friendly to President Roosevelt and his policies, and where you know that your customers are just as friendly as you are, would you not be inclined to capitalize on this particular incident by glorifying what the President had said, putting advertisements up in the windows and on the counters to the effect that "Argentine beef is the best beef in the world. It is recommended by the President of the United States."

Mr. DIRKSEN. What could be sweeter as an advertisement, I would say.

Mr. CRAWFORD. And therefore not only sell beef to the Navy and the Army, but put it into the homes of the people who are on relief and all such places as that. Why not turn all business over to the foreign countries? What do we want any in this country for?

Mr. DIRKSEN. Now, I must get through with this. I will yield later if the gentleman desires.

There are some items here on which I do not have to spend much time. For instance, the transfer of Foreign Service Building Commission to the State Department. Quite all right. It was under the Department of the Secretary of State always. It has to do with keeping in repair our consular and diplomatic properties in foreign countries, and that is all right.

Transferring the Bureau of Lighthouses from Commerce to the Treasury. Rather singular. You know sometimes the President gets a little obscure in his reasoning. For instance, in this report No. II he transferred the Inland Waterways Corporation to the Department of Commerce on the ground that it was an aid to coordination of transportation. To me the Bureau of Lighthouses is certainly an aid to transportation. I ask, therefore, why it should have been transferred to the Treasury Department in the light of that statement? But I do not quarrel about it particularly, nor with the abolition of the Director General of Railroads.

Is it not rather amazing that we are just winding up the Government operation of railroads that was undertaken on the 26th of December 1917? It will soon be 22 years since Uncle Sam took over the railroads. The War Finance Corporation that we set up to help finance the railroads was the R. F. C. of wartime. We have been all this time seeking to liquidate the claims and settle the disputes. Part of the files are down in the Commerce Department, some are in the General Accounting Office. The personnel files are over in the Civil Service Commission, and other files are down in the Budget Bureau. So, after 22 years, we are just beginning to wind up a governmental agency that includes the Director General of Railroads and the War Finance Corporation that should have been wound up a long time ago.

Federal Prison Industries Board should be in the Department of Justice. Nobody quarrels with that.

National Training School for Boys: I have one regret about that. It is that the board of trustees should have been abolished, including the consulting trustees. This training school, where they commit wayward boys, should be administered by the Prisons Bureau under the Department of Justice. That is the place for it. The consulting trustees of the National Training School for Boys, however, are our good colleague the gentleman from Oklahoma [Mr. MASSINGALE] and the Senator from Massachusetts [Mr. LODGE]. As I read the language, the consulting trustees are also abolished. I hate to see my friend from Oklahoma, SAM MASSINGALE, abolished—I do not know whether he is here or not this afternoon—but then I am afraid he voted for the reorganization bill, so he cannot kick on being abolished at this point.

Then there is the Codification Board. There is no reason why Congress ever should have created a separate board for this purpose. It consists of three from the Department of Justice and three from the National Archives. This is turned over to Archives, where it belongs. Then there is the Coal Commission. We have heard it bandied around the Chamber that no tears were shed about the abolition of the Coal Commission, and this is true. It was a political stamping ground. At the last session of Congress I put figures in the RECORD showing how many jobs went to Kentucky, to West Virginia, to Pennsylvania, and some of the other favored States. Not even the distinguished gentleman from Pennsylvania, who was supposed to have an abiding interest in the Coal Commission, could find occasion to weep a tear over its abolition; but while we are finding comfort in its abolition, Mr. Speaker, let me show you how the will of Congress in one respect has been beautifully abolished. When we set up the Coal Commission and passed the National Coal Act in 1937 I voted for it. I voted for the first act in 1935. When that bill was under consideration on the floor we set great store in preserving the independence of the consumers' counsel. He is the gentleman who is separately appointed by the President. He has authority under section 2 of the act to appoint his own employees, and we vested him with authority to sit at every hearing of the Coal Commission and to file protests; and we gave him authority by legal certificate to secure information from the Coal Commission.

When the Commission was set up the President of the United States appointed a good two-fisted independent to be consumers' counsel. It was John Carson, of Michigan, secretary to former Senator Couzens, and I say to you that he was an independent of independents. He served notice on the Commission to give him some information and they refused to do so. He went to the Attorney General and proposed to file suit against the Coal Commission or bring that kind of action that would mandamus them and get the information he wanted in the interests of the coal consumers of this country. I indicted the Coal Commission on the floor of this House on their own testimony before the Appropriations Committee last year. They brought a Budget—gentlemen, you can believe it or not—they testified that 2 days before they came before the committee they had not even seen the figures in the Budget. Fancy that sort of business! So they indicted themselves, I did not indict them. Then we got John Carson's testimony dealing with his difficulties in the Coal Commission. Now, Mr. Speaker, the Commission is abolished, the functions are abolished, the functions

are now vested in the Secretary of the Interior. The reorganization plan did not wipe out the Coal Act. Make no mistake about that. It is still on the books; the district boards will still be on the books, the need for a coal structure and a price structure is still there, and the Secretary of the Interior is going to make the set-up in order to effectuate the purposes of the act; but the reorganization plan says also that the consumers' counsel is abolished, and his functions are vested in the Solicitor of the Department of the Interior under the direction of the Secretary. You have done what?

The President of the United States has merged and destroyed the independence of the consumers' counsel, because they are all under the direction of the Secretary of the Interior under this plan, and unless I miss my guess, Mr. Speaker, you are going to hear a great deal more about this before the reorganization plan and its effects are put in moth balls.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RANDOLPH. Will the gentleman, who has studied this question carefully, tell us what, in his opinion, will be the number of jobs which will be taken away from the Coal Commission? Will it be limited to six of the seven members of the Commission who have been operating, or will it go into the whole structure of the Coal Commission?

Mr. DIRKSEN. The seven Commissioners will be abolished, likewise the consumers' counsel. All the attorneyships down there have been abolished. The jobs of all the other 1,200 people in the Coal Commission have been abolished; all the juicy patronage jobs have been abolished, because they are parts of the Commission.

If you ask me what the Secretary is going to do, I do not pretend to know, but I will say that the coal industry will know it has a boss when the Secretary of the Interior gets to working on it. Make no mistake about that. It will have a real boss. I regret that the independence of the consumers' counsel had to be destroyed. You never saw any intimation of it in another body or any comment in the press as to the effect, so far as the consumers' counsel is concerned. So much for the Coal Commission.

There is a Bureau of Insular Affairs. I want to leave one thought with you on that. It is merged with the Division of Territories over in the Department of the Interior. That is all right. But I express this interest as to the future. As we know the act that we passed giving independence to the Philippines in 1946, if it becomes effective will make the Philippine problem purely a defense problem. We will have no more actual territorial administration than will be necessary, and most of the work of the Bureau of Insular Affairs deals with the Philippines. So I am wondering if in 1946 when independence may become an actuality it will be transferred back to the War Department.

Then there is the Bureau of Fisheries which is transferred over to the Department of the Interior from the Department of Agriculture or from the Congress, which I think is perfectly all right. It is in the interest of conservation and that is where it belongs.

I come now to the Bureau of Biological Survey. There is a lot of kick about taking that out of the Department of Agriculture. I have no complaint about that because if it is a conservation agency it will probably be all right to have it over in the Department of the Interior.

The next is the Mount Rushmore Memorial Commission, which is supervising the carving of the four huge heads in that granite mountain up in South Dakota. Their accounting has certainly been bad in the past and not what it ought to have been. We have had great difficulty in getting the whole story at times and I think it is in the public interest to transfer it where the President did transfer it, that is, to the National Park Service.

Then there is the Inland Waterways Corporation, which is the result of the Transportation Act of 1920 when the Secretary of War was empowered to promote waterway transportation in this country. In 1924 this Corporation was set up. I agree that it belongs in the Department of Commerce. Probably that is a good move. But there is one thing that caught my fancy there. It has a subsidiary corporation known as the Warrior Terminal Line, which operates an 18-mile railroad down at Birmingham, Ala. I do not see anything in the reorganization message providing for the disposition of the Warrior Line; yet all of the capital stock of the Warrior is held by the Inland Waterways Corporation. It may be an oversight on my part. Maybe it did not come to my attention. For aught I know it might have been abolished long ago and put out of existence. I bring this to your attention because it came to my attention in the course of an examination of this matter.

Then there is rural electrification. I do not see my friend from Mississippi on the floor this afternoon. May I say with respect to transferring rural electrification to the Department of Agriculture that if the transfer of the Farm Credit Adminstration and the Federal Farm Mortgage Corporation to the Secretary of Agriculture was all right, then this is all right; but in my first observations on plan No. I, I did not concur in that transfer. I do not see why the Secretary of Agriculture has to be encumbered with every function, even though it may be remotely incident to rural activities. A far better place for rural electrification would have been to consolidate it with the Federal Power Commission or put it under the Federal Loan Agency, where they put Electric Home and Farm Authority under the first reorganization plan. I believe that would have been a far more logical place for this particular institution.

Now I want to get to something which, in my opinion, is not in the public interest. I refer to the preservation of functions of the National Emergency Council, which, in my judgment—and I say this without qualification—is the biggest piece of fakery in the Government establishment today I talked here 3 or 4 weeks ago with two men who were State directors of the National Emergency Council, and they would bear out my statement if free to talk.

It was set up by Executive order in 1933. For some singular reason the President decided it ought to be abolished. So he entered an order abolishing it as of the 16th of September 1937. Later he amended the order and said it shall continue in existence until the 30th of June 1938, unless sooner abolished. I wonder what made him change his mind? First, he says, "We will put it out of business," and signed the order, issuing it from the White House; then suddenly he changes his mind and decides it ought to be retained. So it was retained.

In the Emergency Relief Act of last year we gave it life until the 30th of June 1939. Now, when the Relief Act for this year comes on the floor in a couple of months there will be a provision in that act to give the National Emergency Council another lease on life until the 30th of June 1940. Make no mistake about that. It will be there. I can tell you right now it is going to be there because the President, in his special relief message of the 27th of April, said he wanted legislation to continue it, and he wants one and one-half million dollars for the next fiscal year for the National Emergency Council.

What do they do? What kind of business do they perform? Let us take a look. I read all the testimony of the former executive director when he appeared before the Appropriations Committee last year. The first thing they do is to act as an information office. For whom? For radio commentators, newspapers, magazines—for anybody. That is his language when he testified before the committee. What else? They run a press intelligence service. How many people are employed? Forty-five. How much money is expended? Over $62,000 a year. What do they do? They take from six to eight thousand clippings a day. They wear calluses on their fingers from using the shears. Clipping what? They clip over 400 newspapers daily. What happens? They get out a bulletin—a clipping bulletin. It goes to the head of every department in the Government every day.

What else do they do? They get out a magazine abstract. They abstract all the choice editorials and expository articles in the magazines everywhere, put them in a bulletin, and this

bulletin goes to the desks of all the leaders in the administration.

What else do they do? As the former Director testified:

We are here to answer questions for anybody who comes to Washington, including governors, mayors, and officials.

Oh, yes. It is very essential, in his language, that they get accurate information from the right source. Yes; he measures his language when he talks.

What else? They have a State director in every State in the Union, and in some cases these State directors hold two jobs. In Texas the W. P. A. administrator is also the State director of the N. E. C. In South Carolina the W. P. A. administrator is also the director of the N. E. C. In still another State the Federal Housing administrator for that region is the director of the N. E. C. There are 112 jobs in this agency paying in excess of $4,000. There are 19 jobs paying over $8,000 a year. Yes; some fat plums there, if you please.

What do these State directors do? They contact the legislatures. As the Director testified over there, they have to get the legislatures to consider enabling legislation to conform with what is going on in Washington. He said, among other things, that they had over 267 bills that were pending in the legislatures of the 48 States that should enable those States to get into line with the operations of the Federal Government. Yes, domination from Washington, if you please.

The N. E. C. had $875,000 last year. How much for this next year? One million five hundred thousand dollars. That is what the President asked for in his supplementary message of April 27. Are there going to be twice as many newspapers to clip? Are they going to publish twice as many newspapers? Are there going to be twice as many magazines to abstract? What is the purpose of all this? You know what it is. It has put in the hands of the White House, where this activity has been transferred, the greatest political instrumentality this country has ever seen, and how beautifully it works.

Mr. Lowell Mellett, a man of ability, a man of capacity, one of the outstanding men for Scripps-Howard, is going to operate that end of the show. He is going to be one of the assistants, I understand, who, in the language of my friend the gentleman from Missouri [Mr. SHORT], have a passion for anonymity. Yes, Lowell Mellett is probably going to get that job and will be the director of the functions of N. E. C. How beautiful it will be. First of all, you put out hand-outs from the White House. You put out canned phonograph records. Yes; no mistake about that. You saw what appeared in the press the other day, did you not? This is from the Washington Times of May 9:

In an electrically transcribed address which N. E. C. distributed to 150 local radio stations, the President charged that in some communities radio broadcasts were the only medium through which citizens could obtain factual and accurate information on their Government.

One of the N. E. C. jobs will be to send out these canned broadcasts from the White House to the little radio stations—to offset what? The fact that maybe they feel they are not getting a square deal in the newspapers. That is what part of the $1,500,000 is going to be used for; and what a grand set-up it will be. Broadcasts go out, hand-outs go out, and then what?

Well, they have to find out what the public puke is. When you send up a trial balloon you have to get the reaction. Where do they get the reactions? The clipping bureau, the magazine abstracts. Oh, yes; it is a two-way operation. You test out public sentiment, then you get that great swing of reaction and so right into the White House it goes, not into the National Emergency Council. That is abolished. All the functions have been merged in the Executive Office of the White House. And we are going to pay the bill. The taxpayers are going to pay the bill to the extent of $1,500,000 for the greatest political contrivance this country has ever seen. I do not asperse the President one bit when I say that. I am just giving you the fact as illustrated and demonstrated by all the evidence that has come to hand.

If you want to go further with your interpretation, you can. A certain distinguished Cabinet member has gone on a swing through the country. I do not know what for and nobody knows definitely about that. But here is the one-man N. E. C. Oh, that is the way to let anybody down in 1940 who is not agreeable to the man who presides over the destinies of the New Deal. They have given it to him here in the N. E. C., and he is going to use it. So he is going to offset those aspirants who are nurturing closeted thoughts as to what lies ahead in 1940; whether they be members of the Cabinet or whether they be presiding over some little dynasty far out in the Pacific, it does not make any difference. The President of the United States now has the N. E. C. vested officially in him by reorganization plan No. II, to be implemented by $1,500,000 of good public funds.

When the relief bill comes on this floor in a couple of weeks or months, or whenever it is, the provision will be in there to extend the life of these functions until 1940. If there is any strength and any breadth left in this body, I will be on this floor in an effort to strike it from the bill and to do my best to stop it as an outrage upon the American people and the American taxpayers. [Applause.] Fancy the Republican Party coming up here and saying to the Congress, "Now, we have an office down on Jackson Place and we have 45 people working down there. What we want is $1,500,000 or $2,000,000 to run it until 1940."

There is just as much logic in that request as there is in keeping the functions of the N. E. C. alive under a very distinguished editor who is going to use it, as I see it, for political purposes; and to bear this out, here is a page from the testimony on the Emergency Relief Appropriation Act of 1938.

Listen to this; this is good.

The gentleman from Massachusetts, Mr. WIGGLESWORTH, in questioning the Executive Director of the N. E. C., asked:

What is there in the picture to make you ask for $1,000,000 for next year?

The Executive Director replied:

The first half of the fiscal year 1938 and the fiscal year 1939 are not comparable. So far as fiscal years are concerned, that period is comparable with 1936, because of the fact that the demands for information during an election year are tremendous as compared with the demands in an off year.

[Laughter and applause.]

That was the Executive Director of the N. E. C. testifying before the Committee on Appropriations—"the demands in an election year are so much greater in comparison with an off year."

Mr. Speaker, there is the story on reorganization plan No. II. And now, if there are any questions, I shall be pleased to yield.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Missouri.

Mr. SHORT. I infer from what the gentleman has said that the N. E. C. is a purely propaganda agency.

Mr. DIRKSEN. There is no question about that.

Mr. SHORT. And its only function is to extol the virtues of the New Deal. Of course, it is necessary to continue the emergency in order to continue the New Deal, because it was founded upon emergency and continues to feed and fatten on emergency.

Mr. DIRKSEN. Oh, I will say to my friend from Missouri, life is just one crisis after another. [Laughter.]

Mr. SHORT. And I would like to say this to the gentleman, if he will permit, I think the Members would do well to bear in mind that Mr. Mussolini rose to power through his newspaper in Milano and Mr. Hitler has gained supreme power through Joseph Goebbels and his propaganda assistants. I do not want to charge that the man in the White House aspires to become a dictator, but I do want to point out that all dictators have risen to the zenith of their power through such propaganda agencies as the N. E. C., which the gentleman has so ably described.

Mr. DIRKSEN. It is the first and the most necessary instrumentality.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MICHENER. I do not quite agree with the gentleman from Missouri [Mr. SHORT] when he says that the New Deal has prospered and grown fat on this propaganda. I do not think it has grown fat, I do not think it has prospered, but I do think that what the gentleman really means is that it continues to live and maintain life, even though it is growing weaker, by virtue of these agencies. [Laughter and applause.]

Mr. SHORT. I accept the correction of my friend from Michigan. [Laughter.]

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to my colleague on the committee.

Mr. GIFFORD. I think the gentleman has possibly aroused in the hearts of some of us a little fear that reorganization plan No. II is not so good after all. But I want to ask the gentleman if he can visualize, in the event hearings had been held, whom we could have summoned to appear before the committee to give us information.

Mr. DIRKSEN. Well, we might have summoned the new Executive Director of the N. E. C. functions, but he probably would have said, "Well, I just do not know a thing about it." We might have summoned some of the department heads, but do you not know that they were cautioned that they must not talk to us relative to any reorganization plan.

Mr. GIFFORD. And the gentleman cannot possibly tell us who advised the President about this matter?

Mr. DIRKSEN. Oh, I have some thoughts on the subject, but I would not want to do anybody an injustice by having their names appear in print unless I was reasonably sure.

Mr. GIFFORD. It would, perhaps be doing an injustice.

Mr. DIRKSEN. Yes.

Mr. GIFFORD. I wish the gentleman would bring out, however, if he has the time, whether the Bureau of Lighthouses and the Coast Guard are going to be merged or fused or are they still to be kept separate with one man over them with assistants who know nothing about it.

Mr. DIRKSEN. They are all going to be consolidated in the Coast Guard. That is my understanding from my reading of the language of the reorganization proposal, and to me it is rather singular that the President says in his message that he puts the Inland Waterways Corporation in the Commerce Department because it is a part of the transportation system and he wants to coordinate such activities there. Well, what in the name of Heaven is the Bureau of Lighthouses except an aid to water-borne commerce in the country, both along the coast and in the larger lakes regions.

Mr. GIFFORD. I want to remind the gentleman that I feel, as I am sure many others here feel, we have had no opportunity to find out about how they are going to fuse these agencies or what they are going to do.

Mr. DIRKSEN. My good colleague on the committee will recall that we were reproached somewhat for having rushed in a disavowal program when the first bill came along; but this plan came up on the 9th of May, and the very day it came up a disavowal resolution was introduced by the Senator from South Carolina, and they disposed of it in 5 minutes on the 12th day of May, ostensibly on the theory that all the great and learned legislators are presumed to know everything that was in it.

Mr. GIFFORD. I want to remark here that for 2 long years I was on that committee before the gentleman came on the committee.

Mr. DIRKSEN. Yes.

Mr. GIFFORD. And we listened day in and day out and could get no information whatever as to what would be the effect if we created the sort of house they desired. They wanted a 12-room house, and at no time could we get anybody to say what they would put in the various rooms. We finally had to say that we would not build those rooms until they had at least some things to put in them, and lost our interest and enthusiasm. It was this gentleman from Illinois [Mr. DIRKSEN] who came in toward the end from the Committee on Appropriations, who has finally aroused in himself the enthusiasm and ability to tell you something. I could not.

Mr. DIRKSEN. I thank the gentleman.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. HINSHAW. Do I understand the gentleman from Illinois to also intimate that if the N. E. C. were not in existence, these people would necessarily have to be hired by the Democratic National Committee?

Mr. DIRKSEN. I have heard that intimation.

Mr. HINSHAW. And I have heard it intimated also that the birthday balls were being run by the N. E. C.

Mr. DIRKSEN. That has been stated. It is a most interesting development.

Mr. TAYLOR of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. TAYLOR of Tennessee. Getting back to the Argentine incident, it seems to me that the most reprehensible thing about that transaction was the statement of the President that that foreign beef is superior to the American beef.

Mr. DIRKSEN. Exactly.

Mr. TAYLOR of Tennessee. I would like to know if the gentleman knows by what process the President arrived at that conclusion?

Mr. DIRKSEN. I have not the slightest idea, but the thing that has been going through my mind is that the American people have been eating this American beef and have found it palatable and wholesome, and I wonder why we must put the "gobs" of the Navy in a separate class and pamper dainty stomachs, and if that is the fact, let us find dainty food in other corners of the earth, to see that their nautical energies are preserved.

Mr. TAYLOR of Tennessee. No doubt the gentleman from Illinois is aware of the fact that in 1937 we imported over 41,000,000 pounds of canned corned beef into this country and that last year we imported more than 78,000,000 pounds of canned corned beef, and at the present time more than 90 percent of all of the canned corned beef consumed in this country is being imported in direct competition with the American producer.

Mr. DIRKSEN. Paying direct and indirect benefits to help farm commodities, and then letting in these products in competition reminds me of the man who got caught in a mudhole with his automobile down near Atlanta some years ago. A farmer came out with his boy and a team and helped him get the machine out of the mudhole and at the end of that time he said, "How much?" The farmed said, "$3." The automobile man then asked the farmer whether he pulled lots of people out of this mudhole, and the farmer said, "Oh, yes; 12 or 15 every day." Then the man said, "And do you also pull them out at night?" And the reply was "No," because at night the boy and himself were too busy filling the hole up with water again, and that is the way this program seems to work.

Permit me a final note by way of recapitulation. Of many things in the reorganization plan No. II every Member will heartily approve, even though they give no hint of substantial economies. One or two proposals seem a bit illogical, such as transfer of Lighthouses to the Treasury and Rural Electrification to the Department of Agriculture. However, these do not adversely affect the public interest very seriously and their transfer to these various departments is a matter of opinion. I have no quarrel with these.

But I deem it necessary to assert and reassert my opposition to the transfer of our foreign-trade functions to the Department of State. It would have been better to have transferred the functions incident to foreign trade and the negotiation of reciprocal-trade agreements to the Department of Commerce and kept them entirely free from diplomacy and international politics. Finally, the President could have done infinitely better by abolishing the N. E. C. and then

requesting a modest appropriation for the actual work of coordination that it might undertake instead of converting it into a propaganda agency.

The SPEAKER pro tempore (Mr. ALLEN of Pennsylvania). The time of the gentleman from Illinois has expired.

LEAVE TO ADDRESS THE HOUSE

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent that at the conclusion of the next special order I be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Under previous order, the Chair recognizes the gentleman from Texas [Mr. PATMAN] for 20 minutes.

HOW IDLE GOLD SHOULD BE USED

Mr. PATMAN. Mr. Speaker, the reason I have asked for this time is to discuss the gold that is owned by the United States Government. Under a law that was passed by Congress, the title to all gold in the United States is in the United States Government. That gold is in the mountains of Kentucky, and it amounts to $15,855,697,899.86 as of May 10, 1939. When William Jennings Bryan was running for President back in 1896, he advocated the issuance of a certain kind of money. He was told by the best-informed bankers in America and in the world at that time that the best money in the world is money that has 40 cents in gold behind every dollar. And that is certainly good money. No one can dispute it. England remained on the gold standard for more than 100 years with less than 10-percent gold. So there is no reason why anyone should say that more than 40 cents in gold for each dollar should be used as a backing for money in this Nation or any other nation in the world. So that is good money. If we apply that principle today, we have enough gold; the Government owns enough gold to pay off or to issue or otherwise dispense or distribute $39,637,000,000. That in addition to more than $4,000,000,000 that could be issued on silver, according to present laws.

DISHONEST NOT TO USE THIS GOLD

Now, it occurs to me as being not only wrong but absolutely dishonest for this Government to continue to borrow money and issue tax-exempt, interest-bearing bonds for the purpose of obtaining that money when it has sufficient gold and silver reserves to pay off the entire national debt. So I, for one, am opposed to any more bonds until we use this gold. There is no reason why it should not be used. If you owned a railroad and you had thousands of extra idle box cars, would you be buying more box cars? If you needed $100,000 in your business and you had $100,000 in the bank, would you go and borrow $100,000 to use in your business? No. You would use the money that you have.

SAVE BILLION DOLLARS A YEAR INTEREST

So here is this Government with all this enormous gold and silver reserve, enough to pay off the entire national debt and save more than $1,000,000,000 a year in interest, not using it—idle; absolutely idle. I say it is a dishonest policy and should not be permitted.

Now, who is responsible for it? Is the President responsible for it? Is the administration responsible? Is the Congress responsible? I say that the responsibility is on Congress—the House and Senate. It is on all of us. We should make it possible for that gold and silver to be used for that purpose. Would you issue it all at once? No. That would not be the right thing to do. It would probably destroy our currency system to issue it quickly. No one is advocating that. But I do say that you can adopt a policy, after making this gold available, of eventually paying off and retiring the entire national debt and, pending such payment, to use it to pay the running cost of the Government and for other purposes that money is needed by the Government. Why should we continue to issue bonds in view of this situation?

HOW MUCH IS A BILLION DOLLARS?

Do you know how much a billion dollars is, which we could save each year by the retirement of this national debt? I will tell you how much a billion dollars is, as far as one comparison goes. Last year one and three-quarter million people received old-age assistance. Three-quarters of a million children received benefits through the dependent children provision of the social-security law, and 50,000 blind people received benefits through social security. Those three groups received $500,000,000 in all. So the amount we are paying in interest on the national debt that should not be paid, that over a period of time should be liquidated by the Government's own credit, is twice as much as those two and a half million people received last year from State and Federal governments.

EQUAL TO $30 FOR EVERY SCHOOL CHILD

It is equal to $30 for every child in America who is between 5 and 17 years of age. That is what a billion dollars amounts to.

EQUAL TO $7.70 PER CAPITA A YEAR

A billion dollars is equal to $7.70 a year for every man, woman, and child in America. So it is worth saving and can be used for a better and more beneficial purpose than it is being now used.

I know what the stock argument is against this proposal. Our critics will say, "Why, that will cause inflation; the banks issue a lot of money; then if the Government puts out a lot of money it will cause inflation." But there is a way of preventing that. In years gone by a bank could accept deposits which, in effect, means it could extend loans equal to $10 for every $1 that the bank had. These reserve requirements were raised in 1937.

The soldiers were going to be paid $2,000,000,000, and some of these people who have much to do with our financial policies said it was going to ruin the country, and they had a law passed that would permit them to raise the reserve requirements of banks so as to plow under some of that money, and they succeeded in the passage of that law. But the result was when this money was paid out to the veterans and business and trade was stimulated and helped and the country was going back on the road to prosperity, the Federal Reserve Board put the brakes on too quickly by raising the reserve requirements of banks, which resulted in plowing under and destroying more than $3,000,000,000 of potential credit. So they were determined to see that the veteran money did not do any harm, and they did something that was disastrous. So that was the cause of the depression at the end of 1936 and the beginning of 1937. Then the reserve requirements were changed again to make it a little easier.

The point I am making is this: That by changing the reserve requirements of banks as this money is paid out by the Government, there is no danger in the world of an excess amount of money or inflation. We can change the reserve requirements from 10 to 1, as it was, to 8 to 1, as it is now with some banks, and, as the Government puts out more money, 6 to 1, 5 to 1, 4 to 1, or 2 to 1, and the time will come when 100-percent reserve requirements could be required in order to prevent any inflation of the currency.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. VOORHIS of California. There would have to be an amendment to existing legislation in order to permit raising those requirements in accordance with the need if the plan the gentleman has outlined were carried out. Am I not correct?

Mr. PATMAN. The gentleman is correct in the statement that it would require a change in existing law.

Since we have this gold, why should we not use it? Why permit it to remain idle in a mountain in Kentucky? Why take it out of one mountain and put into another mountain? Is there any logic to that? Is there any reason? If we have it, why not use it?

Mr. PIERCE of Oregon. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. PIERCE of Oregon. What about the money that was taken from the banks for which we issued gold certificates? Would the gentleman pay them back in gold? What would

the gentleman do with them? What is the amount of these certificates?

Mr. PATMAN. We have in gold certificates outstanding today $2,858,000,000 actual gold certificates issued to the Federal Reserve banks in the denomination of $100,000, because they are not in general circulation. I presume the banks decided it was too much trouble even to print those gold certificates, so they commenced the policy of just accepting a credit on the books and have a make-believe transaction of a gold certificate's passing.

Ten billion three hundred and eighty-three million dollars of gold is tied up in a credit to the Federal Reserve banks. Not even a gold certificate is issued on it. As for the remainder, some is in the gold redemption fund as a backing for the United States notes, with which the gentleman is familiar; $1,800,000,000 is in the stabilization fund; and some is in the general fund of the Treasury.

The argument is made that the Federal Reserve banks have title to this gold. They do not. They have no title in the world. It is a fictitious transaction entirely, it is a subterfuge. The Federal Reserve banks cannot get this gold unless the gold is needed to pay off or liquidate international balances, or unless it is to be used in the arts, trades, or sciences. These are the only reasons for which this gold can be obtained, and the Federal Reserve Bank has no title whatsoever to this gold.

GOVERNMENT SHOULD OWN THE 12 FEDERAL RESERVE BANKS

Now, here is the way this gold can be used: The national banks of the country and a few of the State member banks own $134,000,000 of stock in the 12 Federal Reserve banks. There is no reason why they should own it, it just gives them a right to receive 6 percent on an investment of that much. It does not help the Federal Reserve Bank, it is too insignificant to cover the billions of dollars of transactions handled by these banks. It is not needed for any reason whatsoever. The Government should reimburse those banks this $134,000,000 and should take charge of these 12 Federal Reserve banks. I know the argument will be made that the Government is getting into business. No; that is not right. It is no more getting into business when it takes over the 12 Federal Reserve banks than it is getting into banking by operating the United States Treasury; it is exactly the same thing. These 12 Federal Reserve banks do not do business with individuals, they do not do a private business; they do a governmental business. They operate for the Government by issuing the Government's credit. It being a governmental function, therefore, the Government should control that governmental function, and that governmental function should not be performed by directors and officials of privately owned institutions and by selfishly interested banking officials of this country.

The people who are interested in money, the banks—they have a selfish interest just like anyone—would have to operate in their own interests. They are under no oath or obligation to operate in the public interest; no, they are under obligation to operate in the interest of their stockholders and the banks that they represent. So, were the Government to purchase the stock of these 12 Federal Reserve banks, take over these gold certificates and this gold, and adopt an orderly policy of liquidating the national debt it would not only save eventually this $1,000,000,000 a year that we are paying on tax-exempt interest-bearing bonds but it would give the people a much-needed medium of exchange with which to do business.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. KEEFE. Will the gentleman amplify just a little more his statement with reference to liquidating the public debt? I am exceedingly interested in the gentleman's address. Will the gentleman amplify the program he has in mind for ultimately liquidating the present national debt in view of the continuous increase in that debt from year to year?

Mr. PATMAN. Yes; I can tell you my view of how it can be done.

Mr. KEEFE. I would like to get the gentleman's view.

LONG-RANGE PROGRAM

Mr. PATMAN. I would have the Government purchase the stock in the 12 Federal Reserve banks. These 12 Federal Reserve banks would then be owned by the Government. The open-market committee could gradually purchase Government bonds as they are offered at the market, as they become due, or as they become callable, and purchase these bonds on the credit of the United States and, if necessary, backed by the gold we have in the hills of Kentucky. I know it would take a long time to do that. It is not a program that should be quickly gone into or hastily executed. It would take probably 10 or 15 years, probably 25, but the entire national debt can be liquidated in this way, and safely liquidated, just as today the Federal Reserve banks own $2,500,000,000 in Government bonds. Where did they get those bonds? They purchased them in the open market. That is the only way they can acquire them. They have no right to buy them directly from the Treasury. So, in the same way other Government bonds can be acquired.

In fact, the Federal Reserve banks have almost gone out of the business for which they were organized. They are only holding Government bonds, bought with Government credit, on which the Government continues to pay interest. Last year the total operating expense of the Federal Reserve System amounted to $37,000,000. More than $35,000,000 of it was paid with interest on Government obligations that had been purchased on the credit of the Government. When the Federal Reserve banks buy bonds the interest should cease, and it would cease if the Government owned these banks.

Mr. MARTIN of Colorado. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. If the Government were to take over the Federal Reserve banks, and I favor that policy, it would not change the volume of money issued or in circulation and it still would not change the credit situation or the bank-check money, which is 95 percent of all the so-called money used in this country.

Mr. PATMAN. It could if you issued a mandate. I would give this Board a mandate and would provide in the law that in the event it did not carry out the mandate any official of the Board could be removed by the passage of a resolution by either House of Congress.

Mr. MARTIN of Colorado. It would still take legislation directed against the Board?

Mr. PATMAN. It would take legislation; yes.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. If the gentleman's theory is correct that the Government can issue printing-press money to extinguish the national debt because we have gold in the hills of Kentucky, would it not also be possible under that principle to further reduce the gold content of our American dollar, print more money, and repeal our tax laws?

Mr. PATMAN. The gentleman is bringing up something which he may discuss himself. Does the gentleman claim that money which is backed by 40-percent gold is printing-press money? Is that his definition of printing-press money?

Mr. SCHAFER of Wisconsin. Yes.

Mr. PATMAN. Well, the gentleman does not know much about the subject or I do not know much about it. He is the first man in official life I have ever known to say that such money so backed by 40-percent gold is printing-press money.

Mr. SCHAFER of Wisconsin. It is inflation and printing-press money and the New Deal might just as well debase the gold content of the dollar some more, print more money, and stop collecting taxes.

[Here the gavel fell.]

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD on this subject and on another subject, and to include a resolution passed by a farmers' organization.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

EXTENSION OF REMARKS

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a brief speech made by the president of the Lincoln Memorial University.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky [Mr. ROBSION]?

There was no objection.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

Mrs. O'DAY. Mr. Speaker, I ask unanimous consent that the Committee on Immigration may be allowed to sit all day Wednesday in order to hold hearings.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is that agreeable to the Republican members of the committee?

Mrs. O'DAY. I do not know. I am just making the request.

Mr. TAYLOR of Tennessee. Mr. Speaker, reserving the right to object, what bills are going to be considered by the Immigration Committee?

Mrs. O'DAY. There are a number of bills that we had up last year.

Mr. TAYLOR of Tennessee. Is it the intention of the committee to have hearings on the Wagner-Rogers bill on Wednesday?

Mrs. O'DAY. We have witnesses coming in on various immigration bills.

Mr. TAYLOR of Tennessee. It is not the intention to have hearings on the Wagner-Rogers bill?

Mrs. O'DAY. We are not. I do not know about any other committee.

Mr. TAYLOR of Tennessee. I mean the Immigration Committee.

Mrs. O'DAY. No.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York [Mrs. O'DAY]?

There was no objection.

EXTENSION OF REMARKS

Mr. BENDER asked and was given permission to extend his own remarks in the RECORD.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include the heading of a petition sent me by a number of citizens of the Black Hills of South Dakota.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

The SPEAKER pro tempore. Under a special order heretofore entered, the gentleman from Iowa [Mr. HARRINGTON] is recognized for 10 minutes.

Mr. HARRINGTON. Mr. Speaker, I rise to take exception to the remarks last week credited to the President of the United States when he announced his approval of a purchase of 48,000 pounds of Argentine corned beef for use by the United States Navy. The President is supposed to have justified the purchase on the grounds that the Argentine beef is not only "cheaper" but "better" than the American-grown product.

As to the imported beef being cheaper in price, there is no argument. Argentine beef is produced under much cheaper conditions, and in a country where the standard of living is lower and where the tax burden is less than in the United States.

If price is the consideration, then this country could save hundreds of millions of dollars by purchasing all of its requirements in the foreign market and thereby building pay rolls for the alien coolies and peasants of foreign lands. We could save millions of dollars by purchasing German steel for our battleships and for our Government buildings, but John L. Lewis and the United States Steel Trust will not permit that. If you think so, just look back to 1937, when German steel started to underbid American steel on certain Government contracts. Very quietly and somewhat mysteriously the tariff on steel was promptly raised to shut the foreign product entirely out of the market. We bought no German steel.

In this connection it might be mentioned that in the year 1937 alone American steel was protected by tariff to the tune of $731,000,000, every penny of which was paid by the American public. In that 1 year American consumers could have been saved $731,000,000 by buying their steel abroad, but our benevolent Government saw to it that the American steel producer was protected, and I do not disagree with that policy if it is as consistently followed in the case of other American industries.

But, unfortunately, this is not the case. Agriculture has no John L. Lewis wielding the "big stick" in its interest. Agriculture has no great monopoly of land ownership to ward off foreign competition. And so the Polish hams and the Argentine corned beef and the foreign fats and oils continue to pour into the American market, while good old Iowa hog lard dips in price to an all-time low.

The amusing part of it all is, however, that the President has been misled by his economic advisers. The Argentine beef is not cheaper than our domestic beef. It just appears to be cheaper.

Figured on the basis of an 800-pound steer in the Argentine, which would dress approximately 52 percent, or 516 pounds of dressed meat after it is deboned, we would have 250 pounds of corned beef. At 9 cents a pound, this would net the Argentine farmer $22.50, assuming that the hide and byproducts would pay processing costs.

Let us compare this with a Nebraska steer of equal weight. Allowing 50 cents per hundred for transportation and marketing costs, the Nebraska steer would have to sell at $22, or $2.75 per hundred, to compete with Argentine beef.

But the Argentine beef costs us more than $22.50, because we must also tax ourselves to pay the Nebraska farmer to take out of production the four acres required to produce 800 pounds of beef. This will cost us approximately $40, so that the total costs of the Argentine beef is in reality $62.50.

This is not all, however. Because of the peculiar turn-over of money in our domestic economy, each dollar of farm income translates into $1 of factory pay rolls and $7 of national income.

Therefore, if we produce the steer ourselves, we will have both the steer and the money. On that basis let us give the Nebraska farmer $9 per hundred for a good 800-pound range steer, or $72, then the 250 pounds of corned beef would cost the Government 28.8 cents per pound, and our Navy would have a good quality of beef.

The Nebraska farmer would have the $72 that the packer would have to draw out of our capital structure. The $72 when spent by the Nebraska farmer will create $72 of factory pay rolls in the United States and $514 of national income or dollar turn-over in goods. Deducting the $72 to buy the meat for our Navy, we still have the use of $442 of good United States money, and we will have added $72 of permanent capital to our capital structure.

And to those Congressmen who are representing industry, I suggest that you ponder the question of whether we would not all be better off to trade out $72 with our Nebraska farmer and get the turn-over of our own dollar than to trade $22.50 worth of other goods with Argentina and then tax ourselves to pay for both the beef and for curtailing production.

Now, as to Argentine beef, fresh, salted, or "corned willie" variety, being superior or even equal in quality to the pampered product of the Iowa feed yards, no Iowan, no midwesterner, no Texan—in fact, no true connoisseur of the noble art of what is what in gastronomy—can possibly agree. Can it be that our discerning and otherwise discriminating Chief Executive has never experienced the unforgettable delight of sinking his teeth into a juicy, succulent Sioux City T-bone steak cut from the left loin of an Iowa corn-fed steer? If not, I respectfully recommend the adventure. And as an Iowa farm boy who has raised his own 4-H blue-ribbon baby beef, as a "suey" stick swinger who has piloted many thousands of fattened steers from stockyard pen to packing house,

and as a citizen who has since accumulated considerable heft and paunch as the result of a steady diet of midwestern meat, I feel impelled to conclude my remarks simply by saying that our President, in extolling the alleged superiority of Argentine beef, either speaks from lack of gastronomical experience or he just must have been misinformed. [Applause.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MALONEY, for 10 days, on account of official business.

To Mr. HAVENNER, for 8 days, on account of official business.

To Mr. FERNANDEZ, for 2 weeks, on account of official business.

To Mr. SHANLEY, for today, on account of official business.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 964. An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes.

ADJOURNMENT

Mr. HARRINGTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 30 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 16, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE POST OFFICE AND POST ROADS

The Committee on the Post Office and Post Roads will hold public hearings on Tuesday, May 16, 1939, at 10 a. m., for the consideration of H. R. 3835, a bill to authorize the Post Office Department to cooperate with the several States in the collection of State taxes.

COMMITTEE ON MILITARY AFFAIRS

There will be a meeting of the Committee on Military Affairs in room 1310, New House Office Building, at 10:30 a. m. May 16, 1939, for the consideration of H. R. 6069, to promote the efficiency of the national defense.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs at 10:30 a. m. on Wednesday next, May 17, 1939, for the consideration of House Joint Resolution 117, H. R. 2390, H. R. 5002, H. R. 5409, and H. R. 5451.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be meetings of the Committee on Immigration and Naturalization at 10:30 a. m. on Wednesday and Thursday, May 17 and 18, 1939, for the public consideration of various private bills.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents will hold hearings in the committee room, 1015 House Office Building, on Tuesday, May 23, 1939, at 10:30 a. m., on H. R. 3605, a bill to provide a permanent force to classify patents, etc., in the Patent Office. Hon. JOHN M. COFFEE (Washington) is chairman of the subcommittee.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 3 of the Committee on the Judiciary on May 24, 1939, at 10 a. m., on the bill (H. R. 2318) to divorce the businesses of production, refining, and transporting of petroleum products from that of marketing petroleum products. Room 346, House Office Building.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4985, relating to fishery educational service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

743. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the Treasury Department for the fiscal years 1935 and 1937, amounting to $14,412.12, and supplemental estimates of appropriations for the fiscal year 1939 amounting to $235,070, in all, $249,482.12 (H. Doc. No. 292); to the Committee on Appropriations and ordered to be printed.

744. A communication from the President of the United States, transmitting a supplemental estimate of appropriation of $713,200 for domestic air-mail service, Post Office Department, for the fiscal year 1940 (H. Doc. No. 293); to the Committee on Appropriations and ordered to be printed.

745. A letter from the Acting Secretary of Agriculture, transmitting the draft of a proposed bill for the relief of John L. Hicks, rural rehabilitation supervisor, Farm Security Administration, Santa Rosa, N. Mex.; to the Committee on Claims.

746. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on reexamination of Choctawhatchee River, Ala. and Fla., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted January 11, 1938; to the Committee on Rivers and Harbors.

747. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on reexamination of Franklin Canal, La., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted April 4, 1938; to the Committee on Rivers and Harbors.

748. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Chincoteague Bay, Accomac County, Va., with a view to providing a protected anchorage and harbor for small boats at Chincoteague, Va., authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

749. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of Oyster Creek, Anne Arundel County, Md., authorized by the River and Harbor Act approved June 20, 1938; to the Committee on Rivers and Harbors.

750. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on a preliminary examination of waterway from Chesapeake Bay, through Accomac County, Va., to the Atlantic Ocean, authorized by the River and Harbor Act approved June 20, 1938; to the Committee on Rivers and Harbors.

751. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 24, 1939, submitting a report, together with accompanying papers, on reexamination of Bayou Queue de Tortue, La., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted April 4, 1938; to the Committee on Rivers and Harbors.

752. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for salaries and administrative expenses, Reconstruction Finance Corporation, for the fiscal year 1939, amounting to $350,000 (H. Doc. No. 294); to the Committee on Appropriations and ordered to be printed.

753. A communication from the President of the United States, transmitting supplemental estimates of appropriations for salaries and administrative expenses of Electric Home and Farm Authority, Commodity Credit Corporation, and the Export-Import Bank of Washington, for the fiscal year 1940 (H. Doc. No. 295); to the Committee on Appropriations and ordered to be printed.

754. A letter from the Chairman, the Textile Foundation, transmitting the annual report of the Textile Foundation for the fiscal year ending December 31, 1938; to the Committee on Interstate and Foreign Commerce.

755. A letter from the Archivist of the United States, transmitting a list of papers consisting of 50 items from the Department of the Navy which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

756. A letter from the Archivist of the United States, transmitting a list of papers consisting of 24 items from the Department of the Interior which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

757. A letter from the Archivist of the United States, transmitting a list of papers consisting of six items from the Department of the Interior which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

758. A letter from the Archivist of the United States, transmitting a list of papers consisting of 96 items from the Panama Canal which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

759. A letter from the Archivist of the United States, transmitting a list of papers consisting of 16 items from the Department of Labor, which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

760. A letter from the Archivist of the United States, transmitting a list of papers consisting of 211 items from the Department of Commerce, which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

761. A letter from the Archivist of the United States, transmitting a list of papers consisting of 44 items from the United States Civil Service Commission, which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

762. A letter from the Archivist of the United States, transmitting a list of papers consisting of 10 items from the Home Owners' Loan Corporation, to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

763. A letter from the Archivist of the United States, transmitting a list of papers consisting of 68 items which the United States Maritime Commission has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

764. A letter from the Archivist of the United States, transmitting a list of papers from the Post Office Department, Postal Service, which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

765. A letter from the Archivist of the United States, transmitting a list of papers consisting of 2,597 items from the Department of Agriculture which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of Connecticut: Committee on Military Affairs. H. R. 2310. A bill to provide national flags for the burial of honorably discharged former service men and women; with amendment (Rept. No. 615). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Territories. H. R. 2413. A bill for the protection of the water supply of the city of Ketchikan, Alaska; with amendment (Rept. No. 616). Referred to the Committee of the Whole House on the state of the Union.

Mr. SCHAFER of Wisconsin: Committee on Indian Affairs. H. R. 4497. A bill to prescribe rules for the enrollment of Menominee Indian children born to enrolled parents, and for other purposes; with amendment (Rept. No. 617). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on Indian Affairs. H. R. 5506. A bill to authorize the Secretary of the Interior to contract with the State Water Conservation Board of Montana and the Tongue River Water Users' Association for participation in the costs and benefits of the Tongue River Storage Reservoir project for the benefit of lands on the Tongue River Indian Reservation, Mont.; without amendment (Rept. No. 618). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on Indian Affairs. House Joint Resolution 264. Joint resolution to approve the action of the Secretary of the Interior deferring the collection of certain irrigation construction charges against lands under the San Carlos and Flathead Indian irrigation projects; without amendment (Rept. No. 619). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAVENNER: Committee on Naval Affairs. H. R. 5766. A bill to provide for the acquisition of drydock facilities for the Navy on San Francisco Bay, and to authorize the construction of certain public works, and for other purposes; with amendment (Rept. No. 620). Referred to the Committee of the Whole House on the state of the Union.

Mr. HESS: Committee on Naval Affairs. S. 499. An act to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes," approved March 3, 1909, as amended, sc as to extend commissary privileges to civilian officers and employees of the United States at naval stations beyond the continental limits of the United States or in Alaska; without amendment (Rept. No. 621). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLE of New York: Committee on Naval Affairs. S. 588. An act to provide for an additional midshipman at the United States Naval Academy, and for other purposes; without amendment (Rept. No. 622). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 2566. A bill to limit the authority of circuit judges to hold district courts and of district judges to sit in circuit courts of appeals; without amendment (Rept. No. 623). Referred to the House Calendar.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 625. Report on the disposition of executive papers in the Department of Agriculture. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 626. Report on the disposition of executive papers in the Works Progress Administration. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 627. Report on the disposition of executive papers in the Department of the Interior. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 628. Report on the disposition of executive papers in The National Archives. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 629. Report on the disposition of executive papers in the Federal Reserve System. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 630. Report on the disposition of executive papers in the United States Food Administration. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 631. Report on the disposition of executive papers in The National Archives. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 632. Report on the disposition of executive papers in the Tennessee Valley Authority. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 633. Report on the disposition of executive papers in the Department of the Treasury. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. House Report No. 634. Report on the disposition of executive papers in the Department of the Interior. Ordered to be printed.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers: House Report No. 635. Report on the disposition of executive papers of the War Industries Board. Ordered to be printed.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 6109. A bill to extend the times for commencing and completing the construction of a bridge across the Niagara River at or near the city of Niagara Falls, N. Y.; without amendment (Rept. No. 636). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNOR: Committee on Indian Affairs. H. R. 4965. A bill for the relief of J. Harry Walker; without amendment (Rept. No. 624). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 5699) granting an increase of pension to Henry G. Jones; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 6287) for the relief of Alfred P. Hay; Committee on Naval Affairs discharged, and referred to the Committee on Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Massachusetts:

H. R. 6312. A bill conferring citizenship upon alien World War veterans; to the Committee on Immigration and Naturalization.

By Mr. CRAWFORD:

H. R. 6313. A bill to amend the Fair Labor Standards Act of 1938; to the Committee on Labor.

By Mr. DISNEY:

H. R. 6314. A bill authorizing an appropriation for payment to the Osage Tribe of Indians on account of their lands sold by the United States; to the Committee on Indian Affairs.

H. R. 6315. A bill authorizing an appropriation to provide office facilities for the county and home demonstration agent in the Miami, Okla., post-office building, and for kindred purposes; to the Committee on Public Buildings and Grounds.

By Mr. SCHULTE:

H. R. 6316. A bill to amend the act entitled "An act to regulate within the District of Columbia the sale of milk, cream, and ice cream, and for other purposes," approved February 27, 1925; to the Committee on the District of Columbia.

H. R. 6317. A bill to provide for the retirement of certain members of the Metropolitan Police Department of the District of Columbia, the United States Park Police force, and the White House Police force; to the Committee on the District of Columbia.

By Mr. SIROVICH:

H. R. 6318. A bill to amend the civil-service law to permit certain employees of the legislative and judicial branches of the Government to be transferred to positions under the competitive classified civil service; to the Committee on the Civil Service.

By Mr. SCHAFER of Wisconsin:

H. R. 6319. A bill to amend section 6 of title I of the act entitled "An act to maintain the credit of the United States Government," approved March 20, 1933, as amended; to provide out-patient treatment for non-service-connected disabilities of World War veterans who have 50-percent disability directly incurred in, or aggravated by, service in the World War; to the Committee on World War Veterans' Legislation.

By Mr. VINSON of Georgia:

H. R. 6320. A bill to establish the status of funds and employees of the United States Naval Academy laundry; to the Committee on Naval Affairs.

By Mr. BUCK:

H. R. 6321. A bill to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes; to the Committee on Ways and Means.

By Mr. BARTON:

H. R. 6322 (by request). A bill for the extension of admiralty jurisdiction; to the Committee on the Judiciary.

By Mr. LANDIS:

H. R. 6323. A bill to provide for the creation of the George Rogers Clark National Memorial, in the State of Indiana, and for other purposes; to the Committee on the Library.

By Mr. WALTER:

H. R. 6324. A bill to provide for the more expeditious settlement of disputes with the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. ALLEN of Pennsylvania:

H. R. 6325. A bill to amend an act entitled "An act to regulate interstate commerce in bituminous coal, and for other purposes," as amended; to the Committee on Ways and Means.

By Mr. VAN ZANDT:

H. R. 6326. A bill to amend the act to provide for the retirement of disabled nurses of the Army and the Navy; to the Committee on Military Affairs.

By Mr. McCORMACK:

H. R. 6327. A bill to amend the act entitled "An act to adjust the compensation of certain employees in the Customs Service," approved May 29, 1928, as amended; to the Committee on Ways and Means.

H. R. 6328. A bill to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 edition, Supp. IV, title 19, sec. 1001, par. 1529 (a)); to the Committee on Ways and Means.

By Mr. MUNDT:

H. R. 6329. A bill to give the American market to the American farmer on all Government purchases of food products raised in the United States; to the Committee on Agriculture.

By Mr. O'NEAL:

H. J. Res. 294. Joint resolution providing for the presentation by the President of the United States of a certain monument to the people of Greece; to the Committee on Foreign Affairs.

By Mr. TINKHAM:

H. J. Res. 295. Joint resolution providing for the reassertion of a foreign policy of genuine neutrality for the United States; to the Committee on Foreign Affairs.

By Mr. MOSER:

H. Con. Res. 24. Concurrent resolution to print House Document No. 212, with "Concurrent Resolution No. 12, adopted March 16, 1939", deleted, and the legend "Not printed at Government expense" substituted; to the Committee on Printing.

By Mr. ALLEN of Illinois:

H. Res. 192. Resolution proposing the appointment of a select committee of the House of Representatives to investigate the

facts concerning the purchase of Argentine beef; to the Committee on Rules.

By Mr. McDOWELL:

H. Res. 193. Resolution for the observance of Flag Day; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii memorializing the President and the Congress of the United States to consider their House Concurrent Resolution No. 26, with reference to section 73 of the Hawaiian organic act; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their House Concurrent Resolution No. 69, with reference to the Social Security Act; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States to consider their Resolution No. 29, with reference to freight rates; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to consider their Assembly Joint Resolution No. 6 with reference to the Social Security Act; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to consider their Assembly Joint Resolution No. 3, with reference to the development of Playa del Rey Harbor; to the Committee on Naval Affairs.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to consider their Senate Joint Resolution No. 15, concerning the Bankhead Act; to the Committee on Agriculture.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their House Concurrent Resolution No. 22; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolution No. 15; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolution No. 22; to the Committee on the Territories.

Also, memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States to consider their legislative Resolution No. 31, concerning Missouri River navigation; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to consider their Senate Joint Memorial No. 1 and Senate Memorial No. 3, with reference to claims; to the Committee on Claims.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to consider their Joint Resolution No. 49–A, with reference to H. R. 4723, to correct the military record of Oberlin M. Carter; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H. R. 6330. A bill for the relief of Greco Canning Co.; to the Committee on Claims.

By Mr. CRAWFORD:

H. R. 6331. A bill granting a pension to Belle Musgrove; to the Committee on Invalid Pensions.

By Mr. JONES of Ohio:

H. R. 6332. A bill granting a pension to Josephine Morris; to the Committee on Invalid Pensions.

By Mr. LESINSKI:

H. R. 6333. A bill for the relief of Mary Alexina McKinnon; to the Committee on Immigration and Naturalization.

By Mr. McANDREWS:

H. R. 6334. A bill for the relief of the estate of Clarence Waldrep; to the Committee on Claims.

By Mr. MAAS:

H. R. 6335. A bill granting a pension to Teresa G. McDonough; to the Committee on Invalid Pensions.

By Mr. SHAFER of Michigan:

H. R. 6336. A bill for the relief of Addie White; to the Committee on Claims.

By Mr. SCHUETZ:

H. R. 6337. A bill for the relief of Anastazja Nowik; to the Committee on Immigration and Naturalization.

H. R. 6338. A bill for the relief of Paul G. Lorenz; to the Committee on Military Affairs.

H. R. 6339. A bill for the relief of Frances Wetterer; to the Committee on Claims.

H. R. 6340. A bill for the relief of Joseph A. Plozy; to the Committee on Military Affairs.

By Mr. SPRINGER:

H. R. 6341. A bill granting a pension to Catherine Moore; to the Committee on Pensions.

By Mr. SASSCER:

H. R. 6342. A bill for the relief of Robert E. Ennis; to the Committee on Claims.

H. R. 6343. A bill for the relief of Kenneth Armstrong; to the Committee on Military Affairs.

By Mr. TAYLOR of Tennessee:

H. R. 6344. A bill for the relief of Robert E. Hamilton; to the Committee on Claims.

By Mr. VREELAND:

H. R. 6345. A bill for the relief of Theodore R. Flohl; to the Committee on Military Affairs.

By Mr. WOODRUM of Virginia:

H. R. 6346. A bill for the relief of the dependents of Earl E. Rice, a deceased World War Veteran; to the Committee on World War Veterans' Legislation.

H. R. 6347. A bill granting a pension to Onie Wright; to the Committee on Invalid Pensions.

By Mr. CASE of South Dakota:

H. R. 6348. A bill granting a pension to Stranger Horse; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3047. By Mr. ANDERSON of California: Resolution, requesting the President of the United States and the officials of the Departments of the Treasury and Interior to take necessary steps to make available the sum of $20,000,000 for the construction of the Shasta Bypass Tunnel, the Shasta Dam, and the Shasta Dam power plant, and thereby enable the contractors to reemploy thousands of workmen which they have been compelled to lay off because of inadequate funds, the said resolution, which is signed by Frank M. Shearer, president, and W. B. McFarland, secretary, Local Painters' Union, No. 1146, Redwood City, Calif., being signed and adopted April 13, 1939; to the Committee on Appropriations.

3048. Also, resolution, favoring legislation for additional funds to continue work of the Public Works Administration, said resolution, which is signed by Mayor L. I. Hitchcock, City Clerk K. Z. Mansfield, and approved by City Councilmen James R. Bengard, Romilda Dedini, H. P. Fanning, P. W. Henry, all of King City, Calif., being adopted and signed May 3, 1939; to the Committee on Ways and Means.

3049. By Mr. BOEHNE: Petition of Mrs. Ivan C. Emily, Crandall, Ind., and others, petitioning help to promote the general welfare of the people of the United States by securing the passage of legislation which will stop, so far as is possible by Federal law, the great advertising campaign for the sale of alcoholic beverages now going on by press and radio; to the Committee on Interstate and Foreign Commerce.

3050. By Mr. BUCK: Petition of Margaret Harvey and 40 others, of Sacramento, Calif., urging that the Seventy-sixth Congress enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3051. By Mr. COCHRAN: Memorial of the faculty and students of the Notre Dame College, South Euclid, Ohio, regarding the proposed Neutrality Act, submitting five suggestions; to the Committee on Foreign Affairs.

3052. By Mr. COFFEE of Washington: Resolution of the Clackamas County Central Labor Council, of Oregon City, Oreg., Richard G. Hoover, executive secretary, pointing out that Japanese aggression against China affects economic life of American people and that citizens of the Pacific coast are virtually unanimous in their denunciation of Japanese aggression and ruthless treatment of the helpless Chinese, asserting that 54 percent of all materials comprising Japanese munitions are obtained in the United States, and therefore urging the prompt consideration and approval by the Congress of House bill 5432; to the Committee on Foreign Affairs.

3053. By Mr. DEROUEN: Petition of the faculty and students of Notre Dame College, South Euclid, Ohio, praying for the enactment of a more rigid Neutrality Act designed to keep the United States out of any foreign entanglement or war; to the Committee on Foreign Affairs.

3054. Also, petition of the Townsend Club of Lake Arthur, La., endorsing House bill 2 and Senate bill 3, and urging the passage and enactment into law of this legislation during the present session of Congress; to the Committee on Ways and Means.

3055. Also, petition of the Townsend Clubs of Iota and Welsh, La., endorsing House bill 2 and Senate bill 3, and urging the passage and enactment into law thereof this session; to the Committee on Ways and Means.

3056. By Mr. DISNEY: Petition of the American Association of University Women, Tulsa, Okla., relating to revision of the neutrality law; to the Committee on Foreign Affairs.

3057. Also, petition of Cleo Farr Post, American Legion, Salina, Okla., relating to transfer of the United States Employment Service; to the Special Committee on Government Organization.

3058. By Mr. FULMER: Concurrent resolution memorializing the Congress of the United States to consolidate the administration of the laws touching social security, public welfare, and the Works Progress Administration under one department, submitted by J. E. Hunter, clerk, house of representatives, Columbia, S. C.; to the Committee on Ways and Means.

3059. By Mr. GEYER of California: Petition of Nellie Pratt, Los Angeles, Calif., and 29 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3060. Also, petition of Bertha I. Hamilton, Los Angeles, Calif., and 29 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3061. Also, petition of Louella M. McDonald, Los Angeles, Calif., and 29 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3062. Also, petition of Mary S. Harrison, Inglewood, Calif., and 51 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3063. Also, petition of Anna M. Deems, Los Angeles, Calif., and 17 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3064. Also, petition of Nelson E. Graham, Los Angeles, Calif., and 20 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3065. Also, petition of Swan A. Swanson, Los Angeles, Calif., and 29 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3066. Also, petition of C. A. Wagner, Los Angeles, Calif., and 29 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3067. Also, petition of Jennie E. Smith, Los Angeles, Calif., and 59 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3068. Also, petition of George L. Smith, Los Angeles, Calif., and 59 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3069. Also, petition of W. P. Rogers, Los Angeles, Calif., and 75 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3070. Also, petition of William G. Radtke, Los Angeles, Calif., and 119 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3071. Also, petition of Mrs. J. V. Lippitt, Los Angeles, Calif., and 29 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3072. Also, petition of Joe V. Shaffer, Los Angeles, Calif., and 59 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3073. Also, petition of Carl G. Bergstrom, Los Angeles, Calif., and 20 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3074. Also, petition of Olive B. Chamberlain, Los Angeles, Calif., and 29 others, petitioning the Seventy-sixth Congress

to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3075. Also, petition of Effie I. Ellsworth, Torrence, Calif., and 29 others, petitioning the Seventy-sixth Congress to enact the improved General Welfare Act, thus relieving the suffering of our needy citizens over 60 years of age and providing prosperity for America and security for all at 60; to the Committee on Ways and Means.

3076. By Mr. KEOGH: Petition of the United Federal Workers of America, Local 53, New York City, favoring the passage of House bill 960; to the Committee on the Civil Service.

3077. Also, petition of the faculty and students of Notre Dame College, South Euclid, Ohio, concerning pending neutrality legislation; to the Committee on Foreign Affairs.

3078. Also, petition of Grand Lodge, Brotherhood of Railroad Trainmen, Cleveland, Ohio, concerning the National Labor Relations Act; to the Committee on Labor.

3079. Also, petition of Eastyarn, Inc., Brooklyn, N. Y., concerning the Wagner-Rogers bill; to the Committee on Labor.

3080. Also, petition of Sears Oil Co., Inc., Rome, N. Y., concerning the extension of the Connally Act, Senate bill 1302 and House bill 4547; to the Committee on Interstate and Foreign Commerce.

3081. Also, petition of the International Baby Chick Association, Kansas City, Mo., concerning the Fair Labor Relations Act; to the Committee on Labor.

3082. Also, petition of the New York Board of Trade, Inc., New York City, concerning House bill 5220 and Senate bill 2065, the Trust Indenture Act of 1939; to the Committee on Interstate and Foreign Commerce.

3083. Also, petition of the executive committee, National Association of Supervisors of State Banks, Washington, D. C., concerning Senate bill 2098 and House bill 5535; to the Committee on Banking and Currency.

3084. By Mr. LECOMPTE: Petition of the Prairie States Democracy, Winona, Ill., endorsed by citizens of Centerville, Iowa, urging the right of the people to rule; to the Committee on the Judiciary.

3085. By Mr. MARSHALL: Petition of Local No. 7, United Rubber Workers of America, of Akron, Ohio, relative to preventing any amending of the present National Labor Relations Act at this time; to the Committee on Labor.

3086. By the SPEAKER: Petition of the San Francisco District Industrial Union Council, San Francisco, Calif., urging consideration of their resolution with reference to the Works Progress Administration deficiency appropriation; to the Committee on Ways and Means.

3087. Also, petition of Jacquelyn Mamaclay, San Francisco, Calif., urging consideration of a petition with reference to the Works Progress Administration deficiency appropriation; to the Committee on Ways and Means.

3088. By Mr. PFEIFER: Petition of the National Consumers League, New York City, concerning the Norton bill (H. R. 5435); to the Committee on Labor.

3089. Also, petition of the National Cooperative Milk Producers' Federation, Washington, D. C., opposing the Norton bill (H. R. 5435); to the Committee on Labor.

3090. Also, petition of the executive committee, National Association of Supervisors of State Banks, Washington, D. C., opposing Senate bill 2098 and House bill 5535; to the Committee on Banking and Currency.

3091. Also, petition of the New York Board of Trade, Inc., New York City, opposing consideration at this time of House bill 5220 and Senate bill 2065; to the Committee on Banking and Currency.

3092. Also, petition of the Consumers' League of New York, New York City, opposing amendment to the Fair Labor Standards Act, which permits lower wages for industrial home work in rural areas; to the Committee on Labor.

3093. Also, petition of the Grand Lodge, Brotherhood of Railroad Trainmen, Cleveland, Ohio, opposing all proposed amendments to the National Labor Relations Act; to the Committee on Labor.

3094. Also, petition of the International Baby Chick Association, Kansas City, Mo., concerning the Norton amendments to the Fair Labor Standards Act; to the Committee on Labor.

3095. Also, petition of the New York State Department of Agriculture and Markets, Albany, N. Y., urging an appropriation of $500,000 for Dutch elm disease control; to the Committee on Appropriations.

3096. Also, petition of the Sears Oil Co., Inc., Rome, N. Y., opposing extension of the Connally Act, Senate bill 1302 and House bill 4547; to the Committee on Interstate and Foreign Commerce.

3097. Also, petition of the United Federal Workers of America, New York City, Local No. 53, urging support of House bill 960; to the Committee on the Civil Service.

3098. By Mr. DISNEY: Petition of the Bartlesville Central Trades and Labor Council, Bartlesville, Okla., relating to Senate bill 472; to the Committee on Labor.

3099. By Mr. SANDAGER: Petition of sundry citizens of Providence and Pawtucket, R. I., requesting the passage of legislation which will stop, so far as possible, by Federal law, the great advertising campaign for the sale of alcoholic beverages now going on by press and radio; to the Committee on Interstate and Foreign Commerce.

3100. By Mr. SCHAEFER of Illinois: Petition of the East St. Louis, Ill., Industrial Union Council, G. W. Parvin, president, C. S. McKinley, secretary, opposing the amendment of the National Labor Relations Act; to the Committee on Labor.

3101. Also, petition of Martin Quirin and 49 other citizens of Smithton, Ill., urging enactment of House bill 2, known as the General Welfare Act, which embodies provisions of the Townsend old-age pension plan; to the Committee on Ways and Means.

3102. Also, petition of the United Office and Professional Workers of America, Chicago, Ill., opposing amendments to the National Labor Relations Act; to the Committee on Labor.

3103. Also, petition of Grand Lodge, Brotherhood of Railroad Trainmen, unanimously adopted on May 9, 1939, at Second Quadrennial Convention at Cleveland, Ohio, opposing proposed amendments to the National Labor Relations Act; to the Committee on Labor.

3104. By Mr. SHAFER of Michigan: Resolution of the Michigan Unemployment Compensation Commission, urging amendment to title IX of the Social Security Act granting right of transfer of contributions of an employer from one State unemployment compensation fund to the unemployment compensation fund of another State, with the allowance of the credit offset of 90 percent as of the date on which the contribution was originally paid; to the Committee on Ways and Means.

3105. By Mr. CASE of South Dakota: Letter of Frank E. Locke, Sherman, S. Dak., urging passage of House Joint Resolution 138, to refund hog-processing taxes; to the Committee on Agriculture.

3106. Also, petition of Farmers' Union, Fifth District of South Dakota, J. A. Peters, secretary, protesting against the trade and foreign policies of the present administration as likely to lead to war and the destruction of domestic prosperity; to the Committee on Foreign Affairs.

3107. By Mr. CURTIS: Petition of the Legislature of Nebraska, concerning the subject of navigation on the Missouri River; to the Committee on Flood Control.

3108. Also, petition of the Legislature of Nebraska, concerning the subject of freight rates; to the Committee on Interstate and Foreign Commerce.

3109. By the SPEAKER: Petition of the New York Typographical Union, No. 6, urging consideration of their resolution with reference to Senate bill 591, concerning the United States Housing Act of 1937; to the Committee on Banking and Currency.

3110. Also, petition of the Lions Club, Davenport, Iowa, urging consideration of their resolution with reference to war supplies; to the Committee on Foreign Affairs.

3111. Also, petition of the Chattanooga Central Labor Union, Chattanooga, Tenn., urging consideration of their resolution with reference to Senate bill 1305, concerning Federal aid to education; to the Committee on Education.

3112. Also, petition of the National Association of Supervisors of State Banks, Washington, D. C., urging consideration of their resolution with reference to Senate bill 2098 and House bill 5535, concerning the Federal Home Loan Bank Board; to the Committee on Banking and Currency.

3113. Also, petition of the Council of the City of Chicago, Chicago, Ill., urging consideration of their resolution with reference to the United States Housing Authority; to the Committee on Banking and Currency.

3114. Also, petition of the Council of the City of New York, urging consideration of their resolution with reference to the Wagner-Rogers bill, concerning immigration and naturalization; to the Committee on Immigration and Naturalization.

3115. Also, petition of the General Gorgas Post, No. 1, the American Legion, Birmingham, Ala., urging consideration of their resolution with reference to the Dies committee, investigating un-American activities; to the Committee on the Judiciary.

SENATE

TUESDAY, MAY 16, 1939

(Legislative day of Monday, May 8, 1939)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. Frederic F. Briggs, D. D., of Beverly Hills, Va., offered the following prayer:

Almighty God, our Heavenly Father, we come to Thee in our weakness and ask for Thy strength; we come to Thee with our imperfect knowledge and ask for Thy wisdom; we come to Thee with our sin and ask for Thy forgiveness. Help us ever to keep in mind our dependence upon Thee and that apart from Thee we can do nothing.

We thank Thee for Thy manifold mercies to us as a nation. May we never be guilty of the sin of ingratitude, and may we be willing to assume the responsibilities which go with our blessings. We thank Thee for our independence as a nation, and pray that we may never seek to be independent of Thee; we would not if we could; we could not if we would. Help us to remember that we are in this world not to do our own will but the will of God. Give us diligence to study Thy word, to learn Thy will, and to have courage to do it.

In the midst of a world torn by strife and hatred grant that we may be at peace with all mankind. Be with us, Lord, lest we forget. Thou who hast been our shepherd in the past continue to lead us in the paths of righteousness and honor for Thy name's sake. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, May 12, 1939, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Borah	Chavez	Frazier
Andrews	Brown	Clark, Idaho	George
Ashurst	Bulow	Clark, Mo.	Gerry
Bailey	Burke	Connally	Gibson
Barbour	Byrd	Danaher	Gillette
Barkley	Byrnes	Davis	Green
Bilbo	Capper	Donahey	Guffey
Bone	Caraway	Ellender	Gurney
Hale	Lodge	O'Mahoney	Thomas, Okla.
Harrison	Logan	Overton	Thomas, Utah
Hatch	Lucas	Pepper	Tobey
Hayden	Lundeen	Pittman	Truman
Herring	McKellar	Radcliffe	Tydings
Hill	McNary	Reed	Vandenberg
Holman	Maloney	Russell	Van Nuys
Holt	Mead	Schwartz	Wagner
Hughes	Miller	Sheppard	Walsh
Johnson, Calif.	Minton	Shipstead	Wheeler
Johnson, Colo.	Murray	Slattery	Wiley
King	Neely	Smathers	
La Follette	Norris	Stewart	
Lee	Nye	Taft	

Mr. MINTON. I announce that the Senator from Nevada [Mr. MCCARRAN] is absent on official business for the Committee on the Judiciary.

The Senator from South Carolina [Mr. SMITH] is absent because of illness in his family.

The Senator from Alabama [Mr. BANKHEAD], the Senator from California [Mr. DOWNEY], the Senator from Virginia [Mr. GLASS], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Washington [Mr. SCHWELLENBACH] are detained on important public business.

Mr. MCNARY. I announce that the Senator from Vermont [Mr. AUSTIN] is absent on business of the Senate.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

RECEPTION TO PRESIDENT SOMOZA—ACKNOWLEDGMENT FROM CONGRESS OF NICARAGUA

The VICE PRESIDENT laid before the Senate the following cablegram from the President of the Congress of Nicaragua, which was ordered to lie on the table:

[Cablegram]

(Translation from the Spanish)

MANAGUA, NICARAGUA, *May 12, 1939.*

The honorable PRESIDENT OF THE SENATE,
Washington, D. C.:

The friendly reception and the significant demonstrations extended to the President of Nicaragua by the Honorable Senate bind our democracies more closely in their common destiny and solid continental interests, and through you we express to this high body our most cordial acknowledgments.

Very truly,

AURELIO MONTENEGRO,
President of the Congress.
MARIANO ARGUELLO VARGAS,
Secretary.
ENOC AGUADO,
Secretary.

MESSAGE FROM THE HOUSE DURING RECESS—ENROLLED BILL SIGNED

Under authority of the order of the 12th instant,

The following message was received by the Secretary from the House of Representatives on May 15, 1939: That the House insisted upon its amendment to the bill (S. 572) to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency and to encourage, as far as possible, the further development of strategic and critical materials within the United States for common defense, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAY, Mr. THOMASON, Mr. FADDIS, Mr. CLASON, and Mr. MARTIN of Iowa were appointed managers on the part of the House at the conference; that the House had passed a bill (H. R. 6260) making appropriations for the fiscal year ending June 30, 1940, for civil functions administered by the War Department, and for other purposes, in which it requested the concurrence of the Senate; and that the Speaker had affixed his signature to the enrolled bill (S. 964) creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes, and it was signed by the President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 90. An act to provide for the punishment of persons transporting stolen animals in interstate commerce, and for other purposes;

S. 198. An act to provide that records certified by the Court of Claims to the Supreme Court, in response to writs of certiorari, may include material portions of the evidence, and for other purposes;

S. 242. An act relating to the disposition of funds derived from the Coos Bay Wagon Road grant lands;

S. 542. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

S. 965. An act to amend the act entitled "An act authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rice's Point in Duluth, Minn., to Superior in Wisconsin," approved June 30, 1938;

S. 1281. An act to prohibit reproductions of official badges, identification cards, and other insignia;

S. 2050. An act to authorize a sale of the old Carson City (Nev.) Mint site and building notwithstanding the provisions of Joint Resolution No. 18 of February 23, 1865; and

S. 2244. An act to authorize the Secretary of the Treasury to accept real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and for other purposes.

The message also announced that the House had passed the bill (S. 595) to increase further the efficiency of the Coast Guard by authorizing the retirement under certain conditions of enlisted personnel thereof with 20 or more years of service, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1583. An act to amend the act of March 2, 1929 (45 Stat. 1492), entitled "An act to establish load lines for American vessels, and for other purposes"; and

S. 1876. An act to readjust the commissioned personnel of the Coast Guard, and for other purposes.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 1827. An act to allow moving expenses to employees in the Railway Mail Service;

H. R. 3364. An act to transfer the control and jurisdiction of the Park Field Military Reservation, Shelby County, Tenn., from the War Department to the Department of Agriculture;

H. R. 4499. An act authorizing the county of Gallatin, State of Illinois, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the city of Shawneetown, Gallatin County, Ill., to a point opposite thereto in the county of Union, State of Kentucky;

H. R. 5036. An act authorizing the State highway departments of North Dakota and Minnesota and the counties of Grand Forks, of North Dakota, and Polk, of Minnesota, to construct, maintain, and operate a free highway bridge across the Red River near Thompson, N. Dak., and Crookston, Minn.;

H. R. 5380. An act to amend an act approved April 26, 1926, entitled "An act fixing the fees of jurors and witnesses in the United States courts, including the District Court of Hawaii, the District Court of Puerto Rico, and the Supreme Court of the District of Columbia";

H. R. 5436. An act to authorize the grant of a sewer right-of-way and operation of sewage-treatment plant on the Fort Niagara Military Reservation, N. Y., by the village of Youngstown, N. Y.;

H. R. 5447. An act authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 18 to May 25, 1940;

H. R. 5501. An act authorizing the Secretary of Commerce to convey a certain tract of land to the State of Oregon for use as a public park and recreational site;

H. R. 5523. An act authorizing the States of Minnesota and Wisconsin to construct, maintain, and operate a free highway bridge across the St. Croix River at or near Osceola, Wis., and Chisago County, Minn.;

H. R. 5746. An act to provide for the correction of the list of approved Pine Ridge lost allotment claims, and for other purposes;

H. R. 5756. An act to amend section 509 of the Merchant Marine Act, 1936, as amended;

H. R. 5966. An act to establish a Coast Guard Reserve to be composed of owners of motorboats and yachts;

H. R. 6035. An act to provide for the exclusion from the United States of persons who have been convicted of desertion from the military or naval forces of the United States while the United States was at war;

H. R. 6071. An act to permit appeals by the United States to the circuit courts of appeals in certain cases; and

H. J. Res. 180. Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Seventh International Congress for the Rheumatic Diseases to be held in the United States during the calendar year 1940, and to authorize an appropriation to assist in meeting the expenses of the session.

SUPPLEMENTAL ESTIMATES, DISTRICT OF COLUMBIA (S. DOC. NO. 74)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, supplemental estimates of appropriations for the District of Columbia for the fiscal year 1940, amounting to $234,440 for the Board of Welfare, the Division of Child Welfare, contributions toward W. P. A. nonconstruction projects, etc., which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, NAVY DEPARTMENT (S. DOC. NO. 75)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a supplemental provision pertaining to the appropriation "Public Works, Bureau of Yards and Docks," Navy Department, for the fiscal year ending June 30, 1940, under the Philadelphia (Pa.) Navy Yard, amounting to $560,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

MARCH REPORT OF RECONSTRUCTION FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report of the Corporation for the month of March 1939, showing the name, amount, and rate of interest or dividend in each case, which, with the accompanying report, was referred to the Committee on Banking and Currency.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Departments of Agriculture, the Post office, the Navy, the Interior (2), Commerce, Labor, the United States Maritime Commission, the Home Owners' Loan Corporation, the United States Civil Service Commission, and the Panama Canal, which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, were referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. GIBSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolution of the Legislature of Nebraska, which was referred to the Committee on Commerce:

Legislative Resolution 31

Resolution memorializing the Congress of the United States to promote, initiate, and support legislation for the purpose of facilitating the transportation of products of Nebraska and adjacent States and the development of mining, industrial, and agricultural interests by making the Missouri River navigable from its mouth to Chamberlain, S. Dak., through construction of dams and other facilities

Whereas engineers of the United States Army are constructing a dam across the Missouri River at Fort Peck, Mont., in order to control the waters of the Missouri River below said dam, to aid navigation of said river from its mouth to the location of said dam; and

Whereas the Missouri River through the efforts of United States Army engineers has been or will shortly be made navigable from its mouth to Sioux City, Iowa; and

Whereas it is believed that a survey made of the Missouri River from Sioux City, Iowa, to Chamberlain, S. Dak., by United States Army engineers would show that this stretch of river can also be made navigable at reasonable cost; and

Whereas the establishment of a water route for Nebraska products on the inland waterways of the United States would result in greatly lowered rates for transportation thereof and would result in immeasurable benefits to Nebraska producers and producers of adjacent States; and

Whereas the establishment of such water route would necessarily result in the elimination of bank erosion on a serious scale by the river, which bank erosion at present destroys good Nebraska land of the value of thousands of dollars yearly; and

Whereas such water route to Chamberlain, S. Dak., would render immediately available immense deposits of manganese located near Chamberlain, S. Dak., and render the United States independent of manganese deposits in Europe, which might be cut off in case of war; and

Whereas would furthermore open up immense deposits of coal and many other useful and valuable minerals found in the Missouri River Valley and result, by reason of the industries which would be developed, in giving employment directly or indirectly to thousands of our people; and

Whereas dams placed at intervals, by United States Army engineers' survey, will result in flood control, the improvement of navigation, the furtherance of irrigation, and the production of hydroelectric power, all of which will be of great benefit to the people of Nebraska and adjacent States; and

Whereas the hydroelectric power so generated would be largely used in developing the manganese and other industries located along the valley of the Missouri River and contiguous territory: Now, therefore, be it

Resolved by the Legislature of the State of Nebraska in fifty-third regular session assembled:

1. That the Congress of the United States be, and hereby is, petitioned and requested to enact legislation providing for progressive construction and completion of the necessary work to complete the Missouri River for navigation, flood control, and other things above mentioned, thereby providing a water route of 9-foot channel depth to Chamberlain, S. Dak., and further, if deemed advisable, to the best interests of the United States.

2. That this resolution be spread at large upon the journal of this legislature, and that the clerk of this legislature is hereby ordered and directed forthwith to forward a copy of this resolution, properly authenticated and suitably engrossed, to the President of the United States; to the Vice President of the United States as presiding officer of the United States Senate; to the Speaker of the House of Representatives of the United States; and to each of the United States Senators and Congressmen representing the State of Nebraska in the Congress, to the end that representatives in the Government and in the Congress of the United States will be advised that this legislature considers as imperative remedial Federal legislation which will make the Missouri River navigable from its mouth to Chamberlain, S. Dak., as set forth in the preamble of this resolution.

The VICE PRESIDENT also laid before the Senate the following concurrent resolutions of the Legislature of the Territory of Hawaii, which were referred to the Committee on Territories and Insular Affairs:

Senate Concurrent Resolution 15

Concurrent resolution memorializing the Congress of the United States of America to pass House Resolution No. 156, an enabling act authorizing the people of the Territory to form a constitution and State government, to be admitted into the Union on an equal footing with the existing States.

Whereas a movement for annexation of the Kingdom of Hawaii to the United States, as a State on a parity with the then existing States of the United States, was initiated in 1854; and

Whereas the Republic of Hawaii, a sovereign nation, was annexed voluntarily in the United States of America, as an incorporated Territory and an integral part thereof, under the Newlands joint resolution, approved July 7, 1898, at the request of a majority of the then citizens of the islands; and

Whereas Hawaii has served for almost 40 years in such status and demonstrated fully its ability to discharge the duties of a State, and inasmuch as there is no provision in the American scheme of government for the indefinite existence of any integral part of the United States in a Territorial status; and

Whereas the people of Hawaii, since 1840 and the promulgation of the first Constitution of Hawaii modeled after the Constitution of the United States, have demonstrated their unquestioned ability to govern themselves, particularly since the passage of the Hawaiian organic act, approved April 30, 1900; and

Whereas the 1903 session of the Legislature of Hawaii, being the second session after annexation, adopted the first of a long series of resolutions memorializing the Congress to grant Hawaii statehood, an action that has been repeated with few exceptions by succeeding sessions; and

Whereas the land area of Hawaii exceeds that of any one of 3 of the existing States and is nearly equal to that of 2 others; the population of Hawaii exceeds that of any one of 4 States and is closely behind that of 4 others; and in taxes it pays into the Federal Treasury more than any one of some 16 States and five times more than is expended in it by the Federal Government for civil purposes; and

Whereas as an organized Territory for almost 40 years Hawaii has developed into a modern American community, on a par with any other part of the Union by the ordinary standards of American life; and

Whereas the people of the Territory of Hawaii desire and have desired for many years to participate in the Government of the United States freely, fully, and loyally as a sovereign State of the United States; and

Whereas the Joint Committee on Hawaii recommended in its report rendered February 15, 1938, among other things, that the holding of a plebiscite on the subject of statehood for Hawaii would precede affirmative action by the Congress; and

Whereas there is pending in the legislature a measure, presented by the Hawaii Equal Rights Commission with a recommendation that it be passed, to provide such plebiscite at the 1940 general elections in the Territory: Now, therefore, be it

Resolved by the Senate of the Territory of Hawaii at its twentieth regular session (the house of representatives concurring), That when the people of the Territory of Hawaii express at such plebiscite a desire that said Territory shall become a State and be admitted into the Union on an equal footing with the 48 States, the Congress of the United States of America be, and it is hereby, earnestly requested and urged to pass House Resolution No. 156, introduced January 3, 1939, by the Honorable SAMUEL WILDER KING, Delegate to the Congress from Hawaii, and referred to the Committee on Territories, being an act to enable the people of the Territory of Hawaii to form a constitution and State government, and to be admitted into the Union on an equal footing with the existing States; and be it further

Resolved, That properly certified copies of this concurrent resolution be transmitted to the President of the Senate of the United States of America, to the Speaker of the House of Representatives, to the Honorable WILLIAM H. KING, Senator from Utah and chairman of the Joint Committee on Hawaii, and to the Delegate to the Congress from Hawaii.

Senate Concurrent Resolution 22

Concurrent resolution requesting the Congress of the United States of America for authority to acquire Royal Patent Grants 3437 and 3539 in the land of Kahanui, island of Molokai, T. H., necessary to protect the domestic water-supply system of the Hawaiian Homes Commission's major homestead settlement

Whereas more than 1,300 persons on Hawaiian Homes Commission homesteads on the island of Molokai, T. H., now receive practically all of their domestic water supply from an intake on Territorial land from the Waihanau stream and by use of the same for many years the Territory of Hawaii has established a prescriptive right to such water; and

Whereas a portion of such water is drained from said Royal Patent Grants 3437 and 3539 in the land of Kahanui, privately owned, and comprising 1,268 acres more or less; and

Whereas said lands of Kahanui have for several years been unoccupied by persons or livestock but, due to its private ownership, may be so occupied at any time; and

Whereas such occupancy would require the installation, operation, and maintenance of a water-purification plant in connection with the said water-supply system of the Hawaiian Homes Commission at great cost to said commission, such water purification not now being required; and

Whereas there has been expended by the said Hawaiian Homes Commission to date more than $500,000 for the aforesaid water-supply system; and

Whereas there is also required a right-of-way for vehicles and automotive equipment of the Hawaiian Homes Commission over an existing road located within the land of Kahanui other than those portions hereinbefore described, for the purpose of operating and maintaining said water-supply system; and

Whereas the aforesaid 1,268 acres of privately owned land will also serve as an addition to the Territorial forest reserve; and

Whereas the Territory of Hawaii, under authority conveyed to it by section 73 (1) of its organic act cannot exchange Territorial land exceeding 40 acres in area or $5,000 in value in each case, and the Hawaiian Homes Commission, under the Hawaiian Homes Commission Act, 1920, has no authority to exchange land of any area whatsoever; and

Whereas the respective areas and values concerned in the said proposed exchange of land will exceed the limitations prescribed in said organic act and Hawaiian Homes Commission Act, 1920: Now, therefore, be it

Resolved by the Senate of the Twentieth Legislature of the Territory of Hawaii (the house of representatives concurring), That the Congress of the United States of America be, and it hereby is, urgently requested to provide the appropriate legislation to authorize the Territory of Hawaii to acquire Royal Patent Grants 3437 and 3539 of the land of Kahanui with appurtenances thereto and a perpetual right-of-way over the existing road through the land of Kahanui, both on the island of Molokai, T. H., privately owned, in exchange for Territorial land or lands under the control of the Hawaiian Homes Commission, or both, such lands to be of such area or areas as will equal in value the value of said privately owned lands with appurtenances thereto and of said right-of-way across the land of Kahanui, such values to be fixed by a Territorial board of appraisers. Should, for any reason, the owners of said lands refuse to convey the aforesaid lands and appurtenances and said right-of-way in exchange for the said Territorial land or lands under the control of the Hawaiian Homes Commission, or both, of equal value as fixed by said board of appraisers, the Territory of Hawaii be authorized to acquire said lands and appurtenances and said right-of-way by condemnation proceedings, and further be authorized to sell at public auction such Territorial or Hawaiian Homes Commission lands, or both, the proceeds of such sale to be applied to the purchase price fixed in the condemnation proceedings; and further, that the Hawaiian Homes Commission be authorized to transfer to the Commissioner of Public Lands of the Territory of Hawaii, such Hawaiian Homes lands as may be required to effectuate the proposed exchange or sale of said lands as authorized hereinabove; and be it further

Resolved, That a copy of this resolution be forwarded to the President of the United States, to the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, to the Secretary of the Interior, and to the Delegate to Congress from the Territory of Hawaii.

House Concurrent Resolution 22

Be it resolved by the House of Representatives of the Twentieth Legislature of the Territory of Hawaii (the senate concurring), That the Congress of the United States be, and it hereby is, requested to amend the organic act so as to authorize and mandate the commissioner of public lands, with the approval of the Governor of the Territory of Hawaii, to do the following with regard to special homestead agreements of unpatented homesteads of the Waiakea homestead tract, in the district of South Hilo, county of Hawaii:

(1) Determine the amount of interest and principal that would have been due and payable during the first 6 years, had payment been carried out as set forth in the special homestead agreements.

(2) Issue a retroactive moratorium beginning from the end of the sixth year of the special homestead agreements up to the date of the approval of this authorization and mandate.

(3) Issue an extension of time of 30 years from the approval of this authorization and mandate in which to meet the required payments of the amount due and payable as determined according to item 1 hereof, with a requirement that such amount be amortized without interest over the period of extension, such amortized payments to be due and payable biennially or at crop harvest time; be it further

Resolved, That the Congress of the United States be, and it is hereby, respectfully requested to enact a bill to carry out the purposes of this resolution, substantially in the form hereto attached; be it further

Resolved, That copies of this concurrent resolution be forwarded to the President of the Senate of the Congress of the United States, to the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior of the United States, and to the Delegate to the Congress of the United States from Hawaii.

An act to amend section 73 of an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled:

SECTION 1. That certain act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended, is hereby further amended by adding at the end of section 73 thereof the following paragraph:

"The commissioner is hereby authorized and directed to determine the amount of principal and interest which would have been paid by any person or persons with whom the Territory of Hawaii has entered into special homestead agreements of unpatented homesteads at the Waiakea homestead tract, in the district of South Hilo, county of Hawaii, during the first 6 years of the life of such agreement if all payments under said agreement had been paid when due during said 6 years. The amount so determined in each case shall be the total amount due and payable for such homesteads, covered by such agreements, any other terms or provisions in any of said special homestead agreements to the contrary notwithstanding. Said amount shall be payable without interest in annual or biennial payments, and if at the end of 30 years said amount shall have been paid to the Territory, said special homestead agreements shall be deemed to have been performed by the parties mentioned therein, and such parties shall not be required to make any further payments for the land covered by such agreement."

SEC. 2. This act shall take effect upon its approval.

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of Wisconsin, relating to the tariff rates on raw furs, which was referred to the Committee on Finance.

(See resolution printed in full when presented today by Mr. WILEY.)

The VICE PRESIDENT also laid before the Senate Joint Memorial No. 1 of the Legislature of Florida, favoring the enactment of legislation for the relief of property owners who suffered damages from the campaign to eradicate the Mediterranean fruitfly, which was referred to the Committee on Claims.

(See memorial printed in full when presented today by Mr. ANDREWS.)

The VICE PRESIDENT also laid before the Senate Joint Memorial No. 3 of the Legislature of Florida, favoring the enactment of legislation terminating the selling of munitions and war materials to Japan by citizens of the United States, which was referred to the Committee on Foreign Relations.

(See memorial printed in full when presented today by Mr. ANDREWS.)

The VICE PRESIDENT also laid before the Senate a letter from the mayor of Gobierno Municipal de Vieques, P. R., transmitting a memorandum concerning the economic situation of the island of Vieques, P. R., which, with the accompanying papers, was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a resolution of the executive committee of the National Association of Supervisors of State Banks, Washington, D. C., protesting against the enactment of legislation to expand the powers of the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and Federal savings and loan associations, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution of the executive committee of Typographical Union, No. 6, New York City, N. Y., favoring the enactment of legislation to continue the United States Housing Authority and also to authorize the sale of its obligations not to exceed $800,000,000, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution of Department of Justice Local, No. 80, United Federal Workers of America, of Washington, D. C., favoring the enactment of legislation to provide a satisfactory system for adjusting employee grievances, which was referred to the Committee on Civil Service.

He also laid before the Senate a resolution of the Chattanooga (Tenn.) Building Trades Council, favoring the enactment of Senate bill 1305, granting Federal aid to education, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution of the City Council of Chicago, Ill., favoring the enactment of legislation to provide adequate funds for housing needs in Chicago, Ill., which was referred to the Committee on Education and Labor.

He also laid before the Senate resolutions of the Illinois Osteopathic Association, the Kansas State Osteopathic Association, the Louisiana State Osteopathic Society, the Montana Osteopathic Association, the North Dakota State Osteopathic Association and the State Board of Osteopathic Examiners, the Oregon Osteopathic Association, and the Wisconsin Osteopathic Association, favoring the amendment of Senate bill 1620, the so-called Wagner national health bill, so as to preserve the freedom of choice of the physician and

school of practice to persons entitled to medical care, and providing osteopathic representation on Federal and State advisory councils, which were referred to the Committee on Education and Labor.

He also laid before the Senate petitions of sundry citizens of the United States, praying for action to prohibit the shipment of munitions and war materials to Japan for use in operations in China, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution of the Council of the City of New York, N. Y., favoring the enactment of legislation to permit the immigration into the United States of refugee children from Germany, which was referred to the Committee on Immigration.

He also laid before the Senate a telegram in the nature of a petition from the Longview (Tex.) Baseball Club, praying for the full-time operation of radio station KFRO with the needed power to broadcast night and day baseball games, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a telegram in the nature of a memorial from Elliott Roosevelt, president of the Texas State radio network, remonstrating against the enactment of pending legislation to prohibit the advertising of alcoholic beverages by radio, which was ordered to lie on the table.

Mr. LODGE presented the petition of the Massachusetts Chapter of World War Mothers of New England, praying that the United States guard its commitments in the matter of foreign relations so that the armed forces of the United States may not have to operate on foreign soil, which was referred to the Committee on Foreign Relations.

Mr. CAPPER presented petitions of members and friends of Townsend Club, No. 1, of Lucas, Kans., praying for the enactment of House bill 2, a general-welfare bill granting old-age assistance, which were referred to the Committee on Finance.

He also presented the petition of members of the American Association of University Women, Wellington, Kans., praying for revision of the existing Neutrality Act (1) to enable the President to distinguish between victim and aggressor on the basis of violation of a treaty to which the United States is a party, if such discriminating action will contribute to the maintenance or restoration of peace; (2) to allow the President discretion in its application after consultation with other nations; and (3) to allow the President to include embargoes on raw materials for war purposes as well as munitions, which was referred to the Committee on Foreign Relations.

He also presented memorials of sundry citizens of Kansas City, Dodge City, Garden City, and Salina, all in the State of Kansas, remonstrating against the enactment of Senate bill 1520, to amend the Communications Act of 1934, and favoring the adoption of Senate Resolution 95, directing a study of the telegraph industry in the United States, which were referred to the Committee on Interstate Commerce.

Mr. WALSH presented a resolution adopted by representatives of 20 churches comprising the Berkshire North Association of Congregational and Christian Churches, of Massachusetts, favoring the enactment of pending legislation to provide for the admission of refugee children from Germany into the United States, which was referred to the Committee on Immigration.

He also presented the memorial of the Foxboro (Mass.) Men's Club, remonstrating against the sale and shipment of arms and munitions to Japan for use in operations in China, which was referred to the Committee on Foreign Relations.

He also presented the petition of the faculty and students of Notre Dame College, South Euclid, Ohio, praying that the United States may be kept out of war and free from foreign entanglements, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the Grand Council of the Grand Lodge of Massachusetts, Order of Sons of Italy in America, in meeting assembled at Boston, Mass., favoring the enactment of a joint resolution manifesting a spirit of friendship toward all nations and expressing the desire of the United States to cooperate impartially toward a lasting world peace, which was referred to the Committee on Foreign Relations.

Mr. WILEY presented resolutions of the Shawano (Wis.) County Board of Supervisors, favoring leniency by the F. S. A. in collection methods now employed until the price of dairy products and farm income improves, and also favoring the enactment of legislation to provide a subsidy or price-regulation proposal to the end that the dairy farmer may receive an average price of $2 per hundred for milk, which were referred to the Committee on Agriculture and Forestry.

He also presented a resolution of the Shawano (Wis.) County Board of Supervisors, protesting against any decrease at the present time in W. P. A. rolls by the Federal Government, which was referred to the Committee on Education and Labor.

Mr. WILEY also presented the following joint resolutions of the Legislature of Wisconsin, which were referred to the Committee on Finance:

Assembly Joint Resolution 12

Joint resolution memorializing Congress to amend the Social Security Act so as to repeal the maximum contribution of $15 for each old-age pensioner to the States

Whereas the Congress of the United States has enacted the Social Security Act providing for aid to the aged and other needy persons, and therein further provided for payments to the States of $15 for each aged person, conditioned upon the State's passing legislation conforming to the requirements of such act, and matching in proportion the required funds of the United States; and

Whereas these provisions afford a maximum sum of $30 for each old-age pensioner unless the State is willing to assume and pay the entire amount above the contribution of $15 of the United States; and

Whereas it is believed that this sum is inadequate for eligible persons in not permitting bare sustenance, and that the Federal Government should encourage the States to grant proper and sufficient aids for aged persons in accordance with American ideals and American standards by matching the contributions of the State without limitation as to amount; and

Whereas the aged people should be enabled to live in decency and health and be relieved of their fears and miseries: Now, therefore, be it

Resolved by the assembly (the senate concurring), That the Legislature of the State of Wisconsin respectfully memorializes the Congress of the United States to amend the Social Security Act by removing the limitation of $15 for each such aged person as the maximum Federal contribution so as to enable the Federal Government to match any contribution of a State without restriction as to amount; be it further

Resolved, That properly attested copies of this resolution be transmitted to the United States, to both Houses of Congress of the United States and to each Wisconsin Member thereof.

Assembly Joint Resolution 18

Joint resolution memorializing the Congress of the United States to enact legislation removing the reciprocal exemption from tax on income of municipal, State, and Federal employees

Whereas the reciprocal-tax exemption claimed by and granted to employees of the municipal, State, and Federal Governments was formerly an inequity of no great importance as their numbers and salaries were then relatively small; but with the astonishing increase in the vast army of such employees with an estimated income in excess of $3,000,000,000 such tax exemption has become an alarming defect in the fiscal system of our governmental units which have increasingly relied upon graduated income taxes for their revenues; and

Whereas the reciprocal exemption of salaries of governmental employees has created a vast reservoir of tax-exempt income in the possession of people who should equitably bear their just proportion of governmental expenses and relief costs; and

Whereas the removal of such exemptions should produce much added and needed income on the basis of present tax laws to both State and Federal Governments; and

Whereas the time has come in a democracy that those people who obtain their livelihood from the Government should receive the same treatment as those working for private employers, and should be terminated as a matter of principle and not of politics; and

Whereas the sixteenth amendment to the Constitution of the United States, approved in 1913, expressly authorized the Congress of the United States "to lay and collect taxes on incomes, from whatever source derived," should now authorize the taxation of all income derived from municipal, State, and Federal Governments: Now, therefore, be it

Resolved by the assembly (the senate concurring), That this legislature memorializes the Congress of the United States to enact legislation removing the reciprocal-tax exemption on Government

salaries of all kinds, and conferring powers on the State with respect to Federal salaries and powers to the Federal Government with respect to State and local governmental salaries; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to both Houses of Congress, and to each Wisconsin Member thereof.

Assembly Joint Resolution 72

Joint resolution relating to the tariff rates on raw furs

Whereas market prices on silver foxes imported from foreign countries into the United States have decreased from 25 to 35 percent since the recent lowering of the tariff rates on silver foxes by the United States Government; and

Whereas the average price for silver foxes imported since February 1938, was $36.15 and such average price in 1939 has dropped to $26.89; and

Whereas the price on silver foxes in the United States in March 1938, was $36.95 per fox for the same type of foxes, which in March 1939 only brought $23.60 or a reduction of $13.35 per fox or 36 percent; and

Whereas in January and February 1939, there were 25 percent more raw fox furs imported into the United States than during the whole year of 1938; and

Whereas 128,000 silver foxes, or as many as the United States produces, are being sold in London in the month of March 1939, and many of the United States buyers are present at this sale, it is apparent that about 20,000 foxes will be imported into the United States during the month of March to further depress the market in the United States, and that during the same month in 1938 only 1,850 foxes were so imported; and

Whereas the income to the raw-fur industry of this State is approximately $20,000,000, and such industry is one of the greatest in this State; and

Whereas this State has the largest fur farms in the world and up until the lowering of such rates such industry had developed and increased at a great rate; and

Whereas it seems clear that the lowering of such rates was detrimental to the raw-fur industry in this State and other States of the United States, and that the Federal Government should restore or raise the tariff rates on foxes to the level that existed prior to such change: Now, therefore, be it

Resolved by the assembly (the senate concurring), That the Legislature of the State of Wisconsin respectfully memorializes the Federal Government to restore the tariff rates on raw furs to the level that existed before such change; be it further

Resolved, That properly attested copies of this resolution be sent to the President and Vice President of the United States, to each House of Congress, and to each Wisconsin Member thereof, and to the United States Tariff Commission.

Mr. SHEPPARD presented the following concurrent resolution of the Legislature of Texas, which was referred to the Committee on Agriculture and Forestry:

House Concurrent Resolution 106

Whereas all cotton produced in the United States is sold on the basis of the gross weight of the bale, which includes the weight of the bagging and tie, and there being no uniformity in the weight of said bagging and ties, this making it impracticable for buyers to arrive at the actual net weight of the cotton when setting a price for same, this resulting in the producer receiving a price at variance with the posted price for like grades of cotton; and

Whereas cotton produced in all other countries is sold on the net weight thereof without regard to the weight or character of bagging used; and

Whereas there is now prevailing in the Congress of the United States a bill requiring that all American-produced cotton should be sold on the net weight basis, thus making it possible for the use of a lighter-weight bagging in the wrapping of the American cotton, and further resulting in the use of low-grade cotton in the manufacture of bagging, also helping to reduce the stocks of low-grade cotton in the United States and removing from the market much of the low-grade cotton, which is held in competition with the higher grades; and

Whereas the bagging used now almost exclusively throughout the United States is manufactured from materials imported, and much of the finished bagging being imported, thus requiring the American cotton growers to use foreign manufactured bagging in competition with a bagging that might be manufactured from their own product, this establishing an unethical and badly unbalanced economic condition; and

Whereas the Texas Cotton Ginners Association and the Texas Cooperative Ginners Association, representing a very large majority of the cotton ginners of Texas, at their annual convention held in Dallas on April 11, 1939, both, by unanimous vote, resolved to wrap their gin bales in cotton as soon as a net weight law was enacted, and further voted to give full cooperation to extend the use of cotton in every way possible by their example and precept: Now therefore be it

Resolved by the house of representatives (the senate concurring), That the Congress of the United States be, and is hereby, memorialized to enact a law as soon as possible requiring that all American-produced cotton be sold on the basis of the net weight of the bale; and be it further

Resolved, That copies of this resolution be sent to the Congressmen and United States Senators from Texas and to United States Senator ELLISON D. SMITH, chairman of the Senate Agricultural Committee.

Mr. ANDREWS presented the following joint memorial of the Legislature of Florida, which was referred to the Committee on Claims:

Senate Joint Memorial 1

Joint resolution as a memorial to Congress to pass an act for the relief of property owners who suffered damages from the campaign to eradicate the Mediterranean fruitfly

Whereas property owners in the State of Florida suffered great damage from quarantine regulations and destruction of property during the successful efforts to suppress the late invasion of the Mediterranean fruitfly; and

Whereas the damage so wrought under the direction and regulations of the Federal Government was for the primary purpose of protecting the health of citizens of the United States and in order to prevent the invasion of other States by this destructive pest and thereby benefited other States and the United States by an incalculable amount far in excess of the damages sustained by the property owners of Florida; and

Whereas the citrus growers of Florida and the business interests and people of Florida who are dependent directly or indirectly upon the income of citrus growers, have during the present season experienced great losses due to low prices of citrus fruits; and

Whereas there has already been many years' delay in laying before the Congress for final determination the claims of the said property owners: Therefore be it

Resolved by the Legislature of the State of Florida:

SECTION 1. That the attention of the President of the United States and the Congress be drawn to the facts hereinbefore set forth, and that they be urgently requested to consider the claims of the property owners who suffered damages incident to the eradication of the Mediterranean fruitfly and to provide the necessary appropriations to pay said claims at the earliest possible moment.

SEC. 2. The secretary of state shall provide copies of this resolution, suitably prepared as a memorial, and to respectfully present such copies to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each of the Senators and Representatives in Congress from the State of Florida.

Mr. ANDREWS also presented the following memorial of the Senate of the State of Florida, which was referred to the Committee on Foreign Relations:

Senate Memorial 3

Joint resolution as a memorial to Congress to pass an act terminating the selling of munitions and war materials by citizens of the United States to the country of Japan

Whereas in the interests of humanity and world peace it becomes necessary that the President of the United States and the Congress of the United States take such action as will deny aid or assistance of any kind to the country of Japan in the furtherance of the war against the country of China; and

Whereas denial of the right to purchase munitions and materials of war would effectively accomplish such purpose: Now, therefore, be it

Resolved by the Legislature of the State of Florida:

SECTION 1. That this body memorialize the President of the United States and the Congress of the United States to take immediate action to terminate the selling of munitions and war materials by citizens of the United States to the country of Japan.

SEC. 2. That the Senators and Representatives of the State of Florida, in the Congress of the United States, give their support to any measure that will accomplish the purpose of this resolution, and that copies of this memorial be forwarded to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, and to the Senators and Representatives of the State of Florida in Congress.

TRIBUTE TO AND ENDORSEMENT OF SENATOR LEE FOR VICE-PRESIDENTIAL NOMINATION

Mr. HILL. Mr. President, I have a copy of the resolution adopted by the State Senate of the Legislature of Oklahoma recommending and commending our distinguished colleague the junior Senator from Oklahoma [Mr. LEE] to the consideration of the Democracy of the Nation for nomination to the office of Vice President of the United States. The Senator from Oklahoma was born in my State of Alabama; in fact, Mr. President, today five native-born Alabamians sit in the Senate, the senior Senator from Tennessee [Mr. MCKELLAR], the senior Senator from Alabama [Mr. BANKHEAD], the junior Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. LEE], and myself. The Senator from Oklahoma left Alabama as a very small boy and went to Oklahoma. There he grew to manhood and was

educated and there he has given his heart's devotion to the welfare and the advancement of the people of that State. I had the honor of serving in the House of Representatives with the junior Senator from Oklahoma. I well remember his first speech in that body. He was speaking as one who as a brave corporal in the A. E. F. had experienced the horrors, the trials, and the tragedy of the World War on the battlefields of France. He was pleading for peace for our country and he was so earnest, so eloquent, so compelling that he held the rapt attention of the Members and instantly challenged their admiration. From the day that Senator LEE started his life's career as an Oklahoma schoolmaster until this good hour he has been fighting to break shackles, to lift burdens, to open the doors of opportunity, to insure justice, and to promote the cause of the people of Oklahoma and of the Nation. Mr. President, I ask unanimous consent that the resolution may lie on the table and be printed in the RECORD.

There being no objection, the resolution was ordered to lie on the table and to be printed in full in the RECORD, as follows:

(Enrolled)

Senate Resolution 34—By Spencer

Resolution commending the Honorable JOSH LEE and recommending his consideration by the Democracy for Vice President of the United States

Whereas it has been prominently mentioned and rumored that the Honorable JOSH LEE, United States Senator from Oklahoma, may be considered by the Democratic Party as a nominee for Vice President of the United States; and

Whereas the Honorable JOSH LEE is a popular, widely known, and favorite son of the Commonwealth of Oklahoma and is greatly beloved by the people of Oklahoma; and

Whereas the Honorable JOSH LEE is a commoner typically representative of democratic principles and traditions of American life in that he has risen from a position of opportunity accorded all of those similarly situated in the scheme of American life, and is now recognized as one of the Nation's most sincere and outstanding Democratic personalities: Now, therefore, be it

Resolved by the State Senate of the Seventeenth Legislature of Oklahoma:

SECTION 1. That we most heartily recommend and commend the Honorable JOSH LEE to the consideration of the Democracy of the Nation for the nomination of the office of Vice President of the United States of America on the Democratic ticket in 1940.

Passed the Senate 29th day of April 1939.

J. A. RINEHART,
President pro tempore of the Senate.

Correctly enrolled.

VIRGIL L. STOKES,
Chair, Committee on Enrolled and Engrossed Bills.

OKLAHOMA, OKLA.

Senate Resolution 34 received in the office of secretary of state at 2:57 o'clock p. m., April 29, 1939.

C. C. CHILDERS,
Secretary of State.
B. R.

(Furnished by the secretary of state's office.)

REPORTS OF COMMITTEES DURING RECESS

Under authority of the order of the 12th instant,

On May 15, 1939:

Mr. HILL, from the Committee on Military Affairs, to which was referred the bill (H. R. 1774) to authorize the transfer to the State of Minnesota of the Fort Snelling Bridge at Fort Snelling, Minn., reported it without amendment and submitted a report (No. 427) thereon.

Mr. MINTON, from the Committee on Military Affairs, to which was referred the bill (H. R. 2987) providing for the transfusion of blood by members and former members of the Military Establishment, and by employees of the United States Government, reported it without amendment and submitted a report (No. 428) thereon.

Mr. GURNEY, from the Committee on Military Affairs, to which was referred the bill (H. R. 3593) authorizing and directing the Secretary of War to execute an easement deed to the city of Duluth for park, recreational, and other public purposes covering certain federally owned lands, reported it without amendment and submitted a report (No. 429) thereon.

Mr. NYE, from the Committee on Military Affairs, to which was referred the bill (S. 581) for the relief of Robert H. Muirhead, reported it without amendment and submitted a report (No. 430) thereon.

Mr. SLATTERY, from the Committee on Military Affairs, to which was referred the bill (H. R. 1882) for the relief of Otis M. Culver, Samuel E. Abbey, and Joseph Reger, reported it with an amendment to the title and submitted a report (No. 431) thereon.

REPORTS OF COMMITTEES

Mr. BURKE, from the Committee on the Judiciary, to which was referred the bill (S. 182) for the relief of Edward Hagenson, reported it without amendment and submitted a report (No. 432) thereon.

Mr. WHEELER, from the Committee on Interstate Commerce, to which was referred the bill (S. 2009) to amend the Interstate Commerce Act, as amended, by extending its application to additional types of carriers and transportation and modifying certain provisions thereof, and for other purposes, reported it with amendments and submitted a report (No. 433) thereon.

Mr. BAILEY, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1842. A bill to authorize the construction of certain vessels for the Coast and Geodetic Survey, Department of Commerce, and for other purposes (Rept. No. 435);

S. 2170. A bill to improve the efficiency of the Lighthouse Service, and for other purposes (Rept. No. 436);

H. R. 199. A bill to amend section 10 (b), (c), and (d) of the act of June 26, 1884, as amended (U. S. C., 1934 edition, title 46, sec. 599), relative to the allotment of wages by seamen (Rept. No. 437);

H. R. 1782. A bill to amend section 4335 of the Revised Statutes of the United States, relative to change of masters of vessels (Rept. No. 438);

H. R. 1784. A bill to amend section 4498 of the Revised Statutes of the United States, as amended, relative to the renewal of licenses of vessels (Rept. No. 439); and

H. R. 1786. A bill to amend section 4325 of the Revised Statutes of the United States, as amended, relative to renewal of licenses of vessels (Rept. No. 434).

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on May 15, 1939, that committee presented to the President of the United States the enrolled bill (S. 964) creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Edward H. Foley, Jr., of New York, to be General Counsel for the Department of the Treasury, to fill an existing vacancy.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nomination of Col. James Carre Magee, Medical Corps, vice Maj. Gen. Charles R. Reynolds, The Surgeon General, whose term of office expires May 31, 1939, to be the Surgeon General, with the rank of major general, Regular Army, for a period of 4 years from date of acceptance, with rank from June 1, 1939; and also the nominations of several officers for appointment, by transfer, and also for appointment to temporary rank in the Air Corps of the Regular Army, under the provisions of law.

Mr. O'MAHONEY, from the Committee on the Judiciary, reported favorably the nomination of John J. Boyle, of Wisconsin, to be United States attorney for the western district of Wisconsin.

Mr. BURKE, from the Committee on the Judiciary, reported favorably the following nominations:

John J. Farrell, of Minnesota, to be United States marshal for the district of Minnesota; and

Joseph T. Votava, of Nebraska, to be United States attorney for the district of Nebraska.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

S. 2414. A bill to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the export of merchandise from the United States, and for other purposes; to the Committee on Commerce.

S. 2415. A bill to convey to the Hermiston irrigation district and to the west extension irrigation district of the Umatilla reclamation project in the State of Oregon all the interest of the United States in the Umatilla reclamation project, and for other purposes; to the Committee on Irrigation and Reclamation.

S. 2416. A bill granting a pension to Mary E. Carson; to the Committee on Pensions.

By Mr. HUGHES:

S. 2417. A bill to amend section 9 of the act of July 3, 1926 (44 Stat. 817), entitled "An act to readjust the commissioned personnel of the Coast Guard, and for other purposes"; to the Committee on Commerce.

By Mr. MINTON:

S. 2418. A bill to authorize the erection of recreational facilities at the existing Veterans' Administration facility, Indianapolis, Ind.; to the Committee on Finance.

By Mr. BORAH:

S. 2419. A bill for the relief of Walter J. Hogan and W. R. Larkin in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho; to the Committee on Indian Affairs.

By Mr. NEELY:

S. 2420. A bill relating to certain inspections and investigations in coal mines for the purpose of obtaining information relating to health and safety conditions, accidents and occupational diseases therein, and for other purposes; to the Committee on Mines and Mining.

S. 2421. A bill for the relief of the National Exchange Bank, of Wheeling, a corporation, committee for Louis Horkheimer, an incompetent person, surviving member of the firm of Horkheimer Bros., a copartnership doing business in Wheeling, W. Va., and Ernest S. Horkheimer, administrator cum testamento annexo de bonis non of the estate of Julius Horkheimer, deceased; to the Committee on Claims.

By Mr. BILBO:

S. 2422. A bill for the relief of Joseph P. Smith; to the Committee on Claims.

By Mr. WALSH:

S. 2423. A bill granting a pension to Julia Agnes Silva; to the Committee on Pensions.

By Mr. SHIPSTEAD:

S. 2424. A bill to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended; to the Committee on Foreign Relations.

By Mr. LODGE:

S. 2425. A bill for the relief of James J. Butler; to the Committee on Military Affairs.

S. 2426. A bill to correct the record of Ralph Everett Crawshaw; to the Committee on Naval Affairs.

By Mr. BULOW:

S. 2427. A bill authorizing the naturalization of John Ullmann, Jr.; to the Committee on Immigration.

By Mr. DANAHER:

S. 2428. A bill for the relief of Orlando DiTommaso; to the Committee on Immigration.

By Mr. WILEY:

S. 2429. A bill granting a pension to Amanda M. Evert; to the Committee on Pensions.

By Mr. GREEN:

S. 2430. A bill extending the time for filing a claim for reimbursement for the funeral expenses of Joseph Pasco Ferrucci; to the Committee on Finance.

S. 2431. A bill granting a pension to Emma S. Boutwell; to the Committee on Pensions.

By Mr. DAVIS:

S. 2432. A bill granting a pension to John Vandever; to the Committee on Pensions.

By Mr. WHEELER:

S. 2433. A bill for the relief of Frank Casey; to the Committee on Military Affairs.

By Mr. PITTMAN:

S. J. Res. 137. Joint resolution authorizing and requesting the President to accept the invitation of the Government of Norway to the Government of the United States to participate in an International Exhibition of Polar Exploration, which will be held at Bergen, Norway, in 1940; and authorizing an appropriation to cover the expenses of such participation; to the Committee on Foreign Relations.

By Mr. BYRNES:

S. J. Res. 138. Joint resolution providing that reorganization plans Nos. I and II shall take effect on July 1, 1939; to the Select Committee on Government Organization.

HOUSE BILL REFERRED DURING RECESS

Under authority of the order of the 12th instant, the bill (H. R. 6260) making appropriations for the fiscal year ending June 30, 1940, for civil functions administered by the War Department, and for other purposes, was on May 15, 1939, referred to the Committee on Appropriations.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 1827. An act to allow moving expenses to employees in the Railway Mail Service; to the Committee on Post Offices and Post Roads.

H. R. 2364. An act to transfer the control and jurisdiction of the Park Field Military Reservation, Shelby County, Tenn., from the War Department to the Department of Agriculture;

H. R. 5436. An act to authorize the grant of a sewer right-of-way and operation of sewage-treatment plant on the Fort Niagara Military Reservation, N. Y., by the village of Youngstown, N. Y.; and

H. R. 6035. An act to provide for the exclusion from the United States of persons who have been convicted of desertion from the military or naval forces of the United States while the United States was at war; to the Committee on Military Affairs.

H. R. 4499. An act authorizing the county of Gallatin, State of Illinois, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the city of Shawneetown, Gallatin County, Ill., to a point opposite thereto in the county of Union, State of Kentucky;

H. R. 5036. An act authorizing the State highway departments of North Dakota and Minnesota and the counties of Grand Forks, of North Dakota, and Polk, of Minnesota, to construct, maintain, and operate a free highway bridge across the Red River near Thompson, N. Dak., and Crookston, Minn.;

H. R. 5501. An act authorizing the Secretary of Commerce to convey a certain tract of land to the State of Oregon for use as a public park and recreational site;

H. R. 5523. An act authorizing the States of Minnesota and Wisconsin to construct, maintain, and operate a free highway bridge across the St. Croix River at or near Osceola, Wis., and Chisago County, Minn.;

H. R. 5756. An act to amend section 509 of the Merchant Marine Act, 1936, as amended; and

H. R. 5966. An act to establish a Coast Guard Reserve to be composed of owners of motorboats and yachts; to the Committee on Commerce.

H. R. 5380. An act to amend an act approved April 26, 1926, entitled "An act fixing the fees of jurors and witnesses in the United States courts, including the District Court of Hawaii, the District Court of Puerto Rico, and the Supreme Court of the District of Columbia"; and

H. R. 6071. An act to permit appeals by the United States to the circuit courts of appeals in certain cases; to the Committee on the Judiciary.

H. R. 5447. An act authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 18 to May 25, 1940; and

H. R. 5746. An act to provide for the correction of the list of approved Pine Ridge lost allotment claims, and for other purposes; to the calendar.

H. J. Res. 180. Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Seventh International Congress for the Rheumatic Diseases, to be held in the United States during the calendar year 1940, and to authorize an appropriation to assist in meeting the expenses of the session; to the Committee on Foreign Relations.

CHANGE OF REFERENCE

On motion by Mr. SHEPPARD, the Committee on Claims was discharged from the further consideration of the bill (H. R. 4617) for the relief of Capt. Robert E. Coughlin, and it was referred to the Committee on Military Affairs.

PUBLIC WORKS PROJECTS—AMENDMENTS

Mr. MEAD submitted amendments intended to be proposed by him to the bill (S. 2063) making appropriations for public-works projects, and authorizing the carrying out of such projects, which were referred to the Special Committee to Investigate Unemployment and Relief and ordered to be printed.

FEDERAL AID TO EDUCATION IN THE STATES—AMENDMENT

Mr. WAGNER (for himself and Mr. DAVIS) submitted an amendment intended to be proposed by them jointly to the bill (S. 1305) to promote the general welfare through appropriation of funds to assist the States and Territories in providing more effective programs of public education, which was referred to the Committee on Education and Labor and ordered to be printed.

INVESTIGATION OF ADMINISTRATION OF J. ROSS EAKIN AS SUPERINTENDENT OF GREAT SMOKY MOUNTAINS NATIONAL PARK

Mr. McKELLAR. Mr. President, I submit a resolution for an investigation, by a committee to be appointed by the Vice President, of the activities of one J. R. Eakin, superintendent of the Great Smoky Mountains National Park.

The reasons for the investigation are stated in the resolution.

It will be recalled that this matter came up on the floor of the Senate some weeks ago and was argued with some activity. The Senate is therefore in a measure familiar with the question.

Although submitting the resolution, I do not wish to be appointed on the committee. All I want is a full and fair investigation of Mr. Eakin's activities by a disinterested committee; and I know the Vice President will appoint such a committee.

As I understand, the resolution will go first to the Committee on Public Lands and Surveys, and then to the Committee to Audit and Control the Contingent Expenses of the Senate.

The resolution (S. Res. 131) was referred to the Committee on Public Lands and Surveys, as follows:

Whereas sometime in 1931 J. Ross Eakin was appointed superintendent of the Great Smoky Mountains National Park and stationed at Gatlinburg, Tenn.; and

Whereas on or about July 18, 1936, H. E. Myers, regional fiscal supervisor, was sent by the Department of the Interior to audit and check the accounts of the said J. Ross Eakin dealing with control of Civilian Conservation Corps camps; and

Whereas on November 27, 1936, the said H. E. Myers made a report to the Department of the Interior concerning his examination and audit of the accounts of J. Ross Eakin; and

Whereas in such report the said examiner and accountant made many charges against the said J. Ross Eakin, among which were the following:

(1) "Receipts from materials and supplies were not obtained in majority of instances."

(2) "A review of the following comments will disclose that proper purchase and contract procedure were not followed. In the auditor's opinion the greater portion of these discrepancies can be charged to incompetent personnel in charge of purchasing and lack of proper supervision by ones responsible. Several excuses were given for mistakes that had been made, the favorite one being to place blame on clerk that was suspended on August 1, 1936, and the next being failure to receive information from Washington office."

(3) "It would appear that anything that was wanted by anybody was purchased, regardless of regulations, and then every known means used to get the same paid by the finance officer, giving him answers to his questions that were not borne out by the facts when he would hold up payment of vouchers for additional information."

"While audit was being made several suggestions were made to correct errors as they were discovered, and a later check would disclose that suggestions were not followed out immediately, if at all."

(4) "Motor oil purchased in open market, not under Navy contract; typewriter rentals, no contract; purchase of typewriter; service station deliveries of gasoline; photographic equipment; printing of forms; time books, field books, ledgers, daybooks, and columnar journals; repair parts for automobiles not under T. P. S. contracts 7807 and 7808; office furniture, desks, drafting tables, stools, steel desks, steel cabinets, and steel files; drafting instruments; printed envelopes; spark plugs in large quantities at double T. P. S. contract price; junk batteries traded in on new batteries a dozen or more at one time; and blowtorches traded in on new ones."

(5) Excess purchases: "It was noted that a great many automobile tires and tubes were purchased. A check of these purchases shows that between April 1, 1935, and June 30, 1936, tires and tubes amounting to $13,012.62 were purchased. Just why it would be necessary to purchase a hundred tires at one time and place them in stock at the two warehouses and service stations carrying a complete line of truck tires at Knoxville, Tenn., and Asheville, N. C. As a large stock of tires were on hand at Sugarlands warehouse, inquiry was made, and answer received, that they were for detached service cars; and when it was pointed out that it was not necessary to have extra tires on hand, when they could be obtained from Knoxville when and as needed, the answer was then given that the tires on hand had been purchased by the clerk that had been suspended.

"As a great many partly worn-out tires were in several places, instructions were given to have all of these tires placed in one building under lock and key, and when this was done it was found that one abandoned barrack building at Sugarlands was completely filled with worn-out or partly worn-out tires, from camps in Tennessee, some of them, in the auditor's opinion, being good tires showing very little use."

(6) "It was impossible for auditor to check accountability for all tires purchased due to the method of handling the same all around.

"Many purchase orders were issued for batteries for automobiles and trucks, orders being for 1 dozen, sometimes 2 dozen or more at a time. Here again it was discovered that as no uniform truck drivers' report system was being used—in fact, only one camp showed a battery hydrometer on property inventory—so it was impossible for truck drivers to properly test batteries."

(7) "Irregular contracts: Inspection of contracts in file shows that a general understanding of contract procedure was not had by all concerned with the preparation of contracts."

(8) Real-estate leases: "For rent of 'one building approximately 20 feet 2 inches by 16 feet 2 inches for use as an office for Government employees.' Beginning October 21, 1933, to as long as needed, with option in either party to terminate same upon 30 days' notice. Rental, $21 a month. Heat and light furnished."

A contract with one Huff was for a building "with 1,156 square feet floor space," for which he paid $53 per month. Another contract with A. J. Huff was for a "building located in rear Mountain View Hotel used as a garage, containing two stalls." The rental for this was $6 per month.

These leases were all made in 1933 and never renewed and did not conform to regulations.

(9) Cement contracts: Invitations for bids were sent on February 28, 1936, for "cement in paper bags of 94 pounds net." No quantity was stated. "Volunteer Portland Cement Co., Penn Dixie Cement Corporation, and Southern States Portland Cement Co., all submitted identical bids of $2.49 per barrel, of 4 paper sacks, in carload lots of not less than 132 barrels." The above three mentioned firms were equal low bidders; a fourth bidder was 5 cents per barrel higher.

"On these three bids, under the same invitation, three contracts were awarded for a carload of 132 barrels, viz, a contract with Volunteer for 132 barrels, one with Penn Dixie for 132 barrels, and one with Southern States for 132 barrels." This was contrary to the law and to the regulations.

Another contract "dated March 17, 1936, with Volunteer Portland Cement Co. for $414.38. Three equal low acceptable bids were

received. Award was made to concern nearest park, instead of by lot, following justification being stated on statement of award: 'But it would result in increased cost to split the award, and due to the fact that it would also result in delay and cost to Government to request that representatives of these companies draw lots for award.'"

(10) The rental of teams and horses was denounced by the auditor as being contrary to the law and regulations.

(11) "Purchases in excess of $100 not covered by contracts: Statement made to auditor that it was the understanding of all concerned at the park office that, beginning April 1, 1935, authority was granted to make open-market purchases up to $299.99."

(12) "Travel orders were issued by superintendent of park, and in a few cases by acting superintendent, reading 'Great Smoky Mountains National Park and vicinity,' and based on these travel orders files show that travel was performed and paid for by finance officer to and from various places in Tennessee, North and South Carolina, and Georgia. Other travel orders were issued specifying certain places in Tennessee, North and South Carolina, Georgia, and Virginia, all outside of limits of Great Smoky Mountains National Park."

Travel orders were issued by the Washington office and the amount changed by the park officers with this justification: "It is determined to be more economical and advantageous to the Government for you to use your personal car at a mileage rate that will not exceed cost by common carrier."

Travel orders were issued, and per diem paid thereon, to various people who did not leave the park.

"Several travel vouchers were paid to Emergency Conservation Work clerks in park office, and supervising mechanics that have the appearance of Federal Government paying for employees' pleasure trips. For example, Emergency Conservation Work clerk in Gatlinburg office being paid for per diem on trips to Knoxville, Tenn., showing leaving headquarters (Gatlinburg) after 4:30 p. m. (office closing time) for Knoxville, Tenn., remaining in Knoxville (a distance of 40 miles from Gatlinburg) overnight, and leaving there the next morning at 7 a. m., arriving Gatlinburg at 8 a. m. Another example was supervising mechanic leaving Bryson City, N. C., at 7:30 p. m., arriving at Knoxville 11:15 p. m., and leaving Knoxville at 6 a. m. next morning, arriving at Bryson City at 9:45 a. m. This party's headquarters was Smokemont, N. C., several miles from Bryson City, N. C. He spent a great many evenings in Knoxville, Tenn., and Asheville, N. C., arriving at these places after regular closing hours for all kinds of official business, and leaving the next morning before opening hours, and collected per diem for the time away from official station.

"Travel orders were issued, and per diem paid thereon, to various parties whose official duties placed them in travel status, who would leave official headquarters, either Bryson City, N. C., or Gatlinburg, Tenn., between 7 and 10 a. m., traveling to places within park or points in vicinity, returning to official headquarters early in the evening.

(13) "Very little attention was paid to bills of lading. Of those issued by this office, no record was kept; that is, no register was maintained."

A long list of these bills of lading was given concerning which the auditor could make no report.

(14) Shipping tickets were found to be in the same situation.

(15) There were very few paid copies of pay rolls in the park files, and little could be told from those.

(16) The auditor pointed out numerous mistakes in allotment ledgers, telegraphic reports, cost records, and reimbursements, all of which had been managed improperly.

(17) The auditor then made a statement of a test check, as follows:

Total funds allotted	$533,145.00
Less: Type-mapping allotments	19,127.00
Total allotments for work program	514,018.00
Less: Balance unexpended (adjusted)	602.95
Total to be accounted for	513,415.05
Cost reported:	
Fifth period	175,789.98
Sixth period	149,242.10
First half seventh period	56,542.35
Total costs reported	381,374.43
Unaccounted for	132,040.62

When this same auditor was questioned about this shortage he made some correction about it, as shown in the following excerpt from the CONGRESSIONAL RECORD of April 17, 1939:

"Senator MCKELLAR. You thought this was such an unusual circumstance that you ought to talk to Mr. Spillers, the general engineer, who had charge of the books, did you not?

"Mr. MYERS. Yes, sir.

"Senator MCKELLAR. And you called his attention to this unaccounted-for amount of $132,040.62, did you not?

"Mr. MYERS. Yes, sir.

"Senator MCKELLAR. And when you did that, he said there was a detached pay roll that would account for it; and when that was brought in, it was $17,259. Is that right?

"Mr. MYERS. Yes, sir.

"Senator MCKELLAR. If you deduct $17,259 from $132,040.62, it leaves $114,781.62. They never did find any detached or other pay rolls that accounted for that difference, did they?

"Mr. MYERS. Well, as I say, they would just tell me of items that they did not include. They did not prove it to me."

And although 3 years have passed away, that $114,781.62 has never been accounted for; and

Whereas, prior to February 16, 1938, another report was made by Auditors Brown and Jones, and criticisms of memorandum of employment, unsigned by the superintendent; time slips; purchases of gasoline and oil; travel vouchers; purchase of office furniture, and other matters were listed; and

Whereas, on January 19, 1939, Mr. Myers again made an examination in which many things were criticized; and

Whereas the testimony of Mr. Myers, auditor, as taken by Senator MCKELLAR, found on pages 6015 to 6029, inclusive, in the CONGRESSIONAL RECORD of April 17, 1939, shows a distressing condition in the park at the time of the second examination; and

Whereas A. E. Demaray, Assistant Director of the National Park Service, on May 21, 1937, wrote to Mr. J. Ross Eakin a letter calling his attention to Mr. Myers' report, from which letter the following excerpts are taken:

(1) "The Emergency Conservation Work monthly progress and cost report was not in agreement with the allotment ledgers. A discrepancy of approximately $132,000 was reported to exist.

(2) "Your procurement procedure has not conformed with Emergency Conservation Work regulations.

(3) "More than $1,000,000 have been allotted to your park from Emergency Conservation Work funds; and judging from the auditors' report, there has been extreme laxity in control of funds, and the purchasing and contracting has not been properly supervised.

(4) "The auditors reported other open-market purchases in amounts exceeding the statutory limitations for which payments have not been made because competitive bids were not secured or contracts prepared.

(5) "Purchase orders for motor oil have been issued in the open market, and spark plugs and automotive repair parts have not been purchased under the General Schedule of Supplies contracts.

(6) "In another instance, in which three equally low and acceptable bids were received, the award was made to the concern nearest the park instead of by drawing lots.

(7) "When the auditors arrived at the park, the property records were in very poor shape and indicated extreme negligence on the part of the employees who were responsible for the maintenance of the records"; and

Whereas there appears a letter from J. Ross Eakin, Superintendent of the Great Smoky Mountains National Park, to the Assistant Director of the National Park Service, Mr. A. E. Demaray, dated June 2, 1937, in which he says:

(1) "We heartily regret your apparent consternation in receiving the unsatisfactory report, but believe you will understand from this explanation that the records were not as irregular and the violations as numerous as portended in the report.

(2) "There were also extenuating circumstances in many instances, which were explained to the auditors; but from their abusive attitude and threats at times when the audit was trying, it was expected that no quarter would be given, and sufficient justification for their extended visit would be recorded.

(3) "It will be a difficult matter to clear up the FD570 and FD870 unliquidated encumbrances.

(4) "Our failure to encumber packing, handling, and transportation charges on Government shipping tickets was due to ignorance on our part.

(5) "There were not numerous instances where travel orders were issued and reimbursement of per diem claimed by various employees who would leave their official headquarters between 7 and 10 a. m. in the morning for points within the park nearby and return to their official headquarters early in the evening.

(6) "As to open-market purchases reported by the auditors in amounts exceeding the statutory limitation for which payments have not been made because competitive bids were not secured or contracts prepared, we fail to find any outstanding on our books."

(7) "Your reference to the trade-in of tires and tubes under contract No. 1-23p-756 E. C. W. has been noted, and there will not be a repetition of this irregularity."

(8) "The property records were in poor condition, and are not correct as yet."

(9) "In conclusion, I desire to state that in my many years' experience as Superintendent never has an auditor come into my park with the supercritical attitude of Messrs. Myers and Douglas. Helpfulness should have been their first objective, but it was secondary to criticism. The most of their criticism could have been covered by a simple statement that our system was not in line with the newly approved accounting system, of which we had not the slightest inkling until they arrived. This statement would have obviated the necessity of a 78-page report. Their attitude and manner of speaking were most objectionable. I venture the assertion that few, if any, chief clerks in the Service could have done better than Chief Clerk Ray under the circumstances."; and

Whereas from the above closing paragraph of the letter it will be seen that Eakin undertook himself to condone his own mismanagement, waste, destruction, and probable dishonesty by abusing the auditors who did their duty and showed the facts, and that not only their attitude and manner were objectionable to Eakin but their report—in which hundreds of charges of every kind and de-

scription, including an unaccounted-for sum of at least $114,000, were made against him—must have been objectionable to him also; and

Whereas in order to curry favor with the Department of the Interior, the said Eakin has signed an affidavit stating that he voted for President Roosevelt in the November 1936 election, as follows:

"It is my understanding that it has been claimed that in the 1936 general election I voted for Landon for President. This is untrue, as I voted for President Roosevelt.

"I had heard rumors from a source which I do not remember that my ballot was to be checked to see for whom I voted. I marked my ballot, laid it on top of the ballot box, turned around, and walked from the room. Any ballot voted for Mr. Landon was certainly not the ballot I marked."; and

Whereas D. Neal Adams, Clarence C. Corpening, and J. Mayes have made affidavits that they were election officers in the November 1936 election and after the election saw the ballot of the said J. Ross Eakin which he marked, not for President Roosevelt but for Mr. Landon, which, if true, shows that the said J. Ross Eakin falsified in such above-quoted affidavit for the purpose of currying favor with the Department of the Interior: Now, therefore, be it

Resolved, That a committee of five Senators, three of the majority party and two of the minority party, to be appointed by the President of the Senate, is authorized and directed to examine into all the facts concerning these reports and references to the report, and to examine the auditors and the said J. Ross Eakin, and to examine the three affiants, Mayes, Corpening, and Adams, and to investigate other matters connected with the management of the said Great Smoky Mountains National Park. The committee shall report its findings and recommendations to the Senate at the next session.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-sixth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman.

EXPENSES INCIDENT TO HEARINGS REFORE COMMITTEE ON FOREIGN RELATIONS

Mr. PITTMAN submitted the following resolution (S. Res. 132), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Foreign Relations hereby is authorized to expend from the contingent fund of the Senate, during the first session of the Seventy-sixth Congress, not to exceed $250 for necessary expenses, including installation and operation of amplifying system, incident to hearings before said committee on the subject of proposed neutrality legislation.

MOTHER'S DAY ADDRESS BY SENATOR WALSH

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address delivered by Senator WALSH on Mother's Day at the Arlington Amphitheater, which appears in the Appendix.]

FEDERAL AID FOR EDUCATION—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a radio address on the subject of Federal Aid for Education, delivered by Senator THOMAS of Utah on May 14, 1939, which appears in the Appendix.]

RECIPROCAL TAXATION OF GOVERNMENT SECURITIES—ADDRESS BY SENATOR BROWN

[Mr. LA FOLLETTE asked and obtained leave to have printed in the Appendix a radio address delivered by Senator BROWN on Monday, May 15, 1939, on the subject Proposed Reciprocal Taxation of Government Securities, which appears in the Appendix.]

CONSTITUTIONAL SUNDAY—ARTICLE BY SENATOR DAVIS

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article from the New York Journal and American, of Sunday, May 14, 1939, by Senator DAVIS, regarding his proposal to set aside a Sunday in September each year as Constitutional Sunday, which appears in the Appendix.]

NEEDS OF NEW ENGLAND—ADDRESS BY RALPH E. FLANDERS

[Mr. WALSH asked and obtained leave to have printed in the RECORD an address on the subject of Needs of New England, delivered by Ralph E. Flanders at the All-New England dinner held at Washington, D. C., May 3, 1939, which appears in the Appendix.]

MANUEL A. D'FREITAS—ADDRESS BY EDWARD G. PENNIMAN

[Mr. LODGE asked and obtained leave to have printed in the RECORD an address delivered by Edward G. Penniman relative to the late Manuel A. DeFreitas, which appears in the Appendix.]

MOTHER'S DAY

Mr. ANDREWS. Mr. President and Senators, we pause today to do homage to those whom we love dearest and best—our mothers. One full generation has come into being since Miss Anne Jarvis, of Philadelphia, first succeeded in having the second Sunday of May annually set aside as a special day of reverence and prayer for mothers departed, and a day of respect and devotion for mothers living. Today this beautiful custom has spread to 50 countries throughout the world.

It was William Dean Howells who said:

> A man never sees all that his mother has been to him until it's too late to let her know that he sees it.

With this all too true reflection in mind, I want to discuss briefly the obligations of Mother's Day in this troubled year 1939.

It is altogether fitting and meet that we of this day bow our heads in memory of the mothers of that great national constellation—Mary Washington, Nancy Hanks Lincoln, and Abigail Smith Adams, who has the unique distinction of being the wife of one President and the mother of another. It is a characteristic of our Presidents that they have invariably paid high tribute to their mothers.

We all recall the immortal words of Lincoln:

> All that I am, or hope to be, I owe to my angel mother.

A second obligation of Mother's Day falls upon those of us now living. Who will deny the spiritual value of a few minutes of contemplation of the loving kindness of a departed mother? Aristotle teaches us the great moral benefit even to the soul resulting from the highest poetic action. The same feeling will come to those who linger over the memory of the one who, to use the words of the poet Coleridge, "is a mother still, the holiest thing alive."

Happy is the man whose mother is still at home to guide and counsel and befriend. Let him rejoice that he can still by word, by token, and by deed give appreciation for all that he is and hopes to be.

The obligation of the state to mothers is a duty which peculiarly falls on us who, by our service in the Congress of the United States, actually represent the mothers of the Republic. We must not hesitate or falter when it comes to any reasonable legislative proposals honestly designed to aid American motherhood, American children, or the American home.

If America has good mothers, it follows as the night follows the day that we shall have good sons and daughters. Someone has rightly said:

> If you would reform the world from its errors and ways, you will have to begin by enlisting the mothers.

When we consider the gradual and inevitable decline in birth rate that the next few decades will bring to the American scene, the need for a closer understanding between the Government and mothers is at once apparent. Indeed, in the years to come, only by the wisest, well-planned program of social legislation for mothers and children can the vigor and stability of our Nation survive and thrive.

Fortunately—and for this thank God—we in the United States have not seen fit to regard mothers as breeders for the state, nor do we regard children as the property of the state. I hope such doctrines may never touch our shores.

To me it seems that the American family must not seek to escape the obligations of parenthood. It is an unfortunate and disturbing fact that those who can best afford to have children are the very persons who do not. This is

not the place to discuss the eugenic implications of this problem. I merely wish to warn that all true Americans must give serious concern to the need of preserving our own sound American stock.

Another obligation I would mention is the need of vigorously urging throughout the land programs for improving the health of mothers and children. We who represent them in the Congress and in the State assemblies need the expert advice of mothers everywhere.

I cannot close without mentioning, too, that we of the Senate should earnestly solicit the views of American mothers in the perplexing and exceedingly difficult field of legislation designed to promote peace. We have not forgotten, and we shall not forget, the great sacrifice of the Gold Star Mothers. We do not want to call upon our mothers to give their sons to the bloody sacrifice of battle. At this very moment the Senate is painstakingly engaged in discussion of measures designed to keep us out of war. If the mothers of America could concertedly speak out, I am confident that the task of the Senate would be more clear. Our American boys must not be sacrificed again on foreign soil.

Mr. President, this memorial to Mother's Day would not be complete without poetic tribute to our mothers. I therefore wish to read, in closing, Lord Byron's celebrated poem, She Walks in Beauty:

She walks in beauty, like the night
Of cloudless climes and starry skies;
And all that's best of dark and bright
Meet in her aspect and her eyes:
Thus mellowed to that tender light
Which heaven to gaudy day denies.

One shade the more, one ray the less,
Had half impaired the nameless grace
Which waves in every raven tress
Or softly lightens o'er her face;
Were thoughts serenely sweet express
How pure, how dear their dwelling place.

And on that cheek, and o'er that brow
So soft, so calm, yet eloquent,
The smiles that win, the tints that glow,
But tell of days in goodness spent,
A mind at peace with all below,
A heart whose love is innocent!

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

FLORIDA SHIP CANAL

The Senate resumed the consideration of the bill (S. 1100) for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida.

The VICE PRESIDENT. When the Senate took a recess on last Friday the Senator from Michigan [Mr. VANDENBERG] stated that he hoped to obtain the floor this morning for the purpose of making some remarks on the pending bill. The Chair recognizes the Senator from Michigan.

Mr. VANDENBERG. Mr. President, I rise in opposition to Senate bill 1100, which proposes to renew the construction of the Atlantic-Gulf Ship Canal across Florida.

The able Senator from Texas [Mr. SHEPPARD] in a 3-hour address on Friday, accurately covered the historical background of the entire enterprise in a thoroughly judicial and temperate fashion, and has relieved me of the necessity of dealing at all with that phase of the matter. I concur in his history, although I profoundly dissent from his conclusions; and I am about to indicate why I dissent and why, in my judgment, the majority of the American people dissent.

As a matter of fact, the Gallup poll, which is now accepted in many quarters as a rather authentic indication of public opinion, recently disclosed that in a test of American opinion upon this subject 75 percent of the American people were found to be opposed to the Florida canal project.

It would seem to me that 75 percent of the American people still have a right to be consulted in respect to the distribution of their money. I am speaking this morning for the 75 percent.

Mr. President, we have been sitting here for nearly a week in the presence of the lovely pictures and charts hung about the walls of the Senate, which disclose the canal project in all the synthetic allurements of a charming dream. They are the product of intense and wholly sincere local aspirations, plus a fine real-estate development, plus inconclusive and often contradictory Government reports, plus an indefatigable lobby, plus an emotional infinity of wishful thinking. It seems to be my grim task to recall realities.

If we want to settle this issue on the basis of pictures, there ought to be a few others hanging here, and I should like to hang a few of them in the gallery of the Senate's mind's eye. For example, I wish there might be a picture at the right of the Vice President's rostrum of one of these great dredges astride Secretary Morgenthau's office trying to dig two or three hundred million dollars out of an empty Treasury. That would be an interesting picture. It is one we ought often to inspect when we are tempted to new liberalities.

Then over on the other side of the Vice President's desk I wish I might see a picture of a perspiring Senator undertaking to explain to some baffled reliefer in the United States the sense of economy which moves us to take $50,000,000 off the poor list and then pour $300,000,000 into a sublimated ditch.

I should like to hang some other pictures. I should like to hang a picture over here of all the other river and harbor projects in this country which have been approved not only by the engineers but also by the Congress, waiting their turn to be financed from an anemic Treasury, put off and put off and put off; great flood-control projects, great harbor and river development projects, for which there is not a penny available—none intended in the next year or two—while we are asked to concentrate a prodigal fortune upon one project in one section of one State. It would be a beautiful lesson in monopoly.

I should like to see another picture over yonder of what may be the devastated and denuded section of fruitful central Florida if the proponent geologists are guessing wrong in their estimate of the effect of this enterprise upon the jugular vein of Florida's water supply.

I certainly should like to see a large picture yonder of the completed enterprise, with General Markham standing at the east entrance to the lonesome canal with a copy of the speech of the distinguished Senator from Texas [Mr. SHEPPARD] in one hand and a telescope in the other, watching the ships as they still go down the sea, preferring the Florida Straits and their open waters to 200 restricted miles of impractical canal; General Markham wondering why in the world the ship operators insist upon running the ships the way they want to run them instead of the way General Markham thinks they ought to run them.

Mr. President, the truth of the matter is, fundamentally, that the distinguished chairman of the Senate Finance Committee, the Senator from Mississippi [Mr. HARRISON], was entirely right within the week end when he asserted, "The time has come to taper off on Federal spending," and, "It is time for the red light to be flashed, because the national debt has jumped $18,500,000,000 since 1933." When the chairman of the Senate Finance Committee issues this warning it certainly comes from an unpartisan source; it comes out of long experience in public life, and out of a sound judgment in respect to public problems; and I am standing this morning with the chairman of the Senate Finance Committee, to flash the red light against a needless commitment of this Government to two or three hundred million dollars of expenditure which cannot be justified or defended.

Mr. President, the pending bill is a national symbol of the indefensible and improvident expenditure of public funds. It should be defeated not only because it is indefensible and improvident but also because it is a symbol. At a moment when the country is deeply anxious about the solvency of the Federal Government, the passage of this bill would cruelly disillusion even those brave souls who still think that the Congress intends sooner or later to protect the public credit.

If this thing can be perpetrated under the circumstances, then the country is indeed helpless. I desire to do what I can today to protect the Treasury and the taxpayers of this country from a two or three hundred million dollar raid, which I expect to prove is without the remotest semblance of tangible justification.

Two or three hundred million dollars is still a lot of money, even in this day of jitterbug arithmetic. Indeed, it is a fabulous amount of money, particularly in the presence of pyramiding Federal deficits, which, unless checked, will lead too soon to national bankruptcy or to equally suicidal inflation. Confronting these deficits and their implication, and particularly confronting the vast extraordinary appropriations which national necessity today makes unavoidable, I assert that no Senator who votes two or three hundred million dollars to any project which is not pressingly needed can ever again lay the slightest claim to interest in either economy or conservation; and when the project is not only not needed, but is not even wanted by most of those presumed to be served by it, the sheer waste of two or three hundred million dollars becomes an insufferable affront to the public welfare.

That, in sum total, is what I believe to be the basic issue in this effort to revive the moribund Florida canal. That, in my opinion, is the bitter question to be finally answered by the Senate when the roll is called on Senate bill 1100.

Mr. President, I indict the bill on the following specific grounds, and I shall undertake to prove each indictment:

First. The bill is a gigantic blanket check, totally lacking in limitations or specifications. It can mean any one of half a dozen different things, and it can involve costs far outstripping the immediate estimates upon which it pretends to be based.

Second. Even at its most conservative estimate, it will require an appropriation for the next fiscal year nearly equal to all of the money assigned by the Budget to all of the other river and harbor projects in the whole United States. Thus it is a gross imposition upon the resources available for the development of national water resources.

Third. It is not economically justified. Its economics are built solely and exclusively on hypothetical deductions. It is specifically condemned by the ship operators who would be presumed to use it. Not a single ship operator in all of the related waters could be or was produced at the extensive Senate hearings in the last 3 years to ask for the project, or to recommend it, or to consent to its ultimate utility.

Fourth. It is not related in any serious way to the national defense. It plays no part in our contemporary defense program, as demonstrated by the conclusive fact, all by itself, that the letter from the President renewing the project proposes that it may not be completed for another 15 years. The Commander in Chief of the Army and the Navy has such little tangible interest in the project as a part of a national-defense program that he does not care if it takes 15 years to produce it.

Fifth. It involves an undetermined hazard to the desperately important ground water supply of a large sector of Florida. Experts disagree. Some guess one thing, others guess something else. The wrong guess, however, Mr. President, would ruin Florida and confront Uncle Sam with incalculable claims for damages.

Sixth. In whatever degree it gets any local traffic, and of course it will get some, it will drive the railroads of Florida closer to bankruptcy, and threaten the sufficiency of railway service. We have a surplus of transportation facilities in this country today, and this is no time to increase the surplus. These Florida railroads already are surviving only by the thinnest line. The railroad brotherhoods join the railroads in emphasizing this jeopardy and in demanding the bill's defeat.

At this point I send to the desk a statement addressed to the Congress by the United Railroad Brotherhoods, and ask that it be read by the clerk.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Without objection, the clerk will read.

The legislative clerk read as follows:

OFFICES OF THE NATIONAL LEGISLATIVE REPRESENTATIVES,
Washington, D. C., May 12, 1939.

To the Members of the Seventy-sixth Congress:

Railroad labor organizations present this as an appeal for your assistance in their endeavor to prevent further governmental subsidization of any of the competitive forms of transportation. Our immediate protest is against the proposed construction of the Atlantic-Gulf Ship Canal across the State of Florida and the proposed construction of the waterway to connect the Tombigbee and Tennessee Rivers.

During the last few years more than a million railroad employees have lost their positions and much of this loss of employment has been caused through Government subsidization of competitive forms of transportation. Under these conditions we believe it proper to protest further subsidies, at least until there has been some full study made of the public necessity of all forms of transportation that may demonstrate their ability to exist without subsidies.

Railroad labor considers the appropriation of the many millions of dollars that projects such as the Florida canal must require before it could be completed and the continued appropriation of additional millions of dollars for operation and maintenance as violating all sound economic and fair governmental principles.

In presenting this appeal for your assistance we shall hope that you will not only vote against these proposals, but that you may also give us your assistance in expressing opposition to these projects.

Thanking you for your cooperation and with full appreciation for favors you have extended our interests, we remain,

Sincerely yours,

ARTHUR J. LOVELL,
Vice President, National Legislative Representatives Brotherhood of Locomotive Firemen and Enginemen.
J. F. FARQUARSON,
National Legislative Representative Brotherhood of Railroad Trainmen.
D. CELONE,
Vice President, National Legislative Representatives Brotherhood of Railroad Signalmen of America.
JOHN T. CORBETT,
Assistant Grand Chief Engineer, National Legislative Representatives Brotherhood of Locomotive Engineers.
W. D. JOHNSON,
Vice President, National Legislative Representatives Order of Railway Conductors.
A. F. STOUT,
National Legislative Representative Brotherhood of Maintenance of Way Employees.

Mr. VANDENBERG. Mr. President, in order to be entirely fair about the matter, let me say that the American Federation of Labor takes a different position, and I shall present its letter a little later with comments in connection with it, to show what I believe to be its fallacious premise.

Let me continue the summary of the indictment which I bring to the bar of the Senate against this enterprise.

Seventh. A historical appraisal of the project's checkered career during the 20 years that it has been knocking at the Treasury's door puts the accumulated weight of the Government's own expert and official opinion heavily against it. It is no better today than it was upon the many other occasions when it has been rejected by R. F. C. and P. W. A., when it has been rejected by Boards of Rivers and Harbors Engineers, when it has been rejected by committees of the House and Senate, and by the House and Senate themselves.

Eighth. The State of Florida itself is divided. A large portion of the State not only opposes the canal but actually fears it with anxiety and consternation. I deal with this particular phase of the matter with hesitation, because Florida is amply and ably represented upon the floor of the Senate. But in justice to the thousands of citizens of Florida who have communicated with me their expression of anxiety and consternation I send just two typical telegrams to the desk and ask that they be read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The legislative clerk read as follows:

MIAMI BEACH, FLA., *May 9, 1939.*

Hon. ARTHUR H. VANDENBERG,
United States Senator:

Am sure you will find a great majority of people of Florida opposed to cross-State canal. Just saw pamphlet showing the many hundreds of ships passing through this proposed canal. Am sure if a corporation would send such sales propaganda through the mail to sell their wares they would be guilty of using mails to defraud.

Speaking of relief measure, please note they have special machines that would take place of hundreds of men on each machine. Did it ever occur to the engineers that jetties extending many miles in the Gulf, constructed of native rock, would be useless, and if they ever considered the cost of keeping canal free of water hyacinth?

JOHN H. LEVI,
Mayor, Miami Beach, Fla.

SANFORD, FLA., *May 10, 1939.*

Senator ARTHUR H. VANDENBERG:

The farmers, whose property and livelihood are jeopardized by construction of sea-level canal, and countless thousands living in cities and towns dependent upon water from wells, join in wishing success to your efforts in their behalf. If the delicate underground machinery installed by the Almighty is injured or destroyed it can never be made to function again. Irreparable damage has already been done to agricultural lands by unscientific overdrainage.

Sincere best wishes.

JOSHUA C. CHASE,
Vice President, Florida Water Conservation League.

Mr. VANDENBERG. Mr. President, before I proceed to develop in detail each of the eight indictments which I file against this undertaking, let me call the Senate's attention to the significant fashion in which the bill comes to the floor of the Senate. It is not here with the recommendation of any committee. No, indeed! It is here without recommendation. The Commerce Committee held several weeks of hearings. Presumably the function of a committee holding hearings is to give the Senate the benefit of its conclusions from the testimony. Not so in this instance. The best the proponents of this doubtful enterprise could do was to squeak past the judgments of the Commerce Committee and get a sort of reprieve which would permit the issue to die here upon the floor. They did not dare take an affirmative vote in the committee on the merits of the canal. They knew they would be beaten. I venture the prophecy that a majority of the committee will vote "no" when the final roll is called here in the full Senate. I believe a majority knows that the bill is indefensible. So the proponents of the project made a virtue of necessity. They voted to send it here without recommendation, and they were able to get that slight and wholly empty consolation only by the vote of 10 to 9.

If ever legislation was damned with faint praise here it is in the form in which it comes to the attention of the Senate at the present time. The very nature of its appearance on the Senate calendar is a completely eloquent confession of its weakness. I shall undertake to prove once more that it is here not only without recommendation but also without justification, and that it ought to be buried beyond chance of resurrection and without benefit of clergy.

Mr. President, just for the purpose of quick identification, in a word or two let us see what this thing is that we are talking about. It is a 200-mile tortuous canal with twice as much restricted water as there is in any other waterway on earth—and most mariners hate restricted waters—trailing across the northern part of Florida from Jacksonville southwest, and finally running out into the Gulf of Mexico. Yes, after you reach land's end you have to dig another 20 miles out into the Gulf before you reach navigable water. That is 20 miles of final channel which has to be maintained virtually in the open sea. If we ever succumb to this scheme I hate to think what the maintenance of that particular stretch will cost. But we will get to that later.

It is true that the canal has been romantically discussed for perhaps a century, but it never occurred to anybody actually to put any real money into it until the present delightful dispensation of easy cash came along. Yet, easy as money was in those early days of the spending spree, and eager as were the almoners to find quick outlets for their largess, the Florida canal was just too much for most of the Government officials to swallow. There really were limits beyond which even Santa Claus hesitated to go.

A quick summary of this history will suffice. The project changed from time to time in detail through this obituary, but the project was always the Florida canal.

Mr. President, what I wish to point out is that this thing turned up first in an application to P. W. A., and the President appointed a special board to inquire into it. The board reported on September 15, 1934, and it found that if 8-cent tolls were charged the canal could pay its maintenance and operations and repay the cost of construction, without interest, in 80 years. That is a fine, businesslike prospectus.

On December 21, 1934, Maj. Philip B. Fleming, Acting Deputy Administrator of W. P. A., recommended that the project be disapproved because it was not self-liquidating. Let us make no mistake about what that decision meant or what the phrase meant. In a prior hearing I asked Secretary Ickes, who was the head dispenser of P. W. A. funds, this question: "What do you mean when you say it was rejected because it was without economic justification and was not self-liquidating? Do you mean it was not a sound business proposition?"

Mr. Ickes' reply was, "That is what I mean."

So under all the standards and tests that were applied by the P. W. A. in those early days when the latitude was fairly elastic, the rules and regulations were easy, and the requirements were none too hard, the decision as to whether or not this thing could be done on a basis of self-liquidation was that it was not a sound business proposition. We can switch the bill today any way we please; we can bring in amendments to insist that it shall be a toll canal; but we cannot make a self-liquidating project out of something by simply calling it self-liquidating. We cannot make alfalfa out of whiskers merely by saying it is alfalfa. We cannot make the project pay its way simply by asserting that we are going to charge to get into it. When I undertake, as I shall, to prove that even if it were a free canal our ship operators would not use it, then there is no other deduction left than that the thing they would not use free they certainly would not pay to use at all. The canal was not self-liquidating when it was tested by the rules of Secretary Ickes in 1934 and 1935. It is not self-liquidating today, and it cannot be made so by a mere amendment to the bill, which undertakes to give it that designation.

Let us see what happened in further respect to P. W. A. After Secretary Ickes had decided that it was a bad business proposition, and had formally disapproved it on January 28, 1935, Florida asked that the case be reopened on revised plans; and this was done. On February 2, 1935, E. H. Foley, Jr., director of the P. W. A. Legal Division, reported adversely. His judgment must be worth something, because he has just been designated by the President for a very high office and a great promotion.

On April 10, 1935, the P. W. A. Finance Division again reported adversely. Finally Secretary Ickes, declining further to reopen the subject, turned thumbs down on it for keeps.

Then there was only one way left. After Congress had given the President a blank check for $4,880,000,000 for W. P. A. work, the Florida project was undertaken and started as a W. P. A. project to the extent of $5,000,000. Then Congress balked, and the project has never since been resumed. There has been repeated declination to resume. In the interim there have been engineering reports, one from a revisory board, which was favorable; one from the Board of Rivers and Harbors Engineers, which finally and conclusively again was adverse; and one report from the Chief of the Board of Rivers and Harbors Engineers in favor of the undertaking. Because of the technicality in our law which permits the opinion of the Chief of Engineers to be all-controlling, we have the proposed legislation before us today, based upon that report.

The Senator from Nebraska [Mr. NORRIS] in the debate on Friday drew a juridical analogy, which was very illuminating, in respect to the effect of the engineering reports. Remembering that we have the revisory report, which said "yes"; the report of the Board of Rivers and Harbors Engineers, which said "no"; and the report of the Chief of Engineers, which said "yes," the able Senator from Nebraska suggested that the situation is analogous to a court situation, in which the lowest court said "yes," the intermediate court said "no," and then the Supreme Court said "yes."

I suggested at the time that the analogy could be bettered if the initial report were referred to in similitude to the report of a referee. Since then I have been thinking about

the matter, and I think the analogy could be further improved by this simile: That the Board of Rivers and Harbors Engineers itself, including the Chief, is the supreme engineering court upon which the Government relies for its technical decisions. The court is divided, 7 to 1, 7 against the project and 1 in favor of it; and under our amazing practice the one opinion in favor of it, because it is the Chief's opinion, overrules the other 7. I think that comparison comes closer to an analogy; and I am sure it is the type of analogy which would not appeal to the Senator from Nebraska in its equities. He would not want the Chief Justice to overrule the whole Court.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Nebraska.

Mr. NORRIS. It seems to me, Mr. President, that the situation illustrates just what happens in our courts. It happens many times, and always may happen, that the lower court, the district court, decides one way and the court of appeals decides the same way. Then the case goes to the Supreme Court, and the Supreme Court decides it the other way by a 5-to-4 decision; and yet under our system, which we, including the Senator from Michigan, love so well and laud so highly, the vote of five Justices of the Supreme Court would prevail against the vote of four Supreme Court judges, three court of appeals judges, and one district judge. I do not think the conclusion is enticing or logical, but such a thing could happen, and it could happen in this instance if we saw fit to carry out the analogy, which, it seems to me, we could very well do.

Mr. VANDENBERG. I suspect the entire discussion is not particularly pertinent. I simply wish to add by way of further parentheses that if 5-to-4 decisions are subject to critical challenge, I am sure 7-to-1 decisions would be infinitely more so; and I insist that so far as the supreme engineering court of the United States Government is concerned, the project stands adversely reported by the score of 7 to 1.

Let me come back to the detailed indictment and undertake to sustain the reasons I have given specifically for an adverse attitude.

In the first place, Mr. President, I said that the bill is a blank check and a grab bag. I said that we cannot come within $100,000,000 in money and 9 years in time of telling what it means. Talk about blind legislation! The only sure thing about the bill is that some day, and at some price, we would get some kind of a Florida canal.

Let us see if that is not so. First, we may be getting off for $198,000,000, which is the Markham estimate, and contemplates the completion of the canal with contract labor in 6 years. That is what we may be getting if General Markham's estimates are accurate. Incidentally, that is a big "if."

On the other hand, the President's letter to the chairman of the Senate Finance Committee, which is the impulse under which the project is renewed, suggested that the canal might well be built with relief labor at times of major unemployment, and that he did not care if from 10 to 15 years were required to build it. If it were to be built with relief labor, and if the construction time were 15 years instead of 6, I think there is no disagreement whatever that the project would cost well over $300,000,000 instead of $198,000,000, because, in the experience of General Markham, according to his testimony, relief labor increases the labor item of cost by at least 25 percent. As a matter of fact, he found when he used relief labor in digging $5,000,000 worth of this particular Florida canal that the cost of earth excavation was 20 cents per cubic yard, whereas he had estimated it would cost only 10 cents. He was only 100 percent off in his estimate.

It was said by the Senator from Texas [Mr. SHEPPARD] on Friday that under the terms of the bill the Government would be bound to proceed on the 6-year program at the $198,000,000 estimate, and that there would be no latitude to proceed in the fashion recommended and requested by the President.

Mr. President, much as I should like to yield to that conclusion as a dependable reliance, I am unable to do so, because the only Markham recommendation, as such, in the report referred to in the pending bill, namely, House Document 194 of the Seventy-fifth Congress, first session, is in paragraph 16 of his report to Congress, and it contains none of the limitations relied upon by the Senator from Texas in order to confine the project to the Markham specifications.

The only reference to the limitations is in a subsequent paragraph which tells what "should be done" if it is desired to achieve this end. But be that as it may, I think there is an open warrant under this proposed legislation which we would find sooner or later would be used to produce the kind of canal for which the President of the United States has asked. The advocates of the canal would either get the kind he has asked for, or, if they should get the kind the Senator from Texas says is required by the bill, then they would get the kind of a canal the President has not asked for, and which would run squarely counter to the recommendation which he made to the Congress as a basis for reopening this amazing undertaking. So I say, in the first instance, our blank check may be filled in for $198,000,000, if we are lucky—that is the lowest possible figure for which it could be filled in—or it may be filled in for $300,000,000 plus.

In the second place, the proponents of the project do not know whether they are getting a free canal or a toll canal, because, under the bill as it now stands, the only thing that is indicated in respect to tolls is that the President of the United States, in his executive discretion, is invited some fine day to make a recommendation to us at some time during the course of the construction of the enterprise.

An amendment is to be offered, I understand, undertaking to make it specifically a toll canal; but, I repeat, under the bill as it stands, there may be a free canal or a toll canal. Not only that, but it may be a sea-level canal or a lock canal, because it is always asserted that if this construction finally proves to be hazardous and detrimental to the desperately important water supply of Florida, the construction would be changed to a lock basis, and thus obviate all menace whatsoever. Well, if a lock canal should be provided, of course, the transit time would be substantially increased; the alleged attraction to transiting commerce would be substantially reduced; inevitably whatever traffic it must hope to get would be reduced; and the cost would be increased by whatever amount locks cost over straight sea-level construction.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. NORRIS. I wish to ask the Senator a question for information concerning the last statement he made. According to the Senator's statement, a lock canal will cost more than a sea-level canal?

Mr. VANDENBERG. Yes.

Mr. NORRIS. Is there any dispute about that?

Mr. VANDENBERG. No.

Mr. NORRIS. Ordinarily it would be the reverse, it seems to me——

Mr. VANDENBERG. Oh, no.

Mr. NORRIS. Because there would be so much more excavating in a sea-level canal than there would be in a lock canal.

Mr. VANDENBERG. I will say to the Senator that the excavation is by far the cheapest cost factor in an enterprise of this kind. The construction of locks would far offset the cost of excavation. If the Senator will permit me, there cannot be any argument about it, because the engineers themselves have indicated that the increased cost thereby would be a minimum of $5,000,000.

Mr. NORRIS. I cannot help but think of the Panama Canal. When we were building it, it was conceded, I think, without any question that a sea-level canal would cost a great deal more than a lock canal.

Mr. VANDENBERG. I think in the present instance the contrary would be agreed to by all concerned, and the testimony would verify it.

Mr. NORRIS. I am not an authority on the subject, I merely wanted the information. So it is conceded that a lock canal would be the more expensive?

Mr. VANDENBERG. That is correct.

Mr. NORRIS. How much additional cost would it involve?

Mr. VANDENBERG. There are no certain estimates, but the lowest estimate that has been specifically given is $5,000,000.

So, there is my first objection to this bill. It is a blank check of amazing proportions; it is a blank check not only in respect to the amount of money to which we may be committing the American people but it is a blank check in respect to the nature of the enterprise to which we may be giving our consent. I respectfully submit, particularly in view of the nature of the desperate problem which the Treasury of the United States confronts at the present time—and certainly there can be no question about the jeopardy upon that score—this is no time to write any more blank checks, and certainly not a time to write a blank check for an enterprise which I shall now undertake to prove lacks all possibility of economic justification and which is not even sought or desired by those who are chiefly identified as its contemplated beneficiaries.

The great President of the United States, in one of the most courageous messages ever written to the American Congress, on March 10, 1933, said:

> Too often in recent history liberal governments have been wrecked on the rocks of loose fiscal policy. We must avoid this danger.

I hope that if there is a wreck some of the rocks that cause it will not be the Ocala limestone rocks in the Florida ship canal.

Now for the second point of my indictment. Much as we all love Florida, we all have other States tugging at our hearts and purse strings. There is such a thing as decent equity in the distribution of public money available for public works. Frankly confessing, as it does, the fiscal extremities of the Government, the Bureau of the Budget has allowed—listen, Senators—the Bureau of the Budget has allowed only $30,000,000 for all the new river and harbor projects in all the United States in the next fiscal year for the whole country, with its far-flung water-borne commerce; yet this Florida canal alone, one project in one section of one State, would cost an average of more than $30,000,000 for each of the next 6 years under the most favorable estimates. Other worthy rivers and harbors projects up and down America have to be postponed—and I do not complain of that—until we can afford them; others, even those with unassailable credentials, are crowded into the frugal limitations of $30,000,000 for the whole Nation; yet here comes a strident, insistent, conceited demand for one project—and a dubious one at that—which will eat up as much as all the others combined. It just does not make sense, Mr. President. Great Florida, gorgeous though she be—and I salute her with real affection—is not entitled to any such special privilege. She is not the only headstone in the corner and "not the only pebble on the beach."

But let us hasten to the third point in the indictment of this white elephant—and here we approach what ought to be the crux of the whole argument. Where and what is the economic justification of sinking two hundred or three hundred million dollars in this sublimated ditch? Who will use it? What ships will transit its tortuous 200 miles? Where are its patrons? What sponsorship does it possess save local pride and local profit?

Listen, Mr. President. In all the hearings upon this bill not one single Florida shipper and not one single ship operator from anywhere appeared to say that he wanted the canal; that he would use it if constructed, or that he believed it economically justified—not one. The nearest the proponents came, under pressure of cross-examination, even to naming a friendly ship operator was when one witness rather timidly suggested that he had heard that the Lykes Bros. Steamship Co., Inc., of New Orleans, might have endorsed it. This was so spectacularly at variance with all the other marine testimony that I telegraphed Lykes Bros., and received this noncommittal reply:

> Replying to your wire date, beg to advise that no one authorised to state or testify as to our position matter referred to. Replying your question, our steamship company not favoring nor opposing the Florida Canal. Our use of any canal would be governed by the economic and safety factors once the facilities are available and these factors are known.

So the only steamship operator they could even attempt to name as favorable proved to be no more convinced than the Commerce Committee itself. He neither favors nor opposes. Like the indecisive Commerce Committee, he is "without recommendation."

But not so with other ship operators, oh, no. We now leave all doubt and hesitation behind. Almost as with one common voice they tell us that the scheme is impracticable, valueless, and wholly wanting in economic justification. These, mind you, are the navigators who are supposed to use the canal. They operate the ships whose theoretical transits of the canal are the build-up for all these fancy charts which persuasively pretend to show the vast tonnage that will flow through this waterway. Thus does cruel reality dynamite a pipe dream. Oh, it is easy to make a paper case for a scheme such as this if one consults only his imagination, his aspirations, and the multiplication table; and that is the only kind of a case that sustains the pretense of economic justification for the Florida canal. These are just dream charts and dream pictures on the Senate wall.

The President's board of review counted all the ships that had traversed the waters from the Atlantic Ocean around Florida and into the Gulf of Mexico in a given year, and then they said, "Now, isn't this wonderful! If all these ships, or most of them, had gone through the Florida canal, it would have saved six or seven million dollars in navigation costs, and therefore the canal is a bargain!" It was as simple as that! Count the ships! Put them through the canal! Never mind whether they want to go or not! Just count them anyway!

The report of General Markham—the one-man analysis upon which this legislation officially hangs—similarly counted all the commerce in these related waters. Then it arbitrarily and conveniently put enough of this commerce through the canal to make it look economically sound. But, Mr. President, these were only painted ships upon a painted sea, as I shall demonstrate. There is no proof that any such volume of commerce will transit the canal—oh, no! The proponents of the canal very carefully refrain from proof. They merely speculate. They hope and paint! Then they ask the Senate for two or three hundred million dollars on the strength of their self-serving guess!

Mr. President, these reports condemn themselves within their own texts. For example, the President's special board admits that it sent preliminary questionnaires to 74 ship operators. Now, follow me: The questionnaires go out to 74 ship operators. They never even get answers from 45. That is the extent of the interest of that majority group of operators in this undertaking. They did not even answer the questionnaires; and out of the others the board got replies from just 14—14 that could even be construed as friendly—out of 74.

If we grant the proponents of the canal these 14—which I shall presently demonstrate to be fallacious—but if, for the sake of argument, we grant them these 14, we give them only 19 percent of friendly replies, whereas the least estimate of the necessary percentage of commerce available to the canal to maintain these charts and these fancy claims requires 60 percent of friendly replies.

But let us be specific. Proofs upon these points are available if anyone dares to look at them. Let us inspect the Markham report, the one in which the late Chief of Engineers reversed the unanimous adverse opinion of the seven engineer officers on the Board for Rivers and Harbors. Let us see what happens to General Markham's thesis when it collides with reality.

Under date of January 7, 1936, I asked the able general in writing for a list of the actual steamship operators who were relied upon as favorable. Mark you, Mr. President, the Chief of Engineers has said that a great vast traffic will transit this canal because of the fact that there is a great vast traffic floating in the adjacent waters. I said to the Chief of Engineers, "Name me the ship operators upon whom you rely to come out of the open sea, and confine themselves in this restricted water, and use the canal after it is built. Who are they?" Under date of January 8, 1936, General Markham gave me his list. Now I am going to present the list—nine presumably friendly favorable ship operators. Let us see what the nine have to say for themselves. Let us put their own witnesses on the stand.

Mr. President, we are now at the heart and center of the reality as to whether or not there is any economic justification for this expenditure of two or three hundred million dollars at a moment when the chairman of the Senate Finance Committee is warning us that we had better hang a red light upon any expenditure that can possibly be postponed. Let us see what General Markham's nine have to say for themselves.

C. D. Mallory, of C. D. Mallory & Co., 11 Broadway, New York City—not my witness, but General Markham's witness—says in a letter addressed to me dated January 20, 1939:

Replying to your letter of January 18 with respect to the renewal of effort to obtain congressional appropriations to build the Florida ship canal and your inquiry as to whether I have changed my opinion on this subject of the canal, or whether it remains the same as heretofore declared, please be advised that I have given this matter my consideration.

This project would be of no material benefit or saving in the operation of our large fleet of vessels and I, therefore, feel that appropriations by Congress would be unwarranted.

That is the first of the witnesses supposed to be in favor of economic justification. What a travesty!

No. 2: Mr. Clifford B. Longley, writing from Detroit, Mich., in behalf of the Ford Motor Works, under date of January 25, 1939, in a letter addressed to me, says:

I am sorry that I was unable to reply immediately to your letter of January 18 in regard to the renewal of effort to obtain congressional appropriations to build the Florida ship canal. The position of the Ford Motor Co. as to this matter is unchanged, and I can only repeat what I wrote to you a year ago, that the canal, if completed, would offer no benefits to the shipments we might be making to the territory served by this waterway. The expenditure is uneconomic and quite unnecessary for the welfare of this country.

Witness No. 2 in behalf of economic justification for the canal. What a witness! A perfect witness for the opposition.

No. 3: R. A. Murphy, treasurer of the Kellogg Steamship Corporation, 75 West Street, New York City, under date of January 24, 1939, in a letter addressed to me, says:

We acknowledge your letter of January 18. We are pleased to be afforded the opportunity to say that the opinion we expressed 2 years ago regarding the proposed Florida ship canal has in no way altered, except that, if anything, we are more than ever convinced that the cost of this project is altogether out of proportion to the theoretical benefits which might ensue from its construction.

The third witness produced, not by me but by General Markham, to prove the economic justification of this utterly indefensible expenditure of two or three hundred million dollars. He simply unproves it.

Next, E. J. Wood, marine superintendent of Hartwelson Steamship Co., writing from Boston, Mass., under date of January 19, 1939, says:

Replying to your favor of January 18 regarding the Florida ship canal, we must advise you that our position remains the same as in 1936.

Wherefore, referring to his correspondence of 1936, he indicates that—

For several years now we have been operating from Hampton Roads, Va., to New England coal ports with our steamers, and do not anticipate that there will be any change in our present route in the near future.

Accordingly, we feel that any comment that we make in connection with this proposed canal would have little value from a practical standpoint.

In other words, this witness is not even running ships in the area where he could ever possibly send them through the canal, even if he wanted to. That is the next "favorable" witness to indicate and prove economic justification; to prove that the great fleet of painted ships that we see upon these dream charts actually will go through the canal when it is opened.

Well, let us take the next witness. J. G. Johnson, vice president of the Sinclair Navigation Co., 630 Fifth Avenue, New York City, in a letter of January 19, 1939, addressed to me, says:

Replying to your letter of January 18, 1939, concerning the proposed Florida ship canal, it is still my belief that the project is unwarranted—

This is not my witness; this is General Markham's witness—

the project is unwarranted and would be of little or no use to ships traversing these related waters.

I base this principally upon familiarity with operation of vessels of our company. The savings which we estimate would be effected in operations by reason of using the canal would be more than offset by the tolls, assuming the canal would be operated on a toll basis, which I understand to be the proposal.

In addition to the matter of expense, it is my opinion that it would not be advisable or advantageous from an operating standpoint to use the proposed canal for our vessels except under occasional and unusual circumstances.

Another one of General Markham's witnesses, the only ones he produced and identified—remember that, Mr. President—the only ones he identified as his reliance in undertaking to say that ship operators will use this canal as he says they will use it when the time comes. They say they will not.

Up to date, every one of his witnesses has gone back on him. Let us see what they do from now on:

PENNSYLVANIA SHIPPING CO.
260 South Broad Street, Philadelphia, Pa.
Charles Kurz, President

JANUARY 20, 1939.

Answering your letter of January 18, regarding the proposed Florida ship canal, we are, of course, in favor of any project that will reduce voyage time and result in a saving; but after discussing the proposed Florida ship canal with my superintendent of operations, he points out that he estimates the saving in distance by using this canal would be about 374 miles, which means about 34 hours. On the other hand, he estimates that to navigate the canal under normal conditions it would take about 30 hours, resulting in a saving of about 4 hours.

The letter continues:

He believes that the 4 hours might be offset by strong tides in the canal or by having to wait until daylight to navigate the canal or by having to await turn. And since there would be additional risks of collision and grounding by using the canal it is his present opinion that it would not avail us anything to use the canal.

He states that if the canal is built, when open to commercial navigation he would route one of our ships through it and either arrange to accompany her himself or have one of his assistants do so, and then if this practical operation proved, and he believes it will not, that there will be a saving and the risks will not be increased as against the route that is presently used, he would naturally direct future ships to use the canal.

This is along the lines that we have previously written you, and my reason for writing this long letter now is so that you will not have to refer back to previous communications.

There is the next witness among those who are marshaled to prove the great, enthusiastic, contemplative support which the ship operators are going to give this undertaking. What an anticlimax.

Now we come to the next witness produced, not by me but by General Markham, to justify his estimate, produced not by me but by those who make these pretty pictures we see hanging about the walls of the Senate. Now we come to the Gulf Refining Co., James Kennedy, general manager:

We have on different occasions made careful surveys of the practical and economical features of such a waterway, but it is our conclusion from either standpoint that even if it were completed it probably never would be used by our seagoing vessels.

It is, therefore, our opinion that such an expenditure as would be neceessary to construct a canal as projected could not be economically justified and the expense would be unwarranted.

That is from a witness in favor, presumably, of this amazing proposition which is pending in the Senate.

Another of the same kind of witnesses—that is, supposed to be—D. A. Moloney, president of the Newtex Steamship

Corporation, 17 Battery Place, New York. This is the eighth of the witnesses identified by General Markham, at my request, as the ship operators upon whom he relies for the prospective traffic to justify his estimate of the ultimate tonnage. This is what Mr. Moloney says:

> The cutting of the canal would, of course, shorten the distance between ports in the Gulf and the Atlantic seaboard, but in my opinion the saving would not be so great as to make the canal route more desirable unless it was operated free of tolls.
>
> In view of the heavy expenditure I think the question of this canal should be given a great deal more consideration and discussion than it has been given so far.

The final witness, the last one, not mine, but one of General Markham's witnesses—I will produce mine later—the president of the Brooks-Scanlon Corporation, Mr. V. S. Foley, states:

> Replying to yours of December 27, we have discontinued our water transportation and have sold most of our vessels, therefore, we hardly would be interested in the operation of boats through the cross-State Florida Canal.

So, Mr. President, there is the case for the economic justification of the canal, nine representative ship operators identified by the author of this favorable engineering report, which is the basis for the bill now pending before the Senate, nine witnesses produced to justify those conclusions, nine witnesses who are supposed to say "Yes, we think this is a great thing from a ship operator's standpoint, and we will love to use it when the time comes." Of the nine of them, two are not even operating in that area, and could not go through the canal even if they wanted to, and the other seven unanimously say there is no economic justification whatsoever for this enterprise or for this investment, and even if it were built—although a few of us might try it—our opinion is that in the long run it would be worth nothing to us by way of advantage.

Mr. President, that is not half the story. We have just started through this modern version of Alice in Wonderland. Let us go to the favorable report—the favorable report, God save the mark—of the special board of review itself, the thing upon which, aside from General Markham, the proponents chiefly rely for their justification. Let us look at the report.

In figuring its swivel-chair, hypothetical benefits, the special board assigns 35,000,000,000 out of 46,000,000,000 tons of potential traffic to petroleum products. In other words, oil is 80 percent of the canal dream, oil would get 80 percent of the theoretical benefits flowing from this expenditure of two or three hundred million dollars presumably. But what does oil say for itself? Let us go to a root source for our information, instead of moon-beaming in front of pretty pictures. What does oil say for itself?

Listen to this, right out of the report of the board itself. Out of the seven actual petroleum transporters answering the War Department's questionnaire, all but one expressed opinions which clearly indicate that no public benefits will be derived from the building of the canal so far as the petroleum traffic is concerned. The one concern commenting favorably upon the construction of the canal is engaged chiefly in the transportation of blackstrap molasses, and only occasionally, once or twice a year, hauls oil.

According to table 40, annex 2, of the report itself, the 6 companies expressing themselves unfavorably toward the construction of the canal operate a total of 145 tankers. In other words, here is a definite showing, annexed to the report, of 7 shipping concerns operating a total of 147 tankers in the oil trade, 6 of which, operating a total of 145 out of the 147 tankers, expressing themselves unfavorably toward the construction of the canal, and there is only 1 concern which says, "Sometimes we might find it desirable to operate 1 or 2 tankers in the oil trade through the canal." In other words, the report itself condemns itself.

Let us pursue this oil prospectus a little further, since it seems to represent about four-fifths of the broken reed upon which this fantastic proposal leans. I have already mentioned the Gulf Refining Co. and the Sinclair Navigation Co., both adverse. Let us ask a few others, and let them speak for themselves. After all, when we are asked for two or three hundred million dollars, at this moment of critical financial jeopardy in the life of this country, we ought to have something besides hypothetical, wishbone hopefulness upon which to base our decisions.

The proponents admit that they expect to rely upon oil for 80 percent of the justification. I have already demonstrated from their own report that most of their own witnesses in oil are adverse. Let me produce a few of my own.

This is from the Socony-Vacuum Oil Co., J. J. McGuire, general manager, June 3, 1936:

> I have questioned our operating division, as well as the masters on our ships, and the unanimous opinion is that as far as we are concerned this proposed waterway is neither necessary nor desirable. Even if the canal were open to free transportation, without tolls or any other charges, it is very doubtful if there would be any advantage in our using it. This being the consensus of opinion of our practical people, who have had years of experience, I will answer your question by saying we do not feel that the expenditure of such a large amount as $140,000,000 to $200,000,000 is warranted.

I wanted to be sure he had not changed his mind in the meantime, because many minds have been changed, I concede, and I cannot understand as to some of them. I therefore telegraphed Mr. McGuire again, and on January 19, 1939, he stated:

> Since my letter to you of January 3, 1936, our position has not changed in the slightest, and our viewpoint on the proposed Florida ship canal today remains the same as in 1936, as explained in the letter to which I have referred above.

That is from one of the chief oil-tanker operators upon the sea.

Let us take another picture. I have this letter from the Cities Service Transportation Co.:

> We have given this matter considerable attention and do not feel that the canal will serve a useful purpose, except possibly locally, and if it is constructed it is not our intention to send any of our large tankers through it, even though there are no tolls. In our opinion, the canal is too long for practical navigation. While there is a saving of time, the additional expense for pilotage and the possibility of damage to our ships going through this long canal will not compensate for the time saved.

I wanted to be sure he had not changed his mind, so I asked him to bring his testimony down to date. Under date of January 23, 1939, Mr. Story wrote:

> In answer to your letter of January 8 regarding the Florida ship canal, we are still of the opinion that the canal would be too long for practical navigation, and we have not changed our opinion that it would be uneconomical for our vessels.

Let us ask another company. The Sun Oil Co., in a letter dated January 3, 1936, said:

> The Government should not build such a canal without charging such a toll as would insure the Government a fair return on its investment. If they do not charge toll, I would construe the entire project as one of special privilege, which I for one do not desire.
>
> It is difficult for me to see how the savings, even if no toll were collected, would exceed $3,000,000 per year. Unless my figures are wrong, this is not far off, as the benefit, if any, will go largely to the oil industry. Whether or not there will be any saving will depend upon the details of construction and the speed permitted; but I feel confident in saying that from the standpoint of economics such a project is without justification.

Let us take just one more witness, Mr. President. The testimony of them all is all the same. Again I call to the Senate's attention that the proponents of the canal were unable to produce a single witness to the contrary before the Senate Commerce Committee in all the 2 or 3 years' time the matter has been pending. Under those circumstances it scarcely seems necessary to multiply the exhibits, but I wish to be perfectly sure that every Senator within the sound of my voice knows that those upon whom the proponents of this enterprise rely for the hypothetical showing upon these charts, when they testify for themselves say there is no economic justification whatsoever in the undertaking, and they do not contemplate the use of the canal for transit by their own ships.

Let us see what the Standard Oil of New Jersey says. The following letter is from Robert L. Hague, general manager, marine department:

It is our opinion that this project is ill-advised and is not in conformity with the mature consideration of practical shipping people. In our judgment the expenditure of $140,000,000 to $200,000,000 on this project is not justified by economic considerations, nor by present or potential traffic, which could profitably make use of the canal.

Therefore, as we do not believe there would be any monetary advantage to this company, and in consideration of anticipated delays due to fog, increased collision hazards while in the confined waters of the canal, and added restrictions which would probably be imposed on oil tankers on account of the nature of their cargoes, we do not contemplate using this canal should it be constructed.

Mr. President, this testimony cannot be ignored, it cannot be brushed aside, it cannot be answered by any amount of wishful thinking, or by any amount of beautiful pictures hung upon the Senate wall.

It seems needless further to pyramid these exhibits. All available testimony is practically unanimous. It culminates in one smashing verdict of condemnation. There is no economic justification for the Florida canal, and every realistic examination proves it. A lot of fine-spun theories developed in the congenial atmosphere of a promoter's brain may pretend to show a pretty picture, but when the dream collides with reality it is dissipated into thin air, and that is precisely where $200,000,000 or $300,000,000 of the people's money will go if the Senate surrenders to this infatuation.

Mr. President, it will not do to try to brush the testimony aside on the convenient theory that some sinister, selfish motive inspires this unanimity of opposition from those who must use the canal to give it any semblance of justification. If there is a "sinister motive" behind these opinions, the same "sinister motive" will remain to guide these ships away from the canal after it is built. We will be just as much at the mercy of the "sinister motive" after the canal is built as we are today.

Mr. President, I do not believe there is a "sinister motive." I think this is simply the voice of experience pleading against the voice of theory.

By the way, the Department of Commerce had something to say upon this score. Under Secretary Roper the Department of Commerce made an intimate survey of the project, particularly its possible economic benefits. The report is 2 feet thick. I quote from it briefly. This is what the Department of Commerce, under Secretary Roper, said in its report:

The consensus of opinion of that part of the shipping industry with which contact has been established in the preparation of this study appears to be that the probable cost of building the projected waterway is not justified through any benefits which might thereby accrue to the cargo or the vessel. The significance of this is that it rests primarily upon the considered opinion of the principal and naturally most interested group, namely, the tanker trade.

Mr. President, the question always inevitably arises in the minds of those who contemplate this interesting problem, why would they not use the canal if it were in existence? Let the Department of Commerce give one answer out of many to that question. Again I quote the Department report:

A significant question which has been generally raised relates to the length of time a vessel would be confined to restricted waters. It has been pointed out by ship operators that the proposed waterway would be practically twice as long as the world's longest canal—the Suez—and that roughly 36 to 40 hours would be required to move a vessel from open water to open water over this distance. The question reflects directly—

Here is the answer:

The reluctance of those responsible for the operation of ships to have them confined to restricted waters.

Oil tankers will not operate in restricted waters except as a last resort. It is too dangerous, because the slightest collision may produce explosion and disaster.

So, Mr. President, the original report of the Department of Commerce, justifying every other bit of available evidence, still stands today as a challenge and an indictment, in spite of the fact that a one- or a two-page cavalier and superficial letter from Mr. Roper's successor, the optimistic Mr. Secretary Hopkins, undertook to veto the recommendation that was made at the conclusion of a 2-year inquiry, which resulted in the printing of a report 2 feet thick.

No, Mr. President, there is no economic justification which would warrant a prudent Senate in passing the pending bill and authorizing an irrevocable commitment to this costly dream. Even the plea for release from maritime jeopardy in the Florida Straits disappears upon examination. This is almost funny, if anything could be funny in connection with such a serious contemplation. We have been told about the horrible jeopardy in the Florida Straits; of the nightmare of the passenger who has to submit himself to the dangers of the Florida Straits. God, we must build this canal in the name of humanity because of these awful dangers in the Florida Straits.

That is a very moving appeal, Mr. President; but unfortunately, according to a report furnished me by the United States Coast Guard, covering 16 years from 1920 to 1935, just one passenger lost his life as a result of shipwreck in these treacherous waters which we must spend two or three hundred million dollars to escape. In all those years one life was lost in one of the busiest waterways in the world. I doubt if there is on earth any safer waterway with comparable traffic.

Mr. President, the total cargo loss in these waters in 16 years was only $889,000. That is an average of $55,000 a year. And remember it is one of the busiest waterways on earth. Is it worth two or three hundred million dollars of public money theoretically to save a cargo loss of $55,000 a year? The annual upkeep alone of the canal will be more than 30 times the amount of this annual loss. We might better pay for all the losses in the Florida Straits than to pay this enormous bill to avoid the straits. No matter where the scheme is tested, it proves to be counterfeit.

Oh, but what about the national defense? That is the latest fabrication trotted out to warrant this gigantic investment. What about the national defense? These days everything gets around to the national defense. The national defense is used as an excuse or a justification for anything that anybody wants to do. Patriotism goes on parade in the direction of the Treasury with a flag in each hand. Now we are told that the Florida canal is essential to the national defense. Yes; the Navy Department now says so, in a brief letter. Of course, no official witness was sent from the Navy Department to testify upon the question. The proponents of the canal had to rely for their expert naval testimony upon a very fine old retired admiral who was brought up from the Canal Zone, where he lives within about 20 miles of the proposed canal. He was the only naval expert we had. The Navy Department sent a letter. The War Department did not.

But what of it? Mr. President, we got the truth from the War Department and the Navy Department 2 years ago, when we were not in the grip of a war hysteria, when we were not straining every nerve in behalf of preparedness, and when we were not finding it congenial to yield to every request made in the name of the Stars and Stripes. Yes; we got the truth 2 years ago. What was it? Two years ago the House Committee on Rivers and Harbors asked the War Department and the Navy Department whether there was any military value in this canal prospectus. I quote from pages 381 and 382 of the House hearings of April 1937. This is the chairman of the committee speaking:

If you will permit me to complete the record in regard to the military and naval use of the canal, here is a letter from the Secretary of the Navy, Mr. Swanson, in which he says that the Navy Department does not desire to be represented before the committee, and that the proposed canal is not considered of sufficient importance in connection with the national defense from the standpoint of that Department.

It was not of sufficient importance to the Navy Department even to be represented at a hearing!

Continuing the quotation:

The Secretary of War says that from the standpoint of the War Department, it would appear to be of little or no military importance.

That is what the War and Navy Departments thought 2 years ago when Hitler had not got to Baltimore. Two years ago there was no military importance whatsoever. The War Department and the Navy Department agreed.

Mr. President, the Commander in Chief himself let the cat out of the bag when he wrote to the Commerce Committee the letter upon which the revival of this amazing enterprise rests. He wrote a letter to the committee, and that is the only reason the project came back to life. He wrote a letter stating that, as far as he was concerned, he did not care if 15 years were required to complete the construction of the canal. Mr. President, if the Commander in Chief is not any more worried about the canal than that, if he is willing to wait 15 years for the canal, I am not going to worry very much about declining to permit the detouring of two or three hundred million dollars out of the Treasury of the United States in the name of national defense at a time when we need every dollar we can obtain to put into the realities of national defense.

I might add that even if we built the canal and put it into operation 6, or 8, or 10, or 15 years from now at a cost of $198,000,000, $200,000,000, $300,000,000, or $400,000,000, so far as national defense is concerned, we could not put a battleship through it. Under date of April 7, 1939, Admiral Leahy said:

The Navy Department begs to advise you that, generally speaking, it would not be feasible for battleships of the United States Navy to transit the proposed Florida canal, constructed to a depth of 33 feet. The newer battleships could not transit such a canal. Some of the older battleships, when loaded lightly with fuel oil, could transit a 33-foot channel or canal.

So we could not put our battleships through the canal anyway. I have never heard of any strategy which in time of stress would separate the protecting fleet from a battleship, put the destroyers and cruisers through the canal, and let the battleship go off by itself through the terribly dangerous and treacherous Florida Straits. Mr. President, it is sheer nonsense.

What next? That ought to be enough, but what next? The next question agitating certain sections of central Florida is the fear that when this great gash is sunk in Florida's water arteries it will ruin the ground-water supply upon which much of Florida agriculture depends. General Markham, the chief witness for the canal, agreed to this statement upon the subject. This is General Markham speaking:

There will be some damage. The only question is, how much?

In other words, the "wet nurse" of this scheme admits that we are starting out upon something that will do damage. The only question is as to who is the best guesser as to the amount of damage which will result. At this point the experts disagree. Some able experts, after exhaustive examination, guess that the damage will be minor and utterly inconsequential; some experts guess that the damage will be major; and some experts guess that it will be catastrophic. The trouble is that nobody will know which guess is correct until the damage has been done. If the wrong guess wins this congressional battle, and if far-flung damage does result, then the $200,000,000 or $300,000,000 which the canal will cost Uncle Sam will be only the beginning of his burden, because Florida will ask for compensation, precisely as she has done in connection with the Federal campaign to exterminate the Mediterranean fruitfly. Let me read a typical letter from a citizen of Florida who resides at Tarpon Springs:

In my humble but practical opinion, much of the State will be ruined by a ship canal, sea level as proposed. I own considerable property here, and along with thousands of others, we propose to ask for damages if damage occurs. I would be very glad to testify if deemed necessary.

Mr. President, this is not the only such letter. There are scores and scores of such letters. If any Senator wishes to inspect a file of protests from the State of Florida itself, there it is. "We propose to ask for damages if damage occurs." I have heard that sentiment time and time again.

Under the circumstances I do not blame anyone for such an attitude. Thousands of Florida farmers, water conservationists and fruit growers, deeply fear that the canal project will ruin their indispensable water supply. They say, "We propose to ask for damages if damage occurs."

I do not propose to prejudge the dispute as to whether damage will or will not occur. I freely recognize the validity of the credentials of the geologists who testified upon both sides. A good case can be made on the safe side. A good case can be made on the unsafe side. However, I do propose to show that there is just as much reason to fear calamity as there is to hope that none will occur.

The question for the Senate to determine, then, is whether, in view of all the other circumstances and considerations involved, we are justified in taking a chance. The United States Geological Survey, in the Department of the Interior, our own official expert in such matters, concludes its statement upon the subject, which was reiterated in recent hearings, as follows:

To summarize, there appears to be no reasonable doubt that serious adverse effects will be produced upon the important underground water supplies of the Ocala limestone in a wide zone extending outward from the canal line by the construction of a sea-level canal along route 13–B.

Let me repeat the statement of the United States Geological Survey:

There appears to be no reasonable doubt that serious adverse effects will be produced.

We pay the United States Geological Survey to tell us what is going to happen in cases of this nature, and that is what they tell us. We had better take their advice or discharge them.

Let us consult Herman Gunter, Florida's own State geologist. What does this official Floridian expert say?

These dangers have caused concern to those who have given study to the underground waters of the State, and give justification for fears—

Let me repeat that—

give justification for fears that the waters of certain sections may not be permanently and indefinitely usable. The lowering of the artesian head in areas where there is already such a delicate balance existing can but have a disastrous effect.

This is the State geologist of Florida speaking:

Once the fresh water is replaced by the heavier salt water, there will be no chance to rectify or alter conditions.

Now, let us consult a noted geologist of Columbia University. Dr. Henry S. Sharp says:

All geologists unite in predicting that the canal will cause some damage to the water supply, while a considerable number believe that it will prove to be a textbook example of the large-scale destruction of water resources by artificial interference with underground flow.

Others similarly testified in the recent Senate committee hearings; but suppose we take those three. The Federal experts say:

There appears to be no reasonable doubt that serious adverse effects will be produced * * * in a wide zone.

The State's own geologist says that the canal "can but have a disastrous effect."

The Columbia University expert says:

Large-scale destruction of water resources by artificial interference with underground flow.

Mr. NORRIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from Michigan yield to the Senator from Nebraska?

Mr. VANDENBERG. I yield.

Mr. NORRIS. I should like to ask the Senator a few questions on the point he is now discussing. Is there any

evidence showing how much interference there would be? The terms used by the experts are rather indefinite. What do they mean by "widespread"? How far would it extend? To what extent would damage be caused? The other question is, Would the damage extend on both sides of the canal or would it be confined to one side?

Mr. VANDENBERG. Mr. President, it is very difficult to give the Senator any authentic information on this subject because there just is not any available. The Senator will understand that it is all guesswork—not guesswork on my part but guesswork on the part of experts—because the best that they can do is to sink their holes and draw their hypothetical deductions. It is all metaphysics. Without undertaking to be specific about it, I should say that the experts differ as much in respect to the possible zone of damage as they do on the question of whether there would be any damage at all. Some of them have said that the damage would be confined to a 15-mile strip and probably only to a strip at the south of the canal. Other experts have described their theory according to which the damage could extend for 40, 50, 60, or 70 miles. The finest experts in the world have been produced on both sides, men of unimpeachable credentials, and there is not any way in the world to ascertain who are right until the canal is dug and we ascertain whether they have guessed right or wrong. In this connection, I am submitting to the Senate only the thought that, since there is a chance that we may guess wrong and if we guess wrong tremendous property damage will result for which we are notified the Government will be held responsible in damages, the very least we ought to do, if we have the slightest intention of passing the pending bill is to attach the same sort of an amendment which went into the Flood Control Act of 1936, that would require the State of Florida to hold the Government of the United States blameless in the event damage should ensue.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Nebraska?

Mr. VANDENBERG. I yield.

Mr. NORRIS. I am asking these questions only for the purpose of getting as near as we can the truth. I confess I feel friendly toward the building of the Florida canal unless there is some reason that appeals to my good judgment why it should not be built. I remember that in nearly every great undertaking in which the Government of the United States has engaged, practically all of the large undertakings, there has been great conflict of opinion so far as experts are concerned. I do not want to disparage the consideration that should be given to them; I have confidence in all of them; but I remember—it has been a great many years ago, and I am speaking from memory entirely, and I may be wrong about some of the statements—but in reference to the Panama Canal a great many experts testified, and, as I remember, Theodore Roosevelt, who was President at that time, appointed a commission of experts. He did not confine himself to experts from the United States, but on his commission were placed several engineers of world-wide renown and international reputation to consider the question whether the Canal should be a sea-level or lock canal. I remember very distinctly that I was very much in favor of a sea-level canal, so far as a layman could judge from what I had read; but, if I am not mistaken, President Theodore Roosevelt discarded the report of all the experts. The commission, as I remember, reported in favor of the sea-level canal. President Roosevelt set the report aside and made it a lock canal, notwithstanding the report of the experts.

As I remember in the case of the Boulder Dam, there was great disagreement on the part of experts. One argument that appealed very greatly to me, at least, made by the experts was that in a region that was subject to earthquakes the entire improvement would probably be destroyed by earthquakes. Nevertheless we went ahead.

Another instance was in connection with the construction of the Norris Dam. There was a disagreement amongst the experts about the marble deposits which were in the ground there. The disagreement went to the extent of a difference of millions of dollars. The views of the experts were disregarded, and after the evidence was finally adduced in court it was developed that the experts on one side were altogether wrong.

I should like to get all the information I can concerning the disagreement of the experts in the case of the Florida canal. I do not believe we ought to build this canal if thereby we are going to ruin the water supply of a large portion of Florida. I can see that the damage might be very great—so great that it could not be compensated for—and we ought not to make a mistake. Yet I have never known a great undertaking of this kind as to which the experts have agreed; they have always disagreed. I concede, as the Senator from Michigan does, that the experts are moved by lofty, honorable motives; they are doubtless all honest, and we ought to be guided as well as we can by their opinions.

I should dislike to see a lock canal, instead of a sea-level canal, built in Florida; yet if it is necessary in the building of the canal to save damage to a large portion of Florida's water supply, we may, if we build the canal, be driven to build a lock canal instead of a sea-level canal.

I remember in the case of the Panama Canal that I was personally very much in favor of a sea-level canal. The Canal was authorized a great many years ago, in the Fifty-eighth Congress. I listened to the debates and to the arguments made, particularly by Representative Burton, of Ohio, who, I think, made one of the greatest speeches that were ever made on that subject in the House of Representatives. I became converted by the argument, and I now think that it would have been a colossal mistake if we had undertaken to build across the Isthmus of Panama a sea-level canal instead of the lock canal which President Theodore Roosevelt decided should be built.

Mr. BARKLEY. Mr. President, will the Senator from Michigan yield to me?

Mr. VANDENBERG. I yield.

Mr. BARKLEY. As I understand, the decision as between a sea-level canal and a lock canal in Panama was not based upon any question of water supply?

Mr. NORRIS. Oh, no.

Mr. BARKLEY. It was based on altogether other considerations?

Mr. NORRIS. It was really based on what it was going to cost, how long it would take, and whether it could be operated.

Mr. BARKLEY. There was a difference in the level of the Pacific and the Atlantic Oceans, which had considerable bearing on the subject.

Mr. NORRIS. It was conceded that to meet that difficulty there would have to be locks in the canal. When I say "a sea-level canal," I do not mean one with no locks in it at all, for the level of the Pacific and the Atlantic vary a great deal and made locks necessary. But when we speak of "a lock canal" there, or, at least, when I speak of it, I have in mind the probable necessity of widening the canal and deepening it so as to avoid any locks made necessary by the Chagres River, which, in reality, supplies the canal with water.

Mr. BARKLEY. Of course, the difference in the level of the Atlantic and the Gulf does not exist to the extent which it existed in the case of the Panama Canal between the Atlantic and Pacific Oceans, as I understand. So that element would not enter into the necessity for a lock canal in Florida.

Mr. VANDENBERG. Mr. President, what the Senator from Nebraska says about clashing experts is, of course, true, it is always true, and we are put to the necessity ordinarily of making our decision and putting our stake on one or the other. But in most of the instances to which the able Senator from Nebraska has referred the damage which would have resulted if we had guessed wrong would have been essentially a monetary damage or a monetary loss, which could be overtaken. The tragedy of this situation is

that if we should happen to guess wrongly a loss will have resulted for which no amount of money can compensate, but which will be irretrievable through the centuries. And when the Senator emphasizes the possibility of obviating this difficulty through the construction of a lock canal rather than a sea-level canal, which would unquestionably entirely obviate any possibility of damage to the water supply—when he suggests an exploration of the question of substituting a lock canal for a sea-level canal, the trouble is that he collides once more with the basic economics of the proposal, because certainly if ship operators cannot find any economic advantage in transiting a sea-level canal in 38 or 40 hours, they never would be able to find any advantage in transiting a lock canal, which would take them 50 or 60 hours. So it makes no difference from what phase we approach the matter; it seems to me we find ourselves down a blind alley when hunting favorable arguments.

Mr. NORRIS. Mr. President, will the Senator yield again?

Mr. VANDENBERG. Yes.

Mr. NORRIS. There is only one lock involved in this canal in any event; is there not?

Mr. VANDENBERG. I cannot answer that question.

Mr. NORRIS. I think there is only one. If we should decide in favor of a lock canal, it would mean but one lock, as I understand. I may be wrong about that.

Mr. VANDENBERG. Well, even one lock is that much more deterrent in the time of transit, and that much more deterrent to the economic attractiveness of the transit.

Mr. NORRIS. I think that is true.

Mr. VANDENBERG. Mr. President, I have no intention to labor the subject further. I have presented my case, I hope, for the last time. To me, there just is no possibility of more than one responsible senatorial answer.

Summarizing it, we confront a tremendous financial emergency in the Treasury of the United States. That fact must be conceded. When we confront a tremendous emergency in the Treasury of the United States we have no business draining it of a single, solitary cent that can be postponed in respect to its expenditure, and certainly we have no right to drain it of a single, solitary cent which is dedicated to an unsound proposition like the pending one.

Secondly, this proposition is unsound, because it is essentionally a grab bag in its terms. Nobody knows what it means, and nobody will know what it means until the thing is completed. But, worse than that, it is economically unsound, because all the ship operators who have been identified by the proponents of the canal as witnesses upon whom they rely to prove the utility of the canal unite in a unanimous condemnation of the entire enterprise.

There is no validity to the appeal that we must do this thing in behalf of the national defense. I have made that fact clear. There is a jeopardy involved in respect to the Florida water supply. There is no doubt, as disclosed by the Gallup poll, that 75 percent of the American people do not want the Senate to vote this amazingly indefensible appropriation.

I leave my argument at that point, in the prayerful hope that the tax resources of 75 percent of the American people will not be dissipated by the Senate of the United States upon the roll call upon Senate bill 1100.

PURCHASE OF ARGENTINE CANNED BEEF BY UNITED STATES NAVY

Mr. CAPPER. Mr. President, the entire Middle and far West and Southwest were shocked Friday night to learn that President Roosevelt is insisting that the United States Navy buy Argentine canned beef in preference to beef produced and processed in the United States.

I desire to read at this point a statement by D. M. Hildebrand, of Seward, Nebr., president of the United States Livestock Association, in relation to this matter:

> The fact that the present administration has seen fit to buy beef from Argentina when our own livestock producers have been working under a heavy handicap for the last 4 or 5 years indicates that it is not in sympathy with making a market for our feed grains, as the only market the farmer has for corn and byproducts of the farm is livestock.
>
> With taxes mounting, certainly the livestock producers in the United States should have the first opportunity in the American market.
>
> The best aid that agriculture and livestock producers can have is to provide a market for what we produce in the United States. When the United States Government buys Argentine beef, and when the President of the United States makes a public statement that Argentine beef is superior, other consumers of beef are encouraged to do the same thing.
>
> We question the statement that Argentine beef is better than American corn-fed beef.
>
> I think Congress should pass a law prohibiting our Government from supplying its needs for livestock products from abroad so long as they can be produced in this country.

Mr. President, I also wish to read a telegram from Gov. Payne H. Ratner, of Kansas, and a joint telegram from William Ljungdahl and Will J. Miller, respectively president and secretary of the Kansas State Livestock Association. Both telegrams were sent to President Roosevelt.

The telegram from Governor Ratner is as follows:

> As Governor of one of the great beef-producing States, I want to voice protest against the purchase for the United States Navy of Argentine-produced canned beef. On behalf of cattle producers of Kansas and Western States, I hope this order can be canceled, and that definite policy be established for the future to prevent the purchase of foreign products by the United States Government where domestic goods are available. Kansas produces more than $70,000,000 worth of marketable beef annually. It is one of our greatest and most important products. The United States Government is spending millions of dollars each year to aid agriculture. The Kansas producers of livestock, along with those of the Western States, are struggling to find adequate markets for their products. It would seem to me to be consistent with good domestic policy and a duty to our farmers to give American producers the benefit of the market made by Government purchases and thus aid the agricultural industry.
>
> Press dispatches intimate the good-neighbor policy may be involved in this purchase. It seems to me neighborliness, like charity, begins at home, and that our first duty to livestock producers is to those of our own country. I am informed that in 1938 our country imported some 157,000,000 pounds of corned beef, which, it seems, is doing pretty well toward our foreign neighbors without placing with them our own Government orders.
>
> Of course, a friendly trade relationship with Argentine and other sister American nations is of vital importance to the American continents and to the United States. We must do everything within reason and justice to promote such a relationship. We in Kansas, however, feel that the President's first duty in neighborliness is to the people of the United States who in this case are the beef producers of Kansas and of the Western States. We believe in sound trade policies with our American neighbors, and want to encourage neighborliness with them, but we do not believe that such policies should be established at the direct expense of our United States producers.

The telegram from President Ljungdahl and Secretary Miller, of the Kansas State Livestock Association, is as follows:

> Members of the Kansas Livestock Association and beef producers throughout the State are shocked by press reports to the effect that our President has approved the purchase of canned corned beef from Argentine for use in feeding the Navy. Not only are livestock producers shocked but indignant at the inference that canned corned beef processed in this country is inferior to the Argentine product. We urge immediate cancelation of the Argentine purchase order.
>
> Producers of meat animals throughout our country need every possible help in obtaining the very best market for their products. Recent years of severe drought and unfavorable markets have brought serious losses to livestock producers and if they survive these losses must have every advantage possible in marketing meat
>
> Our beef producers naturally object to being sacrificed upon the altar of so-called good-neighbor policy and no good neighbor would expect it.

Mr. President, I indorse 100 percent the statements made by Governor Ratner, by Mr. Ljungdahl and Mr. Miller, and by Mr. Hildebrand.

I cannot add to the force of their arguments by any statement that I may make; but I wish to state that I was both surprised and shocked at President Roosevelt's statement.

It may be true that Argentine tinned beef can be purchased more cheaply than can the United States product; but that statement would apply to many articles and commodities that are purchased by the Government of the United States and by the people of the United States.

The Government of the United States would save money by having its battleships and cruisers and other seacraft constructed in British shipyards, or in the Scandinavian countries; but there has been no demand from the cattle-producing sections that the United States economize at the expense of American shipbuilders and American labor.

Undoubtedly English woolen goods could be purchased more cheaply than American woolens; but the cattle-producing region has made no demands that the tariffs be reduced to allow these woolens to compete on more even terms with American woolens.

Undoubtedly labor costs in the United States could be sharply reduced if the restrictions on immigration were removed, and cheap labor were allowed to flow into the United States.

The farmers of the United States have supported the American tariff policy; they have supported the restriction of immigration; and they have done this in the face of the fact that these restrictions on imports from abroad compel them at times to pay high prices for everything the farmers have to buy.

No wonder the people in the great agricultural regions of the United States feel they have been betrayed, when the President of the United States deliberately proposes that foodstuffs from abroad be used by the United States Navy because they are cheaper!

I appreciate that the motivation of the President's statement probably was diplomacy, a desire to curry favor with the Argentine Government and other South American peoples; but I object most strenuously to having the farmers made the scapegoats for a foreign policy.

I may add that the proposed Sanitary Convention with Argentina, negotiated by the State Department, now in the hands of the Committee on Foreign Relations, is another proposal of similar nature, and ought never to be approved by the Senate. I am confident it will not receive Senate approval.

Mr. McNARY. Mr. President, in line with the remarks of the Senator from Kansas regarding the proposed purchase of Argentine canned beef for the Navy of the United States, I ask to have printed in the RECORD at this point an editorial which appeared in the Washington Post this morning under the headline "Sign of Confusion."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post of May 15, 1939]

SIGN OF CONFUSION

President Roosevelt's controversy with western cattlemen over the relative merits of Argentine and domestic beef in the diet of the Navy has many aspects of a teapot tempest. Yet the President's remarks carry far-reaching implications in the fields of both agricultural policy and foreign relations.

In approving the purchase of a relatively small order of corned beef from the Argentine, Mr. Roosevelt apparently had in mind two objectives. One was to throw a sop to Buenos Aires where the exclusion of Argentine beef from this country is bitterly resented. The other was doubtless to chide the Senate for its failure to ratify the Argentine sanitary convention. That agreement would permit our Latin-American neighbor to send us beef from those parts of its area which are entirely free of the hoof-and-mouth disease.

Gestures of good will to friendly foreign countries are always in order. And the administration certainly has a good cause in advocating elimination of the disguised embargo which discriminates against Argentine beef. Whatever protection is given the domestic cattle industry should be openly determined without putting any country at a special disadvantage. Insofar as the President was trying to offset the unfortunate reactions which the attitude of the Senate has produced in the leading country of South America, there will be much sympathy with his attitude.

But the President was not satisfied with making a gesture of good will. His comments on the "superiority" of Argentine corned beef and the spread between prices asked for the foreign and domestic products have aroused the ire of many Congressmen as well as cattlemen. Already a move is afoot to compel the Navy to buy its meat in this country. If passed, such legislation would merely arouse further resentment among the Argentineans.

Moreover, the President's emphasis upon the advantages of buying cheap foreign beef for the Navy seems to cast a shadow over the administration's entire agricultural policy. The aim of the A. A. A. is to raise farm prices and farmers' income. To accomplish that purpose it has attempted to keep prices of various commodities above the world market level. Just a few weeks ago the President threw his influence behind a move to subsidize cotton exports so that the domestic price could be maintained above prices abroad, without further loss of our foreign trade in this commodity.

Having thus attempted to place American agriculture on a higher economic plane than it occupies in many competing countries, the President now concludes that meat produced under this system is too expensive for the Navy to buy. He might use the same argument for the purchase of cheap uniforms manufactured in Japan from Brazilian cotton. But in either case, the President's attitude seems to add another element of profound confusion to the administration's farm policy.

In his last annual report Secretary Wallace declared, "It is virtually certain that in one way or another we shall have to limit our production for export and take steps to guard the domestic market from the influence upon it of bargain-counter prices." If the administration is now ready to scrap the A. A. A. and seek "bargain-counter prices" for farm products, some logic may be found in the President's enthusiasm over 9-cent corned beef. But if price-boosting efforts of the A. A. A. are to continue, the least the administration can do is to pay the prices it has helped to maintain above world market levels.

Not even the President can eat his beef and have it, too.

NATIONAL BITUMINOUS COAL COMMISSION

Mr. HOLT. Mr. President, last week, when the concurrent resolution disapproving reorganization plan No. II was presented to the Senate for consideration, I did not want to delay it by a discussion of one of the provisions of the plan, namely, the abolition of the National Bituminous Coal Commission. However, I desire the RECORD to show that the Senate without a dissenting vote agreed to this abolition. I had, in the minds of some, committed a "crime" for opposing the Coal Act; yet my position was upheld not when it should have been, before the money was spent, but afterward when the political value and popularity of the Commission had declined.

I desire to read at this time a statement of mine about this Commission. It is as follows:

WHO TOLD THE TRUTH ABOUT THE GUFFEY ACT?

I opposed the Guffey-Vinson Coal Act creating the National Bituminous Coal Commission. In opposing it, I aroused the antagonism of certain officials of the United Mine Workers of America and certain individuals who desired to use the Commission for political purposes.

Three years have passed since I raised my voice to explain the real purposes of this piece of legislation. On May 10 of this year, the President of the United States submitted to Congress a message on reorganization. In this message he has the following to say about the National Bituminous Coal Commission:

"I find it necessary and desirable in order to accomplish the purposes of the reorganization act to abolish the National Bituminous Coal Commission and to transfer its functions to the Secretary of the Interior. Thus the task of conserving the bituminous coal resources of the country may be carried on directly by the head of the department principally responsible for the conservation of fuel and other mineral supplies.

"The Congress placed this Commission in the Department of the Interior but experience has shown that direct administration will be cheaper, better, and more effective than through the cumbersome medium of an unnecessary commission."

May I emphasize the description of the President? He uses the words "cumbersome" and "unnecessary," as well as the statement that the change from the N. B. C. C. would be "cheaper, better, and more effective."

My opposition to the bill was not popular with those who danced to the tune of John L. Lewis. They sought to curry his favor without regard to the effect on labor or industry. So, with abject, unthinking obedience, they acted to carry out his orders that this now thoroughly discredited Commission be created, and that I be punished for telling the truth, for opposing their desire to create an expensive, unnecessary commission to employ their political friends. I am not complaining about such attempts. My conscience has been and is clear. They may speak for themselves.

Let me briefly review some of the facts about the Commission.

WHY WAS COMMISSION CREATED?

Why was it created? First, to give jobs to the favorites. Members of Congress were rewarded with patronage for their friends. Second, to pay off a campaign contribution of the miners, paid through, not by, John L. Lewis. He had told

the miners he had the power to pass the Guffey Act. Therefore, it was important to the politicians to see that the man who had donated $500,000 to the campaign war chest, as well as to their political ventures, would have his face saved.

NO COAL PRICES SET

One of the main purposes of the National Bituminous Coal Commission was to set bituminous coal prices. Yet there is not a coal price set by them in the United States.

I delivered a speech on the floor of the Senate about the Coal Commission. I desire to repeat some of the statements made then:

The Coal Commission is the highest example of bungling bureaucracy the country has ever seen. The Coal Commission is the high-water mark of inefficiency in the Federal Government, because it was born in politics, reared in politics, and will die in politics. Civil service was thrown out the window in order that political jobs might be given to a favored few. * * *

WHO PROFITED?

There are only four classes that could possibly be helped by the Coal Act. Those are the miners, the operators, the consumers, and the pay rollers. We know that the miners are not working near the amount of time they worked last year, or the year before, or the year before that. The miners now are working less time and making less money. The operator is making less profit, or is losing more money. The consumer is paying a higher price for his coal. The only group of the four that has been benefited by the passage of the National Bituminous Coal Act is that composed of the pay rollers.

The act was set up for the stated purpose of stabilizing the industry, but instead of stabilizing the industry it stabilized the pay-roller. That is all it did. The patronage that came through the passage of the Guffey Coal Act is the only advantage that will come from its continuation.

WHAT HAS BEEN THE EFFECT?

Let Mr. Tetlow express the effect of the Commission. He spoke before the House of Representatives Appropriations Committee in January of this year—page 595–596 of the Interior Department appropriation hearings—as follows:

Mr. RICH. You said there was no factual evidence of the price of coal previous to the N. R. A. Then you do not know whether the setting up of the Bituminous Coal Commission has been of any benefit to the operators or the miners since you established it?

Mr. TETLOW. To this date?

Mr. RICH. Yes.

Mr. TETLOW. No. Certainly there have been no advantages yet to the producers. There cannot be, because there has been no minimum price established.

Mr. RICH. I thought you did establish prices and on February 25, 1938, you revoked them.

Mr. TETLOW. They were established December 16, 1937, so they were in effect about 2 months.

Mr. WHITE. Has it equalized employment in the coal industry in any shape or form? Have you any evidence of that?

Mr. TETLOW. No.

WHAT GENERAL JOHNSON SAID

Gen. Hugh S. Johnson, N. R. A. Administrator, under whose administration miners' wages were raised, said this about the Coal Commission:

Recent years have revealed no worse performance of utter bureaucratic ineptitude, incompetence, and public damage than the National Bituminous Coal Commission.

What has resulted? A bewildered maze of muddy, minute, and unnecessary regulations. The erection of a mammoth, but futile, sterile bureaucracy; internal bickering and dissensions; a God-awful mess of political jobbery. But for the miners and employers nothing but grief and threatened danger; and, on present prospects, nothing can be expected for many months. In the meantime the price situation is worse than in early 1933 and the labor situation promises to be. Most operators are losing money in millions.

For this whole situation the blame is single and direct on the ineptitude and incompetence of the Coal Commission.

EFFECT IN WEST VIRGINIA

What has been the effect in West Virginia? The coal production in 1937 amounted to 118,050,000 tons. In 1938 the production was 93,511,099 tons. Loss of 1938, as compared to 1937, 24,538,901 tons.

HOW DID THIS AFFECT THE MINERS?

A loss of 5,000,000 man-days for miners. A loss of approximately $25,000,000 in wages for the miners.

	Tons per year
Average coal production, 1925–28, inclusive	160,221,234
Average coal production, 1935–38, inclusive	107,605,319
Difference	42,615,915

A loss of more than 8,000,000 man-days for miners.

	Tons
Average coal production, 1928–37, inclusive	118,814,576
Average coal production, 1938	93,511,099
Difference	25,303,477

CONCLUSION

The United Mine Workers' Journal bitterly attacked me for my opposition to this Guffey bill in 1936. It said:

Holt killed the Guffey-Vinson coal bill in the closing hours of the recent session of the Senate, although he had full knowledge of the fact that the coal miners, not only in his State but of every State in America, were hoping and praying that the bill might be enacted into law. He talked the bill to death in the Senate.

It continues with a vituperative and untruthful attack on me. Yet the record discloses that my talk against this bill saved hundreds of thousands of dollars—at the rate of $300,000 a month from June 1936 to April 1937. Furthermore, it saved the industry and the country from this Commission the President said was "cumbersome" and "needless."

The Guffey bill did none of the things claimed for it by Lewis.

It cost the taxpayers millions of dollars.

It became an influence to destroy the stabilization of the industry rather than being a stabilizing influence.

I challenge those who attacked me for my record on the Guffey bill to cite one advantage to the industry, either to miner or operator. I ask them to name one instance where the public profited from its passage.

I leave the facts with the people, and will let them determine who represented the best interests of West Virginia. The politicians who had the jobs on the Commission—this list is found in the CONGRESSIONAL RECORD of April 6, 1938—were given jobs, but the industry and the public suffered.

I told the truth about the Guffey bill.

Mr. President, I also desire to insert in the RECORD a clipping from the West Virginian, Fairmont, W. Va., dated May 11, 1939.

There being no objection, the clipping was ordered to be printed in the RECORD, as follows:

[From the Fairmont West Virginian of May 11, 1939]

BITUMINOUS COAL COMMISSION'S ABOLITION ANOTHER TRIUMPH FOR SENATOR HOLT IN HIS FIGHT AGAINST EXPENSIVE ADMINISTRATION—BUREAU "EXPENSIVE LUXURY," CRITICS OF COAL SET-UP REPORT IN INQUIRY

(By Calvert L. Estill)

CHARLESTON, May 11.—Abolition of the Bituminous Coal Commission by the President is actually another feather in the cap of RUSH D. HOLT.

Just 1 year and a month ago Senator HOLT told the upper branch of the National Legislature a few things about the Bureau which he declared then was the "highwater mark of inefficiency in the Federal Government, because it was born in politics, reared in politics, and will die in politics."

To have accomplished nothing, it was certainly an expensive luxury. According to the Senator from Weston, the Commission had a rent item in its budget of $241,250, which was about $200 for every employee. But when it came to the pay roll, the Commission really shone.

HIGH SALARIES PAID

At the Washington office there were 7 salaries of $10,000 each, 3 at $9,000, 4 at $8,000, 1 at $7,500, 1 at $7,000, 5 at $6,800, 10 at $6,500, 4 at $5,800, 13 at $5,600, 1 at $5,200, and 1 at $5,000. From there the salary scale drops a bit, but the number of employees increases.

In the field, salaries were a bit lower, but there were many more employees. Eleven persons were paid $5,600 a year each, 3 got $4,933, 10 got $4,600, and so it went on down the line.

Only four classes of citizens, said Senator HOLT, could possibly be benefited by the Guffey Coal Act—the miners, the operators, the consumers, and the pay rollers. The miners this time last year were not working as they had in previous years; the operator was making less profit or losing more money; the consumer was paying a higher price for coal.

"The only group of the four that has been benefited by the passage of the National Bituminous Coal Act is that composed of the pay rollers."

READJUSTMENT OF COMMISSIONED PERSONNEL OF COAST GUARD

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1876) to readjust the commissioned personnel of the Coast Guard, and for other purposes, which was, on page 3, line 10,

to strike out the word "terms" and to insert in lieu thereof the word "term".

Mr. PEPPER. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

RETIREMENT OF ENLISTED PERSONNEL OF THE COAST GUARD

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 595) to increase further the efficiency of the Coast Guard by authorizing the retirement under certain conditions of enlisted personnel thereof with 20 or more years of service, which were, on page 2, line 18, after the word "from", to insert "active", and on page 3, line 11, to strike out the words "Secretary of the Treasury" and to insert in lieu thereof "Commandant."

Mr. PEPPER. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

FLORIDA SHIP CANAL

The Senate resumed the consideration of the bill (S. 1100) for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida.

Mr. PEPPER obtained the floor.

Mr. SHEPPARD. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. SHEPPARD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	La Follette	Russell
Andrews	Ellender	Lee	Schwartz
Ashurst	Frazier	Lodge	Sheppard
Bailey	George	Logan	Shipstead
Barbour	Gerry	Lucas	Slattery
Barkley	Gibson	Lundeen	Smathers
Bilbo	Gillette	McKellar	Stewart
Bone	Green	McNary	Taft
Borah	Guffey	Maloney	Thomas, Okla.
Brown	Gurney	Mead	Thomas, Utah
Bulow	Hale	Miller	Tobey
Burke	Harrison	Minton	Truman
Byrd	Hatch	Murray	Tydings
Byrnes	Hayden	Neely	Vandenberg
Capper	Herring	Norris	Van Nuys
Caraway	Hill	Nye	Wagner
Chavez	Holman	O'Mahoney	Walsh
Clark, Idaho	Holt	Overton	Wheeler
Clark, Mo.	Hughes	Pepper	Wiley
Connally	Johnson, Calif.	Pittman	
Danaher	Johnson, Colo.	Radcliffe	
Davis	King	Reed	

The PRESIDING OFFICER. Eighty-five Senators have answered to their names. A quorum is present.

Mr. LEE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LEE. I send to the desk an amendment which I ask to have read.

The PRESIDING OFFICER. The amendment will be read.

The CHIEF CLERK. On page 2, beginning with line 1, it is proposed to strike out all down to and including line 8 and to insert in lieu thereof the following:

SEC. 2. (a) The President is authorized and requested to conduct, in such manner and through such agencies of the Government as he may deem appropriate, a study for the purpose of determining the rates of toll which it will be necessary to levy on the various classes of vessels transiting such canal (except such classes of vessels as, in the opinion of the President, should not be subject to tolls) for the purpose of providing for the maintenance and operation of such canal and for the amortization, within a period of 50 years from the date of its opening to traffic, of the capital cost of construction of such canal. In fixing such rates due allowance shall be made for anticipated increase in traffic transiting the canal during such amortization period. Upon the completion of such study the President shall have prepared and shall transmit to the Congress, prior to the completion of such canal, a table setting out such rates of toll.

(b) Until otherwise provided by law, the rates of toll set out in such table shall be the rates of toll charged for the privilege of transiting such canal.

(c) All tolls levied under the provisions of this section shall be collected by the Secretary of War, acting through such officers, employees, and agencies as he may deem appropriate, and except for such part thereof as may be required by the Secretary of War for the purpose of refunding amounts erroneously collected as tolls, shall be covered into the Treasury as miscellaneous receipts.

(d) After a sum sufficient to provide for the amortization of the capital cost of construction of such canal shall have been collected, the President shall revise such table of rates of toll and shall reduce such rates to rates which will be adequate to provide only for the maintenance and operation of such canal; and thereafter the rates of toll charges for the privilege of transiting such canal shall be in accordance with such revised table of rates.

Mr. LEE. Mr. President, three Senators joined in submitting the amendment, as the heading on the amendment will show. The junior Senator from New York [Mr. MEAD] and I conferred concerning the proposal and jointly prepared one amendment. In the meantime the junior Senator from Missouri [Mr. TRUMAN], not knowing of our conference and of our intentions to prepare an amendment providing for tolls, himself prepared an amendment which at his request was ordered to be printed and to lie on the table. He has joined with us, however, in the presentation of the amendment just read.

Mr. President, the proposal for the construction of the Florida canal has about as unanimous support as one usually has for any proposal. It is supported by the two Senators from Florida. It is supported by the Governor of Florida. It has been endorsed by the Legislature of Florida. It has been endorsed by the American Federation of Labor—so I have been informed within the last few minutes. It has been endorsed by the President of the United States, and it has the approval and endorsement of the board of Army engineers.

There could be but one objection to such a proposal, and that would be the cost of constructing such a canal. Therefore we have offered an amendment which provides for tolls which will liquidate the cost of construction and will pay for the cost of maintenance and operation. The period for liquidating this cost, as provided in the amendment, is 50 years. The President is authorized to establish such tolls as will carry the cost of maintenance and operation and provide for the liquidation of the cost of construction within a period of 50 years. Therefore in such a case the Government would lend its credit for the construction of the canal.

I wish to give some figures which have been submitted to me. I understand they are the figures of General Markham of the Army engineers and of the Department of Commerce. Figuring tonnage transiting the canal at 91,000,000 tons a year, a saving of 15 cents a ton, which is the estimate, the total direct savings would be $13,650,000 per year. Remember that these figures are based upon a total tonnage of 91,000,000 tons a year, whereas at the present time 138,000,000 tons of shipping goes around the Florida peninsula each year. However, placing the estimate at 91,000,000 tons, and figuring a saving of 15 cents a ton, we have $13,650,000 annual savings.

The canal is to cost, in round figures, $200,000,000. One-fiftieth of that amount, which it would be necessary to set aside each year in order to liquidate the cost of the canal within a period of 50 years, is $4,000,000. The cost of operation each year is estimated by General Markham at $913,000. Therefore the tolls must produce $4,913,000 in revenues in order to liquidate the cost of the canal over a period of 50 years, and at the same time carry the cost of operation and maintenance. It would require a toll of only 5½ cents per ton on 91,000,000 tons to meet the annual payments of $4,913,000 per year. It is agreed that 8 cents a ton could well be paid and still leave sufficient advantage in going through the canal to cause most of the ships to use the canal. The figures I have given are based on the 1937 tonnage. Of course, there is a possibility that the tonnage will increase. We expect the freight and the tonnage of ships carrying freight to increase in the future over the past.

Mr. President, I am supporting the present proposal, because it is a proposal to construct a public improvement. In my opinion, the only objection the people over the country generally have to this administration is, not that we have

done too much, but that we have not done enough. We have not gone far enough in any one year to prove our own theory. That theory is that if we put all the people to work we would increase their buying power, and that stimulated buying power would bring about prosperity. However, we have never given our own theory a chance to operate, because there has not been a time in this administration when we have not had, in round numbers, 10,000,000 unemployed.

I doubt if prosperity could come back to the country through the normal process of trying to outlive the depression, because so much labor has been displaced by labor-saving machinery.

Last month I was in Clarksburg, in the State of my two colleagues from West Virginia. Clarksburg is a mining town. One evening I had dinner with some coal miners and former glass blowers. One of the coal miners said, "In the coal mines here they are installing mechanical miners which are displacing laborers. They have machines which will mine and load coal. That means that most of the miners will be turned off sooner or later."

I asked, "Are they now being turned off?"

He said, "Yes."

The former glass blower said, "My father and I were glass blowers, but machinery has been invented which has displaced that profession. We are no longer glass blowers. Glass blowing is all done by machinery. We are now glass cutters; but soon that occupation will be taken from us by machinery, because already mechanical glass cutters are displacing men who are now performing that work."

Labor-saving inventions are putting men out of employment everywhere. We cannot answer that problem simply by shouting "Balance the Budget." I would like to balance the Budget; but we will never be able to balance the human budget with a third of our people unemployed and unable to obtain employment.

Some months ago I was in Pittsburgh, Pa. I did not go through any of the mills there, but some of the mills were pointed out to me, and I was told that one could walk for blocks through steel mills and never see a man; and yet those mills are operating. Much labor-saving machinery has been installed since the beginning of the depression. I asked, "How are the mills operated?" I was told that one man sits in a corner and pulls a lever, throws a switch, or presses a button and operates blocks of mills by mechanical robots which have displaced men.

The Rust Bros., of Memphis, Tenn., have invented a cotton picker. When that cotton picker is perfected and placed on the market, it will put out of employment, in round numbers, 3,000,000 people who depend upon cotton picking for a livelihood. Cotton picking is a seasonal occupation, but those people in the past have earned enough money from picking cotton to tide them over the rest of the year. However, when the mechanical cotton picker is placed on the market it will displace those workers.

Does anyone think that we can furnish employment to those workers by simply shouting "Balance the Budget" or "Stop spending"? Certainly not. We are living in a modern age, an age in which science itself is adding to the army of unemployed every year. Do we want to sabotage science? Do we want to undertake to turn back the progress of time and go on the same basis as China, where labor is still done by hand work, where great amounts of earth are moved by men carrying baskets of earth on their heads? I do not believe so. I believe we welcome science. Labor displacement is on our doorstep today. Blinking at it will not do us any good.

We have undertaken to meet the situation in part by wage and hour legislation, cutting down the number of hours a week that a laborer may work, in order to give some of the work to other workers. That expedient meets the problem only partially. We are hoping it will help to a certain extent. However, it will not take up all of the slack of labor displacement resulting from labor-saving inventions.

We have undertaken to meet unemployment by cutting it off at both ends. We have set up a National Youth Administration program, which furnishes employment to some youngsters while they are going to school. We have set up an old-age security program, which furnishes an all-too-meager income to some of our needy old people.

We have done these things in an effort to meet the problem of unemployment; and yet the problem of unemployment is increasing by the hour, while we are undertaking to meet it.

Therefore, in my opinion, we are confronted with the problem of setting up a permanent public-works program which will furnish employment for the unemployed. I think we have no alternative. In my opinion, there can be no evasion of the problem which confronts us today. If we intend really to meet and solve the problem of unemployment, we must set up a public-works program big enough to give employment to the unemployed and to give every able-bodied citizen who wants to work an opportunity to work. We have passed the pioneer days when we could solve a problem of this kind by simply opening a new territory and draining off the disinherited, or by telling all the unemployed to go out and obtain new land. That day is over, and that safety valve for the relief of the accumulation of the unemployed is gone. It cannot be solved by simply blinking at it and shouting "Balance the Budget and bring back confidence to business." Business confidence will come back with the return of cash customers—not until then. And the people cannot return as cash customers unless they have jobs.

For that reason I am supporting the construction of the Florida canal, as I propose to support all the public improvements of this kind. I shall give favor to those of a self-liquidating character. It is my intention to support those self-liquidating projects that, over a period of years, can pay their own cost, as the Florida canal can and will do. I shall support semi-self-liquidating projects which will pay part of the cost, because by such projects we utilize materials which put men to work. When we dig a canal, the canal does not wear out; it will last forever. Of course, it will be necessary to keep it dredged. That will be an upkeep cost, but that is provided for by the amendment just proposed, and people can go on for years and years enjoying the advantages of the canal. The canal will be a public improvement; it will be a public advantage to the country.

I feel that we ought to go much further than this one construction project in lending the credit of the country in order to provide ourselves with public improvements as well as to provide a program sufficiently large to furnish employment to the unemployed. I would much prefer seeing the unemployed being used to construct useful projects such as the Florida canal than to see it used to construct projects that are not so useful; but until we can get a permanent program outlined that is sufficiently large to give employment to all who need it, we must support W. P. A. appropriations that will furnish employment on less useful projects than this.

Not long ago I read in the newspapers that the President had advocated the construction of great superhighways across the country. That project would have my support, indeed, because from the rental of the roadside concessions the cost of such construction could be liquidated or semi-liquidated without placing an additional burden upon the taxpayers. Such highways would stand for years as a benefit to the people; they would increase our national defense by making it possible to move the Army from one side of the Nation to the other side in a short time. There they would be for years to come to serve the people, in providing ample facilities for the transcontinental traffic; there they would stand for the people of this country to enjoy and at the same time their construction would furnish employment to the unemployed. I say we have not gone far enough at any one time to give our own theory of government a chance to prove that it is right; that is, we have not gone sufficiently far to give every unemployed person a job and with it a buying power. If we had sufficient courage to do that, then the increased purchasing power of all those who are now unemployed would start a surge upward that would result in prosperity.

Mr. President, there are a number of public improvements that could be supported under this philosophy of government. I should like to see them started. Every time we build a great power project for the generation of electricity we furnish employment to the unemployed; we furnish a market for materials, which gives work to the unemployed farther up the stream. When we build a project that will generate electricity and make it available to the people of the country at the lowest possible cost, we furnish employment to the unemployed without cost to the taxpayer, because such projects can over a period of years liquidate their own cost.

Every time we vote money to construct a power project, in my opinion, that money is not entirely out of pocket, for we are simply lending the credit of the Government for the construction of the project and in the end the cost will be returned to the Treasury of the United States. By the sale of electricity the bonds issued for the construction of such projects will be liquidated. Then the projects will operate indefinitely, producing electricity for the benefit of the people, lifting heavy loads, lighting dark rooms, generally distributing happiness, making it possible for the farmers as well as the city dwellers to enjoy the advantages of this modern age; making it possible for them to enjoy electrical refrigeration, to enjoy electric churns and electric irons, to have their farms lighted so that the farmers may better see to do their chores and to have water pumped by power instead of by the present back-breaking method. I shall support such projects.

In addition, there are other self-liquidating or semi-self-liquidating projects which, in my opinion, we should sponsor, such as toll bridges, toll canals, that will bring down freight rates and give the people of the West and the South the advantage of such lower rates. Such toll canals, such semi-self-liquidating and completely self-liquidating projects will ultimately pay their own cost and prove our philosophy of government by furnishing employment for all the people.

Mr. President, no matter how often attention may be called to the disadvantage of such a program, we still will not have answered the question, What are we going to do with the unemployed? Are we going to ask them to wait until prosperity returns of its own accord? I do not believe it is necessary. We have sufficient natural resources in America, we have sufficient capital to put labor to work, and we have sufficient labor to develop those resources. We have sufficient wealth for every person in the United States to enjoy the necessaries of life; we have sufficient food and a surplus; we have sufficient clothing and a surplus; we have sufficient material to build every person a home; we have sufficient material to furnish every home modern plumbing; we have sufficient electricity or potential electricity to furnish electric lights; we have sufficient material to furnish electric appliances to every home in America. We have not scratched the surface as to the possibility of the markets that are right here at home if we develop them by a courageous program of public works that will furnish employment to the unemployed and thereby guarantee the people a buying power.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER. The Senator from Florida [Mr. PEPPER] has the floor.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. ADAMS. Mr. President, I ask the Senator from Oklahoma if it was his intention to present his amendment at this time?

Mr. LEE. As I understand, the amendment has been adopted.

Mr. ADAMS. I thought the Senator was speaking on the amendment.

Mr. LEE. I was speaking on the general bill, and I referred to the amendment by way of explanation.

The PRESIDING OFFICER. The Chair will state that the amendment has not been agreed to.

Mr. LEE. I understood the Chair to put the question, and that the amendment had been agreed to.

The PRESIDING OFFICER. No; the amendment has not been agreed to. The question is, Shall the amendment be agreed to? The amendment is pending.

Mr. ADAMS. Mr. President, I should like to say a word or two.

Mr. LEE. I shall accommodate myself to the Senator's wishes in that regard. If he desires to speak or to discuss the amendment, or if he wishes to defer his remarks and speak later, I shall adjust myself to the circumstances.

Mr. ADAMS. The Senator from Florida [Mr. PEPPER] really planned to speak. I have an amendment to the amendment which I should like to have considered after the Senator from Florida shall have concluded his remarks, along with a word or two I should like to say on the bill.

Mr. LEE. I shall be glad to withhold my request for immediate action on the amendment.

Mr. ADAMS. I will state what my amendment to the amendment proposes. The provision of the bill which the amendment of the Senator from Oklahoma seeks to strike out is section 2. It proposes to strike out all of section 2 and to provide that the President shall conduct certain studies as to the amount of tolls that shall, in his judgment, be necessary for the maintenance and operation of the canal and for the amortization of its cost. The amendment which I propose to suggest to the amendment of the Senator from Oklahoma would provide that such studies and determinations shall be made before the construction of the canal shall commence, in order that the Congress, or at least the Appropriations Committee may know what are the facts. Accordingly I am going to offer an amendment to the amendment. After the word "conduct" in line 2, page 1, of the amendment, I move that there be inserted the words "prior to the resumption of the construction of such canal," and also as part of the amendment that where the word "completion" appears in line 6, on page 2, that that word be stricken out and the same words be added which I propose to add on the first page, so that it would read "prior to the resumption of construction of such canal."

The PRESIDING OFFICER. The Chair inquires whether the Senator from Colorado is offering his amendment to the amendment at this time or is withholding it.

Mr. ADAMS. I was asked what my amendment to the amendment was. So I was stating its purpose. I would be glad to offer it and have it pending as an amendment to the amendment of the Senator from Oklahoma, to be taken up at the conclusion of the remarks of the Senator from Florida.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Colorado to the amendment of the Senator from Oklahoma [Mr. LEE].

Mr. PEPPER. Mr. President, the very able Senator from Michigan [Mr. VANDENBERG], speaking upon the subject of the Florida ship canal when it was up for previous consideration, quoted these lines:

> I walked at even by the sea,
> And dreamed a dream that could not be.
> The waves that plunged along the shore
> Said only, "Dreamer, dream no more."

Those lines were uttered by the eminent Senator from Michigan relative to one Member of this body who dreamed the great dream of the Florida ship canal—a dream which had also been a part of the aspirations of many other illustrious men and women in ages past. That Member was the late Senator Duncan U. Fletcher, a man who was singularly the object of the affection, the respect, and the high esteem of his colleagues here. The last vigorous hours of his life he gave to the furtherance of this dream, if the Senator pleases so to designate it, of a ship canal connecting the Gulf of Mexico and the Atlantic Ocean.

I come in the senatorial succession of Senator Duncan U. Fletcher. I occupy the office which was occupied for more than a quarter of a century by that grand old man. I occupy in the Senate Commerce Committee, as good fortune would have it, the seat which he for so long a time and so well occupied; and to the very best of my abilities, meager and

limited as they are, I have tried to give furtherance and progress to that great dream that throbbed in the breast of Senator Duncan U. Fletcher.

Mr. President, if you will look at a map of the United States and reflect upon history, you cannot attach too much importance to the Mississippi Valley; for down that great valley courses the Mississippi River, the Father of Waters. Rising in the southwestern portion of the great State of Montana, more than 4,000 miles from its outlet in the Gulf of Mexico, that mighty river, with its vast tributaries, has a navigable mileage of 15,000. It drains an area of more than a million and a quarter square miles, and for ages past it has borne upon its full bosom a great part of the commerce of this great people.

Thomas Jefferson is supposed to have said that the country which controls the mouth of the Mississippi River controls the United States of America. At least, the struggles in the early days of the colonization of this country among the countries which sought the domination and control of the mouth of the Mississippi River seem to bear good corroboration of that statement, attributed to the man who, in the face of legal and even constitutional difficulty, purchased the mouth of the Mississippi River to be a part of the territory of the United States.

In the colonial days of this country Great Britain, Spain, and France waged war and mighty contest for the privilege of controlling the commerce that floated down the River Mississippi and its tributaries. Who can properly estimate what the great Mississippi River Basin has meant to the people of the United States and to the civilization of the world? There was always the great barrier of the Appalachian Mountains separating the Atlantic seaboard from the fertile lands beyond. It was this route around the peninsula of the State of Florida which in the early days made access more easily possible between those two regions of this country.

In the days of the Civil War the National Government recognized how vital that river was to the integrity of this country by taking possession of the river, closing it to commerce. By that action it separated the various parts of the Confederacy physically and stagnated for decades yet to follow the commerce of the people of the United States.

So, Mr. President, I desire to direct your attention to the importance to American commerce and American welfare of the Mississippi Valley and its vast tributary area.

What is proposed in the pending bill is that the Mississippi Valley and the great Atlantic seaboard of this country shall be brought a day closer together than they otherwise would be; that they shall be brought 400 miles more proximate one to the other than they otherwise would be; and that there shall be a safe, navigable passage across a peninsula which has been a barrier to closer relationship and more intimate and perfect commercial intercourse between those sections of the country since the earliest days of the history of this Nation. That is the project which is the subject of ridicule, of scorn, and of, perhaps, the bitterest political opposition ever received by any project offered upon this floor. That is the high aspiration that some would like to castigate as an unworthy money-grabbing scheme presented here by the representatives of the particular area which will be traversed by this waterway. So, Mr. President, perhaps it is helpful to see that project with a little perspective.

If one goes back to the early days of the Senate he will find that this is not a strange or a new subject upon this floor. I am about to read the report of the Senate Commitee on Roads and Canals, to which was referred "A bill for the survey of a route for a canal between the Atlantic and the Gulf of Mexico." The bill was reported to the United States Senate by this committee on the 19th of January 1826. This is the first paragraph of the report:

> That they have given the subject all the examination which the means afforded enabled them to bestow. No documents accompanying the bill, they have availed themselves of the information of several gentlemen acquainted with the character of the country through which the proposed canal is intended to pass, and, from the best lights afforded, they have no hesitation in forming the opinion that the great importance of a canal communication between the waters of the Atlantic coast and the Gulf of Mexico, justifies the expenditure proposed, to determine the fact whether such communication be practicable or not; nor would the committee hesitate in recommending the measure, were the probability of a favorable result to the examination much more remote than it is. The committee are of opinion, from all the information which they have been able to procure, that this work is not only practicable, but much more easily accomplished than former estimates and opinions have supposed.

That is an extract from executive documents, first session, Twenty-third Congress, volume 2, 1833–34. In the same volume are two letters from Mr. White, who was then the Delegate from the Territory of Florida to the United States Congress. Those letters set out more vigorously and effectively than ever I could hope to do the virtues and the value of this enterprise, not to the Territory of Florida, but to the people and the country of the United States of America.

I have before me the message to the Congress of President John Quincy Adams, dated February 25, 1829. This is what that President said to the Congress on this subject:

> By the act of Congress of the 3d of March, 1826, for the survey of a route for a canal between the Atlantic and Gulf of Mexico, the President of the United States was authorized to cause to be made, an accurate and minute examination of the country south of the St. Marys River, and including the same, with a view to ascertain the most eligible route for a canal, admitting the transit of boats, to connect the Atlantic with the Gulf of Mexico, and also with a view to ascertain the practicability of a ship channel; that he cause particularly to be examined the route to the Appalachicola River or Bay, with a view to both the above objects; that he cause the necessary surveys, both by land and along the coast, with estimates of the expense of each, accompanied with proper plans, notes, observations, explanations, and opinions of the Board of Engineers; and that he cause a full report of these proceedings to be made to Congress.
>
> In execution of this law I transmit herewith a report from the Secretary of War, with a copy of that of the Board of Engineers, upon this great and most desirable national work.

That is signed by John Quincy Adams.

In 1826 a survey of a ship canal across the peninsula of the State of Florida was authorized, with a report in 1829; another authorization in 1830, with a report in 1832; another authorization in 1852, with a report in 1885; another authorization in 1875, with a report in 1876; another authorization in 1878, and a report in 1880; another authorization in 1909, and a report in 1913; another authorization in 1921, and a report in 1924.

So, Mr. President, noble and grand as the conception of the Florida ship canal is, those of us who embrace it in this modern day are not entitled to a monopoly in appreciation of its virtues and its advantages to the country.

Even Philip of Spain, before any of these surveys to which I have referred occurred, to his own engineer at St. Augustine, Fla., made in substance the same recommendation, because everybody has been able to see, by looking at the map alone, that the peninsula of Florida is a barrier which has kept apart two of the vital portions of this Nation, and that whatever might be done to diminish that barrier would be in the interest of the commerce and the progress, if not the security and the safety, of this whole country.

The recent history of the canal project, of course, is better known. It was ably and most intelligently stated by the very able senior Senator from Texas [Mr. SHEPPARD] in his address Friday afternoon.

It is not a Democratic measure, Mr. President. I heard the able Senator from New Hampshire [Mr. BRIDGES] say that he would like to make it a partisan measure in substance, that he would like to see the Republican Party have the honor and the credit of defeating this measure, of casting to oblivion this boondoggling scheme, as he might have castigated and characterized it—the Atlantic-Gulf Ship Canal. Fortunately, the leaders of his party have not always taken the same attitude. I hope they will not follow him in the future.

In 1927, during the administration of President Calvin Coolidge, the first modern authorization for a survey was made. Again, in 1930, under a Republican President, President Hoover, the second authorization of a survey to determine the feasibility and the practicability of this canal across the peninsula of the State of Florida was made. Pur-

suant to the authorization of 1930 the Chief of Engineers appointed a special board to make a survey and examination, and that board reported back to its superior officers in the War Department dealing with river and harbor matters that there be a thorough and extensive investigation and survey of the proposed project.

Then what happened? Did the Republican President, Mr. Hoover, and the Republican Congress, which then might have had an opportunity to assert its opposition to this project, assert themselves and say it was just a boondoggling scheme which this man Roosevelt in later years was to espouse? On the contrary, they actually authorized and spent over $500,000 in making the investigation and survey. Therefore, I hope that the Senators on the other side of the Chamber will not take the attitude which was manifested by the Senator from New Hampshire [Mr. BRIDGES], that it is incumbent upon them as a party measure to oppose this project which has resulted from the survey and examination provided by a Republican administration and President. The special board, in the course of its investigation, was called upon to make an ad interim report, and it did so.

Meanwhile an application was filed with the R. F. C. for funds with which private interests might construct the canal. Shortly thereafter the P. W. A. came into existence, and by Executive order applications of this character were referred from the R. F. C. to the P. W. A. Then the examining staff of the P. W. A. made an investigation of the application.

It has been stated in the debate by the learned Senator from Michigan [Mr. VANDENBERG], by inference if not in direct language, that the action of the P. W. A. was unfavorable to the application. The political heads of P. W. A. were favorable, but the technical experts of the Public Works Administration were not. Listen to the language which represents the conclusion arrived at by the engineering staff of the Public Works Administration. I read now from page 94 of Senate Document 275, the Documentary History of the Florida Ship Canal. The passage to which I refer is headed "Conclusions and Recommendations," and reads:

> It is concluded that the project covered herein constitutes a public necessity and is of real social value. The project will afford much employment to many classes of skilled and unskilled labor; that the design is in accord with sound engineering practice, and that the project is economically sound.
>
> It is recommended that the loan, with or without the grant, be made.

Mr. President, that is the kind of consideration the project received from the technical agencies of the P. W. A. Is that the basis upon which it is stated that it is a money-grabbing scheme; that it is a monstrosity which is thrust into this body to accentuate the boondoggling of this administration? No; the political heads of the P. W. A. may not have awarded the funds applied for, but the technical agencies which made an examination of the merits of the project stated it was sound economically, and recommended that the loan which was applied for be made, with or without the grant.

Mr. President, in substance, that is what the project would become if the amendment proposed by the Senator from Oklahoma, the Senator from New York, and the Senator from Missouri, that it be in substance a self-liquidating canal, were adopted by the Senate.

I stated that the special board of engineers made a report. It will be easier for Senators to comprehend the history of this project if it is kept in mind that from time to time there have been variations in the dimensions of the project, and therefore different boards have considered actually different canals. For example, the P. W. A. Engineering Division to which I have referred investigated a lock canal of 30-foot depth, with a bottom width of 250 to 400 feet. The subsequent board—that is to say, the special board of Army engineers—considered a lock canal also, 35 feet in depth, with a bottom width of 250 to 400 feet. The special board considering a canal of those dimensions, and considering the volume of commerce which existed since 1931, did not make a favorable report upon the project.

As the matter then stood, there was a favorable recommendation by the Technical Division of the P. W. A., and an unfavorable report by the special board of Army engineers appointed to examine the project. The natural thing, therefore, was for the President to try to cause a reconciliation of these various figures and estimates. So the President appointed an interdepartmental board. The interdepartmental board consisted of two engineers from the P. W. A., two engineers from the War Department Engineering Division, and one engineer to constitute the balance of power, to be selected by the four who were thus chosen. There was, therefore, an independent board, which represented the two great agencies of the Government, appointed by the President. That board proceeded to an effort to reconcile the figures and the estimate previously given, and that board made to the President a favorable recommendation upon the inauguration of the project.

It was this board which said it should be a sea-level canal, because they thought that the peculiar facts and circumstances of route 13–B made it economical in construction and in transit for the canal to be a sea-level canal instead of a lock canal. Therefore the President, under the authority conferred upon him by the Emergency Relief Appropriation Act of 1933, in 1935 authorized an allotment of $5,000,000 for the construction of this project upon the plan recommended by the interdepartmental board to which I have referred.

I may add, Mr. President, that subsequent to the authorization of that allocation by the President and the beginning of work upon that project under the President's authorization, there was such widespread approval of the undertaking by the President that seventy-odd United States Senators, and, I believe, 36 Governors of both parties from different parts of the country, including, as I see, 2 Senators now sitting in the Senate Chamber, then Governor GREEN, of Rhode Island, and then Governor JOHNSON, of Colorado, complimented the President upon having inaugurated this worthy and wholly desirable, sound project which he had just launched by pressing his telegraph key in early September of 1935.

Mr. President, then they did not say it was boondoggling and money grabbing. It had not become such a political football then. It had not been injected into national party politics. It had not become the symbol of an opposition to a program and a policy sponsored by the administration in power. So in that day the merit of the proposal was uppermost in the minds of the Senators and uppermost in the minds of the country. In the schoolrooms of America then, before the matter had become a political football, one could read newspapers that would tell about this marvelous development, this great outstanding project of so much significance to the country, which was in process of construction down across the peninsula of the State of Florida. But now let the time be fixed for a debate on the Florida ship canal, and I venture to state that four-fifths of all the anti-administration newspapers in the country will come out with blistering editorials against the folly of the Florida ship canal. So now to these political crusaders it has become a bad canal.

Mr. President, construction began, and $5,400,000 were expended in erecting houses down there in which the staff engaged in construction could live, in excavating part of the canal channel, in the building of foundations for the bridges which were to span the canal, and to make possible highway transit over it without drawbridges. Work on the project was prosecuted, until finally in 1936 the funds were exhausted.

By that time a great deal of additional information, of course, had been obtained by the Army engineers who were in charge of the construction of the project. And, remember, Mr. President, it was not the P. W. A., it was not the W. P. A., it was the finest organization that this Government has ever set up, a body that will not even yield to the judiciary in the integrity of its record since its existence as an arm of the Congress—the Army engineers which carried on this construction work. General Markham was then

Chief of Engineers. Up until that time had any Senator ever heard anyone question the integrity of Gen. Edward M. Markham, appointed by the President of the United States and confirmed by the Senate? Had any Senator ever heard anybody say that he was the kind of a Chief Engineer that would lend himself to a boondoggling scheme to perpetuate a fraud on the Congress? Had anybody ever held up to ridicule and scorn the judgment of a man who had spent the greater part of his life in trying to serve his country as an officer of the United States assigned to river and harbor matters?

No; in those days before the Florida ship canal had become a matter of political interest, General Markham was admired by even Senator VANDENBERG as a competent, respected, and capable engineer, to whom the Congress might delegate the investigation of matters of this character.

So General Markham appointed a revisory board consisting entirely of Army engineers of repute and standing, to reconcile and to bring down to date all the data which had been obtained upon this project, the Atlantic-Gulf Ship Canal.

Mr. President, I can refer Senators to the page where the Army engineers tell us that the first time they ever heard about the question of the detriment which the Florida ship canal might cause to the underground water supply of Florida emanated from the engineers of the railroads in 1932. But that matter by 1936 had become an instrumentality of a very vicious propaganda—that this canal was intended to lay waste the great citrus-producing and vegetable-bearing area of the State of Florida.

Consequently, General Markham said to that advisory board which he appointed, "I want you, relatively, to spare no expense, but make an investigation of this question of damage to the water supply of Florida which the construction of this canal, on a sea-level basis, might cause. I authorize you to hire independent and competent geological and water experts. I require you to make every possible investigation to settle once and for all that question."

Then acting pursuant to those directions given by General Markham, the revisory board selected a staff of United States officers. In addition to that they selected a water expert who had been digging wells for a great many of the cities of south Florida. He had dug at Miami, and at St. Petersburg, and at Orlando, and at Palm Beach, and therefore had a perfect knowledge of the underground water conditions of the State of Florida. That was one of the men the board employed.

Then they employed a geologist who used to be head of the Geological Survey of the United States Geological Department in the Department of the Interior of the United States. They employed men who were practicing water experts and geologists, who were engaged not because the Army engineers had a cause to serve. Men were engaged because of their known knowledge of the data which should go into a thorough investigation and report upon the question of the effect of this sea-level canal upon the water supply of the State of Florida.

There were many others who were employed, and that agency which was set up to make a special examination of the water question made the most prolific reports upon that subject. They literally devoted month after month to it. They spent over $200,000 boring holes, taking soundings, cutting cores, testing water currents, observing water supplies, investigating past reports, doing everything that modern science and intelligence could possibly dictate to give them the whole truth about the question of damage to the water supply of Florida by the construction of this canal.

Mr. President, eventually after months of detailed, on-the-ground, personal investigation they turned in their report.

But that was not all. The Department of Agriculture also appointed a board. I assume the Department of Agriculture had no political ax to grind. I assume it told its board to find out and report the truth. I assume that it was not filled with perfidy and trying to serve some ulterior motive on the part of somebody. So that board made a report. Therefore, there were two reports which were available from those Government agencies.

In addition to that they assembled other data and eventually they put it in a document which they published, which appears in the report of the hearings before the Senate Commerce Committee this year. It is available for any Senator's inspection in the report which is on Senators' desks.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BORAH. The Senator from Florida a few moments ago spoke about the source of certain information with respect to damage to the water supply as coming from engineers—employed by whom?

Mr. PEPPER. It is said that the first ones to raise the question of detriment to the water supply of Florida before the Army engineers were the railroads which were opposing the construction of this canal.

Mr. BORAH. Has there been any other source of information on that subject than that which the Senator speaks of—the railroad engineers?

Mr. PEPPER. Yes, Mr. President. Does the Senator mean if others examined it and made estimates of the question?

Mr. BORAH. Yes.

Mr. PEPPER. There have been. Witnesses appeared before the Senate committee and testified on the subject. There is a chart right behind the Senator which was submitted by another railroad geologist.

In addition, the railroads engaged a geologist named Dr. Calhoun, from Clemson College. Dr. Calhoun testified that in 1932 the heads of the engineering departments of the four railroads serving Florida—the Atlantic Coast Line, the Seaboard, the Southern, and the Florida East Coast—got together and called him into conference and hired him, before he had ever made any investigation of the subject, to join them in the production of engineering data which would show the probable ill effects of the proposed canal upon the water supply of the State of Florida.

Dr. Calhoun testified that he actually spent 2 days upon the ground personally investigating. He said he made a thorough investigation of the data which were supplied by the Army experts; but he admitted that it was their data that he used, and that he was personally on the ground but 2 days. He did not deny the assertion that the Army experts made, that they spent more than 6 months on the ground investigating actual water conditions.

Mr. President, the Army experts have made some very profound discoveries and brought out some new information which no other geological source had ever before been able to accumulate. For one reason, they were a competent staff. For another reason, they had the money to make the borings; and for other reasons they had special opportunity while engaged in the excavation work to know intimately the actual underground structure of the State of Florida to be traversed by the canal.

I do not deny, Mr. President, that the statements of some of the railroad geologists, the statement of the Columbia University geologist to whom the Sentor from Michigan [Mr. VANDENBERG] referred, who, so far as I know, has never set foot upon the ground which the canal would traverse, and some sentences from the report of the State geologist of Florida, who has never come to testify before any congressional committee, would lead one to infer that the construction of the canal would prove a serious detriment to the underground water supply.

As a result of what I believe to be the most thorough search ever made of a project, the consensus seems to be that in the State of Florida a few miles north of the proposed route of the canal there is what is called a water "high." The State of Florida is underlaid with a belt of limestone which tends to arch in certain places. The peninsula of the State of Florida is about 358 miles long. Extending along its axis is a ridge about 40 miles wide. That ridge slopes off rather abruptly to

the Gulf of Mexico and out into the Gulf of Mexico for approximately 20 miles.

The route of the canal traverses an area which may be called the saddle of that section of the State. In other words, the area traversed by the route of the canal is lower than the territory either to the north of it or to the south of it. As I have said, to the north of it is what is called a "high," which means that at that point there is a volume of water which, for geological reasons, is lifted up, as it were, and becomes, to a degree, the source of the water flow in the surrounding area. Out of that "high" flow the channels which lead to Silver Springs, one of the most remarkable bodies of fresh water in the world, which issues forth in colossal volumes from subterranean passages. Also from that "high" emanate channels which go into and issue out of another spring of clear water, called Blue Springs. Both those springs are north of the route of the canal. Some miles to the south of the canal there is another "high," which is the source of another water supply. From that "high" water flows north toward the canal in small volume, but in much larger volume to the Gulf of Mexico and the Atlantic Ocean.

I wonder how many Senators are aware of the fact that the proposed canal follows a route which enters the St. Johns River about 25 miles to the east of Jacksonville, traverses that river for a distance of about 77 miles down to Palatka, and then runs westwardly along the valley of the Oklawaha River for a distance of approximately 20 miles, finally coming to what might be called the dry cut, a little more than 100 miles away from the beginning of the canal in the St. Johns River. Then there is a cut of about 28 miles through dry land, which is the highest ridge of the State of Florida, in a westerly direction to the valley of the Withlacoochee River. The route then follows that valley down to the Gulf of Mexico. On account of the fact that the water in the Gulf of Mexico adjacent to the shore is shallow, the channel must be deepened for some 20 miles out into the Gulf of Mexico.

A fact which may not be recalled is that the St. Johns River, like the Amazon River, flows north, and not south. It rises toward the Atlantic seaboard at Lake George and flows northerly and northeasterly to the Atlantic Ocean some 20 miles east of Jacksonville. As some Senators within the sound of my voice have seen from personal experience, the river from Jacksonville to Palataka is from 1 to 3 miles wide.

Mr. ANDREWS. An inland sea.

Mr. PEPPER. As the Senator says, it is literally an inland sea. The St. Johns River, from Jacksonville to the coast, is more than 30 feet deep and has a minimum width of from 300 to 600 feet. As I have said, from Jacksonville to Palatka, a distance of 51 miles, it has a width of from 1 to 3 miles. So that part of the waterway is relatively already constructed. The river between Jacksonville and the coast will have to be deepened only a very little, in some places only a few inches. It is already approximateley 33 feet deep, which is the recommended depth of the canal. The bottom of the river between Jacksonville and Palatka is soft, so that excavation is not expensive. The only part of the excavation which is particularly expensive is the 28 or 30 miles across the limestone ridge of the State of Florida. The St. Johns River is one of the three rivers which will flow into the canal toward the Atlantic seaboard; and, as I have said, it flows north.

The Oklawaha River rises at about Lake Griffin in central Florida. That river also flows north into the channel of the canal and into the St. Johns River, which flows out into the sea.

The other river which flows into the canal, toward the Gulf of Mexico, is the Withlacooche River, on the western side of the ridge which goes through the axis of the State. That river also flows north.

So, the idea that some may have had, that a channel of water begins, perhaps, in south Georgia, Alabama, or elsewhere, and flows down through the State of Florida, and that if it is cut anywhere all the territory south of it will become, as some of our friends have said, an arid region or desert, is totally out of accord with the possibilities, as the engineers and water experts have found.

As I have said, the people of Florida have had some experience with this question. At a place named Englis, a dam has been constructed across the Withlacoochee River by a private power company which serves a large portion of the western part of the State of Florida. Although the dam is largely only an earth dam with a little concrete veneer, the building of that dam across the river in the immediate vicinity of the route of the proposed canal raised the water level 28 feet. Yet we are told that this territory is so porous that water will run all through the subterranean channels, draining out the whole underground water reservoir of the State of Florida. However, the engineers state in their report that they have been on the ground and have seen the dam which was constructed across one of the rivers in this very vicinity, which raised the water table 28 feet, indicating that while there were subterranean passages and caverns here and there, they were not all so linked together that the water flowed through channels out into the sea or out into some place of escape. Perhaps the situation can be more clearly understood if one thinks of a cheese which has little pockets in it. That does not mean that the pockets are connected, forming channels running all through a cake of good cheese which comes from the State of one of our friends in the West.

It is proposed, by a system of elaborately conceived dams and water controls, to remove the last vestige of doubt that any practical person could have as to the possibility of adverse effects upon the water supply of the State of Florida from the construction of the proposed sea-level canal. So that it comes down to about this: As the engineers and experts report, for, perhaps, 10 or 15 miles on either side of the canal there would be a lowering of the underground water table, and the slope of that lowering would extend from 40 feet below sea level back to sea level in a distance of about 10 or 15 miles. The only adverse effect of that would be that a few wells, which have actually been inspected and examined and mapped, would be lowered, and provision has been made in the funds that are contemplated for the cost of the canal by the Chief of Engineers for the expense of lowering those wells for the farmers the additional few feet which would be required by the lowering of the water table.

So, Mr. President, the conclusion must be that all the responsible agencies have settled the question that there is no reasonable, appreciable probability of any possible detriment even to the underground water supply, much less to the agricultural and horticultural interests, because it is pointed out that Florida, with an annual rainfall of from 52 to 58 inches, has its vegetation entirely served by rainfall and not by the underground water supply that tends to seep down below the surface of the soil. The water-supply question is merely an incident, and perhaps I should not have spent so much time on it.

I live in the State of Florida, as my colleague [Mr. ANDREWS] lives in the State of Florida. I was elected in that State last year, and my colleague will come up for election in that State next year. I do not suppose Senators will attribute to us any desire or willingness to do any harm to our State. Furthermore, I do not suppose Senators would think that the Governor of the State of Florida wants to do any harm to his own State; yet he has been one of the most militant advocates of the canal that the canal has had. Not only that, but he was one of 14 candidates for Governor in 1936 and was the one candidate who every time he made a speech emphasized the desirability and the virtue of the Florida ship canal.

I do not suppose Senators think that the Legislature of the State of Florida has any desire to do harm to the State; yet they memorialized Congress to construct the canal, and they created a ship canal authority which is prepared to spend $3,000,000, and has already spent a considerable part of that

sum, in acquiring rights-of-way to be given free to the Government of the United States upon which to construct the canal.

Some days ago a delegation of Senators were kind enough to go to Florida and make a personal inspection of this route. They were met by the Governor, the Governor's cabinet, by the speaker of the State house of representatives and the president of the State senate, all of whom told the visiting Senators that they wanted the canal constructed.

So when the two Senators from Florida, when three out of five Members of the House of Representatives from Florida, when the Governor, the Governor's cabinet, the legislature, the president of the State senate, and the speaker of the State house of representatives speak upon a subject that pertains to the internal condition of the State, I think Senators would be willing to take their utterances as not only in accord with their sentiments but as being consistent with their judgment as to what is for the best local interest of the State.

Mr. President, as I have said, the Chief of Engineers appointed a revisory board. Subsequent to the report of that revisory board the matter, in due course, came before the Board of Engineers for Rivers and Harbors. The chairman of that board was General Pillsbury, a very competent and able engineer of the United States Army. That board also made a comprehensive examination of the data which had been accumulated by the various agencies of the Government which had studied the subject. Eventually the Board of Engineers for Rivers and Harbors made a report not recommending the construction of this project. If Senators merely heard that statement without any explanation, then they would believe that the inference, which is supported by some, that the board reported against the present project is true. But let me remind the Senate as to two or three points.

In the first place, the Board of Engineers for Rivers and Harbors recommended a project 400 feet wide as the minimum width in what we may call the dry-land cut of the canal and 600 feet wide in all other places. In other words, they recommended that about 30 miles, we will say, have a width of 400 feet and about 100 miles have a width of 600 feet. In addition to that, they recommended that the depth of the canal be 35 feet instead of 33 feet. Based upon those dimensions and based upon the fact that the Board of Engineers had before it only the figures of traffic transiting the Straits of Florida for the years up to 1935, they did make an unfavorable report upon the economic justification of the canal.

Mr. NORRIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MURRAY in the chair). Does the Senator from Florida yield to the Senator from Nebraska?

Mr. PEPPER. I yield.

Mr. NORRIS. I wonder if the Senator could give us any information as to why the board of which he is now speaking took the position that the canal ought to be 400 feet wide in some places and 600 feet wide in other places? What was the reason given for those figures?

Mr. PEPPER. Mr. President, I will answer the question in this way: The Chief of Engineers, who came a little later to review the report of the Board of Engineers for Rivers and Harbors, agreed with the Board of Engineers for Rivers and Harbors that the proper minimum width of the canal was 400 feet. The Board thought it should have that width, and the Chief of Engineers thought it should have that width, so as to afford any ships that would be passing in the canal adequate space in which to pass without any possible hazard of collision. But it was just a matter of opinion, related largely to the speed of vessels, I think, that caused the Board of Engineers for Rivers and Harbors to recommend that all other parts of the canal be 600 feet wide except the 400-foot width which the Chief of Engineers thought was sufficient.

If Senators will look at the map on the wall, they will see how the Florida ship canal in dimensions compares with the other principal canals of the world. For example, there is the Kiel Canal, which has a width of 144 feet only. The Panama Canal is only 300 feet wide. The Suez Canal is only 197 feet wide. The Chief of Engineers recommends that the Florida ship canal will certainly be wide enough if it is 400 feet wide, and so reports to Congress.

Why the Board of Engineers wanted to add 200 feet more for 100 miles I do not know, other than as a matter of general desirability they thought, perhaps, it would be better to have a canal 600 feet wide than one 400 feet wide. I cannot see, however, how anyone can quarrel with the recommendation of the Chief of Engineers limiting the canal to a width 100 feet wider than the Panama Canal, and more than twice the width of any of the other principal canals of the world.

Mr. NORRIS. Mr. President——

Mr. PEPPER. I yield.

Mr. NORRIS. Of course, the Florida canal would be much longer than the Panama Canal; there would be more frequent occasion for ships passing each other in that canal than there would be if it were much shorter; but, from what little study I have been able to give the subject, I cannot see any reason why in the particular place where the great amount of excavation must take place—about 28 miles—it is necessary to have such a wide canal. The extra width will very materially increase the cost. If other sections of the canal are so much wider, vessels could pass each other, if they should meet, in most of the canal without necessarily passing each other in this comparatively short stretch of the canal. I do not quite understand, therefore, why the engineers want to make it so wide.

Mr. PEPPER. I share the opinion of the able Senator from Nebraska as expressed. I will say to the Senator that the revisory board which studied the dimensions of the canal recommended a width of 250 feet in the dry land cut and approximately 400 feet only in the remainder of the channel. So that board supports General Markham, Chief of Engineers, in his finding.

In addition to that, every previous board which considered the question of the dimensions recommended a width of 250 to 400 feet. The P. W. A. engineering board recommended 250 to 400 feet; the board of survey, a special board of Army engineers, recommended 250 to 400 feet; the interdepartmental board, recommended 250 to 400 feet; and the revisory board and the Chief of Engineers recommended 400 feet. So the vast preponderance of engineering testimony says that 400 feet is certainly wide enough for the purposes of the canal.

In addition to that, I said that the Board of Engineers recommended a depth of 35 feet, whereas all the other agencies that studied the project said in substance, as the Chief of Engineers did, that a depth of 33 feet would carry 97 percent of all the ships that were shown by the actual records to go in and out of the Gulf of Mexico. Therefore, the cost of building the additional two feet would be so disproportionate to the commercial benefits which would ensue to the other 3 percent of traffic that it would not be economically justifiable to increase the depth to 35 feet.

So, then, we find that General Markham differed with the Board of Engineers as to depth and as to width, but General Markham left the canal 33 feet deep and a minimum of 400 feet wide all the way from the Atlantic Ocean to the Gulf of Mexico, and then wider out in the ocean and in the Gulf.

The other significant distinction between the facts we now have before us and those which the Boards of Engineers had before them is the tonnage that was going through the Straits of Florida. Perhaps Senators already know that approximately one-third of all the commerce of the United States which moves from the Mississippi Valley to the Atlantic seaboard now moves through the Straits of Florida. The Senator from Michigan [Mr. VANDENBERG] was absolutely correct when he said that that was the busiest waterway in the world. You may stand on the Keys of Florida, at one of the lighthouses, and look out over the Straits of Florida, and there will hardly be a moment when your eye will not take in from 20 to 24 ships upon the horizon. So the tonnage that is transiting the Straits of Florida is of the

most vital importance to any calculation that may be made about the economic justification of the canal.

Let me reaffirm that no technical agency which has ever investigated a canal of the dimensions recommended by the Chief of Engineers with the traffic that is now going through the Straits of Florida has made an unfavorable report upon it. On the contrary, the criteria of economic justification laid down by every single board which has ever discussed or investigated this project show affirmatively its clear economic justification at this time.

Why do I say that?

In the reports of the Senate Commerce Committee, on page 97, you will find a table which shows that the P. W. A. board considering this matter had before it the 1932 tonnage transiting the Straits of Florida. The special board of engineers had the traffic transiting the Straits of Florida in 1931. The interdepartmental board which recommended the construction of the canal to the President, upon which recommendation the President authorized the allotment of $5,000,000, had before it only the 1931 tonnage. The revisory board appointed by General Markham had before it the 1935 traffic figures. So did the Board of Engineers for Rivers and Harbors, and so did General Markham. General Markham estimated, in determining economic justification, that there would be from 1½ to 2 percent increase per year in the traffic transiting the Straits of Florida. General Pillsbury, chairman of the Board of Engineers for Rivers and Harbors, said, in substance, "We are not authorized, as engineers, to speculate or to estimate about the probable increase in traffic in the future. We must make our report solely upon the facts as they are known to exist." He said, therefore, that although General Markham had a perfect right to do that if he chose to do so, and although in all probability General Markham was right, yet the Board of Engineers felt that they were restricted to the actual known figures, and, whatever might be their private beliefs as to traffic increase, they could not let those beliefs enter into their calculations of economic justification.

Therefore I desire to turn now to the testimony of General Pillsbury given before the House Rivers and Harbors Committee in 1937, set out in hearings before the Committee on Rivers and Harbors, Seventy-fifth Congress, first session, on H. R. 6150, at page 443. This is what General Pillsbury testified:

> General PILLSBURY. Now, on a great work of public improvement of that sort, the economic justification is not a matter of theoretical balance. It must rest with ripe judgment as to whether so large an expenditure is advisable on the part of the United States. Now, there is not the slightest doubt that this canal will afford a most useful route for navigation. It will shorten the time of passage of the very large traffic through the Gulf of Mexico by a day. It will carry a traffic twice that of the Panama Canal.

The figures now show traffic three times that of the Panama Canal; but General Pillsbury was testifying in 1937.

> The Panama Canal saves, I suppose, a month in steaming time between the Pacific and the Gulf coasts. The Florida Canal will save a day. If the traffic of the Gulf of Mexico should increase for 10 years at the same rate that it has increased for the last 5, there would not be the slightest question about the justification for the canal. But the Board of Engineers for Rivers and Harbors, in no case that I know of, has ever recommended a project on any other basis than the assured traffic immediately in sight.

Mr. President, I have before me the record of the increase in tonnage in the Straits of Florida beginning with the year 1920 and running down through the year 1937. General Pillsbury said that if the traffic transiting the Straits of Florida should increase for the next 10 years—by that he meant for the 10 years succeeding 1935, because the only figures that he knew then were the published figures of 1935—the canal clearly would be economically justified. Let us make a little calculation. The tonnage in 1931, the fifth year before 1935, was 70,324,000 tons. In 1935 it was 91,276,000 tons. The difference is 20,952,000 tons, but I will say in round numbers 20,000,000 tons increase from 1931 to 1935. That is the 5-year record General Pillsbury was talking about. That is 4,000,000 tons increase per year. General Pillsbury said, therefore, that if that 4,000,000-ton increase per year should keep up for 10 years, the canal would be clearly economically justified.

Let us see what has happened. In 1937 the tonnage was 138,249,000. The difference between 91,276,024 in 1935 and 138,249,000 tons in 1937 is 46,972,976 tons increase in 2 years. That means that there has been over 6,000,000 tons more increase in traffic in the Straits of Florida in 2 years than General Pillsbury said would be necessary in 10 years to make the canal clearly economically justifiable. So it now stands approved by the Board of Engineers for Rivers and Harbors as well as by the Chief of Engineers.

Mr. ADAMS. Mr. President, will the Senator yield for a question, just for my own information?

Mr. PEPPER. Certainly.

Mr. ADAMS. In speaking of that tonnage, is that the gross tonnage of the ship and cargo, or just the cargo tonnage?

Mr. PEPPER. That is the cargo tonnage.

Mr. President, where goes the argument of those who say the Board of Engineers for Rivers and Harbors failed to approve this project, and would have General Markham held up to scorn for being alone in taking the responsibility of recommending this project to the Congress?

What has happened since 1937?

The 1937 tonnage is the last one upon which we have published reports; but the engineers clearly point out that, although the increase already in traffic in the Straits of Florida make the canal abundantly justified economically, anyone would reasonably anticipate that for at least decades to come there will be a steady additional increase in the tonnage that goes through the Straits of Florida, because there is a steady economic development in the area that is served by shipping that transits the Straits of Florida. Therefore economic justification for the canal grows greater year by year. General Pillsbury reaffirms the statement I quoted in many other places.

For example, on page 450 of the House hearings of 1937, one of the members of the committee said to General Pillsbury:

> Let us assume that the traffic will continue to increase as it has increased in the last 5 years. Then on the basis of the dimensions as reported by the Chief of Engineers, would you consider it economically justified?
>
> General PILLSBURY. Oh, absolutely.

And he goes on in several other instances to say that it would not only be justified upon the dimensions recommended by General Markham—that is to say, 400 feet minimum width all the way across the peninsula, and 33 feet depth—but he says it would be economically justified according to the dimensions that the Board of Engineers recommended; that is to say, 35 feet deep and 400 feet wide in the narrowest part, and 600 feet wide for the other 100 miles of the transit across the peninsula of the State of Florida.

If anyone in the Senate will vote for any project which is economically justified as determined by the engineers of the War Department, it seems to me he would vote favorably upon this project, which now comes before Congress like any other project recommended by the Army engineers.

I realize that in 1936, when this matter was before the Congress, the project had a different aspect. At that time Congress had no report from the engineers before it. But since that time the Board of Engineers has made its report and the Chief of Engineers has made his report and favorably recommended the canal. There has been a public hearing before the House Committee on Rivers and Harbors, and twice the House Committee on Rivers and Harbors has favorably reported to the House of Representatives the bill providing for the construction of the canal as recommended by the Chief of Engineers.

The bill is now on the calendar in the House. There was a public hearing before the Senate Commerce Committee, and the report is before the Senate for consideration without at least any adverse recommendation of the committee which carried on the public hearing. So, while a Senator

might have felt in 1936 that he could not afford to let down the bars and vote for a project, however meritorious it might be, which had not had a final examination and a final report from the Army engineers, that difficulty is now entirely eliminated, and the proposed canal stands before the Senate with the same dignity, the same virtue, and the same careful scrutiny, any river and harbor project will have which has now come or will hereafter come before the Senate.

Mr. President, we have established the fact, then, that the canal will save 1 day's time, that is to say, 23 or 24 hours in transit, on an average, across the peninsula of the State of Florida. We have also established that it will save 400 miles in distance to be traversed by the ships using it. We have also established that it will allow a saving to each vessel using it of from $750 to $850, as has been found by the various boards which have investigated the subject.

A canal which will save a day's time, which will save 400 miles in distance, which will save over $800 in money to a ship owner, which will afford the safest navigation afforded by any canal in the whole world, as testified to without contradiction before the House Rivers and Harbors Committee and the Senate Commerce Committee, and as reported by the engineers—I ask, will ship owners use a canal of that character?

I realize that it is confusing, and perhaps somewhat disturbing, to have Senators hear that the ship owners are not primarily advocating the construction of the canal. But I remind Senators of the business in which those people are engaged. They get money for transporting goods. When the distance through which they transport goods is reduced, the compensation they derive for their work is reduced. The oil companies perhaps have not made themselves altogether clear to Senators. In going 400 miles more they are using more of their own oil, and the shippers of the country are paying for it. It is not for the ship owners that we propose to build this cut-off across the State of Florida. It is not primarily for the ship owners that we propose any other river and harbor project, is it? It is for the shipping, the commerce of America, that we propose improvements to rivers and harbors of this country, and the shipowners are the mere incidents of the plan; they are the mere functionaries of commerce; when they reap direct benefits from waterway improvements, they have to pass those benefits on to shippers and the commerce affected.

Therefore I cannot see how it can be accepted as a criterion of the usefulness of the project that the shipowners have said they are not anxious to have the project created. Not a single shipowner has come before either the Senate Commerce Committee or the House Rivers and Harbors Committee and personally testified against the project. There is not a single engineering agency which has examined the project, and investigated it and reported upon it, which has not stated that ships will use it; and all the experience of mankind dictates that they will use it as soon as it is constructed. We are talking here about a project which is intended to benefit the commerce of America, the people who ship and the people who receive commodities.

The area embraced in the territory to benefit from this project represents over half of the area of this country, geographically and physically, and represents 74 percent of the whole population of the United States. If Senators within range of the map on the wall will look at the shaded area at which I am now pointing, they will see that the area on the left represents the part of the United States whose domestic shipping will profit by the construction of the canal. Look at the number of States, the North Atlantic and the Atlantic Seaboard States, and the whole Mississippi River Valley system, which are included clearly within the area of benefit to domestic commerce.

Then look at the map on the right, and there will be seen a vast shaded area, which is the area whose foreign commerce will directly profit from the construction of the canal. It demonstrates that every ship carrying cotton, and steel, and petroleum products, wool, grain, livestock, the metals and the minerals which come from the States of the far West, will have a day's less sailing and 400 miles less distance to make than they would be required to make if this project were not a reality.

Mr. President, this project is for the commerce of America. As a matter of fact, Florida is the minor beneficiary among the States of the Union from the construction of the project. Of course, we will profit by having the waterway traversing the State and by its construction giving employment to thousands of people. But it is being constructed by the Army engineers. They have to erect some big dredges, which will be constructed on the ground beside the canal route. Where are the steel and the iron and the various parts of the equipment which will make up that dredge coming from? They will not come from Florida, because we do not produce them. Where are the skilled mechanics and skilled labor to come from who will operate the machines used in the construction of the canal? Most of them will come from outside the State of Florida.

Mr. President, I do not think the American Federation of Labor would come before the Senate in behalf of any money-grabbing or boondoggling scheme, and they write thus to each one of the Senators in support of the canal:

> The United States Senate has before it for consideration S. 1100, a bill for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida.
>
> All evidence submitted to both Houses of Congress by the President of the United States and the War and Navy Departments declare that the building of the canal is a commercial and military necessity. According to the evidence the project would safeguard, develop, and economize the commerce between the Mississippi Valley and Gulf States on the one hand and the States along the Atlantic seaboard on the other and serve as an important element in national defense by safeguarding the transportation of waterborne troops, munitions, and supplies in time of war.
>
> Furthermore, and very important, this project will come at a time when millions of workers are praying for employment. Because of this fact the executive council of the American Federation of Labor respectfully requests you as a Member of the United States Senate to give every support to the bill authorizing the completion of the canal.
>
> Very truly yours,
>
> WM. GREEN,
> *President, American Federation of Labor.*

So the American Federation of Labor is for the canal.

Mr. President, I do not believe the record of any Senator in support of measures in which the railway brotherhoods are interested is superior to mine. I know that last year in my race for the Senate I had the unqualified support of that very fine body of men. But I agree, Mr. President, with what General Markham said in his report:

> The cross-Florida canal project differs from many others in that there can be little doubt as to the tonnage it will carry. The traffic of the Gulf ports is not speculative; it exists, and doubtless will expand.

That is from page 4 of the House Document No. 194, containing the report of General Markham, Chief of Engineers.

The project is not a new one seeking additional business from the railroads which are now carrying it. Every pound of freight which has been considered by the engineers in determining the economic benefits of the project are actually now going through the Straits of Florida on ships. It is not being carried in railroad cars.

Mr. President, I have no desire to do our railroad friends detriment, but I believe that the construction of the canal will help them, because they must haul the construction equipment to the canal, they must haul the supplies down there to make the dredges, and to provide other machinery which will be necessary in the construction of the canal. So in multiple ways the railroads will profit by this great project rather than suffer detriment from it. Therefore I cannot but feel that the sentiment expressed by President William Green and the American Federation of Labor's executive council is a sound and a dependable sentiment upon this subject.

I realize that a great many Senators would say as perhaps the Senator from Michigan [Mr. VANDENBERG] indicated, that the question of tonnage down there is speculative, and we do not know what may happen. We do know that there has been since 1920, when the tonnage was only 40,000,000 tons, an increase to 138,000,000 tons in 1937. We do

know that one of the fastest developing regions in this country is the Gulf coast and the Mississippi Valley area. Instead of being stagnant it is growing every day. New industries are going there. New enterprises from the genius of men's discoveries are being built up. Take, for example, the paper industry. We now have five great pulp mills in my State alone. That is a new industry which did not exist there a little while ago.

So all the commerce of the Mississippi Valley is growing instead of diminishing, and the commerce of the Atlantic seaboard is growing, and our commerce with foreign countries in that area is growing. So we have an encouraging instead of a discouraging future ahead of us.

But it is said, "I grant perhaps that this would be a good thing. I grant that the tonnage is there." Ninety-one million tons a year, the Army engineers say, will actually go through that canal. That represents 66 percent of the tonnage which goes through the Straits of Florida. Nobody doubts that at least 66 percent of the total tonnage transiting the Straits of Florida would go through the Florida ship canal. So it is admitted that the tonnage is there, and that the canal would be a benefit to commerce, but it is said, "There is no economic justification for it."

Let us examine that question. What is meant by "economic justification"? We shall in all probability be called on during the present Congress to vote on a river and harbor bill. We have previously voted on other river and harbor bills. What did we mean by "economic justification" in those cases? We meant savings in transportation costs which are the equivalent of or in excess of the amount of the annual costs of the waterway improvement.

Let us now apply those standards to this project. The various boards and agencies which have considered the project have arrived at an average benefit approximately of 15 cents per ton to each ton of shipping using the canal. Some of them said 14.5 cents, some said 15.6 cents, some said 16.2 cents, and some said 18.4 cents. We will take, however, as an average 15 cents a ton as representing the conclusion of each examining board as to the benefit that commerce using the canal would derive from the construction of the canal. To get the economic benefits, therefore, all that has to be done is to multiply 91,212,000 tons by 15 cents a ton and the result will be approximately thirteen and one-half million dollars. The construction cost amounts to $198,000,000, according to the estimates of General Markham. Senators, General Markham did not sit here in a swivel chair and make these estimates. He went down to the canal route. He actually had this lime rock blasted and dynamited in his presence. He actually broke it up with his own hands. He actually cut it with his own knife. He did not examine just one place. He examined all that area in the vicinity of the canal route. So General Markham's rich, full experience and personal observation all went into the calculations and the estimates which he made as to the cost of excavating the canal. General Markham tells us that it will cost about $198,000,000.

General Markham estimated that for economic justification, as a rivers and harbors project, about $8,641,000 should be set up annually. That figure would represent three and a half percent interest on the cost of construction during time of construction, and it would represent 3 percent on the costs outstanding after the canal was opened. It would represent $913,000 annually operating expenses, and it would represent $177,000 a year as depreciation. That would not be depreciation of the canal, of course, because, as the Senator from Oklahoma said a short while ago, this cut is a permanent construction. But it would represent depreciation of the bridges, and of the signal towers along the sides of the canal, and other property of that sort. General Markham then says that the benefits necessary to be found annually to make the project economically justifiable would have to be only $8,641,000. Yet the benefits are over thirteen and a half million dollars a year, as shown by figures that no one possibly can dispute. Therefore if the Congress is going to be fair and pass other river and harbor projects which are recommended by the Board of Engineers on the basis of economic justification, they, to be fair, it seems to me, would be required likewise to approve this project, which meets conclusively the same criteria and the same standards.

For example, there was a river and harbor project on the Delaware River which has already been authorized and built. The ratio of cost to benefits in that project was 1 to 1.2.

There was the Delaware and Chesapeake Canal, the value of which to the State and to the country my able friend the Senator from Delaware [Mr. HUGHES], who is here, can attest. That has a ratio of costs to benefits of 1 to 1.05.

Then there is the improvement to the upper Mississippi, the value of which I hope the Senator from Missouri [Mr. CLARK] will later attest. The ratio of cost to benefits there is only even 1 to 1. That means that the economic benefits found by the engineers to exist are exactly the equivalent to the cost of construction and annual maintenance charges.

In 1937 we authorized the Calcasieu River, a Louisiana project. That has a justification of 1 to 1.1.

In 1938 we authorized the Delaware River—from Philadelphia to the sea—river and harbor project. The economic justification there is 1 to 1.4.

Then we have pending in the existing river and harbor bill which is now in the House, the Warrior and Tombigbee project. There the ratio of cost to economic benefit is 1 to 1.2.

We have in that same bill the Louisiana and Texas intercoastal project. The economic benefits are 1 to 1.3.

Then in the Columbia River Umatilla Dam project the ration of cost to economic benefit is 1 to 1.

The Wrangell Narrows, Alaska, project. The cost to economic justification there is 1 to 1.1.

The ratio of cost to benefits in the case of the Florida canal is 1 to 1.63, which is a larger economic justification than any one of the foregoing projects can show. Yet no one is making a fight on them. No one is saying that they are boondoggling. No one is saying that they are trying to loot the Treasury and get some ill-gotten gain from it. No one holds those projects up to ridicule and scorn as unsound, uneconomical, and unsupported by evidence.

Why pick out the Florida ship canal as the victim of such an intensive campaign and to be made a political football of this sort?

Mr. President, with respect to economic justification, therefore, the benefits are at least thirteen and one-half million dollars a year, and the amortization, operation, and depreciation costs are not in excess of eight and one-half million dollars a year. So there is a surplus of approximately five to six million dollars in benefits annually over required cost each year.

What about the amendment offered by the Senator from Oklahoma [Mr. LEE], joined in by the Senator from New York and the Senator from Missouri? That amendment proposes a toll structure to be set up by the President before the completion of the canal, the toll structure to yield a sum which in 50 years would return to the Government its expenditure for capital construction cost. The amendment quite properly contemplates that the toll structure shall be distributed over the commerce which will receive the benefit of the canal during the 50-year period. That toll structure would be the toll structure which the canal would have to meet unless the Congress should change the amount by subsequent legislation. So fixing a toll structure is not left to the discretion of the President. It is made mandatory upon the President.

Can there be a toll structure adequate to amortize the capital construction cost? It was intimated that there had been no reports which gave any predicate to justify such a toll structure. Such statements are not based upon familiarity with the record. On the contrary, the interdepartmental board which was called upon to make a study of the question reported that the commerce transiting the canal would bear a toll of 8 cents per ton. All it is necessary to do, therefore,

to arrive at the amount of the yield per year from the commerce which uses the canal is to figure the number of tons at 8 cents a ton. However, if we anticipate—as General Markham did, and was justified in doing—that there will be a 2-percent increase per year, then over a 50-year period we shall have a 100-percent increase in the tonnage that will go through the canal. The annual tonnage is now 91,000,000 tons. A 100-percent increase the last year of that period would produce 182,000,000 tons which would transit the canal. If we got the average tonnage per year and applied to that tonnage tolls of even as little as 3½ cents per ton, without any question whatsoever we should get back the $200,000,000 over a 50-year period. In fact, the existing tonnage which would transit the canal would at a toll rate of about 5 cents per ton pay back the annual operating charges of $913,000, the annual depreciation of $177,000, and $4,000,000 per year on the capital construction costs, which would return the entire capital cost in 50 years. Therefore, based upon a toll structure, the project is clearly and unquestionably self-liquidating.

Are we in favor of self-liquidating projects? We have been approving them by the hundreds of millions of dollars. I think most Senators feel a preference for self-liquidating projects over projects which are a dead expenditure to the Government. Florida is only one State and accounts for only a small part of the commerce which will be affected by a toll structure. Therefore we do not have the right to speak for the United States as to whether or not there should be a toll structure. However, we do say that insofar as we are concerned we have no objection to it; and we say that the economic factors unquestionably determine that the project is and will be a self-liquidating project. So in the matter of the return of the capital construction cost we are merely putting this project in the same category with any other P. W. A. project upon which the Government has been accustomed heretofore to waive payment of interest if it received back the capital cost of construction. Either upon based economic justification as a river and harbor project or upon economic factors which would make it self-liquidating, the canal comes before the Congress approved and entitled to the favorable support of Members of Congress.

Mr. President, I do not intend to delay the Senate with a further discussion of the project at this time. There have been other large Federal P. W. A. projects before this one. For example, the Boulder Dam, when completed, will cost $76,500,000. That project has not been called a boondoggling project or an effort to loot the Treasury of funds. It has turned out to be, as its proponents anticipated, a great asset to the country.

The Fort Peck Dam is to cost $122,500,000. That also is a big project; but size alone was not used as an excuse to try to defeat the project on the floor of the Senate. The Missouri-Mississippi improvement, which has to do with channel stabilization, will cost $92,000,000; and yet nobody has pointed out that the size of the project alone made it one that the Congress should not attempt.

There were many other projects that were relatively of the same proportions. So the size of the project is not enough to justify any different treatment for this project from that received by other projects which have come before the Congress for consideration.

The Senator from Michigan [Mr. VANDENBERG] referred to the fact that a blank check was proposed to be given to the Federal Government. On the contrary, the bill recommends the construction of the project upon the recommendation of the Chief of Engineers. His report has in it clearly adequate and sufficient data to give us advice as to the approximate cost of the whole project when completed. So, as recommended, it is not a blank check.

The Senator from Michigan referred to the recent statement by the Senator from Mississippi [Mr. HARRISON] that now is the time to retrench. Not very long ago the Senator from Mississippi said:

> The Florida canal is a great conception. It will mean much to the southern section of this country. I supported it when it was before the Senate before. I know of nothing that has happened to change my support of this great project.

That was an utterance made within the last few months by the able Senator from Mississippi.

I know that other Senators are interested in economy and do not want to inflict extravagance or profligacy upon the taxpayers of the country. I have never quarreled with anyone who entertains that view about projects which can fairly be called boondoggling projects. I have never intended to advocate on the floor of the Senate projects which were not economically sound and justified. However, Mr. President, a project which will save the shippers of the country thirteen and one-half million dollars a year, and which will cost them only eight and one-half milion dollars a year, is not extravagance or profligacy. A project which will pay back to the Government its cost is not extravagance or profligacy. So, Mr. President, the project is in line with sound economy.

The Seaboard Air Line Railroad is now in receivership, and yet this railroad bought some air-conditioned cars and some new Diesel locomotives and generally improved its equipment. Why? Because the expenditure gave assurances of a good economic return. Even the court appointing the receiver sanctioned these expenditures based upon the rewards they promised to bring. If a court would approve such a policy for a railroad in receivership, and if a businessman would approve it with respect to his own business, why is it not sound economics for the Government of the United States?

We therefore make no apology for coming before the Congress and asking for the approval of this project. Any Senator who believes in economy can better serve that objective by voting for the bill than by voting against it.

Mr. President, the canal is a project which is sound and economically justified; a project approved by the Rivers and Harbors Committee of the House, and now upon the calendar of the House of Representatives; a project approved by the Chief of Engineers, who is the delegated agent of the Congress to pass upon such matters; a project justified by the economic criteria which are applied to every rivers and harbors project that comes before the Congress; a project approved by the Commerce Department of the United States, which has made a detailed investigation of the subject; a project approved by the National Rivers and Harbors Congress, a civil agency, nonofficial in character, representative of every State in the Union, and which regularly makes a fair and careful examination of the rivers and harbors projects which are brought to its attention; a project approved by the Mississippi Valley Flood Control Association and by the Mississippi Valley Association, which is interested in sound river and harbor projects the country over; a project which is favorably recommended by the Navy Department of the United States because of its value to the national defense; a project which is recommended by the President of the United States, who has been a consistent advocate of it and has recently by a letter addressed directly to the chairman of the House Rivers and Harbors Committee and the Senate Commerce Committee requested renewed attention to it by the Congress. It is a project, Mr. President, that is approved by every agency which has removed prejudice, preference, and extraneous influences from its judgment and passed upon it strictly according to the merits of the enterprise. So for such a project, Mr. President, I am glad to be an humble spokesman, for I know, as the Senator from Michigan said, sometimes the waves along the shore say, "Dreamer, dream no more"; but men will not quit dreaming who have dreams worth while.

Thomas Jefferson dreamed of the Great Mississippi Valley; John Quincy Adams said, "This great and worthy national project"; Andrew Jackson recommended it and submitted the report of engineers examining it to the Congress. Down through the years various Congresses have from time to time devoted their attention to it and authorized surveys of it. Finally now it comes here for consideration by the Senate

with a record for careful investigation and examination which I will challenge any other project which the Congress has ever approved even to approximate.

So, Mr. President, I, too, am willing to submit the approval of this project to the fair-mindedness, to the sound judgment, to the good sense, and to the patriotism of the Members of the United States Senate.

The PRESIDING OFFICER (Mr. HILL in the chair). The question is on the amendment offered by the Senator from Colorado [Mr. ADAMS] to the amendment proposed by the Senator from Oklahoma [Mr. LEE].

Mr. McNARY. Mr. President, unless some other Senator desires the floor to speak this afternoon, I shall suggest the absence of a quorum.

Mr. PEPPER. Mr. President, I think it is desired that the bill go over until tomorrow.

Mr. McNARY. Then, I do not desire to make the point of no quorum, as I understand the Senator from Kentucky desires to move a recess.

Mr. BARKLEY. Yes; I intend to do it in a moment.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 90. An act to provide for the punishment of persons transporting stolen animals in interstate commerce, and for other purposes;

S. 198. An act to provide that records certified by the Court of Claims to the Supreme Court, in response to writs of certiorari, may include material portions of the evidence, and for other purposes;

S. 242. An act relating to the disposition of funds derived from the Coos Bay Wagon Road grant lands;

S. 542. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

S. 1281. An act to prohibit reproductions of official badges, identification cards, and other insignia;

S. 2050. An act to authorize a sale of the old Carson City (Nev.) Mint site and building notwithstanding the provisions of Joint Resolution No. 18 of February 23, 1865; and

S. 2244. An act to authorize the Secretary of the Treasury to accept real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and for other purposes.

NOTIFICATION TO PRESIDENT OF CONFIRMATION OF NOMINATION OF LEON HENDERSON

Mr. BARKLEY. As in executive session, I ask unanimous consent that the President be notified of the confirmation of Mr. Leon Henderson to be a member of the Securities and Exchange Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER, as in executive session, laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 3 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, May 17, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 16 (legislative day of May 8), 1939

UNITED STATES TARIFF COMMISSION

Oscar B. Ryder, of Virginia, to be a member of the United States Tariff Commission for the term expiring June 16, 1945. (Reappointment.)

UNITED STATES DISTRICT JUDGE

Armistead M. Dobie, of Virginia, to be United States district judge for the western district of Virginia, to fill a position created by the act of Congress of May 31, 1938.

COAST GUARD OF THE UNITED STATES

Pharmacist Harry K. McClernon to be a chief pharmacist in the Coast Guard of the United States, to rank as such from May 2, 1939.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 16, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art our Father and our God, as we lift our prayer to Thee, hush our spirits into peace. In the plenitude of Thy love, each of us has received the blessing of land and sea, of sunlight and starlight. They have crowned us as though we were Thy only earthly children. We praise Thee that hast mercies for the poorest and humblest. As we look skyward may we remember the Bethels where Thou hast tarried to forgive and bless. For our sins we ask the mercy of the cross and for our lives the benediction of Thy love and care. We pray Thee, our Father, to walk with us toward our Emmaus; make Thyself known to us and reveal the unsearchable riches of the soul. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE CONGRESS OF NICARAGUA

The SPEAKER laid before the House the following communication from the Congress of Nicaragua:

THE PRESIDENT OF THE HONORABLE HOUSE OF REPRESENTATIVES,
Washington, D. C.:

With great pleasure we send to this high body an expression of our deep appreciation for the reception extended in honor of the President of this Republic.

Respectfully,

AURELIO MONTENEGRO,
President of the Congress,
MARIANO ARGUELLO VARGAS,
Secretary,
ENOC AGUADO,
Secretary.

EXTENSION OF REMARKS

Mr. GAVAGAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by inserting therein a recent editorial and an article written in the New York Inquirer, a newspaper of the city of New York.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a radio talk over WOL on May 9, made by certain of my colleagues.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. BYRON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a copy of a letter from the burgesses and commissioners of Williamsport, Md.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

GUARANTEED RATE OF INTEREST UNDER THE FEDERAL HOUSING ADMINISTRATION

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, when the House had under consideration amendments to the Federal Housing Act I offered an amendment to reduce the rate of interest on guaranteed title II loans to 3½ percent. As nearly as I can recall, I got four votes for the amendment.

I was quite encouraged this morning, on going over to the hearings before the Temporary National Economic Committee, to hear and read the statement of Prof. Alvin H. Hansen, of Harvard University, given to that committee, in which he lists four steps which he thinks should be taken in the interest of recovery. The third of those steps is this:

The time has come when we could well reduce the guaranteed rate of interest allowed under the Federal Housing Administration. Considering the current surplus of funds seeking investment, the present rate is abnormally high, and is certainly a deterrent to private building.

I would just like to get this in the RECORD.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a short quotation.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ARGENTINE BEEF

Mr. COCHRAN. Mr. Speaker, Mr. Arthur Krock has a very interesting article in the New York Times this morning on Argentine beef. It shows the farmer and stock raiser are not affected. We heard a lot of "bull" yesterday, and I would like to put his view of the "bull" in the RECORD, and I ask unanimous consent that I may be permitted to do so.

Mr. RICH. Mr. Speaker, reserving the right to object, we would like to know from the gentleman whether he favors the purchasing of Argentine beef over American beef.

Mr. COCHRAN. The gentleman from Missouri helped to put over a law to the effect that you had to buy American-made goods in the construction of public buildings. Why do we not put over a law that will require the purchasing of American-made goods for your naval vessels, and so forth?

Mr. RICH. We would do that if we were in power, but your party is in power over on that side, and it is your duty to protect the American market.

Mr. COCHRAN. I will say to the gentleman that until the Congress passes some legislation and those processing beef in this country show some indication that they are going to can beef and offer beef, and good beef, to the Government at a reasonable price, the Government has a right to go into the market, and you cannot stop them. Read Mr. Krock's article on the subject.

Mr. RICH. How are you going to maintain our high standard of living in that way?

The SPEAKER. Is there objection?

There was no objection.

FARM LEGISLATION

Mr. MILLS of Louisiana. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MILLS of Louisiana. Mr. Speaker, certainly I am not opposed to free speech, nor to free press, but personally, as a southern national Representative, I resent certain news items. I especially call attention to the fact that 3 or 4 weeks ago we saw headlines to the effect of W. P. A. against the farmers and the farmers against the W. P. A., and I notice in today's Washington Post a certain news item to the effect of the farm bloc against the wage and hour law or the wage and hour against the farm bloc. Personally I supported the wage and hour bill, and I proposed yesterday to vote for a rule to bring H. R. 5435 up for consideration in this House. I do not think it is fair at this time that an effort should be made to prevent one-third of the people from receiving recognition from this great Congress in the way of farm legislation.

The SPEAKER. The time of the gentleman from Louisiana has expired.

EXTENSION OF REMARKS

Mr. HILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an article from the Grange News entitled "The Real Farm Problem."

The SPEAKER. Is there objection?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point and to include a discussion of topics of interest today.

The SPEAKER. Is there objection?

There was no objection.

Mr. THORKELSON. Mr. Speaker, on May 1, 1939, an article written by me was published in the RECORD, and immediately after this publication undue interest was taken in my activities in the House. The article set forth certain data which, I believe, is authentic, and its publication was to give certain facts that might stop deliberate attempts to shape public opinion for war.

Shortly after May 1 a silent campaign began in Washington and at home in which the informants have whispered defamation of me in the following manner: "I understand he is connected with Nazi organizations and he is a protégé of Father Coughlin. Have you heard about it?" And so forth. Of course, no one had heard about it, and I was not aware of it until informed by an employee in the House and by letters I received from interested friends.

It seems strange, indeed, that anyone who rises in opposition to the New Deal and in defense of the Republic is labeled a "Nazi" by the Socialists and Communists, but not by anyone else.

The injustice of this propaganda and its possible destruction of character is a matter to which these assassins give little thought. Such infamous attacks cannot be stopped after they are once started, but must, instead, like forest fires, burn themselves out.

However, selecting me as a victim for this character destruction is a wasted effort, for that has been tried before by others, and they have failed. Ever since my advent in politics my character has been assailed by self-admitted Communists, who also claim to be staunch supporters of the New Deal and the President, but, contrary to the recent episode, they have expressed themselves in the open.

As a Member of the House of Representatives, I have at times discussed Congress, the Executive, and the Supreme Court, and in such discussions, I believe, confined myself to just criticisms. During this same period I have not neglected to criticize the Socialists and socialism in its various phases and activities, yet, outside of a few quips by certain writers, my activities have gone unnoticed.

In this article I discussed the invisible government. This government is now composed of the money power—I want to be charitable—and a group with socialistic philosophy. Both of these groups are largely composed of European casualties, which are now being dumped in our lap.

The United States is selected as an exhibition ground for the golden calf and its wailing devotees. The power which rules is money, for it buys and controls newspapers, cinema, and broadcasting. This power is working in close cooperation with its associates in the administration.

To assure success in this rape on the Republic, Members in Congress are induced to introduce legislation which restricts and censors broadcasting to all, except the dupes of the invisible government. We, the suckers, who must pay the bill, are treated with specially prepared fireside chats ad nauseum.

The security of this group in the invisible government is a little uncertain, for we are not far removed from the days of the vigilantes, and there are many hard-headed Americans who still believe in constitutional government, and might for that reason take the law into their own hands, as they have done before.

To soothe the masses and to amuse them, business is held up to ridicule and declared incompetent to handle its own

affairs. It is no different than the dim past, when the populace in the coliseum viewed unequal combat in the arena. The people then applauded the lion; they now applaud the jackass.

Business is now held up to ridicule and in contempt, even by Members of Congress, which is evidenced by opinions like this, expressed in one of our daily papers:

BUSINESS SIT-DOWN CHARGED

This Congress exhibits no concern over the mounting costs of the Federal Government and the widening gulf between revenues and appropriations. Before Congress adjourns, $10,000,000,000 will have been appropriated. The deficit next year will be at least $4,000,000,000.

Senator X (Democrat), X State, a leading New Deal supporter, took a different view of the fiscal situation.

"I don't see," he said, "how we can make real economies until the business situation picks up, and big business now is quite definitely on a sit-down strike. As long as they take that attitude, the Government has no alternative except taxing and spending. We will have to increase taxes somewhat."

I refrain from using names, but the gentleman forgets that it is business which is paying his salary and the salary of every employee in the Government. It is business that pays for a stupid, cumbersome legal structure, unjust as it is useless. It is business that is paying the total cost of the Nation and for the asinine stupidity of Congress. It is business and the people engaged therein who sent the gentleman to Congress, and they are the people whose rights the gentleman swore "to preserve, to protect, and defend." This is an oath that makes those who subscribe to it traitors when they cast aside their obligation.

Why should business, after having been kicked about and beaten into submission for 8 years, stand up only to be bowled over again? I say, why in common sense should business get up unless it is to kill those who have assailed it? There will be a day of reckoning, a day of liquidation, and the people should mark those who have been instrumental in sending our Nation and our people on the road to poverty and destruction. Let me say at this point that responsibility for this calamity cannot in any sense be blamed upon the Nation's business and industry.

It is my desire to express appreciation to those who have sent me books, information, and clippings, and here is one of them from a daily issue, May 11, 1939:

JESSE JONES UPHOLDS GOVERNMENT IN BUSINESS

Declaring "the time is not at hand yet when Government can withdraw from the business picture," Chairman Jesse Jones, of the Reconstruction Finance Corporation, yesterday told the National Retail Lumber Dealers' Association he favored Federal intervention until such a time as private enterprise demonstrated "it could do without it."

I have heard compliments expressed on Mr. Jones' ability, but, if this is a sample of it, I withhold mine.

Federal usurpation of business is destructive and directly responsible for our present unemployment situation. Federal intervention in business is of no value unless there is special ability among those who intervene, and there has been no evidence of that to date. Our Nation's industry and business are operated upon private capital investment. Having their own capital at stake, it is only reasonable to assume that care will be used in its protection. The Federal Government can render the greatest aid by keeping its nose out of business which is still solvent because the Government must depend upon such earnings to pay its expenses. It is, therefore, not for business to prove that it can do without the Government; it is instead for the Government to understand its proper place in relation to business.

Here is another opinion from one of the unproductive experts:

RELEASE IDLE BANK HOARD, HOPKINS URGES

Secretary, outlining recovery plans, says spending must go on.

Secretary of Commerce Hopkins, holding his first press conference yesterday in several weeks, outlined the following administration program for business recovery:

Continuation of the spending policy, as outlined by President Roosevelt in his annual and Budget messages to Congress last January, for at least another 12 months.

Stimulation of the use of the unprecedently huge hoard of idle bank funds in every way possible.

I sometimes wonder whether the administration is a circus because of its insatiate desire for publicity. The question may be asked, Why should any Federal department employ a publicity bureau?

Why make the present publicity, which is now a pain in the neck to most of us, an excruciating national headache? We do not need to be informed that it requires no ability to spend money, and that is all Mr. Hopkins has done since he has been in office, and for him to say, "We should not get emotional about economic problems," is, if nothing else, silly. Mr. Hopkins should know that our people are not of an emotional nature. We are only tightening our belts and girding ourselves for the fray to come, when we may commit our egotistical experts, who are suffering from delusions of grandeur, to a sanitarium where they may spend their remaining years writing checks for billions of dollars.

There is, however, a simple law which it would be well for many departmental heads to recognize, and that is: Money will only remain in circulation in localities where it is used in industries. When employed in such manner, it furnishes work and a pay roll for the people employed. Prosperity will be enjoyed in such localities as long as such industry or business operates. When it is forced to close, no matter why, unemployment and poverty prevail. For this reason Federal spending cannot and never will bring about prosperity unless all industries and business are operated and owned by the Federal Government, and I do not believe our people are receptive to such Government control.

It is indeed a topsy-turvy government in which the performers are reenacting the building of the Tower of Babel. In looking over our newspapers and after reading individual expressions like this, I am confused as to who is speaking for the Government: "Mrs. Roosevelt defends parade for Somoza," and "On the Record." a clipping in which European problems are discussed, which I quote:

No one can contend that a world war fought on the major sea lanes of the world is of no concern to the United States of America, or that the possible victory of Italy, Germany, and Japan, the two former powers united in a revolutionary philosophy hostile to everything that this country has ever stood for, could be a matter of indifference to the United States, or that, given such an outcome, this country would be safe.

I grant that Dorothy Thompson may be well enough acquainted with European rulers to express definite opinions which we cannot obtain. Personally, I must rely upon statistics, because I lack such acquaintanceships. However, in replying to this I can only say that we will be entirely safe if we mind our own business, and there is nothing in the philosophies of either country similar to our philosophy, so why worry about it? After they have fought for a number of years, the final outcome will spell finis for all of them, and they will have no desire to come another 2,500 mile to attack the United States. While they are fighting, we should consolidate and fortify everything from the Panama Canal north, in common defense and for the general welfare of the United States. There is nothing in Europe that we want, and we have too much of what they have now, so why not let them keep what they have? We should prepare ourselves by fortifying all islands which might be used as bases for operations against the United States.

In returning to my opening discussion of May the 1st, in which I referred to the invisible government, and to those who now own and control $15,000,000,000 in gold, it is my desire to say: After having received a communistic May Day circular by I. Amter, editor, with this heading " 'Reds' Bait Rich—Back F. D. R.," it dawned upon me why anyone who criticizes socialism and communism and the New Deal is called Fascist and Nazi. As a matter of fact, it is quite plain to me that anyone who supports our republican form of government, as proclaimed in the Constitution, is persona non grata to the Socialists and the Communists, for they are, as we know, bent upon destruction of constitutional government as it has been enjoyed by our people for 145 years.

In order to make this clear, I shall, so that those who have not seen this circular, quote a small part of it:

Today the issue is: Democracy versus reaction and fascism. In this struggle the Soviet Union stands solidly with the democracies for democracy and peace.

The Communist Party marches together with all progressives in the fight for the New Deal. We are front-rank fighters for the preservation of American democracy. The enemies of democracy, Hoover, Hearst, Coughlin, Dies, Morgan, Rockefeller, Ford—talk "Americanism," but their actions are un-American.

May Day 1939 takes place in the midst of the struggle for the very life of democracy. Like all progressives, and as part of the progressive democratic front—the front against reaction and fascism and for social and national security—we Communists declare that we will fight for American democracy against all enemies inside and outside our country.

In our own country, the Nazis and Fascists are carrying on immense activities. Today there are only two democracies that stand firmly for resistance to fascism. They are the United States and the Soviet Union.

It is indeed a sad day for our industries and business people when those such as Hearst, Morgan, Rockefeller, and Ford, and so forth, are called un-American by the Socialist and Communist. It is high time that every decent and self-respecting citizen step to the front, shoulder to shoulder, and drive these rats, not under cover, but out of the country. To think that the New Deal is a cohort of the Communist International is enough to set every patriotic American afire with righteous indignation.

For any working man to think that he can benefit by supporting these international pack rats is the height of optimism. If allowed to go on, it can only end in destroying labor and industry as well.

In addition to the May Day circular, I received, the United Front Bulletin, Editor E. Githens, which is another socialistic publication that is backing the New Deal Wagner Health Act. This act is another attempt to socialize medicine, as a bid for more votes. If passed, it will end like the rest, in complete deterioration of medicine, with less care and more suffering for those in need.

We are certainly sliding down the hill very rapidly and for this no one can be blamed except public indifference to its own fate. The New Deal is not only a misfortune, but it is national calamity which will bring about ruin to the country and to the people. This may be expected before 1940, or shortly thereafter. As further evidence of the supporters of the New Deal, I quote the fellowing clippings, taken from one of our local papers:

COMMUNISTS READY TO BACK THIRD TERM

NEW YORK, May 11.—The Communist Party of the United States will support President Roosevelt for a third term in 1940, Earl Browder, general secretary of the party, said tonight at the opening of the ninth national convention of the Young Communist League at Madison Square Garden.

If Mr. Roosevelt does not run again, Browder stated the Communists would support a "liberal" of the Roosevelt faction. Should a conservative Democrat be nominated, such as Vice President GARNER, Browder said, the Communists will join with "the radical one-third of the electorate" for the formation of a third party.

The question now to be decided by the American people is whether or not the United States is to be controlled by the invisible government, supported by the Communist International, or whether it is to be controlled by Congress as proclaimed in the Constitution and supported by patriotic citizens. In this question, each and every citizen should display a keen interest, and I include everyone within that group who still believes in the fundamental principles of our Government, and in the rights and liberties of the people.

If there is any question as to the intention of the administration, the statement I have just quoted from Earl Browder should be sufficient evidence that we are facing a life and death struggle at home. Socialism and communism are entrenched within the Federal Government in all departments and the dupes of this philosophy will be found in key positions. This is not an accident but a well-prepared plan by those who at the present time are directing the destiny of the Nation through the head of the Democratic party. Administration sympathies are vividly expressed in their appointments, because we know a few of those who are Socialists and Communists by their own commitments.

I am straightforward in my beliefs, so when a person informs me that he is a Communist, and that he believes in Federal ownership of all industries, I take him at his word. When he further informs me that he believes business is incompetent, he has classified himself as the greatest incompetent of all, for he evidently fails to appreciate that industry and business have been the creators of the Nation's prosperity for the past 150 years. When the same individual is appointed to office, it is only reasonable to assume that whoever appoints such person shares in his belief.

The power of the invisible government is clearly evident in the special F. B. I. investigations which are now directed against certain publications that support constitutional government, and to which anyone may subscribe. These publications are not secret, for I believe they are delivered free to every Congressman. The most contemptible of these snoopings are those conducted in private homes, in which the investigator requests information about publications delivered to the home.

I have had several letters advising me that such investigations are conducted at the present time, and what I desire are the names of those who give the orders for such investigations. I would like to have this answered by the F. B. I.

If any Federal investigation bureau is short of work, let it investigate socialism and communism. These may be found first in the Federal Government in Washington, and second, in practically every city in the United States. It is not hard to get a lead, because such subversive organizations publish their own papers and give the addresses so that anyone may find them. If the Federal Bureau of Investigation will bear in mind that the Italian, the German, and the Russian Governments are all socialistic in different degrees, much effort may be saved in looking for types of governments that do not exist.

During the 4½ months that I have been a Member of Congress I have stood squarely on the principles found in the Constitution of the United States, and I have advocated that each Federal department resume its rightful position according to the Constitution. I have opposed socialism and communism, and I have condemned those who favor such philosophies in preference to our own. I have criticized those who now own and control the $15,000,000,000 in gold in the United States Treasury because they have deprived my people of ownership of the only recognized international standard medium of value for money and for all securities. I have objected to this because it is inherently unjust to my people, not only in my own State but to all the people in all the United States. I have also criticized the coworkers and dupes of this invisible government because of their subversive activities which are deliberately directed toward destruction of our own Government. I now challenge those who labeled me a Nazi to state where I am wrong in taking this stand, and I hope those who accused me will accept this challenge.

Congress is now criticized for enacting antialien bills. This legislation was directed at those with criminal inclinations and was passed by a large majority of the Members. I shall quote part of this criticism:

Antialien bills now before Congress were characterized as "the entering wedge of fascism and dictatorship in our country" by Judge Patrick H. O'Brien, of the probate court, Wayne County, Mich., at the first session of the National Emergency Conference in the Raleigh Hotel yesterday afternoon.

This is a very interesting statement, and the question may be asked: What is fascism? The only place I have seen this mentioned is in communistic publications, sponsored by Earl Browder and others of his beliefs. It is a term used in all communistic papers, obviously to cover up their own activities. Fascism, as I understand it, exists in Italy, a country which is ruled by a king and a dictator. The Government itself is socialistic. The most absolute form of dictatorship and one rarely mentioned by those interested in the admission of refugees is in Russia, and the dictator is Joseph Stalin. It is he who has placed hundreds before the firing squad; it is he who has banished hundreds to Siberia; it is Stalin who has denied the Christian religion in Russia and closed Christian churches, and it is Stalin who with the utmost indifference has lined those who have helped him against the wall at dawn before the firing squad. He is the dictator in Russia, a country in which socialism and communism is supreme. It is his philosophy of government which is rampant in the

United States, gradually but insidiously destroying our own republican form of government. Why is it that those who favor war in Europe and favor immigration from Europe are not afraid of his kind of dictatorship? Let those who complain answer this question.

I quote further:

Dr. Leiper, in opening the conference said, "It is difficult to understand why these bills have been introduced, because they deal with a problem that is virtually nonexistent. There is no alien problem in America * * *."

Replying to this, I can only say that the alien problem is ours and it is existent. It would be interesting to know how many recent entrants have applied for their first papers, particularly of those not within the quota. If the alien problem is not a problem here, then every Member of Congress is wrong. We have over 12,000,000 people unemployed and 8,000,000 more on part-time employment, which no one can deny is a problem in any country. I say, why take on more? We have denied entry to those who cannot assimilate with our people and no one objected to that.

We have reached the point where we should deny admittance to all who persist in adhering to their own philosophies, for they only reproduce their own kind, and for that reason will always be the same, today, tomorrow, and a thousand years hence. They have always been and will always be a separate and unassimilable people by their own choice.

The question now before the American people, and I mean the real American patriots, is, Shall we save the Government of the United States and perpetuate the American Nation, or shall we, in complete apathy, wait to be annihilated by the invisible government?

EXTENSION OF REMARKS

Mr. BOLLES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include certain resolutions by the State of Wisconsin on the question of the Walsh-Healey bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. GARTNER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an address delivered by the gentleman from Michigan [Mr. SHAFER] in Philadelphia last Sunday.

The SPEAKER. Is there objection?

There was no objection.

Mr. McDOWELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a resolution passed by the General Assembly of the State of Pennsylvania regarding the tariff.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a tabulation showing the importation of meat products through the port of New York during 1 week, the week of March 10.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

EQUALITY OF REPRESENTATION

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to speak for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATRICK. Mr. Speaker, we are all here because we were elected, which means politics. In a short while there is to be the 1940 election. I made a little talk on this floor the other day dedicated to the proposition that we ought to get to the point whereby we will encourage the election of men rather than sections, to lead both parties. Fourteen States have contributed Presidents of the United States, which means that 34 States have never given us a President. Mr. Lincoln, of the Star, wrote an article to this subject that I relish very highly and I ask unanimous consent to extend my remarks in the RECORD and to include that article.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. MURDOCK of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an editorial on the beef question appearing in yesterday's Washington Post.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a toast to Colorado by my distinguished colleague the gentleman from Colorado [Mr. MARTIN].

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

DISTRICT OF COLUMBIA COMMITTEE—LEAVE TO SIT DURING SESSIONS OF HOUSE

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia be allowed to sit during the session of the House this afternoon.

The SPEAKER. Is there objection?

There was no objection.

CALL OF THE HOUSE

Mr. WARREN. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from North Carolina makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and forty-one Members present, not a quorum.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 71]

Andrews	Curley	Jensen	Romjue
Ashbrook	Ditter	Kirwan	Schwert
Barden	Douglas	Lambertson	Scrugham
Bates, Mass.	Evans	Lea	Smith, Maine
Bell	Faddis	McCormack	Starnes, Ala.
Boren	Ford, Leland M.	McLeod	Sumners, Tex.
Brooks	Fernandez	McReynolds	Wallgren
Buckler, Minn.	Fries	Maloney	Weaver
Buckley, N. Y.	Harness	Mansfield	White, Idaho
Byrne, N. Y.	Harrington	Osmers	White, Ohio
Carter	Hartley	Parsons	Winter
Casey, Mass.	Havenner	Pierce, N. Y.	Wood
Culkin	Horton	Plumley	

The SPEAKER. Three hundred and seventy-nine Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial from the Washington Post.

The SPEAKER. Is there objection?

There was no objection.

Mr. FAY. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an editorial by Generoso Pope.

The SPEAKER. Is there objection?

There was no objection.

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

NATIONAL AVIATION DAY

Mr. CELLER. Mr. Speaker, under instructions from the Committee on the Judiciary, I have been authorized to make a brief statement to the House. I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. The Chair recognizes the gentleman for 1 minute at this time.

Mr. CELLER. Mr. Speaker, under date of May 5 last, the gentleman from West Virginia [Mr. RANDOLPH] had passed by unanimous consent Senate Joint Resolution 111, designating August 19 of each year as National Aviation Day. It would appear that the impression was given that the resolution had theretofore been approved by the Judiciary Committee of the House, to which the bill had been referred. That is contrary to fact. Our committee had not favorably considered the bill.

I offer no disparagement of any Member, I criticize no Member, and I offer naught in derogation of any bill; but the Committee on the Judiciary joins me in calling the attention of the Members of the House to the fact that the committee has before it scores of bills declarative of various holidays in memory of many celebrities. If we would pass all those bills, practically every day on the calendar would be a holiday. You can readily see, therefore, the difficulties under which the Committee on the Judiciary labors. We have bills declaring Base Ball Day, a bill declaring Humane Week, one declaring a holiday for Leif Ericson, another for Edison Day, and another for Von Steuben Day, and so on. They are all important bills in their way, but we ask that in the future, before anyone rises in his place and asks unanimous consent to consider any one of those bills, whether they have been passed by the Senate or otherwise, that he announce at the same time the action or nonaction taken by the Committee on the Judiciary of the House, and we will not have a repetition of what occurred on May 5 last. Assuredly no such bill should be considered, much less passed by unanimous consent, unless and until the Judiciary Committee has reported its approval.

[Here the gavel fell.]

Mr. CELLER. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

The SPEAKER. Under the uniform practice, the Chair does not feel he should recognize the gentleman for an additional minute at this stage of the proceedings.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

Mr. RAYBURN. Reserving the right to object, Mr. Speaker, I shall not, as the gentleman is on his feet, but I shall object to any further time being taken until the business of the day has been disposed of.

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I may say, following the gentleman from New York [Mr. CELLER] that prior to asking unanimous consent for the consideration of Senate Joint Resolution 111, I spoke with the Speaker and with the majority leader and with the minority leader. I at no time, either in talking with them or in speaking on the floor, said that the Judiciary Committee had approved the same, but simply that the Senate on the preceding day had passed such a resolution, and it was my desire to call it up at that time. I have no desire to disagree with the gentleman from the Committee on the Judiciary and I am sure that all Members, including myself, would want to observe proper procedure always, in bringing legislation to the floor.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks by including an announcement signed by three Members of Congress.

The SPEAKER. Is there objection?

There was no objection.

Mr. MILLER. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an editorial from the Hartford Courant of yesterday.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a radio speech I made on Saturday last.

The SPEAKER. Is there objection?

There was no objection.

Mr. JEFFRIES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ADDITIONAL CLERK ALLOWANCE

The SPEAKER. The Chair recognizes the gentleman from North Carolina.

Mr. WARREN. Mr. Speaker, by direction of the Committee on Accounts, and following the action of the House on May 9, I call up the bill (H. R. 6205) to provide for additional clerk hire in the House of Representatives, and for other purposes, introduced by the gentleman from Alabama [Mr. BOYKIN].

The Clerk read the bill, as follows:

Be it enacted, etc., That the joint resolution entitled "Joint resolution providing for pay to clerks to Members of Congress and Delegates," approved January 25, 1923 (U. S. C., title 2, sec. 92), is amended by striking out "to one or two persons" and inserting in lieu thereof "to one, two, or three persons."

SEC. 2. Section 2 of the Legislative Pay Act of 1929 (U. S. C., title 2, sec. 60 (b)) is amended to read as follows:

"SEC. 2. The clerk hire of each Member, Delegate, and Resident Commissioner shall be at the rate of $6,500 per annum and shall be paid in accordance with the joint resolution of January 25, 1923, as amended: *Provided*, That no person shall receive a salary from such clerk hire at a rate in excess of $3,900 per annum."

SEC. 3. This act shall become effective on January 1, 1940.

The SPEAKER. The gentleman from North Carolina is recognized for 1 hour.

Mr. WARREN. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, the consideration of this bill is made possible by the Speaker, the majority and minority leaders, and the unanimous vote of the Committee on Accounts. It comes without a recommendation from the committee and it was agreed that it would be treated as a nonpartisan matter as it directly affects the privileges of the Members of the House. I have been informed on good authority that the other body will soon send here a bill concerning their own clerk allowance.

The bill now before us cannot be amended and must be voted up or down. After many years of consideration of the question, the Committee on Accounts realizes that the bill in its present form is the only fair and proper approach to the problem, as it treats all alike. It would increase the clerk allowance from $5,000 to $6,500. It would become effective on January 1, 1940, and would permit employment of one, two, or three clerks, provided no one would receive over $3,900, which is the highest amount allowed to a secretary of a Senator. For the record it should be stated that this clerk allowance is not permitted to be paid to a Member, but is paid out by the Clerk of the House only to those designated by Members as their secretary or clerk.

This bill will cost annually $657,000 plus some additional expense for desks and typewriters, half of which would be a charge against the next fiscal year.

There has been an insistent demand by some Members on both sides for this legislation. The vote will determine how much real demand there has been. In reporting this bill out the Committee on Accounts has tabled a bill which would pay mileage to secretaries because the leadership on both sides are convinced that this policy should not be established. We are also giving notice that no increase for committee clerks will be considered. Some Members, on account of the long

and capable services of their secretaries, have given them almost the maximum of the present allowance, which leaves very little for the second clerk. Those who would not desire a third clerk could increase present salaries of the two, which would more than compensate for mileage for them.

I think this is a fair statement of the question. The need must be shown by others who speak. I do feel that the debate should proceed without bitterness or prejudice, and shall I also say with a minimum of demagoguery. [Applause.]

On account of my past views and votes on similar measures and on account of my insistence that the House should have a right to voice its opinion, and because I wish to be absolutely fair, if the roll is called I shall vote "Present," the first vote of that kind that I have ever cast in this body.

Mr. MARTIN J. KENNEDY. Mr. Speaker, will the gentleman yield?

[Here the gavel fell.]

The SPEAKER. The gentleman from North Carolina has consumed 4 minutes.

Mr. WARREN. I am sorry I cannot yield.

Mr. Speaker, I now yield 28 minutes to the gentleman from Missouri [Mr. COCHRAN], who will have charge of the debate on the majority side, and 28 minutes to the gentleman from Pennsylvania [Mr. WOLFENDEN], who will have charge of debate on the minority side.

Mr. WOLFENDEN of Pennsylvania. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, we are now considering the question of whether we shall increase our office force and our office expense by more than $1,500 annually. I look upon this situation here of operating the Government as being quite similar to the operation of a private business, or my own business. When the president of our company, the board of directors, and the foreman and assistant foreman sit down together, if business is good, we feel quite liberal in spending money for improvements, but when the business of our concern is not so good we buckle up our belts and say to ourselves: "We must do more work in order to get this business operating satisfactorily and profitably. We will do everything we can to increase business so we can put more men on the pay roll. We will get up earlier in the morning and go to work; we will devote more hours of the day to the business, and at nightfall, if we are not through, we will continue on into the late hours of the night." This is the way we operate our private business. When, however, I look upon the way we are trying to operate the Federal Government in Washington—and let me say that I do not want to be a demagogue or to be classed with them—I wonder what the result will be with the efforts we put forth to make this a success for all the American people.

I think of the President of the United States as being the President of this great business enterprise. I think of the Senators as the board of directors. I look upon the Members of the House of Representatives, those who deal directly with the people and the employees—I look upon the Members as the foremen and assistant foremen of this great business enterprise. Then I say to myself, "Now, we are assembled here in Washington as a great business concern to do that which is best for the country." I think right at this moment of the 12,000,000 unemployed. I think of the Members of Congress as a body of men who want to see these people employed; and then I ask myself: "Is it right for us foremen and assistant foremen to give ourselves more help so that we may have more leisure time, or should we buckle right down and come to our offices earlier in the morning, and, if necessary, work late hours at night in order to be more efficient and to keep down our overhead expenses, yet be able to take care of the business and do a good job."

I think it is the duty of every Member of Congress to see that we get the wheels of industry in this country turning so that we can put more men on the pay rolls of industry and agriculture, but not the Government. This is what will give us a happy and contented American people. Are you men willing to do your part, or do you think we ought to increase the expenditures of Government by giving 435 additional clerks to Members of Congress, which will cost, as the gentleman from North Carolina stated, $657,000 annually to the taxpayers of this country? I tell you, Mr. Speaker, it is a vital thing in the life of our Nation. Can the American taxpayers stand this added burden of expense? Is the expense at this time justifiable? I say it is not.

Mr. MARTIN J. KENNEDY. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield for a brief question.

Mr. MARTIN J. KENNEDY. Does not the gentleman know that it is not mandatory to appoint these additional clerks? Does not the gentleman know that the law at the present time does not require a Member to use any part of his $5,000? A Member does not have to employ any clerks if he does not need them.

Mr. RICH. I realize that, but so many men in Congress are doing so much political work by having clerks send out political discussions and statements, we are glutting the mails and doing other things that certain Members of Congress feel should be done. And too much of the work is personal; too much of the clerical work is for the selfish purpose of being reelected to Congress. Many of the Members do not need the money for clerk hire, yet they will all take it and spend it. That will happen as sure as the sun shines tomorrow morning; it is certain to happen.

Will we ever set an object lesson to the people of this country in economy by enacting this bill? I question if we can get a roll call if the bill passes. If we cannot, why sure it will pass. One reason why the demand for more clerk hire is because of the laws passed the past 6 years. I hope BRUCE BARTON can repeal a law a day for 6 weeks, and then surely we will not need any more clerks. Help him do it; that will help you and the the country as well. Look at the Treasury statement—forty billion in the red for our children to pay. With a debt so far this year to May 10 of $2,978,192,624.45—a horrible deficit—how can you have the nerve to pass this bill? How will our children pay the bills? We cannot. Where will you get the money?

I say, Mr. Speaker, there is no sense or business judgment in our passing this bill at this time.

The New Deal is responsible for our waste, for our 40 percent-increase in mail, for our indolence, for our inefficiency. The New Deal is responsible for the great unemployment. It is on its way out, and so will all of you who vote for this bill.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. KRAMER].

Mr. KRAMER. Mr. Speaker, may I say to the Members of the House that the chairman of the Committee on Accounts has presented this matter in a most favorable manner. This question has been before the Committee on Accounts as long as I have been a Member of Congress. There have been various methods and ways by which we have tried to give to those Members who really need additional help some assistance so that they could do their work, and at the same time not prejudice others who perhaps do not need it.

As the gentleman from New York stated a few moments ago, it is not compulsory for all Members of the House to take this additional allowance. I know of several instances where even under the present $5,000 allowance the Members do not have two secretaries or use the entire amount. This is not because of economy but simply the work in their districts do not warrant the additional clerks.

With reference to the proposition of compelling our clerks and secretaries to work longer hours, may I say to the Members of this body that we have enacted a wage and hour law. I believe the time and place to commence enforcement of legislation of that kind is right here among ourselves. In other words, let us start at home. Let us not force these long hours upon own clerks, because they are compelled to work long hours under the present situation. The wage and hour law provides for shorter hours in industry. Our clerks and

secretaries today, in order to answer all of the mail, are required to work long hours. After all, the people who sent us here did so to answer their mail. We today answer communications and telegrams of our constituents, we send communications back to our districts as to what their requirements are and answer letters seeking information that compel our secretaries to make research, which it would be physically impossible for Members to do and attend to committee hearings and other duties.

Mr. Speaker, may I say in conclusion that it will not be compulsory for any Member who does not need this extra help to take this additional money for clerks. It will not be necessary in most instances to purchase additional desks and typewriters. In my own case, I will not need any because I employ an additional clerk and pay for that service out of my pocket. I hope this resolution will be agreed to. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, I yield 3 minutes to the dean of the House, the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, when I was first elected each Member did all of his clerical work here on the floor of the House, where he had his desk. We did not have an office building then, and if our work was unfinished at the day's end we took it to our homes or hotels. Of course, that is a long time ago. It is not exaggerating to say that today each Member's office handles 20 times the amount of mail that reached Members 30 years ago. Now there are some who complain that because this represents an additional expense the resolution should be voted down and declare that Members should pay out of their own pockets the salaries of any needed additional clerical help. Mr. Speaker, I personally know a number of Members, including myself, who are now paying from $2,000 to $3,000 a year out of their own salaries for clerical aid they could not possibly do without.

To be sure, we have increased the allowances for clerk hire and even the salaries of Members since I came here. We have never been allowed to forget that fact. But I say this to you, that I know a great many Members here who possess executive ability far above that of many corporation executives who draw yearly salaries of from $25,000 to $250,000. And I might at this point compliment some of my Republican friends for the very special qualifications they possess as publicists and what I might term as high-powered salesmanship. Serving the vested interests well, it does seem to me that they would command excellent salaries from certain industries and corporations, far in excess of the salary they draw here. But then, on the other hand, results are what count, and it is a known fact that they have not succeeded very well in selling the voters on the Republican Party. I doubt that gentlemen of even greater ingenuity would have much success. [Applause.]

Mr. Speaker, my many years of service have acquainted me with the demands made upon Members of Congress and their clerical staff. During the past few years especially there has been an increased interest in what the Government is doing, and the people as a matter of course address all inquiries to their Congressmen. We all know that there come to us daily hundreds of letters on legislation, departmental matters, and on every other conceivable subject. These are communications that cannot be answered by form letters. They demand considerable research and study, and it takes a capable office force to see that they are expeditiously and properly handled. Then, too, there have sprung up the myriad propaganda factories, instigating one succeeding deluge after another of mail seeking to bring pressure on Members.

I hope the Members will bear in mind that this resolution does not apply to the present Congress. It takes effect at the beginning of next session, and some of those who vote for it now will never enjoy its benefits. They know, however, as all of us do, that the great pressure of work in their offices makes it imperative that additional help be made available to all Members. For these reasons, on which I do not want to take up too much time in argument, I feel that the membership of this House is justified, notwithstanding the additional expense, to vote for this resolution. [Applause.]

Mr. WOLFENDEN of Pennsylvania. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, up to the present time we have already exceeded a deficit of $3,000,000,000 for the present fiscal year. We will be presented with a bill from the Ways and Means Committee continuing taxes. We have a public debt, direct and indirect, guaranteed and otherwise, exceeding $46,000,000,000.

Mr. Speaker, do the people feel that we should increase the allowance that is made to us for clerk hire $1,500 a year apiece under these conditions? Frankly, I do not see how I can vote for it. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. O'TOOLE].

Mr. O'TOOLE. Mr. Speaker, in response to my colleague on the other side of the aisle, may I say that it was the intention of the people of his district and of the people in the district of every Congressman here that he receive a salary of $10,000 a year. The district I represent, according to the 1930 Federal census, contains 800,000 people, but, according to the New York City census of 1938, it contains 1,100,000 people. I have more people in my congressional district than there are in 12 States of this Union, despite the fact that the Senators from those 12 States, who do not have near the volume of correspondence I have, receive somewhere around $10,000 a year for clerical hire.

It is impossible for me or any other man who has a large district to do the proper work for the people of his district and to accede to their demands and their desires on the present clerical allowance. I myself am compelled to spend from my own pocket $3,750 a year, or $7,500 a term, merely to meet the needs of my people. I do not do what the gentleman from Pennsylvania mentioned—send out political matter. I believe there are very few men in this House who do that. I believe the Members in fairness to those who have large districts should do everything in their power to pass this bill.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. O'TOOLE. I yield to the gentleman from Pennsylvania.

Mr. RICH. If the gentleman has a million people in his district it seems to me the State of New York should make a redistribution so the gentleman would have a proper allotment.

Mr. O'TOOLE. Unfortunately, there has not been a reapportionment in the State of New York in the last 40 years. That cannot be charged to either myself or this body. [Applause.]

[Here the gavel fell.]

Mr. WOLFENDEN of Pennsylvania. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. DOWELL].

Mr. DOWELL. Mr. Speaker, it seems to me that we should be providing for those in distressed circumstances at home, and providing jobs for the great number of unemployed instead of considering legislation providing for expenditures in our own offices. I shall vote against this resolution. [Applause.]

Mr. COCHRAN. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Speaker, it seems to me this is simply a question of efficiency. I do not believe the gentleman from Pennsylvania [Mr. RICH] would operate his factory without machinery of the most efficient kind. While I do not liken the employees of our office staffs to machinery, nevertheless, they achieve one result that machinery also produces—multiplication of associated manpower.

We may very easily reduce the arguments against this bill to an absurdity—and it seems to me they add up to that—by asking why we provide ourselves with offices? We do not need them; we could stand around on the streets when not in committee or in the House. Why do we provide ourselves with any secretaries? If we want to save money, let

us fire them all. Why do we have typewriters and other labor-saving devices in our offices? We could, by confining ourselves to writing letters in long hand and being economical in the use of words, so as to limit letters to one page, avoid the purchase of stapling tools. We do not need carbon copies if we are clear in what we have to say, and make memoranda for future reference. Thus we could save the expense of the copy sheets and carbon paper.

When you consider this whole matter fairly, is not this simply a question of whether or not we mean to do our job as our constituents require and expect of us? If we are to do this, then we must have additional help in our offices, for the burden has become too great for us to carry with the aid of our present assistants. There is hardly a man in this body who does not have to spend money out of his own pocket now for additional clerical help. It is not what we want to do, it is what our constituents want us to do. They want service, and they cannot get it unless we provide ourselves adequately with office machinery to do the job they want done. I submit that the employment of an additional clerk will multiply the value of every Congressman to his constituency and to this Government. [Applause.]

It has been suggested that we could work longer hours. Some of us could. But most of us now work from 12 to 16 hours a day and many Sundays. This is already a suicide club. The work we do here on the floor is, of course, a very small part of the total. Yet even on the floor we worked 12 hours one day to pass a law that no one should work more than 8.

In addition to all the other reasons which justify the passage of this bill, I wish to invite your serious consideration to this argument: The more we spare ourselves from the harassing grind of detail, the more time we will have for our real job and the better we will do it. We are not filing clerks nor stenographers. We may not be statesmen. But we have not a chance to be as good statesmen as we might be because of the incubus of the work of which another clerk would relieve us. If the passage of this bill will give us a chance to be better statesmen, the authorized appropriation will not be an extravagance but a wise investment. It should result in an annual saving of many times the cost. [Applause.]

[Here the gavel fell.]

Mr. WOLFENDEN of Pennsylvania. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Speaker, I am opposed to this bill to increase the allowance for congressional help. I should consider it gravely wrong if this measure were to pass.

Here we are, headed straight for national bankruptcy. Who can possibly question that the outstanding and most pressing problem of every Congressman is, or should be, to stop the wild and uncontrolled spending that is taking place? Will it help our position to stop this spending if we here now vote to increase our own costs? I do not think so. On the contrary, I believe it would greatly weaken it.

It is my humble opinion that the people throughout the length and breadth of this land would not look with much favor upon the passage of this bill. I am inclined to think they would look upon it with much disfavor.

I am mindful that many Congressmen may be in real need of additional funds for help. But under the circumstances I do not believe any increase can possibly be justified.

Inasmuch as I feel it to be my first and foremost duty to do everything within my power to balance the National Budget and straighten out our national finances, I must protest and vote against this bill. Either economy begins here at home now or, in my humble opinion, it will not begin at all. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma [Mr. MASSINGALE].

Mr. MASSINGALE. Mr. Speaker, I am going to run the risk of being classed as a demagogue. After my distinguished and most lovable friend from North Carolina stated that he hoped there would be no demagoguery in this debate he wound up by saying, "My attitude is going to be open and aboveboard, because if the roll is called on this bill I am going to pass." [Laughter.] I am not going to do that. If the roll is called on this bill I am going to vote against it [applause], and I am going to vote against it because I do not think I can kid the people of America or in my portion of the country, and I am not trying to kid them about this matter.

Mr. O'TOOLE. Mr. Speaker, will the gentleman yield?

Mr. MASSINGALE. I have not time to yield.

You cannot make the American people believe that they are so much in love with the accomplishments of this Congress that they want to hand them $1,500 additional as a kind of compliment for the service they have rendered the common people of this country in the Seventy-sixth Congress. They know what we have done here, and they come very near knowing in reality, when it comes to the common herd, that this Congress has done nothing for them, and the thing for you to do is to get down here and pass something like the cost-of-production bill for the farmers [laughter and applause], and then pass a decent law for labor, and then go to the people and they will not quibble about giving you $1,500 additional for clerk hire, but they would even make it $15,000. If you would serve them, they would serve you; but the way it is now the people are not going to be tickled or pleased enough to hand you $1,500 additional.

Now, I want to call your attention to this further fact, and I am sincere about this statement. We need more help. I grant you that; but if we are going to have more help, there ought to be pay enough in it for the fellow who comes up here from Oklahoma. The boy or girl who comes here to take a job ought to get money enough out of it to pay his way to Washington and pay his board while he is here and then pay his railroad fare back there. He cannot do this on $1,500 a year; but if you would make it something like the Senate makes the pay for their help, then we could get competent, capable help to transact the business of a Congressman. [Applause.]

Mr. COCHRAN. Mr. Speaker, I yield 2 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker, I am like my friend from Oklahoma [Mr. MASSINGALE]. I am for cost of production, but I am likewise for cost of running my office in regard to clerical hire over and above my salary. [Laughter and applause.]

I am for this bill largely upon the ground stated by the distinguished gentleman from Alabama [Mr. HOBBS] when he said that the primary purpose of this bill is efficiency in our offices.

If you will pardon me for being personal, I represent the largest congressional district in the United States where a State has been divided into districts. Likewise I represent 360,000 good people with varied interests. I simply cannot carry on the business of my office with two clerks. Therefore I pay one clerk out of my salary.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Washington.

Mr. LEAVY. This is not a question of partisanship in the slightest. It is, as the gentleman from Pennsylvania has said, one of need.

Mr. O'CONNOR. The gentleman is right.

Mr. LEAVY. And if we need these clerks we ought to vote for this bill. We ought to be courageous enough to do that. If we do not need them, we ought to vote against it, and if we vote against it, when the bill becomes effective we should refuse to spend the money because we do not need them.

Mr. O'CONNOR. If there is any Member who does not need this extra help, there is nothing in this proposed law to compel him to hire the help. I have the utmost faith in my colleagues and know they will not hire the extra clerk unless he is needed. You should give us who need the help a chance to render our people the kind of service to which they are entitled.

Mr. KRAMER. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from California.

Mr. KRAMER. That same thing prevails with respect to the mileage, because many of the Members from the West, as well as other places, come here and when they do not go back following a special session, they turn back the mileage they do not use, because they did not require it.

Mr. O'CONNOR. Yes.

I want to make this statement to the Members of the House: There is no man in this House stronger for sane economy than I am. I have run my own business on a basis of economy hiring only those I need and I have succeeded to some extent. I never did this by expending money that was not necessary. I am following the same course as a Member of Congress. It is only when I need the help that I hire it, and up to date I have been paying some of my clerk hire out of my own pocket. I ask you to support the bill. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, I yield 2 minutes to the gentleman from New Mexico [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Speaker, I not only am going to speak for this bill, I am going to vote for it, and, if it carries, I propose to use the clerk so provided. Were I in a situation where I did not need an additional clerk and other Members did, I still would vote for this resolution and then not use the clerk unless I absolutely needed one. [Applause.]

My people in New Mexico are highly intelligent people—they can read and write. [Laughter.] When they write letters they expect answers and they get answers immediately. There are no two clerks living who can answer the volume of mail that comes into my office. For that reason, during the time I have been a Member of the Congress, I have had an extra clerk at all times that I personally paid. I am quite willing to do this if the Congress thinks I should. However, I feel that in voting appropriations for the different departments and giving them liberal clerk hire and a sufficient number of people to carry on their business, we should not ask our clerks to work day and night, Saturdays, Sundays, and holidays. I think it is a great disgrace and an injustice. I do not propose to stand idly by because somebody in my district may feel that I am personally getting $1,500, which I am not going to get.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DEMPSEY. I will be pleased to yield to the gentleman from Pennsylvania.

[Here the gavel fell.]

Mr. RICH. If you are figuring on getting additional clerks, how do you expect the taxpayers to pay them?

Mr. COCHRAN. Mr. Speaker, I yield 4 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Speaker, there are six States of this Nation that have only one Representative in this House for each State. Four of those States are in the West and they are large States, such as that represented by my friend who just left the floor [Mr. DEMPSEY], New Mexico, Arizona, Nevada, Wyoming. There are two in the East. My work, like that of the gentleman from New Mexico [Mr. DEMPSEY], is very heavy.

We have in Arizona not only a large area, but a population close to 500,000 people, nearly twice that of the Federal ratio, and we have diversified and sometimes conflicting interests. We have nine large national forests, many of the largest Indian reservations in the country, and five times as many ex-service men living in Arizona than she ever furnished to the wars. My desk is covered with letters asking that something be done for this or that ex-service man. Their problems, though numerous and difficult, I am glad to solve or attempt to solve. Then we have many other matters of Federal activity.

I, too, like the gentleman from New Mexico, have hired additional clerks ever since I came to Congress, at a cost of between $1,600 and $2,000 annually for the 3 years, thus far. It may be that some Members here are so well to do that they can afford to work without salary and can spend their own salaries in this way. Should this body be made up only of well-to-do persons who do not need a salary and can pay for extra help?

I remind you that 100 years ago, to be exact, in 1832, one of the demands in England was that the members of the House of Commons be paid a salary so that all of the people might be duly represented instead of the rich class only. I remind you that 60 or 70 years ago in Germany it was a demand of popular government that the members of the Reichstag be paid salaries. You might just as well demand that we serve in this body without pay as that we pay our own clerks; help that we absolutely need. I am for this bill. [Applause.]

The SPEAKER. The time of the gentleman from Arizona has expired.

Mr. WOLFENDEN of Pennsylvania. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Speaker, I, too, represent a very intelligent constituency of nearly 400,000 people. They not only can read and write but they do write. It seems to me that almost every one of them writes in the course of a year.

We are the representatives of the people in our respective districts. We are the connecting link between them and the many departments, bureaus, commissions, and agencies of the Federal Government. As the Federal Government has embarked on many matters affecting directly a large part of our population, the people of our districts constantly have need to call on their Representatives for information and help.

I have always encouraged the people of my district to write me. I am always anxious to be of service to them and to have their suggestions. None of their letters ever reach the wastebasket. They receive prompt consideration at the hands of my secretaries and myself.

The communications from my district have more than doubled in the last few years, and it has been necessary for me to employ other people to help serve my district. My office needs this additional help. Every citizen, however humble, is entitled to prompt, efficient, and courteous service. This additional clerk in my office will be of great benefit to my constituents. It will cost each one of my constituents on an average about 1 cent in 3 or 4 years. No constituent of mine will have any just cause to complain of this additional 1 cent every 3 or 4 years in taxes. When I go home I intend to carry some pennies in my pocket, and if I find a constituent condemning me for my vote and thereby making it possible to render the very best service to him and to my other constituents, I shall give to him or any other person complaining a penny and say, "There is your part of these taxes for the next 3 or 4 years." [Applause.]

Mr. WOLFENDEN of Pennsylvania. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. SWEENEY].

Mr. SWEENEY. Mr. Speaker, as one of the Members who come from a pretty busy district, who has had to dig down in his jeans ever since he came here to pay for extra help, I am here to say without fear of the public at large or the people of my district that I am going to vote for this bill, and for an alibi back home, if any of my constituents ask me why I voted to increase the clerk hire, I shall give them this answer: When this administration can spend, as they will spend, almost $300,000 or more to entertain a British King and Queen next month, I think I can afford to vote for this extra help for my office. That is my answer. If this Government can take and spend this money to entertain the King and Queen of a foreign government that owes us over $5,000,000,000 in war debts, I think I have a perfect explanation in that to my people. [Applause and laughter.]

Mr. WOLFENDEN of Pennsylvania. Mr. Speaker, I yield whatever time he desires to the gentleman from New Jersey [Mr. MCLEAN].

Mr. MCLEAN. Mr. Speaker, this bill provides that each Member of Congress shall have an additional allowance of $1,500 per year for clerk hire. That would mean an increase in the expenses of Congress for salaries of clerks of $652,000 annually, to which should be added the incidental expenses. Each clerk, to be of any use, must be provided with a desk and typewriter, which will add another $75,000. The use of the telephone, which is paid for on a per-call basis, will

increase with the addition of each new employee, and each of these new clerks will be entitled to all the perquisites of an officer of the House, including funeral expenses and death gratuities, also an additional clerk will be required in the office of the disbursing clerk to attend to pay rolls and checks.

This proposition was rejected in 1935. There was more need of additional clerical assistance then than there is now, and there is greater need of economy in government now than there was then. I am opposed to the proposal now, as I was then. Only yesterday announcement was made that the deficit in Government operation for the current year will exceed three billions, and that this deficit will increase the national debt to upwards of forty billions.

Much has been said about service to one's constituents. I agree with the sentiment, and I would add to it another and larger service which I believe a Congressman owes to his people and to the country—that is the obligation of leadership and example. If we advocate reorganization in the interest of retrenchment, is it not our first duty to retrench? If we advocate economy in government—and there is no one here who does not—should not we who guide the destinies of the land be the first to economize?

I am as busy as any Member of Congress. The population of my district is comparable to any district in the country, approximating 310,000 people. My time is sorely taxed. My mail is heavy. My district is in close proximity to Washington, and I have as many visitors as any Member of Congress. I do my share of committee work, and I am faithful in my attendance at sessions of the House. Like the rest of you, I find considerable research and study necessary. My staff is efficient, familiar with my district, and we manage to get along by attending to business. While Congress is in session our hours are long and our work exacting, but for the balance of the year our duties are not onerous.

It does not seem to me, at this time when life is so difficult for so many of our constituents, that we should be making life easier for ourselves. It seems to me that it would be better for us to demonstrate to the country that by being industrious Congress can be economical, and that, after all, we are not job seekers or patronage mongers, and by our own example demonstrate our hope for a reduction in Federal spending and a balanced Budget.

An additional expense of $750,000 for congressional clerk hire may not seem large when our minds are tuned to thinking in billions, but it is a respectable amount in the habit of life and thought of the average taxpayer, and will amount to something when we get around to the payment of the constantly increasing public debt.

The American people look to the Congress for example and leadership. The consideration of this matter at this time in the light of existing demands for economy detracts from its dignity and will lessen the confidence of the American people in the House of Representatives.

Mr. WOLFENDEN of Pennsylvania. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. EATON].

Mr. EATON of New Jersey. Mr. Speaker, I am for this bill and I am sorry the amount is not double what it is so that the need would be adequately met. I was rather shocked at the distinguished and amiable gentleman from Pennsylvania [Mr. RICH] when he introduced the absurd, overworked, and shop-worn inferiority complex at the beginning of his address by stating that we in this body were all mere hired help, while the other legislative body constitutes the national board of directors. Mr. Speaker, we are not subforemen, nor even foremen, as the gentleman suggests. We in this House are free representatives of 130,000,000 of free people. We hold in our keeping the purse strings of the Nation. We are the keystone in the arch of constitutional government; and we ought to stand up and be counted as dignified Members of this great body and not act like a lot of scare cats who are afraid to vote their convictions on this or any other bill. [Applause.]

I am in favor of this bill because we have always before us tremendous problems of legislation of vital importance to our Nation and, in some cases, to the world, which ought to take our entire attention, whereas we spend most of our time attending to secondary matters that we could better turn over to competent help, if we had it.

In the second place, I am for this bill because our clerks are in many cases now cruelly overworked, and if there ever was a faithful, intelligent, useful, and deserving body of workers in this Nation it is the group composed of the secretaries and clerks of the Members of this House. [Applause.]

I am for this bill because, under the divine afflatus of the New Deal, the Government has thrust itself into the life of every citizen and has hurt him. We have too often passed laws here demanded by the administration and by the citizen, and the first thing we know the citizen appears here demanding that his Congressman help him evade the very law he tried to get passed and which he believed was to operate in his interest. You cannot do that without help. [Laughter and applause.]

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. EATON. of New Jersey. With pleasure.

Mr. RICH. You say that this body holds the purse strings of this Nation?

Mr. EATON of New Jersey. Yes, sir.

Mr. RICH. If you can take this statement and show me where you have got any purse strings to hold I would like to have you do it. This body has let the purse strings go and nobody knows where they are. Everything has run out.

Mr. EATON of New Jersey. I thank the gentleman for his assistance in making this a very intelligent speech. [Applause and laughter.]

Mr. COCHRAN. Mr. Speaker, I yield myself such time as I may require.

The SPEAKER. The gentleman has 9 minutes remaining.

Mr. COCHRAN. Mr. Speaker, as it is going on 27 years that I came to Washington and since that time I have served continuously in some capacity with the United States Congress, first as a secretary to a Representative in Congress, next as a secretary to a Senator, then as secretary of the Foreign Relations Committee of the Senate, and now serving my eighth term in Congress as a Representative, I feel that I am competent to speak in reference to the business that not only confronts the Representatives but also their office forces.

It is my honest opinion that unless one has efficient and loyal assistants in his office, his or her life as a Member of Congress will be short.

This bill provides for an increase of one assistant in an office of a Representative. A personal investigation on my part warrants me in saying the situation now confronting Members of the House justifies its passage. When I say "a personal investigation," I mean a personal investigation, because I visited the offices of about 60 Members of the House and also had an interview with the postmaster that handles our mail.

I have a letter from the House Postmaster and in that letter he says that in the last 8 years, and he emphasizes that his statement is not exaggerated, there has been an increase in the mail of from 30 to 40 percent.

While the postmaster of the city of Washington does not keep a separate record as to the volume of mail received by Members of Congress, his figures do show an increase between 1931 and 1939 of 20 percent in the volume of incoming mail received for delivery in this city.

The letter from our Postmaster is as follows:

OFFICE OF POSTMASTER,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 12, 1939.

Hon. JOHN J. COCHRAN,
House of Representatives, Washington, D. C.

MY DEAR MR. COCHRAN: Reference is made to your call at this office on Tuesday of this week, at which time you requested information as to the volume of incoming letter mail currently received by the House Post Office as compared with the volume that was being received when I became postmaster upon the convening of the Seventy-second Congress in December 1931.

So far as I know, it has never been the practice of this office to keep such records of receipts of mail as would enable me to give definite comparative figures along the line indicated. However, I am sure that an estimate of increase in the past 8 years ranging

from 30 to 40 percent would be no exaggeration. I am basing this statement not only on my own observation but on reports made to me by employees who have been on our force the greater part of the above period, and who have been employed in a capacity that would afford them an intelligent opinion as to changing volume of mail.

In addition, the Washington postmaster has just written me in response to my request for information as to the volume of incoming letter mail received for delivery in the city of Washington for the quarter ending March 31, 1931, as compared with the same period of 1939, that his records show an increase of 20 percent. It is a recognized fact that the increase in the receipt of congressional letter mail has been materially more than proportionate. It does not seem to me that it properly comes within the scope of this statement to enumerate and discuss contributing causes of such increase. They are well known to you.

It may appear to you, whose letter mail has probably more than doubled since the beginning of the Seventy-second Congress, that the estimate of increase submitted by me is definitely on the conservative side. I prefer that it should be just that.

Sincerely yours,

FINIS E. SCOTT,
Postmaster, House of Representatives.

Mr. Speaker, why is it that there has been such a great increase in our mail? It is because of the continual growth of the executive branch of our Government due to laws passed by the Congress.

This morning I reached the House Office Building before 8 o'clock and I counted 67 machines around the building, and I did not visit the parking lot. There is no 40-hour week nor an 8-hour day in the office of a Representative in Congress. His hours of labor and those of his office force are subject to the volume of work which results from requests made upon him, as well as his legislative duties.

When I first came to Washington the great majority of the people of this country only received a weekly newspaper. Today there is not a hamlet in the United States where a resident could not receive a metropolitan newspaper on the same day it was issued. The people know what is going on.

I am inclined to feel, however, that the radio is responsible for the increase in our business more than the press. You know, as I know, that the commentators review the happenings of the day and bring to the homes information that might otherwise not be received. They not only cover the activities of the Congress, but of the various agencies of the executive branch. Then we have the publicity division of almost every Government agency flooding the country with information in reference to their activities.

As you know, there is a well-known clergyman who is on the radio every Sunday. Within 36 hours after he has spoken I can tell by my mail the subject of his discussion, although I may not have read a line of it, nor heard him over the radio.

My district lies entirely within the city of St. Louis, but you undoubtedly will be surprised when I tell you that the demand upon me for agricultural bulletins and the Agriculture Yearbook is just as heavy as that which comes to the man who represents a rural constituency. Why is this? It is because over the radio the people are told of the publications of the Department and advised to write their Congressman for them.

I recall when we had one or two visitors a week from home. Now businessmen by the score flock to Washington every week, while the automobile brings hundreds of visitors who did not come in the old day. We must see all that call because as their Representative it is our duty.

I read in this morning's paper where 10,000 bills and resolutions have already been introduced in this Congress, although we are only in the first session. One or two thousand was a reasonable number of public bills that were introduced 25 years ago.

You have pending in the Congress today three questions in the form of legislation, and the mail received by me in connection with each is sufficient to keep one person busy all day long replying. I refer to amendments to the Wage and Hour Act, amendments to the National Labor Relations Board Act, and proposed neutrality legislation.

You have in Washington today possibly 500 men and women who represent every conceivable kind of an organization. They supply those who employ them with daily and weekly letters. As a result, at meetings of chambers of commerce, boards of trade, farm organizations, as well as women's clubs, we are flooded with communications in reference to matters in which the members are directly interested. It is needless for me to tell you the work that comes to us as a result of the World War and social-security laws will continue to come to every Representative for many years. I could go on and enumerate many other conditions that have increased our office work.

It is true that a great deal of our mail, routine, is handled by our secretary and office force after we have indicated to them our views on pending legislation, but there is a class of mail that requires our personal attention, which we must dictate. We are not happy when we receive a letter from a businessman in the morning demanding that we reduce expenditures, that we revise the tax law, that we come to the aid of business in various ways, and then in the afternoon we hear from his wife who is a member of clubs demanding that we vote for Federal aid for education, Federal aid for health, pass laws to stop the pollution of streams, which means more Federal aid, and many other bills which I could mention if time permitted.

As I said, Mr. Speaker, I have made a personal investigation of the situation that confronts the Representatives of Congress, and, as it was my duty as the ranking Democratic member of the Committee on Accounts to consider this legislation, I likewise conceive it my duty to inform the House of my findings, which I have done.

It might be true that some Members of the House do not at the moment require any additional assistants. If they do not, then there is no language in this legislation that would require them to accept the additional help provided.

Feeling that the people that we represent are entitled to prompt and efficient service in connection with their demands upon us, it is my purpose to support this legislation.

The rules of the House will not permit me to refer to the other body, but there is nothing in the rules to prevent me from stating my experience as an employee of the Senate, and I can tell you that during the time that I served as an employee of the Senate in charge of offices there was no time that I lacked proper assistance and an office force that enabled me to properly handle the business that came to the Senator. When business increased we received more help.

Recently we gave the President six additional assistants because of an increase in the volume of business in his office. Almost every appropriation bill that is brought in provides for additional help because of additional duties that have been placed upon the executive branch of the Government by the passage of new laws. This statement is supported by the statistics, which show we have more civilian employees in the Government today than we ever had in peacetimes. Who provided them? We did. Just 2 weeks ago the standing committee of the House press gallery came to the Accounts Committee and said the volume of business had so increased that they could not get along unless they had another messenger. The gentleman from Pennsylvania [Mr. WOLFENDEN] and myself were appointed a subcommittee to investigate. We did investigate, found their request was justified, brought in the bill, and it was passed without one vote in opposition. Mrs. Daly has been in charge of our telephones almost since the switchboard was put in. We have continually increased the service, until today we find it is by far the busiest telephone exchange in the city of Washington. Not long ago we were required to provide additional operators.

Surely if we can take care of others, when we honestly know that to properly perform our duties we need additional help, I see no reason why we should hesitate to pass the necessary legislation. [Applause.]

The SPEAKER. Under the unanimous consent governing consideration of this bill, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. McLEAN. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. The gentleman from New Jersey asks for the yeas and nays. Those who favor taking this vote by the yeas and nays will rise and stand until counted.

The Chair will count the membership present to ascertain if a sufficient number have risen. [After counting.] Three hundred and forty-four Members are present. Only 35 Members rose in support of the demand for the yeas and nays.

The yeas and nays are refused.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 237, noes 95.

So the bill was passed.

By unanimous consent, a motion to reconsider the vote whereby the bill was passed was laid on the table.

PRIVATE CALENDAR—OMNIBUS CLAIMS BILLS

The SPEAKER. The Clerk will call the first omnibus claims bill on the Private Calendar.

The Clerk read as follows:

H. R. 6182. A bill for the relief of sundry aliens.

The SPEAKER. The Clerk will read title I.

MARIO SIGISMONDO NASCINOVICH

The Clerk read as follows:

Title I—(H. R. 358. For the relief of Mario Sigismondo Nascinovich and his wife, Vittoria Nascinovich.)

That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrants of arrest and the orders of deportation against Mario Sigismondo Nascinovich and his wife, Vittoria Nascinovich, heretofore issued on the grounds that on or about July 1, 1926, admission to the United States had been fraudulently gained pursuant to the commission of a passport or visa offense which, subsequent to such admission, has heretofore been held by the Attorney General of the United States to be within the purview of "crimes involving moral turpitude," and thereupon Mario Sigismondo Nascinovich and his wife, Vittoria Nascinovich, shall hereafter be deemed to have been lawfully admitted to the United States for permanent residence at New York, N. Y., on April 18, 1927. Any declarations of intention to become citizens or any petitions for citizenship heretofore filed by or any admissions to citizenship ordered and certificates of naturalization heretofore issued to Mario Sigismondo Nascinovich and his wife, Vittoria Nascinovich, which were predicated upon the claim of lawful admission to the United States for permanent residence on or about July 1, 1926, shall hereafter be deemed valid unless the original 7-year period of validity of such declarations of intention have heretofore expired or Mario Sigismondo Nascinovich and his wife, Vittoria Nascinovich, have heretofore been found otherwise not eligible to such benefit under the naturalization laws.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 2, line 6, after the words "have been", strike out "lawfully."

In lines 10 and 11 of the same page, after the word "heretofore", insert "or hereafter."

In line 13 strike out the words "which were."

In line 15 of the same page, after the word "deemed", strike out the remainder of the title and insert in lieu thereof the following: "null and void."

Mr. COSTELLO. Mr. Speaker, the bill under consideration is one of a series which are intended to take care of a situation that has been before the Congress during the past 4 years.

A number of aliens have come into this country upon passports which were subsequently found to be illegally issued or to have been fraudulently obtained by the immigrant. During the last Congress the bills were objected to when they first appeared on the Private Calendar. They were placed in an omnibus private claims bill, but unfortunately the House was not able to complete its action upon the bill, so the bills are again before us in this Congress. In view of the fact that the House apparently signified an intention to pass the bill by approving each individual title of the omnibus bill which received consideration during the last Congress, the objectors have offered this amendment to this particular bill, and it is our intention to offer a similar amendment to each of the subsequent bills.

The purpose of the amendment is to allow this alien to remain permanently in the United States but to deny to him both now and hereafter any right to become a citizen of the United States. In view of the fact that the aliens have entered the country illegally through some fraud either on their own part in which they may have been participants, or through fraud that may have been performed in their behalf, the alien being entirely innocent of any wrongdoing, we nevertheless feel that the alien should not be treated in the same manner as other aliens who have fully complied with the law and entered the country legally and are here in accordance with our immigration laws. Because it would work a hardship in many cases to deport these aliens some 10 or 15 years after their entrance into the country we believe that they should not be sent back to their native country. It would mean the separation of families, since the alien would leave in this country either husband or wife and two or three minor children. In many instances the wife and children are citizens of the United States. These members of the family would be left here and the husband returned to his native country and be forever barred from readmission to the United States.

By adopting these amendments we would allow the person to remain in this country but deny him citizenship. Otherwise we would take from him no right to which he might be entitled.

Mr. HANCOCK. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. HANCOCK. The amendment the gentleman has just offered is similar to several that were offered by himself and by myself to bills of this character when they first came before the Congress on the Private Calendar 4 years ago.

Mr. COSTELLO. The gentleman is correct.

Mr. HANCOCK. Does the gentleman recall that the chairman of the Committee on Immigration accepted those amendments at that time? Yet the bills come back here under an omnibus bill in the same identical language. Is that correct?

Mr. COSTELLO. I think the gentleman is correct.

Mr. HANCOCK. Does the gentleman recall that the chairman of the Committee on Immigration agreed to the correctness of the amendment which is now offered when these matters first came before us?

Mr. COSTELLO. I think that is correct. I believe it would have saved a great deal of time if the bills had been written in that form, because the amendment is somewhat complicated in view of the fact it is necessary to strike out the word "lawfully" wherever it occurs in the bill and have the bill provide that the alien shall be deemed to have been admitted for permanent residence to the United States; likewise, new language will have to be put in providing that any declaration of intention to become a citizen or any petition for citizenship heretofore or hereafter filed by the alien shall be deemed null and void, so that any proceedings that may have been instituted at any time prior to this date shall become null and void and the alien shall not be entitled to citizenship at any time.

We feel the amendments should be agreed to.

[Here the gavel fell.]

Mr. JENKINS of Ohio. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, we have now arrived at a place where those of us who have been more or less active in these immigration matters will have to take a definite stand. Up until about 5 years ago the Congress did not entertain private bills giving relief in special cases having to do with the correction of immigration records of aliens.

There was a reason for that. A basic principle runs throughout our laws on this question, and today we are going to surrender this principle if we are not careful. We are going to violate a provision that we have loyally adhered to all of these years. We have always maintained that

an alien had no rights in this country until he arrived here, and that he had nothing but privileges after he arrived until he became an American citizen.

Now an individual comes into the country and it is acknowledged that he came here on false passports or in violation of the immigration law, and we say "Let him stay here, it will work a hardship on him if we send him out."

This amendment is offered and I know it is proposed simply as a matter of expediency. I dare say these gentlemen in their own hearts are not in favor of a proposition like this, but they must offer an amendment of this sort on account of the great avalanche of private bills that has been thrust upon us. This amendment improves the bill but it still fails to reach the principle that is violated.

Mr. Speaker, about 2 weeks ago we objected to and struck from the Private Calendar about 55 similar bills. Every one of them, with the possible exception of one or two, involved aliens who had entered this country illegally. The report admits they are here illegally. We struck them all off and now we come in here today, in this stressful time, when the Congress is hardly in order, and are about to consider this large bunch of bills in an omnibus bill. I dare say few of the Congressmen present are informed on what these bills provide. I am not a member of the Committee on Immigration, and I cannot possibly study all these bills, and I have not studied very many of them. However, I have gone through about a half dozen of these bills, and in every one I see the statement that the person sought to be favored has illegally entered, committed perjury or some other offense against the laws of the country from which he came and of our country. Laws laid down by our own Congress with reference to aliens and their admission. Today we are going to set all of that aside and allow them to stay here and become citizens if the bill passes. If we agree to this amendment, it will only change the bill so that they cannot become citizens. What will be the next bill that the Immigration Committee will bring in? In 2 or 3 months it will bring in a bill giving these persons the right to become citizens. That is the natural outgrowth of such things.

Mr. Speaker, I call upon those Members who are restrictionists, those Members who have helped build up the restrictive immigration laws of this country to speak and vote their convictions and say what they have in their minds and what they think ought to be done. We are pulling up an anchorage we have adhered to from the very foundation of our country. We are sitting idly by and permitting a bill of this kind to be brought in and passed. There are 50 or 55 of the same kind involved in this omnibus bill, and not more than 2 or 3 could stand the scrutiny of an honest investigation. They are brought in here because some Congressman feels this fellow is a rich man or has some rich friends. What are the consequences? A great flock of bills of all kinds without any merit.

These cannot be compared to a private bill having to do with aid to a veteran. There is absolutely no comparison. A veteran takes the initiative, he stands up for his country, and, of course, we have a right to consider him because he is an American citizen. We should grant him every encouragement. But, in reference to these bills, there cannot be more than two or three of them that have any merit at all.

What are you going to do about it? Am I going to have to make this speech every time one of these comes up? I shall refuse to do that. You have been put on notice. I call upon those who have been parading under the banner of restriction to vote down each and every one of these bills and let them be referred back to the committee. A new Committee on Immigration has been appointed in this session of Congress, and it consists of a fine bunch of new members who have not yet become acquainted with the importance of this proposition. They do not know how big it is. They do not know how many years it has taken to get us this far. Let them pass on these matters with deliberation.

[Here the gavel fell.]

Mr. THOMAS of New Jersey. Mr. Speaker, a point of order.

The SPEAKER pro tempore [Mr. LANHAM]. The gentleman will state it.

Mr. THOMAS of New Jersey. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and five Members are present, not a quorum.

CALL OF THE HOUSE

Mr. COSTELLO. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 72]

Allen, Ill.	Darden	Hope	Pfeifer
Andrews	Dies	Horton	Pierce, N. Y.
Ashbrook	Disney	Izac	Plumley
Austin	Ditter	Jeffries	Poage
Barden	Douglas	Jensen	Rich
Barton	Elliott	Jones, Tex.	Rockefeller
Bates, Ky.	Evans	Kee	Romjue
Bates, Mass.	Faddis	Kleberg	Schafer, Wis.
Bell	Fernandez	Lambertson	Schuetz
Boren	Fitzpatrick	Lesinski	Schwert
Boykin	Flannagan	Lord	Scrugham
Brooks	Ford, Leland M.	McArdle	South
Buckler, Minn.	Ford, Thomas F.	McLaughlin	Starnes, Ala.
Buckley, N. Y.	Fries	McLean	Sullivan
Bulwinkle	Fulmer	McLeod	Sumners, Tex.
Burch	Gathings	McReynolds	Tenerowicz
Byron	Gross	Maloney	Vinson, Ga.
Carter	Guyer, Kans.	Mitchell	Wadsworth
Casey, Mass.	Harness	Monkiewicz	West
Cluett	Harrington	Mouton	White, Idaho
Cox	Hart	Nichols	Winter
Crowther	Hartley	O'Brien	Wood
Cummings	Havenner	Osmers	
Curley	Hendricks	Parsons	

The SPEAKER pro tempore. Three hundred and thirty-six Members have answered to their names. A quorum is present.

On motion of Mr. COSTELLO, further proceedings under the call were dispensed with.

PRIVATE CALENDAR—OMNIBUS BILLS

MARIO SIGISMONDO NASCINOVICH AND VITTORIA NASCINOVICH

Mr. JENKINS of Ohio. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The Chair may say to the gentleman that an amendment is pending.

Mr. JENKINS of Ohio. Mr. Speaker, I offer my amendment as a substitute for the pending amendment. My amendment is to strike out title I.

The SPEAKER pro tempore. The Chair does not consider that amendment as a substitute for the pending amendment.

The question is on the amendment offered by the gentleman from California [Mr. COSTELLO].

The question was taken; and on a division (demanded by Mr. JENKINS of Ohio) there were—ayes 40, noes 56.

So the amendment was rejected.

Mr. JENKINS of Ohio. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENKINS of Ohio: Beginning on page 1, line 3, strike out all of title I.

Mr. JENKINS of Ohio. Mr. Speaker, for the benefit of those who were not here when we first entered on the discussion of this matter, I may repeat at the expense of being a little tedious that this is our situation now: We are considering an omnibus bill that provides for the admission to citizenship of half a dozen or more aliens. They have come into this country illegally. I believe I have gone over the papers on each and every case. The amendment we have just defeated, which was a good amendment as far as it went, provided that these people should stay in this country but should not become citizens. My proposition is to strike out this title, with what idea in mind? My idea is this—that this matter should go back to the Committee on Immigration and Naturalization for further consideration. The

bill now under consideration was considered in the last Congress. The Committee on Immigration as now constituted I dare say has a majority of new members who never did consider this bill or any of the bills in this omnibus bill. It is only fair to them that these matters go back to them, as they are a part of this Congress, so they may consider these cases and bring in the bills which they approve in the right way.

We ought to strike out this first title, really, on its demerits. Why? Because it involves a man who admits he came into this country illegally. He came in on seaman's papers and lost himself in the populace, hid himself out for years, and sent back to a foreign country and brought in his sweetheart and married her here. She came in as a visitor and married. The whole transaction is illegal. Not only illegal, but it is an insult to the intelligence of the American people when these people willfully violate our immigration laws and then with crocodile tears ask us to set the laws aside and permit them to do as they please. Our immigration laws are formed for the purpose of admitting the best people, the good people, and thousands of good people come in legally. They comply with the law. Of course, our laws restrict the entry of persons who have criminal records. When a criminal gets in we should not worry about him and give him concessions the law-abiding aliens do not get. The immigration laws provide a way that people can come in. If a man cannot come into this country legally and then comes in illegally, why give him any special consideration?

We are not trying to send these aliens out of the country, and do not let anybody worry you and shed tears about the fact that we are going to send them out. This man has been here 13 years and is still here. How many millions of aliens have we in this country who have not been and cannot be sent out? No one is trying to send them out. I do not want to send these persons out, but I do not want to vote to give them the privilege of becoming American citizens instanter? Most of this class has never shown any inclination to want to become American citizens, and never did until the arm of the law reached out and got them and was ready to send them back to their own countries. Then someone interposes and says, "Let us not send them back because it would work a hardship." There never was a case where an American-born man went to jail in the United States from the days of George Washington down to now where it did not work a hardship on someone. What is the use of our shedding tears about these persons who come in here illegally, violating the laws knowingly, and then confess to it? I ask those of you who have been restrictionists and have stood up in defense of the restrictive immigration laws of this country to vote for this amendment. This is the day for you to stand up and vote for my amendment to strike out this title, and we will take care of the cases of these persons who came in illegally and who have wives who came in illegally. We are not going to deport them under this amendment, but we are going to straighten the matter out. After they stay here a few years and obey the laws, then, if they behave themselves, the limitations will run in their favor and they can stay. No one wants to deport them under this motion. We are not trying to work any hardship on them. The people who work a hardship on them are the people who come here with these bills and ask that we give these persons more rights than they ought to have.

That is the proposition, Mr. Speaker, and I hope that everyone here will take a position on this and vote as I have indicated, because that is what it means.

Mr. KITCHENS. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Arkansas.

Mr. KITCHENS. The gentleman does not believe the Bill of Rights protects these persons, as is contended by some organizations recently having this matter under discussion?

Mr. JENKINS of Ohio. I may say to my good friend that I have never seen anyone in this country who deserved to be protected by the Bill of Rights that the Bill of Rights did not protect. The Bill of Rights protects everybody.

Mr. ALLEN of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. ALLEN of Louisiana. I want to corroborate what the gentleman has said about the Immigration Committee not having heard these cases this year.

Mr. JENKINS of Ohio. And the gentleman is a member of the Committee on Immigration.

Mr. ALLEN of Louisiana. They railroaded this stuff over here and we did not get a chance to consider it. As a member of the Committee on Immigration I am against this and I want to vote to protect American citizenship. [Applause.]

Mr. JENKINS of Ohio. The gentleman has expressed a most eloquent support of my amendment and I appreciate it for it comes from a man who knows what he is talking about. [Applause.]

Mr. DICKSTEIN. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, if there ever was a misstatement of facts made, we have had a demonstration of that twice by my good friend from Ohio.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I will not.

Mr. JENKINS of Ohio. Does the gentleman mean to say I stated something that is not true?

Mr. DICKSTEIN. Just wait a minute and I will explain what I mean.

Mr. JENKINS of Ohio. I will be glad to wait.

Mr. DICKSTEIN. The gentleman told this House these people could not be deported. I say to this House that these people can be deported because they were not in this country prior to 1924. If you will look at the bills you will find that in these particular cases they came here in 1926. Therefore you could deport each one of them, and you are going to separate each one of them from an American wife and maybe three or four American children.

Mr. MAY and Mr. ZIMMERMAN rose.

Mr. DICKSTEIN. I cannot yield now because I want to complete my statement.

Now, Mr. Speaker, with respect to the next question, namely, that these bills were railroaded, I challenge that statement because these bills were acted upon by the last Congress, voted upon by the membership of the last Congress by 3 to 1. The only reason we could not dispose of them during last Congress was the adjournment of the Congress. The bills were reintroduced by various Members of the House in this Congress.

Mr. ALLEN of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. In one moment.

I am not a bit concerned about what the House does on any of these bills, but when the bills were introduced, in order not to drag all these women and children back for another hearing such as we had last year when we brought them from all sections of the country to hear them, we submitted the reports and the evidence to the new Members, and they had an opportunity, under the rules of the committee and under the understanding then had, to file a minority report. No one took advantage of anybody, and the matter was right open for everyone to look at.

Now, if you are prepared to say that, if a man has been in this country 13 years and did not come here as a result of fraud, but came here because we had a bad consul in Germany who issued false certificates and false visas, he should be deported, you must bear in mind that these people were not responsible for the false visas that they obtained from the consul. It was our own consul, the American consul, who gave them these visas. How he did it, I do not know, and for your information, I have been informed that the gentleman has committed suicide because the things he had done way back in 1926 were discovered.

Now, are you prepared to destroy such a man who has a family of 3 or 4 American children and an American wife?

Are you prepared to send him back, and I submit to you, in all fairness and honesty, these people can now be deported because they did not come in here prior to July 1, 1924.

Mr. ALLEN of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. For a very brief question; yes.

Mr. ALLEN of Louisiana. The gentleman said they had an American wife. Which one are you talking about that has an American wife? Is the gentleman talking about the first one?

Mr. DICKSTEIN. No; I am talking about all the bills on the calendar. I am not referring to any particular bill.

Mr. ALLEN of Louisiana. I ask the gentleman to name the one we are considering in connection with this calendar who has an American wife.

Mr. DICKSTEIN. There are some fifty-odd bills here, and I may say, Mr. Speaker, out of a total of 200 bills last year, the committee unanimously reported about 54 or 60 bills. We have been very careful in all of these matters. We have not let any case come up here that we believed was not entitled to admission. This is not an immigration problem. These people are in this country now. How are you going to get them out?

Mr. JENKINS of Ohio and Mr. MAY rose.

Mr. DICKSTEIN. I have just a few minutes; I am sorry, I cannot yield.

Now, some of the countries to which they would be subject to deportation are no longer in existence; some of them are. Are you prepared to turn around and to take a man who is the head of a family, who has never been on relief, who has supported his people, who goes to church and gives to charity and works hard to keep his family and educate his children—are you prepared to agree to an amendment that will say to this man, "We will separate you from your wife; you have been here 13 or 14 years and we will separate you from your family and you never can come back and rejoin your family."

I say this is wrong. I think there is a great hysteria being created here which certain Members are using to build up a case of alien prejudices and alien hatreds. That is what we have to contend with in this Congress—at least with some of the Members who preach the doctrine of hate and intolerance. [Applause.]

[Here the gavel fell.]

Mr. ALLEN of Louisiana. Mr. Speaker, I offer a preferential motion.

The SPEAKER pro tempore. The Clerk will report the preferential motion.

Mr. DICKSTEIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DICKSTEIN. I understand that a motion is now pending offered by the gentleman from Ohio [Mr. JENKINS].

The SPEAKER pro tempore. There is an amendment pending, but the gentleman from Louisiana states that he offers a preferential motion, which the Clerk will report. The Chair can then rule upon its character of preference.

The Clerk read as follows:

Mr. ALLEN of Louisiana moves that the enacting clause be stricken out.

The SPEAKER pro tempore. The gentleman from Louisiana is recognized for 5 minutes.

Mr. ALLEN of Louisiana. Mr. Speaker, I dislike to take issue with my colleagues on the Immigration Committee. They are splendid gentlemen and a splendid lady, and I have the highest regard for each member of that committee. I have a high regard for the able chairman of that committee, but this evening we are facing something that transcends any personality whatsoever. The committee has reported out this bill, not by any means with the full approval of all of the members, but this evening we are asked to place our stamp of approval upon rank fraud. The chairman of the committee has told you that you would be guilty of separating some man from his wife. I asked him to name the one who would be separated from his wife. Let me read right here from the report from title I:

The wife of this alien was also a resident of Austria, a part of which later became the territory of Italy. She had known her alien husband in their native land and they had been sweethearts.

She was imported into this country. Take all of these bills, and in almost every one of them you will find fraud. Aliens have come here by going into cemeteries and copying some facts from tombstones and in every other conceivable way. American citizenship is at stake here this evening.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Louisiana. Yes.

Mr. WALTER. Does the gentleman feel that the children could be deported?

Mr. ALLEN of Louisiana. There is not any question of deporting children here.

Mr. WALTER. But we are either going to deport the children or separate the family.

Mr. ALLEN of Louisiana. There is no question of separation of families. In the first place, both of them came here from foreign countries, and I think if you will go through these bills, you will find that in many of them the husband and wife came from foreign countries. I was born and reared in the good old Southland, and I have always believed that a fellow who made his bed had to lie on it, and if any wrong has been perpetrated, these people perpetrated it themselves.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Louisiana. Yes.

Mr. DICKSTEIN. I want to correct the gentleman. In the first bill there are two native American-born children, a fine family, reared in good surroundings, and the gentleman wants to separate that father and send him away so that he can never come back.

Mr. ALLEN of Louisiana. And I say that you do not have to separate them. If the father and mother both came from Europe, let them go back and take with them their progeny which was produced in this country.

Mr. O'TOOLE. Why should an American-born child be taken back to Europe, why should they not have rights of their own? Merely because their father and mother, decent, respectable citizens, happen to come in here illegally, when they were as good citizens as they could be——

Mr. ALLEN of Louisiana. Decent respectable citizens when the record shows that they came here by perpetrating fraud. The record shows that they came in perpetrating fraud in the land, and then the gentleman calls them decent American citizens! What price are we going to pay for American citizenship? Are we going to make it mean something, or are we going to place our stamp of approval on fraud? We would not tolerate that in our courts.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Louisiana. No; I am sorry but I do not have time. Everybody knows that in our courts we do not stand for fraud. We do not countenance fraud. We frown upon it, and we say to our children that they should not tolerate it. We say that when a man comes into this country he ought to have principles and be ought to stand by those principles, and when a man comes here by fraud and we permit it and approve it by our vote we vitiate everything that we stand for.

I place a high value upon American citizenship. We want to let the world know that it cannot be acquired by fraud, subterfuge, and chicanery. Let us announce to all those who seek the haven of the Stars and Stripes that they must come with clean hands.

Every time one of these bills comes up—and there are dozens of them—somebody is always ready to plead for sympathy. The plea is made that it is a hardship case, or some other human appeal is made. But who created this situation? Did I? Did you? Did Congress? No. In most cases it was caused by the conniving of the very person who seeks relief and comes here and asks Congress to whitewash his or her misdeeds. No one has more sympathy than I

have. "The milk of human kindness" is a precious possession of mine. But I do not propose to let my sympathies overrun my judgment. Sympathy will not lead me to clothe with righteousness that which is called fraud both by Holy Writ and the law of the land. For instance, in this very bill the report itself shows that one entered as a seaman and then it continues:

The evidence disclosed that the seaman's papers and the photograph were not the papers or photograph of this alien.

That in our language is fraud. In the next report, the one on Silver, the report states that he changed his name from Feldman to Silver in order to assist his entry. And so on, gentlemen.

As a member of the Immigration Committee of the House, I cannot approve such. When the news gets back to Europe—and it will get back—that you cannot get by over here by these schemes, it will certainly retard the flow of Europe's hordes to our shores. I am doing my dead level best to protect our land, our homes, and our institutions, and I hope you will support this motion.

The SPEAKER pro tempore. The time of the gentleman from Louisiana has expired.

Mr. DICKSTEIN. Mr. Speaker, I rise in opposition to the motion. My distinguished friend, a member of the committee, has challenged me to give you one case where there are American children. I take the very first case, with two fine American children, grown up in an American atmosphere. There are only 50 bills in all. The admission of these people will not harm this country. These men have not committed any crime, and of all the cases, not one was ever on relief.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield to me?

Mr. DICKSTEIN. Let me develop my thought, and then I shall yield to the gentleman. In not one of these cases were the people on relief nor did they ask for charity. In about 35 percent of these cases they are all in business, supporting their families, supporting their church and their community. They are of all races and religions. This is no particular group of people.

As I said before, in all of these fraud cases the immigrants themselves were not guilty of that fraud. Some of our own steamship companies in foreign countries, which received money from them, told them they could get them a visa, and the steamship companies got the visas through an American consul in 1925 and 1926 and gave them those documents with the understanding that they had a right to come to the United States and become citizens. How did the Department get those people? How did they pick them up? All of these people who believed they were legally in the country got married legally and openly. They applied for citizenship papers, and when they were asked when they entered the country, they presented their visas which were issued during that very period, 1925 or 1926, by the consul who was in collusion with the steamship companies. These men and women were simply the victims of circumstances, without committing any crime. Now they have been here 13 years. In 99 percent of these 54 or 51 cases they are all married to American women. They have American families. Where are you going to send them? What are you going to do with their American families? I submit to this House that those people can be deported today if the warrant is enforced, because they came here after July 1, 1924. Under our immigration law an alien can be deported at any time after July 1, 1924, and there is not one case in this group that was prior to 1924.

Mr. O'TOOLE. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. O'TOOLE. Does not the gentleman think that some of the opposition to this bill is based more on fanaticism than on reason?

Mr. DICKSTEIN. The gentleman can answer that for himself, because there has never been a time when I have come here with a bill that there was not somebody to make objections. There was objection made even to a bill concerning a woman born in Georgia who did not know she had surrendered her citizenship when she signed a certain property settlement when she married a Frenchman. When she discovered that, she naturally took steps immediately to repatriate herself. Now, was there anything wrong in doing that? We found a quorum on the floor, however, to object to it. Such unreasonable objections have occurred year in and year out.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. SIROVICH. Have any of these 50 people ever been convicted of any crime?

Mr. DICKSTEIN. No.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. HEALEY. The gentleman from Louisiana [Mr. ALLEN] suggested that these people take the children back to the country of nativity of the mother and father. Of course, those children are entitled to the same privileges in this country as the gentleman's own children. As far as they are concerned they have the same birthright.

Mr. DICKSTEIN. I believe the gentleman from Louisiana is sincere in his fight as a restrictionist. But he had an opportunity to go through these bills. We supplied him with the reports. We supplied him with the evidence. He could have filed a minority report, which he did not do. I do not question the gentleman's integrity.

Mr. ALLEN of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. Certainly, I yield. I do not question the gentleman's integrity.

Mr. ALLEN of Louisiana. I know the gentleman does not question my integrity, but he questions what I say. The records show that they came in here under false names. I am going by the records.

Mr. DICKSTEIN. I agree to that. There is no question about that.

The SPEAKER pro tempore (Mr. LANHAM). The time of the gentleman from New York has expired. All time has expired.

Mr. JENKINS of Ohio. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. JENKINS of Ohio. I notice this bill has four titles. Up to this time we have only been dealing with one title, but I take it the motion to strike out the enacting clause will strike out the enacting clause for the entire bill.

The SPEAKER pro tempore. That is true.

Mr. JENKINS of Ohio. As I understand it, that would not be in opposition to my amendment, except that it would strike this whole bill out, and then it could go back to the Committee on Immigration, if necessary.

The SPEAKER pro tempore. The adoption of the pending preferential motion would strike out the enacting clause with reference to the omnibus bill and the various individual bills contained therein.

Mr. DICKSTEIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DICKSTEIN. If the motion of the gentleman from Ohio is agreed to, then that kills this bill?

The SPEAKER pro tempore. The gentleman from Louisiana [Mr. ALLEN] has offered a preferential motion to strike out the enacting clause. If that motion is adopted, then there would be no further consideration of the bill. It would apply to all titles enumerated in the bill.

Mr. DICKSTEIN. If that motion is not adopted, then what will be the procedure?

The SPEAKER pro tempore. If the gentleman's motion is not adopted, the next procedure would be to vote upon the amendment offered by the gentleman from Ohio [Mr. JENKINS] to strike out title I of the bill.

The question is on the preferential motion offered by the gentleman from Louisiana [Mr. ALLEN] to strike out the enacting clause.

The question was taken; and on a division (demanded by Mr. DICKSTEIN) there were—ayes 95, noes 53.

Mr. DICKSTEIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 218, nays 121, not voting 91, as follows:

[Roll No. 73]

YEAS—218

Allen, La.	Durham	Kean	Routzohn
Anderson, Calif.	Dworshak	Kee	Rutherford
Andresen, A. H.	Eaton, Calif.	Keefe	Ryan
Angell	Eaton, N. J.	Kinzer	Satterfield
Arends	Edmiston	Kitchens	Schaefer, Ill.
Austin	Ellis	Knutson	Schiffler
Beckworth	Elston	Kunkel	Secoombe
Blackney	Engel	Landis	Seger
Bland	Englebright	Lanham	Shafer, Mich.
Boehne	Fenton	Larrabee	Sheppard
Bolles	Fish	LeCompte	Simpson
Bolton	Ford, Miss.	Lewis, Colo.	Smith, Maine
Boykin	Fulmer	Lewis, Ohio	Smith, Ohio
Bradley, Mich.	Garrett	Ludlow	Smith, Va.
Brewster	Gathings	McDowell	Smith, W. Va.
Brooks	Gearhart	McGehee	South
Brown, Ga.	Gerlach	McLean	Sparkman
Brown, Ohio	Gibbs	McMillan, John L.	Spence
Bryson	Gifford	McMillan, Thos. S.	Springer
Buck	Gillie	Maas	Steagall
Burgin	Gore	Mahon	Stearns, N. H.
Byrns, Tenn.	Gossett	Mapes	Stefan
Caldwell	Graham	Martin, Iowa	Sumner, Ill.
Cannon, Mo.	Grant, Ala.	Martin, Mass.	Taber
Carlson	Grant, Ind.	Massingale	Talle
Cartwright	Green	May	Tarver
Chandler	Gregory	Michener	Taylor, Tenn.
Chiperfield	Griffith	Millis, Ark.	Terry
Church	Gross	Millis, La.	Thill
Clark	Gwynne	Monroney	Thomas, N. J.
Clason	Hall	Moser	Thorkelson
Claypool	Halleck	Mott	Tibbott
Clevenger	Hare	Mouton	Tinkham
Cochran	Harter, Ohio	Mundt	Treadway
Cole, N. Y.	Hawks	Murdock, Ariz.	Van Zandt
Collins	Heinke	Murray	Vorys, Ohio
Colmer	Hendricks	Nelson	Vreeland
Cooley	Hess	Norrell	Wadsworth
Cooper	Hobbs	Owen	Warren
Corbett	Hoffman	Pace	Weaver
Crawford	Holmes	Patman	Wheat
Crowe	Hope	Patrick	Whelchel
Culkin	Houston	Pearson	White, Ohio
Cummings	Jarman	Peterson, Ga.	Whittington
Curtis	Jarrett	Pierce, Oreg.	Wigglesworth
Darden	Jenkins, Ohio	Pittenger	Williams, Del.
Darrow	Jenks, N. H.	Polk	Williams, Mo.
Dies	Jensen	Powers	Wolcott
Disney	Johns	Rankin	Wolfenden, Pa.
Dondero	Johnson, Ill.	Reed, N. Y.	Wolverton, N. J.
Doughton	Johnson, Ind.	Richards	Woodruff, Mich.
Dowell	Johnson, Luther A.	Robertson	Youngdahl
Doxey	Johnson, W. Va.	Robsion, Ky.	Zimmerman
Drewry	Jones, Ohio	Rodgers, Pa.	
Duncan	Jones, Tex.	Rogers, Okla.	

NAYS—121

Alexander	Fay	Kocialkowski	Ramspeck
Allen, Pa.	Ferguson	Kramer	Randolph
Andersen, H. Carl	Flaherty	Lea	Reed, Ill.
Anderson, Mo.	Flannery	Leavy	Rees, Kans.
Arnold	Folger	Lemke	Risk
Ball	Gamble	Lesinski	Robinson, Utah
Barry	Gartner	Luce	Rockefeller
Bates, Ky.	Gavagan	McAndrews	Rogers, Mass.
Beam	Gehrmann	McArdle	Sabath
Bender	Geyer, Calif.	McCormack	Sacks
Bloom	Gilchrist	McGranery	Sandager
Boland	Guyer, Kans.	McKeough	Sasscer
Bradley, Pa.	Hancock	Maciejewski	Schulte
Burdick	Hart	Mansfield	Secrest
Byrne, N. Y.	Harter, N. Y.	Marcantonio	Shannon
Cannon, Fla.	Healey	Martin, Colo.	Sirovich
Case, S. Dak.	Hill	Martin, Ill.	Smith, Conn.
Celler	Hinshaw	Mason	Snyder
Coffee, Wash.	Hook	Miller	Somers, N. Y.
Cole, Md.	Hull	Monkiewicz	Sweeney
Connery	Hunter	Murdock, Utah	Tenerowicz
Costello	Izac	Myers	Thomas, Tex.
Creal	Johnson, Lyndon	Norton	Thomason
Cullen	Kelly	O'Connor	Tolan
D'Alesandro	Kennedy, Martin	O'Day	Voorhis, Calif.
Delaney	Kennedy, Md.	O'Leary	Wallgren
Dickstein	Kennedy, Michael	Oliver	Walter
Dingell	Keogh	O'Toole	Welch
Dirksen	Kerr	Patton	
Dunn	Kilday	Poage	
Eberharter	Kirwan	Rabaut	

NOT VOTING—91

Allen, Ill.	Dempsey	Keller	Rich
Andrews	DeRouen	Kleberg	Romjue
Ashbrook	Ditter	Lambertson	Schafer, Wis.
Barden	Douglas	Lord	Schuetz
Barnes	Elliott	McLaughlin	Schwert
Barton	Evans	McLeod	Scrugham
Bates, Mass.	Faddis	McReynolds	Shanley
Bell	Fernandez	Magnuson	Short
Boren	Fitzpatrick	Maloney	Smith, Ill.
Buckler, Minn.	Flannagan	Marshall	Smith, Wash.
Buckley, N. Y.	Ford, Leland M.	Merritt	Starnes, Ala.
Bulwinkle	Ford, Thomas F.	Mitchell	Sullivan
Burch	Fries	Nichols	Sumners, Tex.
Byron	Griswold	O'Brien	Suthpin
Carter	Harness	O'Neal	Taylor, Colo.
Casey, Mass.	Harrington	Osmers	Vincent, Ky.
Chapman	Hartley	Parsons	Vinson, Ga.
Cluett	Havenner	Peterson, Fla.	West
Coffee, Nebr.	Hennings	Pfeifer	White, Idaho
Cox	Horton	Pierce, N. Y.	Winter
Crosser	Jacobsen	Plumley	Wood
Crowther	Jeffries	Rayburn	Woodrum, Va.
Curley	Johnson, Okla.	Reece, Tenn.	

So the motion was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Douglas (for) with Mr. Pfeifer (against).
Mr. Short (for) with Mr. Sullivan (against).
Mr. Pierce of New York (for) with Mr. Fitzpatrick (against).
Mr. Reece of Tennessee (for) with Mr. Merritt (against).
Mr. Ditter (for) with Mr. Evans (against).
Mr. O'Brien (for) with Mr. Buckley of New York (against).
Mr. Woodrum of Virginia (for) with Mr. Curley (against).

Until further notice:

Mr. Rayburn with Mr. Rich.
Mr. Bulwinkle with Mr. Lambertson.
Mr. Dempsey with Mr. McLeod.
Mr. Burch with Mr. Plumley.
Mr. Kleberg with Mr. Crowther.
Mr. Vinson of Georgia with Mr. Schafer of Wisconsin.
Mr. McReynolds with Mr. Allen of Illinois.
Mr. Cox with Mr. Carter.
Mr. Starnes of Alabama with Mr. Andrews.
Mr. Romjue with Mr. Winter.
Mr. Boren with Mr. Hartley.
Mr. Coffee of Nebraska with Mr. Marshall.
Mr. McLaughlin with Mr. Barton.
Mr. West with Mr. Griswold.
Mr. Barden with Mr. Osmers.
Mr. Chapman with Mr. Harness.
Mr. Crosser with Mr. Lord.
Mr. DeRouen with Mr. Bates of Massachusetts.
Mr. Taylor of Colorado with Mr. Cluett.
Mr. Flannagan with Mr. Horton.
Mr. Harrington with Mr. Jeffries.
Mr. Parsons with Mr. Buckler of Minnesota.
Mr. O'Neal with Mr. Leland M. Ford.
Mr. Magnuson with Mr. Byron.
Mr. Hennings with Mr. Maloney.
Mr. Schuetz with Mr. Faddis.
Mr. Scrugham with Mr. Suthpin.
Mr. Wood with Mr. Keller.
Mr. Vincent of Kentucky with Mr. Ashbrook.
Mr. Barnes with Mr. Havenner.
Mr. Johnson of Oklahoma with Mr. Elliott.
Mr. Nichols with Mr. Shanley.
Mr. Casey of Massachusetts with Mr. Schwert.
Mr. Bell with Mr. Peterson of Florida.
Mr. Fernandes with Mr. Smith of Washington.
Mr. Thomas F. Ford with Mr. Fries.

Mr. MILLER changed his vote from yea to nay.

Mr. SPENCE changed his vote from nay to yea.

The result of the vote was announced as above recorded.

The doors were opened.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore (Mr. LANHAM). Without objection, it is so ordered.

There was no objection.

Mr. COSTELLO. Mr. Speaker, in view of the situation that has developed in regard to the first omnibus immigration bill, it appears to be the wiser procedure to discontinue the call of the omnibus bills at this time. There happen to be in some of these omnibus bills certain individual titles which are not in the same category with those that have just been considered. Occasionally the person in one of the bills is without fraud whatsoever. In view of the fact that one such bill is grouped with other bills with which fraud is connected, I believe it would be wiser not to consider those bills at this time, because I fear that some inno-

cent victims would be made to suffer along with those who did commit fraud and who are not entitled to the leniency that has been suggested. For this reason, Mr. Speaker, I ask unanimous consent that further proceedings under the Private Calendar be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a discussion between the gentleman from Illinois [Mr. SMITH] and Senator TAFT.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CARL RAYMOND GRAY

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARTIN J. KENNEDY. Mr. Speaker and Members of the House, some time during the night of May 8, here in the Nation's Capital, there passed to his eternal reward one of America's distinguished citizens, Carl Raymond Gray. He was born in Princeton, Ark., on September 28, 1867, the son of the late Col. Oliver C. Gray and Mrs. Virginia Davis Gray.

At the time of his death Mr. Gray was in Washington in connection with pending railroad legislation, having served as chairman of an unofficial railway legislation board of executives and union leaders who made a report to President Roosevelt last December. Mr. Gray served this Government on other occasions, but most conspicuously as the Director of Operations in the United States Railroad Administration from January 5, 1918, to January 15, 1919. This service involved the operations of all the railroads of the United States in the World War period. This assignment imposed upon Mr. Gray the problem of meeting the Nation's usual peacetime transportation needs, and, in addition, directing the shipping of supplies and munitions for all the allied countries, as well as moving of the Nation's troops and their equipment and supplies to ports of embarkation to Europe.

The following is a brief sketch of the life of Carl Gray, whose life was devoted almost wholly to the railroad industry. He began his railroad service in his sixteenth year as a volunteer assistant to a station "helper" on the St. Louis & San Francisco Railroad, learned telegraphy from the station operator, became a telegraph operator and station agent, and advanced through many positions in the traffic and operating departments of that railroad to become its senior vice president, 1909–11. He was president of the Spokane, Portland & Seattle and Oregon Electric Railways, 1911–12; president of the Great Northern Railway Co., 1912–14; and president of the Western Maryland Railway Co., 1914–18, serving also for a part of a year, 1917–18, as chairman of the board of the Wheeling & Lake Erie Railway Co. On January 1, 1920, he became president of the Union Pacific Railroad Co. and its system companies, and operated that railroad system until October 1, 1937, when he voluntarily retired from the presidency under the retirement rule of the company. But his valued experience and qualifications were retained by the Union Pacific system by his election as vice chairman of the board of directors. He was one of the Committee of Six, representing railroad management and railroad labor, appointed by President Roosevelt late in 1938 to recommend legislation for the solution of the existing railroad problem, which committee made its report and recommendations in December last, constituting the basis of railroad bills now pending before both the Senate and the House of Representatives.

Upon his retirement as president of the Union Pacific, Mr. Gray moved to New York City after living many years in Omaha, Nebr. Surviving are his widow and three sons: Carl R. Gray, Jr.; Howard K. Gray, M. D.; and Russell D. Gray. Two of his sons are railroad executives, and the other is at the Mayo Clinic in Rochester, Minn. It was Dr. Gray who successfully operated upon James Roosevelt, the son of our President.

Mr. Gray wore his many honors with great modesty and performed the tasks assigned to him with singular success. He was able to settle many controversies affecting the railroad industry, because labor recognized his fairness and sympathetic understanding of their problems and the officials of our Government, including the President, as well as leaders of industry, relied upon his judgment. Mr. Gray brought to the council table in matters affecting labor and industry a knowledge of working conditions and appreciation of the worker's position, which made him valuable as a mediator. This knowledge was gained by actually performing every task connected with the running of a railroad, as contrasted with the theories and the book knowledge of so many of our lawmakers and administrative officials.

During recent years it was my privilege to know Mr. Gray, and during our frequent meetings in the committee room of the Interstate and Foreign Commerce Committee of this House where he often appeared as a witness on pending railroad legislation, I was impressed with his sincerity and willingness to cooperate with Congress in solving the involved questions affecting the transportation industry.

It is fitting that we should render the official tribute of respect, but the significance of this occasion is far deeper than that. Ungrateful republics cannot endure, and as a slight token of appreciation for his service to humanity, to industry, and to his Government this Congress does well to record in permanent form a statement on the life and character of Carl Raymond Gray.

It was not a long life, and yet to go back to its beginning is to enter another world, to recall persons and events, governments, standards, and problems belonging to an epoch now definitely closed. When Carl R. Gray was born on September 28, 1867, this country was still sorrowing at the irreparable loss of the martyred Lincoln. In England, the long career of Palmerston was drawing to a close, and the first ministry of Gladstone had not yet started. In France, Napoleon III was endeavoring to conceal the decadence of the Empire with a fatuous splendor. In Italy, Cavour had been laying the foundation of Italian unity, but the essential successes of Victor Emanuel were not yet recognized. In Germany, Bismarck was in the midst of his victories of Sadowa and Sedan, and with relentless will was forging the mechanism of German imperial power. In our country, the first transcontinental railroad had not yet been completed.

Within the period of 53 years between his birth and election to the presidency of the Union Pacific Railroad the population of continental United States had risen from 35,000,000 to 106,000,000. The deep wounds left by the War between the States had been healed, and the Nation with the indomitable enthusiasm of a new and abiding sense of unity, solving one problem after another, superior to the strife of politics, the conspiracies of greed, and the assaults of unreason, had steadily advanced to a prosperity and power such as a free people had never known before, and at its highest point of achievement and privilege had been able to bring its resources to the rescue of liberty itself.

For in this same period old rivalries and conflicting interests had lavishly sown the seeds of conflict in Europe, and the opportunities won by science and industry, ready to bless the millions of toilers with an orderly progress, were made to serve an unsatiable lust for power, until in titanic struggle Europe was strewn with human wreckage, and now, with Romanoffs, Hapsburgs, and Hohenzollerns dethroned, amid economic disasters still unretrieved and hatreds still unquenched, with democracy saved but not assured, with many gloomy forebodings and yet with potency and promise of vigorous and industrious peoples, is still seeking earnestly readjustments, stability, and peace. A period had closed from which mankind will hereafter make its reckonings. It was at this period of transition that Carl R. Gray was elected as head

of the Union Pacific Railroad. He was equipped for his task by inheritance and training, which were completely and typically American. He was neither helped nor hampered by exceptional environment. He suffered neither from poverty nor from riches. His endowment was a keen mind and a strong body. Alert to opportunity, self-reliant, facile, and warm-hearted, he made his own way, owing his success to his tireless persistence and his unquenchable ardor in living. He belonged to the aristocracy of the plain people of this country.

It was Macaulay who said that if one stopped under a doorway for a moment with Edmund Burke to escape a shower he would be impressed with the certainty that he had met a kindly man. That was equally true of Mr. Gray.

He was a strong partisan, but never permitted his loyalty to his business to interfere with his duty to his country. He believed intensely in his own side of an argument, but he was tolerant of opposition, and ever ready to applaud in an adversary that ability and character which bespeaks conviction and denotes sincerity.

May the Lord deal with him as one who has gained the palm and may his place in the world beyond the grave be even higher and more glorious than that which he won for himself among men.

Haec olim meminisse juvabit.

THE WORKERS' ALLIANCE OF CALIFORNIA

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include therein a letter from a prominent citizen of California.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEYER of California. Mr. Speaker, so much has been said these days about the Workers' Alliance on this floor and throughout the Nation in some of the press that is uncomplimentary, that I wish at this time to insert into the RECORD an open letter to all State legislators of the State of California. This letter is from the president of the State executive board of the Workers' Alliance of the State of California. Let us not forget that even though there are attempts by some to cloud the issue of adequate relief, there are always two sides to every question. It is hoped that this House will not blindly follow the lead of a few who would take us on a witch hunting expedition. I hope this letter will be read by each as though he were the unfortunate one who finds himself numbered among the unemployed.

The letter follows:

WORKERS ALLIANCE OF CALIFORNIA,
San Francisco, Calif., April 26, 1939.

An open letter to all State legislators, with copies to the press, Governor Olson, President Roosevelt, Lieutenant Governor Patterson, and all California trade unions

Gentlemen of the California State Legislature:

The Workers Alliance of California deems it necessary at this time to address itself to every member of both houses of our State legislature, relative to certain accusations, attributed to members of the legislature, against this organization in connection with the fact that alliance members, in committees, attempted as constituents to contact certain legislators over the week end at their homes, for the purpose of petitioning them on certain legitimate and legislative political issues.

We wish to state emphatically that we consider it a constitutional right for any one or more, constituents to petition his, her, or their legislative representatives with their grievances, or in protest against actions considered not in the best interest of the constitutents. It was this right that was exercised by members of the alliance, and constituents of the legislators, whom they attempted to visit.

Several members of our assembly and senate, representing themselves as "economy-minded legislators * * * to eliminate waste and extravagance * * *," in a telegram to the Los Angeles County sheriff, made the accusation that the Workers' Alliance had conducted raids, using "cowardly and un-American tactics employing threats upon helpless women and children." Senator ——— made similar accusations such as "* * * representatives of the Workers' Alliance * * * in most despicable and cowardly manner, created violent disturbances before the homes of absent legislators and terrorized defenseless women and children by threats."

The Workers' Alliance emphatically denies these accusations, and we demand to know whose homes were raided. Whose helpless women and children were threatened? Where were there any violent disturbances and who was terrorized? Every one of the committees or delegations making such visits were peaceful in their approach, and left without making the slightest disturbance, and neither did they threaten or terrorize any women or children.

Do any of these gentlemen feel that they are above reproach from their constituents? We believe they do. In fact, you have only to note the statement of Assemblyman ———, while discussing the repeal of the criminal syndicalism law, who stated: "But when you find 'red' marchers surrounding the homes of legislators who stand on their right to think and vote as they please, it is time to challenge them."

This statement that legislators stand on their right to vote as they please is indicative, and, more than anything else, justifies our protests against their flouting the will of the people as expressed in the November elections by the overwhelming vote for the Olson administration and its democratic platform.

When people wish to petition their assemblymen, ——— threatens to give them a load of buckshot. This is typical of the unethical procedure in progress in our State assembly and senate by certain legislators ever since the beginning of the legislature in January. ——— also stated that he was no "red" baiter, but proved to be the worst "red" baiter of all, and behind his "red" baiting he attempts to justify his vote against repeal of the criminal syndicalism law, as did others.

Senator ——— speaks about the orderly processes of law and government for all the people and not a selfish minority, created by our forefathers. But we ask these gentlemen the frank question—and we would appreciate an answer—If you believe our forefathers were correct in establishing a government for the majority of the people and not for a selfish minority, then why do you demand the right to vote as you please and challenge the will of the vast majority of our citizens, who voted for a new deal for the unemployed, as indicated in the Democratic platform, and continue your support of selfish interests in this State as against the will of the majority?

We feel also that it is very unfair for Senator ——— to say that we lack patience and understanding. Who has been more patient, suffering an intolerable life, because they are denied the right to a job, whose very existence is continually threatened by so-called economy-minded legislators, in both our own State legislature and the National Congress, than have the unemployed, who, for going on 10 long years now, have been the victims of mass unemployment in a country abounding in plenty for all?

Who should have any more right to be impatient than unemployed people who see their representatives flout the will of the people, and who bring about a condition whereby their already miserable standards are cut even lower? The responsibility is yours, gentlemen of the legislature, who are attempting to cover up your crude policies and services to minority selfish interests behind this attack on the unemployed.

If initiative and recall are democratic means, then so is the right to petition any one or all of our legislators with our grievances. The Workers' Alliance and its members yield to no one as to loyalty to our democratic forms and institutions, and the patience displayed by the unemployed for this past 10 years is sufficient proof of it.

Certain gentlemen in our legislature who are much concerned about the "audacity" of people petitioning them at their homes, seem to overlook the fact that the unemployed have so-called homes which are actually invaded day after day. Their homes are invaded by relief snoopers who demand that the unemployed subject themselves to the most humiliating investigations, when demands are made for full particulars as to our life's history, demanding past rent receipts, refcrences, and records to show where we spent our last few pennies.

This brings us again to the question of women and children being threatened and terrorized. It is not the wives and children of legislators, but it is the wives and children of the unemployed who are terrorized and threatened. As a result of economy-minded legislators' actions, helpless women and children will be denied medical care which may mean acute suffering and even death. This will happen, not from threats but from the actualities of certain legislators' policies.

Who is terrorizing women and children? Is it not those in our legislature who are responsible for the denial to helpless women and children of medical care, the denial of sufficient rent to prevent evictions into the streets, the denial of sufficient food to keep children and mothers sufficiently nourished, denial of shoes and clothing for children that will force many of them to stay away from school?

Then in the face of these facts, Mr. ——— states, "We protest cowardly and un-American tactics in employing threats upon helpless women and children." Who is cowardly, Mr. ———? Who is un-American? Who threatens helpless women and children? Who threatens whom? Who are enforcing these crimes upon helpless women and children, and then protest when they are called upon to face their victims, and with threats of investigations and high-sounding "patriotic" phrases attempt to silence and still the voices of these helpless women and children whose lives they are hacking with an "economy" ax?

The Workers' Alliance cannot take very seriously such statements as Senator ——— is quoted in the press to have made, that "When they have selected leaders of responsibility they may rest assured the Legislature of California will listen intently to their complaints." The complaints, Mr. ———, were embodied in the Democratic platform, and were endorsed by an overwhelming majority of the citizens of California. Have these complaints been trammeled on and ignored, Mr. ———, only because of the leadership that the unemployed have chosen to defend their interests?

Mr. ——— states that, "To those who have been misled by irresponsible leadership that is apparent in the Workers' Alliance, that they seek other means of expressing their desires and wishes in the matter of relief." Let us again remind Mr. ——— that other means were utilized in no uncertain terms, good old American means, through the American ballot, in the last election, and it is no other than Mr. ——— and the "economy" minded in our legislature who has refused to recognize that election mandate.

The Workers' Alliance and its program is an open book, and we welcome any honest investigation; but we are opposed to witch-hunting investigations that are utilized to blur the eyes of the public and attempt to throw up a smoke screen, behind which these gentlemen "will vote as they please" and ignore the democratic will of the people, threaten and terrorize helpless women and children with the actualities of denying them medical care, food, homes, shoes, and clothing.

Respectfully,

ALEX NORAL,
President, State Executive Board,
Workers' Alliance of California.

EXTENSION OF REMARKS

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a radio address delivered by my colleague the gentleman from Michigan [Mr. CRAWFORD], on the subject Federal Aid to Education.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement from the Works Progress Administrator with reference to an article that appeared recently in a certain magazine.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a statement by Mr. Rex Floyd, of the staff of the Library of Congress.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BURDICK asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the Philippine economic situation and to include therein certain excerpts from a book written by Major Anderson.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. WILLIAMS of Delaware. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the American Metal Market on the silver question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. HANCOCK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point with reference to the immigration bills which have just been considered.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HANCOCK. Mr. Speaker, the action of the House this afternoon in striking out the enacting clause of H. R. 6182, a bill to cancel the warrants of deportation issued against certain aliens for fraudulent entry into the United States and legalizing their entry, indicates the need of general legislation to cover the cases of several thousand aliens unlawfully in the United States but who cannot be deported to any country in the world or who cannot be deported without undue hardship to them and their families.

If the Committee on Immigration intends to bring in individual bills for each of such aliens, the last of them cannot be disposed of during the lifetime of the aliens affected, unless we change our private calendar procedure and devote several months entirely to the consideration of such bills. Judging by the temper of the House today it is doubtful even then how many bills of this type would be

There are 12 omnibus bills reported from the Immigration Committee on today's calendar, each one affecting 4 or 5 aliens. One has just been defeated but the other 11 remain on the calendar and will be taken up on the third Tuesday in June if the regular procedure is followed.

I want to call attention to the fact that a number of the items in these bills are clearly meritorious and do not involve any fraud or illegality. It is wrong and unfair to defeat these bills by the wholesale. Each item should be considered by the membership and passed or defeated on its own merits.

The bills on the calendar today have been on the Private Calendars for several years. Most of us who are assigned to the work of the Private Calendar are in agreement that they ought to be passed but with an amendment similar to the one offered by the gentleman from California [Mr. COSTELLO] this afternoon.

All of the aliens mentioned in today's bills, although illegally in the United States, have been law-abiding, hard-working, and self-respecting people since their arrival among us. In most instances they have resided here for 10 or 12 years, they are married to American citizens, and have American-born children. Some of them cannot be deported because their native countries will not admit them, to deport others would subject them to the loss of all they have accumulated and to imprisonment and perhaps death in their native lands, and in practically every case it would mean the separation of a father or a mother from his or her family. We cannot be that cruel.

On the other hand, it is our duty as Representatives in Congress to protect the integrity of our laws and the dignity of American citizenship. Most of these bills contain a clause that fraudulent entry shall be deemed lawful for permanent residence and that petitions for citizenship based on fraudulent entry shall be held valid. It seems to me that such a proposition is preposterous. We ought not to reward those who have deliberately flaunted and violated our immigration laws with the honor of American citizenship, with all the rights and privileges and protection that goes with it. We owe it to ourselves and to the many thousands of naturalized citizens who entered this country honestly after years of waiting and saving to refuse citizenship to the aliens who came here through perjury, bribery, and corruption. If we permit them to stay among us it is generosity enough.

Mr. O'TOOLE asked and was given permission to revise and extend his own remarks in the RECORD.

LESTER P. BARLOW

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent that the Committee on War Claims be discharged from consideration of the bill (S. 313) to carry out the findings of the Court of Claims in the case of Lester P. Barlow against the United States, and that the bill be rereferred to the Committee on Claims.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

Mr. TABER. Mr. Speaker, I object.

AMERICAN SUGAR INDUSTRY

The SPEAKER pro tempore. Under the special order of the House heretofore entered, the Chair recognizes the gentleman from Michigan [Mr. WOODRUFF] for 45 minutes.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein certain tables prepared by myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOODRUFF]?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I addressed the House on Wednesday, May 10, regarding a recent event that marked another significant action of the Department of Agriculture indicating its continued hostility to the American sugar-beet industry, particularly that part of it

located in the eastern growing area composed of the States of Michigan, Ohio, Indiana, and Wisconsin. That action was the unfair allocation of sugar-sales quotas by the Secretary of Agriculture.

In view of the many new Members of this House who may be unfamiliar with the American sugar industry and its vital importance to every citizen of this country, it seems to me that now is an appropriate time to review the history of the New Deal administration in its relation to sugar-control legislation.

It occurs to me also that the statement of the President of the United States in his message to Congress dated February 8, 1934, dealing with the sugar situation, presaging, as it did, what the policy was to be in connection with this important agricultural activity, should at this time be reviewed. Mr. Roosevelt, in discussing the domestic sugar industry, said in part, "I do not at this time recommend placing sugar on the free list."

In a speech in the House of Representatives on Monday, February 26, 1934, I quoted the President and indicated I was apprehensive of what the policy of the administration toward the sugar industry was in the future to be.

Mr. A. J. S. Weaver, the then Chief of the Sugar Section of the Agricultural Adjustment Administration, in his testimony before the House Committee on Agriculture on February 19, 1934, indicated very clearly he considered this expression of the President to be an intimation that sugar might "later be put on the free list by a succession of moves which would reduce the great shock."

On February 20, 1934, Prof. Rexford G. Tugwell, Assistant Secretary of Agriculture, in his testimony before the House Committee on Agriculture, made the statement, in effect, that he "would not extend protection to any industry that could not stand on its own two feet." As any industry which could stand on its own two feet would not need protection, and assuming that, of course, Mr. Tugwell reflected the views of his superior, it is obvious that the adoption of the policy of the present Secretary of Agriculture at that time would have destroyed the whole protective tariff system and placed this country on a free-trade basis with the other countries of the world.

The Secretary of Agriculture, Hon. Henry A. Wallace, was quoted publicly as stating he believed the American sugar industry was "a hothouse industry and should never have been established." Later, before a Senate committee, Mr. Wallace was quoted as stating the industry should be eliminated, and he added, "but it is not politically possible to do this at this time."

In an article entitled "America Must Choose," published at about that time, the Secretary of Agriculture, in discussing a program for the rehabilitation of agriculture and industry, declared:

> This will involve a radical reduction in tariffs that might seriously hurt certain industries and a few kinds of agricultural businesses, such as sugar-beet growing and flax growing. It might also cause pain for a while to wool growers and to farmers who supply material for various edible oils. I think we ought to face that fact.
>
> Now, if we are going to lower tariffs radically, there may have to be definite planning whereby certain industries or businesses will have to be retired. The Government might have to help furnish means for the orderly retirement of such businesses and even select those which are thus to be retired.

Mr. Speaker, the order of President Roosevelt instructing the Navy Department to accept the Argentina bid for canned beef for the Navy, given to the press on Friday last, has very properly aroused the resentment of every producer of beef in the United States. In attempted justification of his strange order, the President was quoted as stating that Argentina beef was "cheaper and infinitely better than the American product."

Mr. Roosevelt and Mr. Hull, through the medium of the reciprocal trade agreement policy, are constantly seeking to extend our markets in foreign countries, particularly for agricultural products. In view of the amazing and questionable statement that Argentina beef is "infinitely better than the American product," I would be interested in learning just how far and to what extent Mr. Roosevelt expects to increase our foreign market for our beef products when he has informed the world that Argentina beef is so much superior and so much cheaper than our American product that even the United States Government buys that product in preference to our own.

It occurs to me, Mr. Speaker, that the action of the President is consistent with the attitude of Messrs. Weaver, Tugwell, and Wallace, whom I have just quoted, and confirms my long-established opinion that they were then speaking the mind of the President.

It is my opinion that the President's statement constitutes a surrender to Argentina of what remains of our foreign market for beef. It is quite in keeping with our cotton-control policy, the inauguration of which constituted due notice to other cotton-producing countries that we were thereby surrendering our foreign market for that product and they could help themselves to it, which they promptly proceeded to do, with the result that the larger portion of our foreign market for this important product is gone forever and we are now faced by the necessity of either permanently taking millions of southern acres out of cultivation or using them to produce other products in competition with the farmers of Michigan and elsewhere.

In view of the amazing and unprecedented statement of Mr. Roosevelt regarding Argentina beef one cannot help but ponder the significance of the last sentence of Secretary Wallace, which I have quoted, to the effect "the Government might have to help furnish means for the orderly retirement of such businesses and even select those which are thus to be retired," and wonder whether beef production in this country is among "those to be retired."

The attitude of mind displayed by the three subordinates of the President, whom I have quoted, must have been fully approved by the President, and is typical of the administration's attitude toward the American sugar-beet industry which has since governed the actions of those in the Sugar Control Section.

Mr. Speaker, when this administration assumed office on March 4, 1933, there were 16 beet-sugar refining plants in the State of Michigan. Today we find one of those plants dismantled and two others idle. In fact, in my home city of Bay City there were three of these refineries in 1938. They had been profitably refining beet sugar for many years. Today only one of the three continues to operate, one having been dismantled and the other closed. The one plant in Indiana continues to operate. Of the five refineries in Ohio, four only continue to operate. Of the three in Wisconsin, the one at Green Bay continues to operate, the one at Chippewa Falls is dismantled. The one at Janesville is idle.

Mr. Speaker, continental United States supplies less than 30 percent of the sugar consumed by the people living in continental United States. Particularly in view of the situation which faces agriculture, and the surpluses of various other agricultural commodities which confront us each year, it would seem the height of wisdom that, instead of circumscribing or strangling an agricultural activity which supplies only 30 percent of our needs, the administration would instead extend every possible encouragement to a development, an expansion of the same, in order to put to profitable work lands either now idle or producing nonprofitable crops.

That the raising of sugar beets is a profitable undertaking is known in every beet-raising community. It is a well-known fact that the profits from this product have paid more farm mortgages than any other two farm products raised in beet communities. As a matter of fact, Mr. Speaker, the sugar beet is the only farm commodity in the State of Michigan upon which the farmer can safely count a profit when he plants his seed.

Why is it that the demands of certain powerful interests in this country and certain peoples alien to this country are given greater consideration than is given our own American citizens? In asking this question I have in mind particularly the preferential status extended to Cuban sugar and to those who own the sugar activities of that island. Is it because hundreds of millions of dollars have been invested in Cuban sugar plantations, railroads, and mills by a little group of eastern financiers? Is it because this little group

of Wall Street bankers now control practically all of the sugar activities of the island of Cuba? Is it a desire to protect American capital invested in foreign lands in preference to protecting American capital invested in this country?

Under what concept of fair and just government can the American farmers who grow sugar beets, and who can grow enough sugar beets to supply the entire domestic demand for sugar if necessary, the American capital invested in sugar production in this country, the American consumers, and the whole body of our people be asked to lay aside their rights to indulge to their fullest capacity the growing and refining of a product so necessary to the American people?

Mr. Speaker, in order to understand how important the domestic sugar industry is to many other lines of commercial and industrial activities, one must have a picture of the commercial avenues through which radiates the money spent for domestic sugar. I do not have at hand the detailed figures for the areas outside of Michigan. However, in that State in 1938 we produced 340,223,000 pounds of beet sugar. Beets were grown on 17,648 farms of the State, and 17,000 wage earners gained a livelihood through work in the beet fields. The following tabulations will give some idea of the magnitude of the Michigan beet-sugar industry, its importance to Michigan farmers and wage earners, and its consumption of materials and services in relation to other industries:

Acreage and production figures, 1938–39 campaign

Acres planted	140,665
Tons of beets harvested	1,120,816
100-pound bags of refined sugar produced	3,402,230
Estimated amount farmers will receive for 1938 beets, including Government payment; total	$9,166,528
Estimated value of sugar, pulp, and molasses produced	$14,000,000

Community benefits

Taxes paid	$1,605,324
Insurance	$112,595

Business given interrelated industries, 1938

Transportation of beets, sugar, and supplies	$1,847,655
Coal used—tons	155,287
Fuel oil used—gallons	6,546,454
Coke used—tons	9,678
Lime rock used—do	97,007
Filter cloth used	$29,593
Laboratory supplies used	4,763
Lubricating oil, grease, etc., used	17,369
Sugar and pulp bags used	553,751
Boiler tubes used	12,915
Nonferrous tubes used	1,723
Sulfur used	13,238
Heavy chemicals used	33,241
Filter aids used	25,836
Refractories used	15,180
Valves, pipes, fittings used	35,357
Slicer knives used	12,694
Sewing thread used	4,486
Miscellaneous supplies for factory operation	85,531
Miscellaneous supplies for factory repair	198,667
New equipment and new construction	341,012

In order to realize the relative value of the sugar beet as a farm crop, it is necessary to compare the farm value per acre with other crops grown on Michigan farms. The figures which follow are those for the year 1938:

Farm value per acre

Sugar beets [1]	$66.88
Potatoes	66.00
Field peas	21.00
Field beans [2]	19.11
Corn	18.98
Flaxseed	14.04
Alfalfa hay	13.36
Barley	13.20
Soybeans	12.80
Winter wheat	12.68
Oats	9.45
Alfalfa seed	9.10
Spring wheat	9.00
All tame hay	8.82
Clover seed	8.80
Buckwheat	6.75
Rye	5.54
Wild hay	3.66

[1] Preliminary, including Federal sugar payment.
[2] Based on price of clean beans applied to production of cleaned beans.

President Roosevelt in his message heretofore referred to made it clear that he believes the administration's program regarding sugar would result in a saving to the American sugar consumer. When this position was taken by the Chief Executive it seemed very clear that the program he had in mind was one of total elimination of the sugar-beet industry in this country.

Mr. Speaker, the housewives of the Nation have had the experience of finding themselves at the mercy of the interests which produce offshore sugar. Millions of housewives will remember that in 1920 when the available domestic sugar had been sold and was off the market, and when the offshore producer was in a position to dictate the price, that those housewives paid as high as 32 cents per pound for this necessary food product, the price promptly dropping when the domestic sugar again came on the market in competition with foreign sugar.

The American consumer is also the American taxpayer. To him the great concern expressed for the consumers by the President in his message was evidently not extended in the same degree in the Presidential mind. This is indicated by the fact that President Roosevelt, under power granted him in the flexible clause in the Tariff Act, together with the powers granted under the Reciprocal Trade Agreement Act, has reduced the tariff on Cuban sugar from 2 cents to nine-tenths of a cent a pound. A further reduction of 15 cents per 100 pounds appears imminent. A mere statement of this reduction in the tariff on sugar does not appear to be particularly startling, but if one will realize that the present reduction of 1.1 cents per pound in the tariff on Cuban sugar means each year a loss of revenue to the Treasury of the United States of approximately $45,000,000—and this may be increased to $56,000,000 by a further, and at this time contemplated, reduction in the tariff—and if one will further realize that this reduction in the tariff does not contribute substantially to the welfare of the Cuban peons, but does contribute very largely to the further enrichment of those powerful Wall Street figures who own and control the Cuban sugar activities, and will still further realize that this reduction of the tariff on sugar does, in effect, transfer from the Treasury of the United States to the pockets of these New York bankers at least a substantial portion of the immense sums mentioned, one must seriously ponder the reasons why these reductions are made at a time when the Treasury of the United States so sorely needs those millions.

Really, Mr. Speaker, there is another phase of the question I am discussing, the records of which disclose in all its sordid selfishness what happens to the American consumer when he must depend upon a foreign source of supply for his necessities of life.

Let us not forget that the President's evident hostility to the American sugar industry was based in part upon the theory that its existence was in violation of economic law and therefore responsible for an increased price the consumer was paying for this product.

To reach this conclusion Mr. Roosevelt must have assumed that the management of the Cuban sugar interests, whose cost of production because of the starvation wages paid the workers of that country was below the cost of production here, if our domestic industry were to languish and disappear, would in the future sell us their product at a reasonable profit and thus save the American housewife a substantial sum on her sugar each year.

When he sent to the Congress his now famous message, Mr. Roosevelt, in pondering sugar cost, must have had in mind the domestic price for at least a few short years prior thereto. He must have been dissatisfied with that price.

It is a significant fact that the average retail price of sugar during the years 1932, 1933, and 1934 was the lowest it has been in the history of this country. There was nothing about the domestic price to justify the apprehensions of the Presidential mind.

The American people with their greatly increased purchasing power were buying their sugar at a price much lower than those of most other countries in the world. There was

nothing about the situation to agitate either a Presidential or an ordinary mind, because it had been demonstrated time and again that so long as our domestic sugar industry could produce and sell sugar in competition with offshore producers the American housewife was assured she would buy this product at a reasonable price.

Mr. Speaker, an examination of the records in the Department of Agriculture discloses the fact that at no time has the price of sugar in this country been unreasonably high except during those periods when for one reason or another there was not a sufficient amount of American-produced sugar in the market to offer substantial competition to the foreign product.

For instance from 1900 to 1915, the yearly average retail price had not in any year exceeded 6.3 cents per pound. In August of 1914 the World War broke in all its fury. From every walk of life in the countries at war, able-bodied men were rushed to the colors, abandoning their work in the factory and the field.

Those physically unfit for military service—the old, the very young, men and women alike—were sent to the farms and the industrial plants to produce as best they could the things which nations at war so desperately need.

Every source of supply in the world was tapped. Orders for food and other war supplies were offered in fabulous amounts. Our farmers and other producers of the country were inspired to their greatest productive efforts to produce the supplies called for. There were not enough workers to do the work required. The great agricultural staples were demanded in ever-increasing quantities.

Our beet-raising farmers, because of the shortage of hand labor, abandoned in part the raising of beets and turned their attention to other needed crops, which could be provided with less human labor.

The effect upon competitive conditions in the domestic sugar market was immediate. The average price of granulated sugar in 1913 was 5.5 cents, in 1914 it had risen to 5.9 cents, in 1915 to 6.6 cents, in 1916 to 8 cents, in 1917 to 9.3 cents, in 1918 to 9.7 cents, in 1919 to 11.3 cents, and in 1920 to 19.4 cents per pound. During this latter year the American housewife, as I have said before, was compelled to pay as high as 32 cents per pound for her sugar. All this happened when the production of American sugar had been substantially reduced.

Now let us see what happened after war had ceased and the nations at war had returned to the pursuits of peace. Soldiers returned to the farms and the factories. Production was again placed on a normal basis. Nations immediately proceeded, as rapidly as possible, to put themselves on a pre-war basis. Labor was available and in 1920 the American sugar-beet farmer returned to a normal sugar-production basis. The effect on the price when the 1920 crop was refined and marketed in the late fall and winter of that year was immediate and startling. The average retail price dropped from the all time high of 19.4 cents in 1920 to 8 cents per pound in 1921.

In 1921 the American farmer produced another normal beet crop resulting in a further reduction of the price in 1922 to 7.3 cents. In 1922 and 1923 our domestic production again fell off and in 1923 the average price moved up to 10.1 cents. In 1924 the price still remained at 9.2 cents per pound.

Mr. Speaker, these figures I have just quoted, observed casually, do not appear particularly significant. To the unthinking the fact that the housewives of the Nation were compelled to pay as high as 32 cents per pound for their sugar over a short period, or that for a whole year the price averaged 19.4 cents, probably does not appear to be anything to become highly exicted about. However, when we ponder the collective effect of such prices as I have quoted, when we learn how much larger a share of the family income must be spent to supply the family need for sugar, when we realize how much less was left with which to buy other needed things, when we realize the many thousands thrown out of work because of this diversion of American purchasing capacity, when we also realize the effect upon our whole national economy because of these increased prices, we are shocked into the realization that nothing should be left undone to protect the consumers from conditions such as faced us during the years 1916 to 1923, inclusive. Yet under the President's recommendations he would return us to those conditions.

I have prepared my tables from the public records. They disclose in all their nakedness what happens to our American consumers when we are placed at the mercy of foreign interests, whether those interests are American owned or not. I commend to your close attention the sordid selfishness disclosed by that group of Americans who own the Cuban sugar interests and who for years have endeavored to destroy our beet-sugar industry—men who seem to know no country, no race, and no creed but the doctrine of "get" so clearly shown in the figures for 1920.

In arriving at the additional cost of sugar to the American consumer, as disclosed by the following table, I have multiplied the total number of pounds of sugar consumed each year by the difference in the average price paid during that year and the year 1934, when Mr. Roosevelt submitted his proposition to the Congress. The price that year was 5.4 cents.

Year	Total yearly consumption (short tons, 2,000 pounds)	Average retail price (cents per pound)	Yearly increased cost to American consumers over price of 5.4 cents
1916	4,219,066	8.0	$219,391,432
1917	4,037,377	9.3	313,915,406
1918	4,371,103	9.7	375,914,858
1919	4,816,862	11.3	567,889,716
1920	5,242,852	19.4	1,467,968,560
1921	5,589,024	8.0	290,660,248
1922	5,899,849	7.3	224,193,882
1923	5,646,223	10.1	530,744,962
Total additional cost of 8 years' dependence upon foreign supplies of sugar			3,990,709,004

Mr. Speaker, I have discussed the cost of sugar during the 8 years when our domestic-sugar industry—cane and beet—was not producing enough sugar to provide effective competition for Cuban and other tropical producers. The price we paid for the luxury of neglecting the development of this splendid industry is appalling. The most tragic part of it all transpired in 1920, when the Wall Street sugar pirates plundered the American pocketbook for something approaching $1,450,000,000 more for the year's sugar supply than we were paying when the President became so alarmed about the possible development of our beet-sugar industry.

It was in 1920, you will remember, that our World War veterans were returning to their homes and to the jobs they had been promised would be waiting for them. That was the time when industrial contracts had been canceled on every hand because war had ceased. The veterans' jobs were largely nonexistent.

It was at that time, too, that the bankers of the Wilson administration determined upon a policy of deflation. They who had so urgently insisted upon local banks extending all credit facilities to farmers during the war, promptly recanted after the signing of peace and ordered the banks to collect the loans. Many of the farmers were heavily in debt. Prices on the things they raised were rapidly tumbling. The farmers could not pay. The local banks in turn could not discharge their obligations to their correspondent banks and to the Federal Reserve banks. Thousands of formerly splendid small-town banking institutions were forced to the wall; their depositors, their stockholders ruined. Everything went to smash. Every person in ordinary circumstances needed every nickel he had.

It was at a time like this that these buccaneers of Wall Street, these favored individuals with large and apparently sacred investments in Cuban sugar, looted the American pocketbooks. Does anybody think they will hesitate to repeat when and if another opportunity presents?

My friends, there is just one thing which can at all times guarantee the American housewife sugar at a reasonable price, and that is a profitable, a rapidly growing sugar-beet industry. There is nothing that can more quickly make a real contribution to the solution of our agricultural problem. There is no single crop from which farmers, laborers, communities, industries, and service organizations receive such substantial benefits as from the sugar-beet crop. It must be encouraged to grow, to expand, to take its proper place in the economic sun of this country.

The Ellender bill, now deeply buried in the Committee on Agriculture of this House after having passed the Senate, will accomplish this. What this House ought to do is to pry that bill out of the committee, pass it, and send it on to the White House. If it meets a Presidential veto, as has been promised, send it back to the White House again with the approval of two-thirds of the Members of this House and the Senate of the United States. Let us give notice to all and sundry that from this time on the laws of this country must be administered primarily in the interest of the American farmer, the American laborer, the American producer, as Congress intends, and not in the interest of those living or having their investments in some foreign land. [Applause.]

Mr. GILCHRIST. Will the gentleman yield?

Mr. WOODRUFF of Michigan. I yield to the gentleman from Iowa.

Mr. GILCHRIST. Does the gentleman know any reason why we should not have an adequate tariff on blackstrap coming in from Cuba and other foreign countries?

Mr. WOODRUFF of Michigan. I know of many reasons why we should have an adequate tariff on that commodity.

Mr. GILCHRIST. We do not have such a tariff now?

Mr. WOODRUFF of Michigan. We do not.

Mr. GILCHRIST. As a consequence of that, alcohol is made chiefly or in large quantity from the blackstrap that is imported, with a very, very little tariff, from these foreign countries?

Mr. WOODRUFF of Michigan. That is true. I may say to the gentleman from Iowa that if the Congress of the United States would seriously consider taking us out of the economic doldrums in which we find ourselves, it could put an exceedingly high tariff on that particular product, supplanting it with good corn and other agricultural products, from which a better grade of alcohol could be manufactured.

Mr. GILCHRIST. I thank the gentleman.

Mr. WOODRUFF of Michigan. In that way we would put into production millions of acres of American land that the administration today is attempting to take out of production. Chemurgy means the use of agricultural products in industry. Carried to the point where it can be carried, our farm problem can be transformed from one of overproducton to one of underproduction. I think anyone who knows anything about business or farming or anything pertaining thereto, will agree that when that time comes the farmers' problem will have disappeared.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. WOODRUFF of Michigan. I yield.

Mr. CASE of South Dakota. Would not the gentleman go further and say that from a constructive standpoint that solution of the farm problem is superior to any program of regimentation or controlled production?

Mr. WOODRUFF of Michigan. It is the antithesis of regimentation. It is the adoption of the policy of abundance. How the administration in power can continue to attempt to make the intelligent American people believe that the more abundant life can be brought to them without producing in abundance is more than I can understand. [Applause.]

EXTENSION OF REMARKS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein an article from the Birmingham Herald, this morning's column, by John Temple Graves, II, one of the outstanding writers and thinkers in the newspaper world.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. HOBBS]?

There was no objection.

WAGE AND HOUR BILL

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the bill (H. R. 5435) be recommitted to the Committee on Labor for further consideration.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON]?

Mr. COLLINS. Mr. Speaker, reserving the right to object, is that the wage and hour bill?

Mrs. NORTON. Yes.

Mr. COLLINS. Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. DARDEN asked and was given permission to extend his own remarks in the RECORD.

WAGE AND HOUR BILL

Mrs. NORTON. Mr. Speaker, I renew my unanimous-consent request that the bill, H. R. 5435, be recommitted to the Committee on Labor for further consideration.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this is for the purpose of perfecting and amending the bill, then bringing it back to the House for further consideration?

Mrs. NORTON. This is for the purpose of revising the bill.

Mr. MARTIN of Massachusetts. And bringing it back to the House then?

Mrs. NORTON. We hope so.

Mr. COLLINS. That is the reason I did not object the second time.

Mr. WOODRUFF of Michigan. Reserving the right to object, Mr. Speaker, may I ask the gentlewoman to what bill she has reference?

Mr. MARTIN of Massachusetts. It is the amendments to the wage and hour bill.

Mr. WOODRUFF of Michigan. I may say I am not at all satisfied that this House will see that bill again this year if it is permitted to go back to the committee, and I therefore object.

EXTENSION OF REMARKS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain extracts from Government publications and letters I have received on the subject of grain sorghums.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address by Mr. James Myles before the convention of the Pennsylvania State Federation of Labor in Philadelphia.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ROMJUE (at the request of Mr. WILLIAMS of Missouri), indefinitely, on account of official business.

To Mr. LORD (at the request of Mr. MARTIN of Massachusetts), indefinitely, on account of illness.

To Mr. ALLEN of Pennsylvania, for 3 days, on account of urgent business.

To Mr. STARNES of Alabama (at the request of Mr. SPARKMAN), indefinitely, on account of official business in his district.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 90. An act to provide for the punishment of persons transporting stolen animals in interstate commerce, and for other purposes;

S. 198. An act to provide that records certified by the Court of Claims to the Supreme Court, in response to writs of certiorari, may include material portions of the evidence, and for other purposes;

S. 242. An act relating to the disposition of funds derived from the Coos Bay Wagon Road grant lands;

S. 542. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

S. 1281. An act to prohibit reproductions of official badges, identification cards, and other insignia;

S. 2050. An act to authorize a sale of the old Carson City (Nev.) Mint site and building notwithstanding the provisions of Joint Resolution No. 18 of February 23, 1865; and

S. 2244. An act to authorize the Secretary of the Treasury to accept real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and for other purposes.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 3 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 17, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MILITARY AFFAIRS

There will be a meeting of Subcommittee No. 11 of the Committee on Military Affairs of the House in room 1310, New House Office Building, at 10:30 a. m. May 17, 1939, for the consideration of S. 1796, to amend the Tennessee Valley Authority Act of 1933.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be meetings of the Committee on Immigration and Naturalization at 10:30 a. m. on Wednesday and Thursday, May 17 and 18, 1939, for the public consideration of various private bills.

COMMITTEE ON THE POST OFFICE AND POST ROADS

The Committee on the Post Office and Post Roads will continue to hold public hearings on Wednesday, May 24, 1939, at 10 a. m., for the consideration of H. R. 3835, a bill to authorize the Post Office Department to cooperate with the several States in the collection of State taxes.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents will hold hearings in the committee room, 1015 House Office Building, on Tuesday, May 23, 1939, at 10:30 a. m., on H. R. 3605, a bill to provide a permanent force to classify patents, etc., in the Patent Office. Hon. JOHN M. COFFEE (Washington) is chairman of the subcommittee.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 3 of the Committee on the Judiciary on May 24, 1939, at 10 a. m., on the bill (H. R. 2318) to divorce the businesses of production, refining, and transporting of petroleum products from that of marketing petroleum products. Room 346, House Office Building.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4985, relating to Fishery Educational Service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

EXECUTIVE COMMUNICATIONS, ETC.

766. Under clause 2 of rule XXIV a letter from the Chairman, Reconstruction Finance Corporation, transmitting the report of its activities and expenditures for the month of March 1939 (H. Doc. No. 296), was taken from the Speaker's table, referred to the Committee on Banking and Currency, and ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HART: Committee on War Claims. H. R. 1628. A bill for the relief of Mary G. Person; with amendment (Rept. No. 637). Referred to the Committee of the Whole House.

Mr. MAY: Committee on Military Affairs. S. 510. An act to authorize certain officers and enlisted men of the United States Army to accept such medals, orders, and decorations as have been tendered them by foreign governments in appreciation of services rendered; without amendment (Rept. No. 638). Referred to the Committee of the Whole House.

Mr. ANDERSON of Missouri: Committee on Military Affairs. S. 746. An act to authorize Maj. Andrew S. Rowan, United States Army, retired, to accept the Order Carlos Manuel de Céspedes, tendered him by the Government of Cuba in appreciation of services rendered; without amendment (Rept. No. 639). Referred to the Committee of the Whole House.

Mr. PACE: Committee on Military Affairs. H. R. 3305. A bill to correct the military record of Capt. Charles G. Clement; with amendment (Rept. No. 640). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 2252) granting an increase of pension to Maribel Williams Croft; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 2253) granting an increase of pension to Jeannette W. Moffett; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 3005) granting an increase of pension to Mrs. Thomas H. Jackson; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 3158) granting an increase of pension to Inez Clair Bandholtz; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 3203) granting an increase of pension to Rosalie Hood; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 4122) granting an increase of pension to Minnie Wetmore Cole; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 4204) granting an increase of pension to Minnie Wetmore Cole; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 4914) granting an increase of pension to Harriet L. Liggett; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5170) granting an increase of pension to Elizabeth Painter Menoher; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 6092) granting an increase of pension to Isabelle Johnston; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 6106) granting a pension to Isabelle Bullock; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 6349. A bill to prohibit discrimination against anyone under 60 years of age in employment directly and indirectly under the United States; to the Committee on the Civil Service.

By Mr. DIMOND:

H. R. 6350. A bill to authorize the Director of the Geological Survey, under the supervision of the Secretary of the Interior, to expedite the execution of topographic surveys in the Territory of Alaska, and for other purposes; to the Committee on the Territories.

By Mr. EATON of California:

H. R. 6351. A bill to authorize the Secretary of the Navy to construct or acquire vessels to be furnished the States of New York, Massachusetts, Pennsylvania, and California for the benefit of their respective nautical schools, and for other purposes; to the Committee on Naval Affairs.

By Mr. KELLER:

H. R. 6352. A bill relating to certain inspections and investigations in coal mines for the purpose of obtaining information relating to health and safety conditions, accidents, and occupational diseases therein, and for other purposes; to the Committee on Mines and Mining.

By Mr. MILLER:

H. R. 6353. A bill granting the consent of Congress to the State of Connecticut acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Hartford, Conn.; to the Committee on Interstate and Foreign Commerce.

By Mr. O'LEARY:

H. R. 6354. A bill providing for the construction of a breakwater on Red Hook Flats, New York Harbor, for the protection of shipping, and other purposes; to the Committee on Rivers and Harbors.

By Mr. ROUTZOHN:

H. R. 6355. A bill to amend paragraph 1 (a) of part III of Veterans Regulation No. 1 (a), as amended, as to make certain veterans eligible for pension for permanent total nonservice-connected disability, except where due to felonious misconduct; to the Committee on World War Veterans' Legislation.

By Mr. VINSON of Georgia:

H. R. 6356. A bill to authorize the development of facilities at the South Boston drydock, and for other purposes; to the Committee on Naval Affairs.

By Mr. ALLEN of Pennsylvania:

H. J. Res. 296. Joint resolution to terminate the tax on bituminous coal; to the Committee on Ways and Means.

By Mr. HARE:

H. J. Res. 297. Joint resolution to provide for the erection of a monument to the memory of Gen. Andrew Pickens; to the Committee on the Library.

H. J. Res. 298. Joint resolution to provide for the erection of a monument to the memory of former Gov. Andrew Pickens; to the Committee on the Library.

By Mr. BATES of Kentucky:

H. Res. 194. Resolution to authorize the payment of additional expenses of investigation authorized by H. R. 146; to the Committee on Accounts.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to consider their Senate Joint Memorial No. 1, with reference to claims and the Mediterranean fruit fly; to the Committee on Claims.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to consider their Senate Memorial No. 3, with reference to munitions and war materials; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Massachusetts:

H. R. 6357. A bill to admit Mrs. George Joseph Poulin permanently to the United States; to the Committee on Immigration and Naturalization.

By Mr. BYRNS of Tennessee:

H. R. 6358 (by request). A bill for the relief of Ira Ellis Veal; to the Committee on Claims.

By Mr. CARLSON:

H. R. 6359. A bill for the relief of John W. Lentz; to the Committee on Military Affairs.

By Mr. CROWTHER:

H. R. 6360. A bill for the relief of William John Engel; to the Committee on Naval Affairs.

By Mr. GUYER of Kansas:

H. R. 6361. A bill granting a pension to Laura E. Rowell; to the Committee on Invalid Pensions.

By Mr. HARE:

H. R. 6362. A bill for the relief of Annie Bearden, Ruth Bearden, Essie Burton, Beatrice Carter, Mary Cobb, Addie Graham, Annie Grant, Sallie Harris, Minerva Holbrooks, Omie Keese, Sallie Marett, Josie McDonald, Jessie Morris, Martha O'Shields, Mae Phillips, Leila H. Roach, Belva Surrett, and Shelley Turner; to the Committee on Claims.

By Mr. HINSHAW:

H. R. 6363. A bill for the relief of Joseph D. Hickman; to the Committee on Military Affairs.

By Mr. McLEOD:

H. R. 6364. A bill for the relief of James Leslie Passmore; to the Committee on War Claims.

By Mr. MAAS:

H. R. 6365. A bill to correct the military records of DeRosey C. Cabell, McFarland Cockrill, James N. Caperton, Junius H. Houghton, Otto F. Lange, Paul B. Parker, James deB. Walbach, and Victor W. B. Wales; to the Committee on Military Affairs.

By Mr. MAGNUSON:

H. R. 6366. A bill for the relief of Raymond J. McMahon; to the Committee on Naval Affairs.

By Mr. VREELAND:

H. R. 6367 (by request). A bill for the relief of Marion N. Frey; to the Committee on Claims.

By Mr. WHITE of Ohio:

H. R. 6368. A bill granting a pension to Olive Alma Ferrenberg; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3116. By Mr. ANDERSON of California: Petitions signed by Antonie McFarlane, of San Jose, and 29 others; Alice Vaughan, of San Jose, and 59 others; E. J. Kaffer, of San Jose, and 59 others; O. M. Wells, of San Jose, and 29 others; F. Scrogings, of San Mateo, and 59 others: Niels Johnson, of San Jose, and 119 others; Anna S. Johnson, of San Jose, and 119 others, of the Eighth Congressional District of California, asking for enactment of the General Welfare Act (H. R. 5620, amended H. R. 11); to the Committee on Ways and Means.

3117. By Mr. COLE of New York: Petition of the Pulteney Townsend Club, No. 1; to the Committee on Ways and Means.

3118. By Mr. CONNERY: Petition of sundry citizens of the Seventh Congressional District of Massachusetts, urging a just, fair, and impartial hearing before the Congress on House bill 2, which incorporates the salient features of the Townsend national recovery plan; to the Committee on Ways and Means.

3119. Also, resolution of the Massachusetts Laundry Owners' Association, Inc., endorsing amendments to the Social Security Act embracing old-age benefit taxes and unemployment compensation taxes; to the Committee on Ways and Means.

3120. By Mr. ENGLEBRIGHT: Petition of the citizens of Indian Falls, Calif., requesting that the General Welfare Act (H. R. 5620, amended H. R. 11) be enacted into law; to the Committee on Ways and Means.

3121. Also, Senate Joint Resolution No. 15, relative to memorializing Congress to enact legislation to reimburse cotton growers in this State for expenditures made for purchases of tax-exemption certificates pursuant to the Bankhead Act; to the Committee on Ways and Means.

3122. By Mr. JOHNS: Joint resolution of the Legislature of the State of Wisconsin, respectfully memorializing the Federal Government to restore the tariff rates on raw furs to the level that existed before such change; to the Committee on Ways and Means.

3123. Also, petition of Emil H. Uhlenbrauck and 116 other dairy farmers of Outagamie County, Wis., respectfully petitioning the Congress of the United States to approve the Wisconsin dairy program; to the Committee on Agriculture.

3124. By Mr. MARTIN J. KENNEDY: Petition of the Switchmen's Union of North America, general adjustment committee, Western Pacific Railway, Oakland, Calif., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

3125. Also, petition of Lodge No. 68, International Brotherhood of Boiler Makers, Iron Ship Builders and Helpers, Pine Bluff, Ark., urging support of House bill 4862; to the Committee on Interstate and Foreign Commerce.

3126. By Mr. MAHON: Petition of B. W. Stinson and R. A. Walker, president and secretary-treasurer, respectively, of the Brownfield (Tex.) Townsend Club, No. 1, regarding House bill 2, known as the General Welfare Act; to the Committee on Ways and Means.

3127. By Mr. VAN ZANDT: Petition of A. E. Taylor, president, and O. B. Wise, secretary, of the Townsend Clubs of Blair County, Pa., expressing the thought that hearings on House bill 2, popularly known as the Townsend plan, reflect definite proof that the bill will restore prosperity to the Nation by retirement of persons over 60 years of age and afford a means of employment to the young people of the country and urging the Ways and Means Committee to report this bill to the floor of the House immediately; to the Committee on Ways and Means.

3128. Also, petition of W. H. Miller, president, and O. B. Wise, secretary, Townsend Club, No. 5, Altoona, Pa., deploring lack of purchasing power in the hands of the citizenry, together with the great number of persons unemployed; urging the Ways and Means Committee to vote out House bill 2 as an expression of carrying out the wishes of millions of citizens; expressing the view that failure to report the bill to the floor will mean the committee is following the wishes of private interests; to the Committee on Ways and Means.

SENATE

WEDNESDAY, MAY 17, 1939

(Legislative day of Monday, May 8, 1939)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Anson Phelps Stokes, D. D., LL. D., canon of Washington Cathedral, offered the following prayer:

Let us pray: Direct us, O Lord, in all our doings with Thy most gracious favor, and further us with Thy continual help, that in all our work begun, continued, and ended in Thee, and especially in the making of laws for the people of this great Nation, drawn from many kindreds and many tongues, we may glorify Thy holy name and advance Thy kingdom of peace, good will, and justice throughout the world. In Christ's name we ask it. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, May 16, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	La Follette	Schwartz
Andrews	Ellender	Lee	Schwellenbach
Ashurst	Frazier	Lodge	Sheppard
Bailey	George	Logan	Shipstead
Barbour	Gerry	Lucas	Slattery
Barkley	Gibson	Lundeen	Smathers
Bilbo	Gillette	McKellar	Stewart
Bone	Glass	McNary	Taft
Borah	Green	Maloney	Thomas, Okla.
Bridges	Guffey	Mead	Thomas, Utah
Brown	Gurney	Miller	Tobey
Bulow	Hale	Minton	Townsend
Burke	Harrison	Murray	Truman
Byrd	Hatch	Neely	Tydings
Byrnes	Hayden	Norris	Vandenberg
Capper	Herring	Nye	Van Nuys
Caraway	Hill	O'Mahoney	Wagner
Chavez	Holman	Overton	Walsh
Clark, Idaho	Holt	Pepper	Wheeler
Clark, Mo.	Hughes	Pittman	Wiley
Connally	Johnson, Calif.	Radcliffe	
Danaher	Johnson, Colo.	Reed	
Davis	King	Russell	

Mr. MINTON. I announce that the Senator from Nevada [Mr. MCCARRAN] is absent on official business for the Committee on the Judiciary.

The Senator from South Carolina [Mr. SMITH] is absent because of illness in his family.

The Senator from Alabama [Mr. BANKHEAD], the Senator from Virginia [Mr. GLASS], and the Senator from North Carolina [Mr. REYNOLDS] are detained on important public business.

Mr. MCNARY. I announce that the Senator from Vermont [Mr. AUSTIN] is absent on business of the Senate.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed a bill (H. R. 6205) to provide for additional clerk hire in the House of Representatives, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 595. An act to increase further the efficiency of the Coast Guard by authorizing the retirement under certain conditions of enlisted personnel thereof with 20 or more years of service;

S. 965. An act to amend the act entitled "An act authorizing the Port Authority of Duluth, Minn., and the Harbor Commission of Superior, Wis., to construct a highway bridge across the St. Louis River from Rices Point in Duluth, Minn., to Superior in Wisconsin," approved June 30, 1938; and

S. 1876. An act to readjust the commissioned personnel of the Coast Guard, and for other purposes.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the Georgia Osteopathic Association, Atlanta, Ga., favoring the amendment of Senate bill 1620, the so-called national health bill, so as to preserve the freedom of choice of the physician and school of practice to persons entitled

to medical care, and providing osteopathic representation on Federal and State advisory councils, which was referred to the Committee on Education and Labor.

Mr. CAPPER presented a resolution of the Kansas State Osteopathic Association, Wichita, Kans., favoring the amendment of Senate bill 1620, the so-called national health bill, so as to preserve the freedom of choice of the physician and school of practice to persons entitled to medical care, and providing osteopathic representation on Federal and State advisory councils, which was referred to the Committee on Education and Labor.

He also presented a letter from the president and chairman of the legislative committee of the Sedgwick County Medical Society, Wichita, Kans., expressing opposition to the so-called National Health Act of 1939 (S. 1620), which was referred to the Committee on Education and Labor.

He also presented a resolution of the Women's Foreign Missionary Society, of Wellington, Kans., favoring action to stop the shipment of munitions and war supplies to Japan for use in operations in China, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

Mr. LEE, from the Committee on Commerce, to which was referred the bill (S. 1907) granting the consent of Congress to the State of Montana, or the counties of Roosevelt, Richland, and McCone, singly or jointly, to construct, maintain, and operate a free highway bridge across the Missouri River at or near Poplar, Mont., reported it with amendments and submitted a report (No. 440) thereon.

He also, from the Committee on Military Affairs, to which was referred the bill (S. 1650) to promote peace and the national defense through a more equal distribution of the burdens of war by drafting the use of money according to ability to lend to the Government, reported it without amendment and submitted a report (No. 441) thereon.

Mr. BRIDGES (for himself, Mr. AUSTIN, and Mr. GURNEY), as members of the Committee on Military Affairs, submitted minority views on the foregoing bill (S. 1650), which were ordered to be printed as a part of Report No. 441.

Mr. LOGAN, from the Committee on the Judiciary, to which was referred the bill (S. 915) to provide for the more expeditious settlement of disputes with the United States, and for other purposes, reported it with an amendment and submitted a report (No. 442) thereon.

Mr. BURKE, from the Committee on the Judiciary, to which was referred the bill (S. 1874) to amend the Criminal Code in regard to obtaining money by false pretenses on the high seas, reported it without amendment and submitted a report (No. 446) thereon.

Mr. BYRNES, from the Committee on Appropriations, to which was referred the bill (H. R. 6149) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1940, and for other purposes, reported it with amendments and submitted a report (No. 443) thereon.

Mr. ADAMS, from the Committee on Irrigation and Reclamation, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 1808. A bill giving the consent and approval of Congress to the Rio Grande compact signed at Santa Fe, N. Mex., on March 18, 1938 (Rept. No. 444); and

H. R. 4997. A bill giving the consent and approval of Congress to the Rio Grande compact signed at Santa Fe, N. Mex., on March 18, 1938 (Rept. No. 445).

AMENDMENT OF INTERSTATE COMMERCE ACT—MINORITY VIEWS

Mr. SHIPSTEAD, as a member of the Committee on Interstate Commerce, submitted minority views on the bill (S. 2009) to amend the Interstate Commerce Act, as amended, by extending its application to additional types of carriers and transportation and modifying certain provisions thereof, and for other purposes, heretofore reported from that committee with amendments, which were ordered to be printed as part 2 of Report No. 433.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LEE:

S. 2434. A bill to amend the Agricultural Adjustment Act of 1938, as amended, for the purpose of regulating interstate and foreign commerce in cotton, providing for the orderly marketing of cotton at fair prices in interstate and foreign commerce, insuring to cotton producers a parity income from cotton based upon parity price or cost of production, whichever is higher, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. SMATHERS:

S. 2435. A bill to provide for the passing of intelligence tests by aliens prior to their admission into the United States for permanent residence; to the Committee on Immigration.

By Mr. ANDREWS:

S. 2436. A bill authorizing the marking of the channel in the Homosassa River, Fla.; to the Committee on Commerce.

S. 2437. A bill to provide for the holding of a term of the district court of the United States at Fort Myers, Fla.; to the Committee on the Judiciary.

By Mr. BILBO (for himself and Mr. SHEPPARD):

S. 2438. A bill prohibiting officers and employees of the United States from receiving payments of special taxes on liquor dealers from persons engaged in the business of selling liquors in violation of State laws; to the Committee on the Judiciary.

By Mrs. CARAWAY:

S. 2439. A bill to authorize the Secretary of War to lend War Department equipment for use of the American Legion Convention to be held at Helena, Ark., during the month of July 1939; to the Committee on Military Affairs.

By Mr. GEORGE:

S. 2440. A bill to amend Veterans Regulation No. 1 (a) part III, paragraph 1 (e) and (f), as amended, to liberalize the definition of, and to increase the pension payable for, permanent total non-service-connected disability; to the Committee on Finance.

By Mr. TAFT:

S. 2441. A bill providing for a survey of the proposed General Anthony Wayne Memorial Parkway; to the Committee on Public Lands and Surveys.

By Mr. BURKE:

S. 2442. A bill relating to hospitalization and domiciliary care for certain retired enlisted men of the Army, Navy, Marine Corps, and Coast Guard; to the Committee on Military Affairs.

S. 2443. A bill authorizing the Railroad Retirement Board to pay an annuity to Ollie N. Bagley; and

S. 2444. A bill to amend the Interstate Commerce Act, as amended, to prohibit certain discriminatory practices with respect to the granting of transit privileges; to the Committee on Interstate Commerce.

By Mr. SHEPPARD:

S. 2445. A bill granting a pension to Mary L. Robinson; to the Committee on Pensions.

S. 2446. A bill to amend section 12, title 34, Supplement IV, United States Code (49 Stat. 959), relating to the appointment of Naval Academy graduates as ensigns in the Navy; to the Committee on Naval Affairs.

By Mr. KING:

S. 2447. A bill authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes; to the Committee on the District of Columbia.

By Mr. WHEELER:

S. 2448. A bill to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406); to the Committee on Irrigation and Reclamation.

By Mr. SCHWELLENBACH:

S. 2449. A bill to amend the act entitled "An act to adjust the compensation of certain employees in the Customs Service," approved May 29, 1928, as amended; to the Committee on Finance.

HOUSE BILL REFERRED

The bill (H. R. 6205) to provide for additional clerk hire in the House of Representatives, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

ADDITIONAL LAND FOR MILITARY PURPOSES—RECOMMITTAL

Mr. SHEPPARD. Mr. President, I move that the bill (S. 2223) to authorize the acquisition of additional lands for military purposes be recommitted to the Committee on Military Affairs in order that the committee may have opportunity for further study of the measure.

The motion was agreed to.

NAVAL WORKS—DRYDOCK, SOUTH BOSTON, MASS.—AMENDMENT

Mr. WALSH submitted an amendment intended to be proposed by him to the bill (H. R. 2878) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, which was ordered to lie on the table and to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—PROPOSED AMENDMENT

Mr. HALE. Mr. President, I submit a notice in writing, which reads as follows:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6149) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1940, and for other purposes, the following amendment, namely:

On page 27, line 19, beginning with the word "*Provided*", to strike out through the word "thereto", on page 28, line 2, and insert in lieu thereof the following: "*Provided*, That no part of the appropriations for the Navy Department, the War Department, or the Coast Guard contained in this act or any other act shall hereafter be available for the procurement of any article of food not grown or produced in the United States or its possessions, except articles of food not so grown or produced or which cannot be procured in sufficient quantities as and when needed, and except procurements by vessels or establishments in foreign waters or countries for the personnel attached thereto."

Mr. HALE also submitted an amendment intended to be proposed by him to the bill (H. R. 6149) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1940, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of the amendment referred to, see the foregoing notice.)

CAPT. OBERLIN M. CARTER

Mr. WILEY submitted the following resolution (S. Res. 133), which was referred to the Committee on Military Affairs:

Resolved, That the Committee on Military Affairs is authorized and directed to investigate the facts leading to the court martial, as well as the court-martial proceedings and all the findings, in the case of former Capt. Oberlin M. Carter, United States Engineer Corps, and report to the Senate.

PROPOSED PARITY PAYMENTS ON CORN—LETTER FROM SENATOR JOHNSON OF COLORADO TO SENATOR M'NARY

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD a letter dated May 17, 1939, written by him to Senator MCNARY, on the subject of proposed parity payments on corn, which appears in the Appendix.]

NEUTRALITY—ADDRESS BY SENATOR SHIPSTEAD

[Mr. JOHNSON of California asked and obtained leave to have printed in the RECORD a radio address delivered by Senator SHIPSTEAD on Tuesday, May 16, 1939, on the subject of neutrality, which appears in the Appendix.]

PAN AMERICANISM VERSUS EUROPEAN MEDDLING—ADDRESS BY SENATOR CHAVEZ

[Mr. BILBO asked and obtained leave to have printed in the RECORD a radio address delivered by Senator CHAVEZ on Thursday, May 11, 1939, on the subject Pan Americanism Versus European Meddling, which appears in the Appendix.]

BUILDERS OF THE FUTURE—ADDRESS BY PHILIP C. EBELING

[Mr. FRAZIER asked and obtained leave to have printed in the RECORD an address on the subject Builders of the Future, delivered by Philip C. Ebeling, president of the United States Junior Chamber of Commerce, at Valley City, N. Dak., which appears in the Appendix.]

BANKERS AND RECOVERY—ADDRESS BY E. C. LOVE

[Mr. LEE asked and obtained leave to have printed in the RECORD an address entitled "Bankers and Recovery," delivered by E. C. Love, president of the Oklahoma Bankers' Association, at Oklahoma City, which appears in the Appendix.]

AMERICAN EXPERTS AND RECIPROCAL-TRADE AGREEMENTS

[Mr. MEAD asked and obtained leave to have printed in the RECORD a letter addressed to him by Joseph L. Ryan, foreign director of the Royal Typerwiter Co., on the subject of the effect of reciprocal-trade agreements on American exports, which appears in the Appendix.]

PURCHASE OF ARGENTINE CANNED BEEF—ARTICLE BY ARTHUR KROCK

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an article from the New York Times of May 16, 1939, by Arthur Krock, entitled "The Great Beef Tempest in Nonexistent Cans," which appears in the Appendix.]

FLORIDA SHIP CANAL

The Senate resumed the consideration of the bill (S. 1100) for the completion of the construction of the Atlantic-Gulf Ship Canal across Florida.

The VICE PRESIDENT. When the Senate took a recess yesterday, the question before the Senate was the amendment offered by the Senator from Colorado [Mr. ADAMS] to the amendment proposed by the Senator from Oklahoma [Mr. LEE]. The Chair has been advised that the Senator from Florida [Mr. ANDREWS] desires to discuss the pending question, and the Chair recognizes the Senator from Florida.

Mr. ANDREWS. Mr. President, in the talk I shall make on this subject I shall try to be as brief as possible. I shall also try to confine myself to the record facts, and the opinions of experts and others on whom we usually depend when subjects are presented which require some peculiar knowledge and experience.

When nature fashioned the continent of North America the long peninsula of Florida was placed as a barrier between the Atlantic Ocean and the Gulf of Mexico. Likewise, along the Atlantic and Gulf coasts lesser peninsulas were placed which are dangerous barriers to coastal commerce, while on the interior mountain ranges and broad rivers were fashioned as impediments to land commerce.

As the Nation grew and our population increased the demand for cheaper and faster transport and interchange of commodities became more insistent; and we spanned the rivers with bridges of steel and concrete, tunneled under the mountains and rivers, developed our seaports, built an inland waterway system along our Atlantic and Gulf coasts, removed the navigation barrier of Cape Cod by construction of the Cape Cod Canal, and removed the barrier of the State of Delaware and the Eastern Shore of Maryland by the construction of the Chesapeake and Delaware Canal.

That the Maker intended to have man shorten the route for his commerce between the Atlantic Ocean and the Gulf of Mexico seems obvious, for there He fashioned three rivers with an intervening section of land of only 29 miles.

Into the Gulf of Mexico flow the great rivers which drain all the watershed of the vast area of the United States lying between the Rockies and the Alleghenies, and by water and by rail a vast commerce moves from this area to and from the Gulf ports. East of the Alleghenies the rivers run into the Atlantic; and here, again, both by rail and by water, a vast commerce moves to and from the Atlantic ports. Between the Atlantic and the Gulf ports the ocean ship is the common medium of transportation.

Around Florida this traffic moves today, and it has so grown in volume that it exceeds three times the traffic which passes through the Panama Canal, or 90,000,000 tons annually.

In the holds of these ships are products from the States of practically all the Senators in this Chamber. The War Department is authority for the statement that this canal will benefit 74 percent of the population of the United States, 70 percent of the farmers, and 73 percent of the manufacturers, which facts led the Rivers and Harbors Committee of the House of Representatives to report that—

Its benefits will increase with time and will accrue to a larger portion of our country and its population than those of almost any other Federal public work.

Living as I do in the Peninsula State, I know something of the multitudinous foreign islands lying off the coast of Florida and in the Caribbean. They are friendly today; but will it be ever thus? Will some nation be "appeased," and these islands fall into unfriendly hands? Or may they be taken by an unfriendly nation? Certainly our Government must now recognize that this is not beyond the realm of possibility. Why else did it recently create a Department of the Caribbean? Possibly many of the Senators recall that shortly after the Munich Conference, General Johnson stated in his column that one of the demands made by Mr. Hitler upon Mr. Chamberlain was that Germany be given bases for planes and submarines in the Caribbean. We can either convoy every ship that passes through the Caribbean to and from the Panama Canal in time of war and at great expense, and possibly with great loss of life and property, or we can build this canal to serve our vast peacetime commerce and use it to untold advantage in time of war.

There are those who would becloud the issue with false economy and by failure to differentiate between an authorization and an appropriation. When this Nation authorizes the improvement of a river or a harbor, or the construction of an improvement for navigation which is in the public interest and economically justifiable, returning, as it will, an economic saving to the people of the Nation who pay for it, certainly that is not an expense but an investment by the Nation for its betterment. That reasoning does not apply to this project alone, but it applies to all worthy river and harbor, navigation, flood-control, or reclamation projects.

This bill goes even further, and provides that tolls may be collected if that course is deemed wise. Further, there are those who would lead us to believe that the Treasury will save money if this bill is defeated. Certainly nothing could be further from the truth, for the bill only provides authorization in the same manner in which it is accorded to practically all other projects which have been investigated by the same agencies that investigated this project and favorably reported to the Congress. If authorization is granted, in due course this project will come back before us for an appropriation, and at that time the appropriation and the rate of the appropriation will be entirely within our discretion. So I charge that those who term an authorization bill an appropriation are using an expression which is not well founded.

Mr. HUGHES. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Delaware?

Mr. ANDREWS. I yield.

Mr. HUGHES. As I understand, the bill before us is an authorization bill. It is not an appropriation bill.

Mr. ANDREWS. That is correct.

Mr. HUGHES. If the bill should pass, the appropriation would have to be made later?

Mr. ANDREWS. It would have to be made later.

Mr. HUGHES. With the Senator's permission, I should like to state that I feel very favorable to waterways of this sort, and I shall support the Senator's bill for several reasons.

I have had some experience with a similar canal through the northern part of the Delmarva Peninsula, which is composed of Delaware and the eastern shores of Maryland and Virginia. Such a project was proposed away back in 1799, and a canal was built across the end of the peninsula in a location somewhat similar to that of the proposed canal across the State of Florida. In fact, the Delmarva Peninsula is shaped very much like the State of Florida. It goes down to the ocean at the south end, and there are the two great estuaries of Chesapeake Bay and Delaware Bay, one on the east and the other on the west, and then the peninsula comes north, so that a canal could be built across it of a length of 13½ miles.

In 1824 a number of individuals raised money and built a canal of a depth of 12 feet. It was successful, and operated for quite a number of years, but it was not sufficient for the business which such a canal might do. In 1919 the Federal Government made arrangements with the owners by which it purchased their interest in the canal, and started a project of building a canal 250 feet wide and 27 feet deep, changing the existing canal from one that had four locks to a sea-level canal. The project now is almost completed. The result is that the commercial advantages of the canal have doubled and trebled, and the amount of freight and passenger traffic going through the canal is enormous. We think very highly of it.

The suggestion which I heard made here that cutting a canal through the northern part of the Senator's State might interfere with the water supply in the rest of the State I suppose probably was made about our canal also, because it was cut through the northern part of the State, leaving the long peninsula down below, but the construction of the canal has had no effect on the water supply. On the contrary, it is a very useful canal and, for the reasons I stated before, it has cost the Government $30,469,800 up to June of last year.

Because of my knowledge of the canal in Delaware, and my appreciation of the benefits coming from it to the sections it touches, I am in favor of the construction of the Florida canal. One of the moving purposes of the building of the canal in Delaware was that it would be a safeguard in case of war, because Philadelphia, Chester, and Wilmington, at the north, on the Delaware, and Baltimore, on Chesapeake Bay, could use it for the transshipment of munitions, and all that sort of thing. It would be a safeguard, an inland waterway, which I think the Florida canal would be. I have seen the parts of the Florida canal where construction has been in progress; I have seen the digging going on there; and for the reasons I have stated, and for other reasons, I feel I can support an authorization of this kind, and I think it ought to be passed by the Senate.

Mr. ANDREWS. Mr. President, I thank the Senator from Delaware for his observations.

For the reasons I have given, I earnestly ask my colleagues to pass this authorization bill:

First, because it comes before the Senate after full investigation, approved by the regular constituted governmental authorities.

Second, its value for national defense.

Third, that public works of this nature have a very definite investment value as opposed to expense items.

Fourth, because it will provide, at no additional expense, the vital missing link in our inland waterway system from Boston to Mexico, and thus connect the Atlantic inland waterway system and the Gulf inland waterway system, upon each of which we have spent millions of dollars, but have no way of passing traffic from one system to the other.

It is my belief that no proposed public improvement having to do with waterways has had such a thorough investigation by the Army engineers and other experts, and more particularly through the instrumentalities of the committee of the House of Representatives, which has recently made its report, No. 950.

After hearings on each item, this report finds that:

1. The Atlantic-Gulf Ship Canal will serve as a major element of national defense in time of war.

2. The canal will afford an unusually expeditious, safe, and convenient waterway for practically all vessels sailing to and from the Gulf of Mexico.

3. By connecting the intracoastal canal system of the Atlantic seaboard and that of the Gulf of Mexico, this canal will serve to complete these systems and substantially enhance the value of both.

4. A very great and real value in the increased safety to life and property afforded by ship transit by way of this protected route as opposed to the extreme seasonal hazards incident to violent hurricanes in the Straits of Florida.

5. The opposition is not well founded.

6. Its economic justification is beyond question.

7. Its benefits will increase with time and will accrue to a larger portion of our country and its population than those of almost any other Federal public work.

8. Its construction is needful and in the public interest.

9. Your committee is of the opinion that the policy of the construction by the Federal Government of river and harbor projects and improvements for navigation in general, when these are found to be in the public interest and to be economically justifiable, will always form a basic element in any sound fiscal policy, and that this view is supported by the expressed legislative judgments of the Congress throughout our history. The authorization of the Atlantic-Gulf Canal is governed by that policy. The work, already well begun, will necessarily require a number of years. Your committee recommends that its completion be now authorized.

Mr. TYDINGS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Maryland?

Mr. ANDREWS. I yield.

Mr. TYDINGS. I notice on the chart on the wall that the total number of dollars per year saved by ships going through the canal rather than around the lower end of Florida is $14,934,000. That is based on a per ship average saving of $850. I notice also from another chart that the cost of the canal is to be $198,000,000. In other words, the annual saving, roughly speaking, would about pay for the canal in 15 years. Are these figures correct?

Mr. ANDREWS. If the Senator will notice farther down the chart, he will see what the expenditures are to be, and the figure will not be so large.

Mr. TYDINGS. It would not be a saving of $14,000,000 a year?

Mr. ANDREWS. It would be a saving of $14,000,000 a year, as I understand it, with the deductions for operation.

Mr. TYDINGS. This was what I had in mind: Assuming, then, that there would be a net saving which would in 20 years make up the cost of the canal, which will be $198,000,000, would it be possible to charge ships going through the canal a sum of money slightly under what they would expend if they went around Florida, and finance the project in that way instead of out of Government funds?

Mr. LEE. Mr. President, will the Senator from Florida yield in order that I may answer the question of the Senator from Maryland?

Mr. ANDREWS. I yield.

Mr. LEE. An amendment has been proposed providing just what the Senator suggests, the liquidation of the cost of construction over a period of 50 years, carrying the maintenance and operating costs also.

Mr. TYDINGS. In other words, under the amendment to which the Senator refers, the Government would put up all the money, tolls would be collected, and the Government would be reimbursed?

Mr. LEE. That is correct.

Mr. TYDINGS. Would the estimated tolls be sufficient in 50 years to pay interest, sinking fund, and maintenance?

Mr. LEE. It has not been figured on that basis. It has been figured on the basis of retiring the construction cost and the maintenance and operating costs, but not the interest.

Mr. TYDINGS. Everything but the interest?

Mr. LEE. That is correct.

Mr. TYDINGS. To what extent is it estimated tolls would cut down the number of ships which it is assumed would use the canal if no tolls were charged for passage through it?

Mr. LEE. The total amount of ship tonnage going around in 1937 was 138,000,000 ship tons. The estimate of the number of tons that would transit the canal on which the figure I used was based was 91,000,000.

Mr. TYDINGS. In other words, the figure I assumed, as represented on this chart, takes into consideration the tonnage which would go through the canal if no tolls were charged?

Mr. LEE. I presume so; I am not so familiar with those figures.

Mr. TYDINGS. I was just wondering what proportion of the tonnage now represented as 91,000,000—and, of course, it would be an estimate only—would use the canal if transit were free, and to what extent the same tonnage would go around in the event tolls contemplated in the amendment were imposed on ships.

Mr. LEE. I suggest that on the basis of the figures I submitted yesterday, and on which the amendment was drawn, namely, that 91,000,000 tons would transit the canal and pay the tolls which would be necessary to retire the construction costs in 50 years, the charge would amount to 5½ cents a ton, whereas most of the witnesses testified that ships would pay as high as 8 cents a ton and still go through the canal rather than go around. It would be questionable as to how many would go through and how many would go around. In other words, it seemed that 8 cents a ton was the point of diminishing return.

Mr. TYDINGS. What I had in mind was that the figure of 91,000,000 tons, of course, represented the estimated tonnage going through the canal if no tolls were imposed. It seemed to me, without having any information, that there would probably have to be some reduction in that figure if tolls were imposed. There would be some ships which might want to go around in order to save the payment of tolls.

Mr. PEPPER. Mr. President, will my colleague yield?

Mr. ANDREWS. I yield.

Mr. PEPPER. I wish to thank the Senator from Maryland for propounding his inquiry, because all we are trying to do is to get the facts before the Senate.

If the Senator will look at page 97 of the report of the Senate hearings, which he has on his desk, he will find that every one of the boards which has made an investigation of this subject has indicated about what the saving per ton on commodities which pass through the canal would be. The average saving per ton found by those investigations is 15 cents.

There have been two authorities which have directed themselves directly to the question of the amount of tolls shipping would pay. One of them was Dr. Johnson, who calculated the toll structure of the Panama Canal.

Mr. TYDINGS. Permit me to interrupt, so I may be able to follow the Senator's statement. The tonnage represented here is the tonnage of cargo and not the displacement of the ship?

Mr. PEPPER. The tonnage of cargo. One of the authorities was Dr. Johnson, who calculated and set up the toll structure for the Panama Canal. The other was the intradepartmental board, consisting of two engineers from the War Department and two engineers from the P. W. A., and one engineer selected by those four engineers. In its study of the question of tolls made by direction of the President when the applications for loans were pending before the P. W. A. a few years ago, that board set up 8 cents as the amount that the ships would pay on the cargo which transited the canal. Although the board said the ships would pay 8 cents a ton, in view of the fact that the benefits were an average of 15 cents a ton at that time, the quantity of tonnage which was transiting the Straits of Florida and the potential tonnage through the canal was not large enough to make the canal self-liquidating. That tonnage, however, was calculated on the basis of 1931. The tonnage transiting the Straits of Florida since 1931 has increased 100 percent. As a matter of fact, it increased 50 percent between 1935 and 1937. So that now the Senator may calculate that the 91,000,000 tons represent the cargo tonnage which would transit the canal had it been in existence in 1937. As a matter of fact there has been a further increase of tonnage since that time.

Mr. TYDINGS. Am I interrupting the senior Senator from Florida [Mr. ANDREWS] by asking these questions?

Mr. ANDREWS. No, Mr. President; the Senator is not interrupting me. My colleague [Mr. PEPPER] was a member

of the committee and heard all the testimony with respect to the canal.

Mr. TYDINGS. I was obliged to be in Baltimore yesterday, so could not be in the Senate and hear the discussion of the subject which took place then. Perhaps I missed many of the points concerning which I am now asking questions, which may have been answered yesterday. I wish to inform myself concerning the matter, however. Is it possible to finance all this construction by private financing?

Mr. PEPPER. Mr. President, I am not prepared to say about that, but I would say that the chances are, of course, not considerable.

Mr. TYDINGS. Because it is too large an amount?

Mr. PEPPER. Because it is too large an amount.

Mr. TYDINGS. Is it contemplated that the State of Florida will have any financial responsibility in the repayment of the money expended?

Mr. PEPPER. The State of Florida has created by legislation, the Florida ship canal authority, which has procured at a cost of around $3,000,000, and presented to the United States Government free the right-of-way upon which the canal is to be constructed.

Mr. TYDINGS. How much did that cost?

Mr. PEPPER. About $3,000,000. In addition to that the State of Florida, through its road department, has assumed the responsibility for the construction of all the highway bridges across the canal and the maintenance of those bridges which will be necessary.

Mr. TYDINGS. One more question. First, is it possible, and, second, would it be feasible for the State of Florida to give its bonds to the Federal Government for the money that the Federal Government would put up to build the canal, and provide that the State of Florida might collect the tolls and reimburse the Federal Government for the expense of building the canal? In other words, to have the State of Florida the maker of the note and the Federal Government the endorser, rather than to have the Federal Government both the maker and the endorser, while the beneficiary, so to speak, stands aside?

Mr. PEPPER. Mr. President, I will have to answer the Senator "no" to that question, because the Constitution of the State of Florida forbids the State from issuing bonds except to repel invasion or to suppress insurrection. So we do not have the legal authority to do that.

Mr. TYDINGS. I am just eliciting information and keeping an open mind on this matter. Is the machinery for amending the Constitution of Florida complex, and would it take much time to amend the constitution, assuming the people wanted to amend it?

Mr. PEPPER. Senator, I do not know. The complexity of it would be a matter of opinion. It is like most constitutional amendments. The legislature would have to adopt the amendment by two-thirds majority of those present and voting, and then it would have to be submitted to the public for ratification, in practically the same way that other constitutional amendments are proposed and ratified. I will say two things to the Senator. In the first place I do not think it is feasible for a State which has a population of only 1,600,000 to undertake to do what the Senator asked, and in the second place Florida is the smallest beneficiary of all the States from the point of view of the canal, except for the fact that the construction will occur in the State of Florida. The Mississippi Valley, as indicated on the two maps on the wall, will derive a great deal more benefit to its commerce from the construction of the canal than the State of Florida will derive, and that is attested by every engineering board which has investigated the subject.

Mr. TYDINGS. I wish to ask another question. I did not hear it all, or perhaps I read it in a report, but as I recall the senior Senator from Michigan [Mr. VANDENBERG] some time ago submitted a report or put a statement in the RECORD, or else I read it in the committee hearings, to the effect that he had gotten in touch with many shipping lines, and as I recall a majority of the shipping lines that he had contacted stated they would not use the canal even if it were built. I may not have the matter correctly in mind, but that is my recollection of what the Senator from Michigan said. Am I misinformed with respect to that? I make that inquiry because I wish to ask a question based on that statement, and I do not want to have my premise incorrect.

Mr. VANDENBERG. Mr. President, if I may respond in the time of the Senator from Florida, I will say that yesterday I submitted the letters of ship operators presented to the committee by General Markham as his reliance. There were nine of them. I presented letters from nine ship operators, the net result of which was that two said they were no longer operating in the waters involved, and therefore could not use the canal anyway, and the other seven agreed that it was economically unsound, and that they did not contemplate its use.

Mr. PEPPER. Mr. President——

Mr. TYDINGS. Mr. President, before the Senator answers that statement, will he encompass in his answer, if possible, whether or not the lines to which the Senator from Michigan alludes are included in the estimate of tonnage of cargo which would use the canal in making up the financial estimates with respect to liquidating the construction?

Mr. PEPPER. Yes; I will say to the Senator that they are included.

In answer to the query which the Senator has put to me, I may read from House Document No. 194, Seventy-fifth Congress, first session, pages 144 and 145. This is a comment by the engineers of the United States.

Mr. TYDINGS. Does the Senator mean the United States Army engineers?

Mr. PEPPER. Yes. I read.

> The claim has been made by opponents of the canal that ships will not use it. If shipowners fail to use a route offering an average saving in time of 22.02 hours per trip, with probable annual savings in 1935 estimated at $9,553,244, it would mean a complete reversal of past policy and would be contrary to all business principles, unless the route be attended with so many hazards to navigation as to eliminate or greatly reduce the savings. * * *
>
> The Board has endeavored to ascertain the view of shipping companies with reference to the canal. Seventy-four letters were directed to owners or operators, from which only 29 replies were received. Of these, 14 were favorable to its construction, 5 were unfavorable, and 10 were unresponsive. (See exhibit 2, annex 2, for details.) The lack of response to questions of this character is not unusual.
>
> The great majority of potential users of the Atlantic-Gulf Canal are vessels pertaining to the petroleum industry carrying crude oil from the Gulf field to refineries located largely on the Atlantic. The effect of the canal would be to place the Gulf oil fields in a better competitive relation with other fields, particularly South American fields. As a matter of public policy, this effect may not be a desirable one at this time. It may be better to allow present demands for petroleum to be supplied from the latter fields while domestic resources are conserved.
>
> The establishment of terminal facilities along the canal is essential to a realization of the predicted local benefits. No local commerce of importance can be expected to develop at once, particularly the kind whose movement is dependent on expensive facilities, until there have been provided wharves, warehouses, cooling plants, etc., the construction of which should be assured as promptly as possible.
>
> There is no question that the canal will offer a practicable and safe route for ships. The dimensions are ample and the lights and signals proposed are of a more advanced type than any heretofore in use. There are no sharp turns or bends in the channel except at Dames Point in the existing improvement below Jacksonville, which has been widened to 1,000 feet.

Mr. TYDINGS. I assume that the Senator's answer must inevitably be in the affirmative.

Mr. PEPPER. Will the Senator permit me to finish the paragraph?

Mr. TYDINGS. I beg the Senator's pardon. I thought he had finished.

Mr. PEPPER. No.

> Visibility is ample, and there are no objectionable currents. There are fewer bends per unit of length than on any other major canal. The ships in this trade are now using channels and canals all over the world offering less facilities for navigation.
>
> It is believed that the use of the Atlantic-Gulf Canal, at least to the extent estimated herein, will follow as the logical and inevitable business for commercial result.

In addition to that, there are some 10 letters which a little while later I wish to put into the RECORD, which I failed to

advert to yesterday. Those letters are from shipping companies who said they would use the canal.

The answer, then, to the Senator's query would be that the experts say it is the safest canal in all the world. It has more aids to navigation than any other canal in the world has. The Senate has just heard read the statement by the engineers that it is straighter than any other canal in the world. The engineers have done everything that science can do with respect to the removal of bends and other impediments to make it a safe transit canal for navigation. It is 100 feet wider than the Panama Canal. It is 200 feet wider than the Suez Canal and the Kiel Canal.

In view of those advantages it will save the ships 23 to 24 hours on an average, which will mean that they will be saved 400 miles in average sailing time, and in dollars and cents, as found by the engineers, the saving, estimated for 1935, of $9,555,244.

Mr. TYDINGS. Mr. President, I think no one would take exception to the fact that it would be a nice thing to have the canal. Of course, if we had the money available, probably nine-tenths of the argument that is going on now would not be made. The thing I want to convince myself about is this: If the amendment we have been discussing shall be adopted, will enough revenue be provided to repay the United States Government for the cost of the canal as visualized? I take it the Senator is pretty well convinced that there would be sufficient revenue.

Mr. PEPPER. Yes; and I should like to summarize the reasons.

Mr. ANDREWS. The benefit to the public must also be taken into consideration.

Mr. TYDINGS. I appreciate that; but the question is, Where are we going to get the money? I do not ask that question in any parsimonious spirit; but we are reaching the point where we cannot proceed with expenditures of $200,000,000 or $300,000,000 without knowing where the money is coming from.

Mr. PEPPER. I appreciate the Senator taking the interest to make these inquiries and permitting us to answer the questions. Every board which has investigated the subject has found average savings per ton of 15 cents. We start with that premise. The engineers say that experience——

Mr. TYDINGS. If I may interrupt the Senator, I think I have covered the field as to which I was inquisitive. If the canal is to be built, I wish it were possible for the State of Florida to deposit its bonds with the United States Government as security for the repayment of the loan, and for the State of Florida to collect the tolls. However, I understand there are constitutional prohibitions in the way. Is there any other way in which the arrangement could be set up so that the Government would not be both the maker and endorser of the note but would be rather the endorser of the bonds?

Mr. PEPPER. I will say to the Senator that I do not think that course would be legally possible. In the second place, I do not think it would be morally right for the State of Florida, which happens to be a narrow peninsula carrying 171 miles of the canal, to take the sole responsibility or make the sole contribution because, as I have said, the Army engineers, after the most exhaustive investigation any project has ever had, have found that the part of the country which would benefit most from the project is not the State of Florida but the Atlantic seaboard and the Middle West. Baltimore, Md., as a shipping center, would be one of the chief beneficiaries of the canal.

Mr. TYDINGS. I wish to interrupt the Senator long enough to say that a new highway bridge is now being built across the Susquehanna River near where I live. It is proposed to pay for the cost of constructing the bridge out of the tolls, but the Federal Government is putting up only part of the money. The State of Maryland is putting up the remainder of the money, and has created a bridge authority, similar to the Florida canal authority, to collect the tolls. However, the State of Maryland has a moral, and to a large extent a legal, obligation to see that the project is liquidated, whether tolls are collected or not.

I wish it were possible to set up the Florida canal project in somewhat the same way so that the people using it would ultimately pay for it. I do not see how Florida would be penalized because first of all, as the Senator has pointed out, it is a national project and not a State project. Of course, the Senators from Florida would like to develop Florida. All the rest of us would like to see Florida developed. The Senators would like to have all the extra work made in Florida. We would all be glad to see such activity. Nevertheless, unless it can be shown beyond a reasonable doubt that the revenues from the ships which will use the canal will be sufficient to liquidate the loan I, for one, in spite of the fact that in the abstract I would favor the project, would have to withhold my vote for it, because with the national debt at $40,000,000,000, and a big deficit this year, I think the Federal Government is at a point where it has to stop making expenditures unless it knows where the money is coming from.

Mr. PEPPER. I will say to the Senator, by way of advance notice, if he did not hear the statement yesterday, that the Senator from Colorado [Mr. ADAMS] gave notice that he intended to propose an amendment to the Lee-Mead-Truman amendment which would provide that before the resumption of construction on the canal, which would mean, in substance, before any appropriation is made, the Congress should have before it the results of a thorough study which the President would cause to be made by competent agencies, to advise the Congress, before making the appropriation, whether or not the appropriation would be justified.

Mr. TYDINGS. I thank the Senator.

Mr. PEPPER. I do not know of anything that is fairer to the Congress than that amendment, which we propose to accept.

Mr. TYDINGS. I thank the Senator for his answers to my questions, and I apologize to the senior Senator from Florida [Mr. ANDREWS] for interrupting him at such length.

Mr. ANDREWS. I am pleased to have the question elucidated.

Mr. President, just a short comment on the question of whether or not the steamship lines will use the canal. If we read the history of the construction of all such canals we will find that transportation companies as a whole have never favored such projects. As transportation companies they do not like to follow the shortest distance between two points because there is less miles and less charges. My understanding is that some of these Gulf ship lines receive $2.50 per mile to carry the mail. If they can add 500 miles to their distance, it means $1,250 more. The railroads have never favored canals, although I do not see how this one could possibly injure them. In fact, it would increase their earning capacity to a great extent, as much of the materials and supplies which would be used in constructing the canal would come from the States north of us.

I shall now conclude what I was stating with regard to the report of the committee of the House on the cross-State canal.

> The policy of the construction by the Federal Government of river and harbor projects and improvements for navigation in general, when these are found to be in the public interest and to be economically justifiable, will always form a basic element in any sound fiscal policy, and that this view is supported by the expressed legislative judgments of the Congress throughout our history. The authorization of the Atlantic-Gulf Ship Canal is governed by that policy. The work, already well begun, will necessarily require a number of years. Your committee recommends that its completion be now authorized.

I shall now discuss in more or less detail the issues which have been raised in the long controversy over the construction of the Florida canal. First I should like to refer to the past history. I am fairly well acquainted with that history. More than 100 years ago, soon after Andrew Jackson captured Florida from the Spanish, my people settled in Florida. I now have kinsmen, either by consanguinity or affinity, in

practically every county of Florida. No Member of Congress is more interested than I in seeing that the right thing is done by the people of Florida, more particularly with regard to whether or not the construction of the canal would have a deleterious effect upon the underground water supply of my State.

More than 100 years ago the first legislative attempt was made in Congress to construct a canal across the northern portion of the Peninsula of Florida. The first such measure was approved in 1825. Several such measures have been enacted since that time. In 1927, under the administration of President Coolidge, an authorization was given to make surveys. In 1930 or 1931, under President Hoover's administration, there was an authorization of $500,000 for the purpose of making a complete survey across the State of Florida to determine the feasibility of such a plan, its advisability, the place where the canal should go, and whether it should be a barge canal, sea-level canal, or lock canal. That investigation was made over a period of years by officials of the Government who were specially trained in such work. The RECORD here will show their names. I shall refer to them later.

In matters of this kind, requiring expert knowledge and official responsibility, my policy is and has been to follow constituted authority. Many persons are willing to express their views upon almost any question without assuming any responsibility.

Many books and pamphlets have been written about the cross-State canal. Many are written by persons who have made no personal investigation, who have never seen the route, but have merely read about it in some magazine or periodical. Those who have investigated personally, those who have gone into it thoroughly, and who are charged with official responsibility, have submitted their findings, and they are in the reports of both the House committee and the Senate committee.

The cross-State canal is not a Florida project. As has been pointed out to the Senate, perhaps the State of Florida will derive less benefit from its construction than will any of the States west of Florida in the Mississippi Valley, the Missouri Valley, and the coast States on the Atlantic. We can only surmise what the advantages to the State of Florida will be. In other words, the canal would be a through ship highway, and, as the record shows, would affect 74 percent of the population of the United States.

There can be no question that it would have a great effect in bringing about a reduction of freight rates. The history of inland navigation in the United States shows in every instance that waterways have not adversely affected the railways. For instance, the improved water traffic on the Great Lakes, on the St. Lawrence River, and the canals which have been constructed there on the rivers has not been deleterious to the railways but has developed the greatest railway system around the Great Lakes to be found on this earth.

Naturally the subject I feel most interested is that with reference to the people of the State of Florida. I want to be definitely and reasonably certain that the construction of the Florida ship canal will not injuriously affect the underground water supply of the southern peninsula of Florida. I live 80 miles south of the canal; I live in that section where it is said by some that there will be a detrimental effect. I will undertake to show that those persons who have gone into this question thoroughly, those who have gone into it in an official capacity, and who have expert knowledge along that line, have stated over their signatures in reports submitted officially, that the construction of the canal could not have any harmful effect upon the underground water supply of south Florida, with the possible exception of a distance of 15 miles of the canal.

It so happens that the canal zone is being deeded to the United States and has been going on for 2 or 3 years. It happens also that the 29 miles cut through the ridge from one river bottom to the other go through a portion of Florida which, it is said, is about the most worthless mile-wide strip of land in the State. The fact that the construction of the canal may lower the water a few feet in wells in that vicinity does not mean that it will be detrimental to a great portion of the southern peninsula of Florida miles away; in fact, I may show before I conclude that that question has been covered thoroughly, and we are willing to leave it to the judgment of the Senate as to whether or not there would be any harmful effect to any appreciable degree.

It so happens that the canal is to be constructed across what the official reports refer to as "the saddle of the peninsula." There three large rivers flow from the south to the zone where the canal is proposed to be dug: (1) The Withlacoochee rises south of the canal, flows many miles north, turns west, and runs into the Gulf of Mexico at the point where the canal reaches the Gulf of Mexico; (2) the Oklawaha River rises some 60 or 80 miles south in Lake Apopka, which is something over 12 miles across, and it flows through four or five other lakes, some of which are 6 miles long and 3 or 4 miles wide. That region is called the great lakes region of Florida. The Oklawaha then flows down near Silver Spring, where it connects with the river that comes out of Silver Spring, and then into the St. Johns River. The St. Johns River rises 140 or 150 miles south of where the canal is to be cut. It also flows north.

I learned quite early that water does not run up hill. I am still of that belief. It so happens that the highest water level, sometimes spoken of by geologists as the "high," is near Lake Wales about 75 or 80 miles south of the proposed canal. Many Senators have been to Lake Wales. That great district of many hundreds of square miles is spoken of as the "high" of the southern peninsula. From this "high" the artesian flow reaches around Sarasota, also around Sanford and along the upper St. Johns. Upon this high elevation there are many large lakes, and are very few rivers to take the rainfall to the sea. We have anywhere from 52 to 60 inches of rainfall during the year in Florida. In Florida the problem which has concerned us most in previous years is how to drain Florida in order to prevent crops and highways being flooded. It is true that during the last season there was about one-half the average rainfall computed on the basis of the past two decades. Perhaps that fact has given rise to the number of letters that have been written to some of our Members. The truth of the matter is that the building of great highways through Florida—and it is threaded with them—has had a considerable effect on drainage. We are told by those who build roads that the first important thing that must be considered in the construction of roads is drainage; that the second important step is drainage; and that the third important objective is drainage. The other factors in road building will take care of themselves.

In building those highways in Florida, canals and side ditches will drain a vast number of acres. Thousands of acres of land in Florida are now being reforested by nature, where there used to be only sawgrass and other kinds of totally useless watergrass. Many portions of the State I had not been in for many years until I made my campaign in 1936, many areas during these years had grown up in beautiful pine trees and other trees, because, by the building of the roads, the land was drained to such an extent that useful trees could grow.

The geologists tell us that 500,000,000 gallons of pure, sparkling water flow out of Silver Spring, which sometimes has been referred to as Nature's eighth wonder of the world. All that water would flow into the canal, perhaps with a drop of 40 feet which could be utilized for generating electricity to light the canal from coast to coast. The same statement applies to Rainbow Springs, a few miles west, where water flows out of the ground at the rate of 400,000,000 gallons a day. Thus 900,000,000 gallons of sparkling water would flow into the canal daily. That would guarantee plenty of water for the operation of a lock canal, as has been stated by all the experts. Also guarantee that there could not be any intrusion of salt water from either the Gulf or the Atlantic, because the water would have to pile up first to let in water from the Gulf, and it would not do that. In fact, the engineers report that with the flowing of the water from the

Oklawaha River, the Withlacoochee River, and the water which flows from these two springs there is not the slightest danger that there could be damages to the underground water supply in southern Florida.

For instance, if an underground channel were encountered in building the canal, in the first place the cavity could be sealed up if it would affect the water supply; and, if it were not sealed up, what kind of water would go into the cavity or channel? It would be the purest and the clearest water that comes out of Mother Earth. You can drop a dime into one of those springs to a depth of 80 or 100 feet and you can see the dime on the bottom about as clearly as you can a foot or two away. So if the water should get into the underground passage, what kind of water would there be in the underground water supply? I cannot imagine any purer water than that.

Many fine persons, some my best friends, have written me and insisted that the construction of this canal might interfere with the underground water supply—for instance, persons living in Sarasota, in Tampa, in Palm Beach, in Sanford, and in other communities. They give reasons for their views which are directly opposed to the opinions of experts, men who have devoted their lives and their experience to passing upon water sources and supplies for various cities. One of them serving on this board had charge of and solved the water problem for Palm Beach; also for Miami and several other cities in the State. He is a very noted geologist, indeed, one of the outstanding geologists in the United States. He has written his opinion in these official reports, not necessary for me to read here, in which he makes it quite clear to anyone with an open mind that the construction of the canal would not possibly interfere with the water supply in the southern Peninsula of Florida.

In much of the Florida Peninsula there is little or no surface drainage. The rain falls and stays there until it either evaporates or becomes a lake. That process has been going on for millions of years. In my own county of Orange there are over 650 lakes. There is a lake for each square mile. They are all lakes of pure water. It can be used for domestic purposes. The city of Orlando takes its water from a lake. Many other cities in Florida take their water from lakes.

We have but few muddy streams in southern Florida. A few of them are a little contaminated—for instance, the St. Johns—because of the dye which falls into the river from plants and weeds of different kinds; but there is no silt. There is no danger of any silt interfering with the portion of the canal in the St. Johns Basin, or the Oklawaha Basin, or the Withlacoochee Basin. There is no silt there now, and there will not be any if the canal is constructed. The upkeep will be very minor compared with other waterways.

Members of the House and the Senate have received letters advising that the construction of this canal would deleteriously affect the irrigation in their truck gardens and citrus groves. I owned one of something like 50 acres, from which I used to take approximately 25 to 30 cars of fruit each year. I have an irrigating system. The water for the irrigating system, however, comes out of a lake and not out of the ground. In fact, in the lakes there is found the purest, soft water, the kind of water that plants need, whereas if it comes from a great depth it is either sulfur water or water containing some other mineral that may not be best for the plants or trees which it is desired to irrigate.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. ANDREWS. Yes, sir.

Mr. McNARY. Has the Senator finished upon that theme?

Mr. ANDREWS. Upon that particular theme, yes; but there are some other points to which I wish to call attention.

Mr. McNARY. Before the Senator reoccupies his seat, I want to discuss with him briefly and obtain from him his views on the question of a toll canal or a free canal. I do not wish to intrude upon the Senator at this time, however. I will linger until he is ready to discuss that phase of the subject.

Mr. ANDREWS. I thank the Senator. I should also like to say at this point that that is a matter which I have not thoroughly gone into. As the Senator knows, two amendments were offered yesterday covering the question of tolls. It may be that I shall want to file a short statement on that subject before we get through with the discussion; but if I cannot discuss it intelligently with the Senator, perhaps my colleague [Mr. PEPPER] can do so.

Mr. McNARY. I entertain no fear regarding the Senator's ability to discuss it.

Mr. ANDREWS. I do, as to that part of the matter.

Mr. McNARY. The reason why I mention the subject is that I am always anxious to have the Senator's judgment. During the hearings I asked General Summerall for his views on this matter. He appeared in behalf of the canal and its construction. It was my thought at that time, and it is now unless it is relieved, that the use of the canal and the tonnage passing through it would be greatly diminished by the exaction of a toll, which I think is the case today with the Panama Canal.

As I say, I do not want to divert the Senator's attention at this time. Later I should like to ask him a few questions along that line; but he may develop his own view, which I shall appreciate having.

Mr. ANDREWS. I shall be glad to answer the questions, if I can, at that time.

I desire now to conclude on this point by reading certain statements from the official reports.

I read from a report on geological and ground-water conditions in Florida, and their relation to the Atlantic-Gulf Ship Canal. This report is addressed to the district engineer, United States Engineers Office, Ocala, Fla. It was made July 21, 1936:

> In compliance with instructions, the board which you appointed on September 26, 1935, to study and report upon the effect which the construction of the Atlantic-Gulf Ship Canal at sea level will have upon the underground water resources of Florida, submits the following report:
>
> The board appointed consists of the following: Clarence E. Boesch, head engineer; Sidney Paige, senior geologist; Frank C. Carey, principal engineer; Edward B. Burwell, Jr., geologist; Malcolm Pirnie, consulting engineer of New York.

The third man was a private citizen. In other words, he was not an official of the Government or in the employ of the Government, as I understand.

> The board has studied all available information, which includes published and unpublished data obtained by former War Department boards which have studied the feasibility of a canal across Florida, extensive and valuable unpublished data obtained and compiled by the United States Geological Survey on the geology and ground water of Florida, published and unpublished data of the Florida State geological survey, special reports of and data gathered by Mr. Malcolm Pirnie, miscellaneous publications pertaining to the geology and water resources of the State, and data obtained by extensive borings and surveys and personal examination of important areas made upon the recommendation of this board.
>
> The data available so far fully justify the broad conclusions derived therefrom and expressed in this report.

This board is the only board that was ever appointed and which carried out its directions to determine what effect this canal would have upon the Peninsula of Florida so far as the underground water supply was concerned.

I shall now give some idea of the scope of the board's investigation. I read from page 426 of House Document 194, Seventy-fifth Congress, first session:

> The investigation, as carried out, has accomplished a threefold purpose: (1) The broad geological and ground-water conditions of the Peninsula of Florida are now understood; (2) sufficient data have been accumulated as to the ground-water conditions along the various routes to warrant the selection of the most desirable canal location; (3) sufficiently detailed investigations have been carried out along the selected route (13B) to appraise closely the general effects on ground water that may be expected from the excavation of a sea-level canal.

This report goes into detail, and gives every step taken by the board, everything that would bring information and knowledge to those who were engaged in this important work.

I shall now read their official summary of the effect a sea-level canal would have on the water table of Florida. This is taken from page 463 of House Document 194:

Any estimate of the distance to which effects of the canal cut will be felt north and south of the canal must take into account the impressive distances involved, the annual rainfall of 52 inches, and the flatness and immensity of the intake area. The southern high is 75 miles south of the canal—

As I stated before, that would place it in the vicinity of Lake Wales in Polk County, Osceola County, and Orange County—

The intervening region is known for its great area of swamps and lakes. It is exceedingly wet. The canal cut at the meridian of Silver Springs cannot on the average lower the water table more than 40 feet. It is not believed possible that this draw-down of 40 feet in a system where rainfall is continually being supplied along the gradient, can extend far south, before the upward curve of the water table slope will meet the present water-table elevation, and from this point south no effect will be noticed on the water-table elevations.

The conclusion is reached, based on considerations discussed at length above, that in the area between the dams on the Withlacoochee River and on Oklawaha River the effects of draw-down of the water table will not be appreciably noticed beyond a matter of 10 to 15 miles.

On page 464 of the same report the Board advises that—

The conclusion is, therefore, that heads at Daytona Beach will not be affected by the excavation of a sea-level canal.

At Daytona Beach and vicinity there are artesian wells, which flow all the time.

The farming area about Sanford is 50 miles from the nearest point on the canal. At Sanford artesian water is used in agricultural irrigation.

By the way, the water used in irrigation is sulphur water. I do not believe that water comes from under the Ocala limestone.

Between Sanford and the canal there extends the nose of a water-table ridge descending from an elevation of 130 feet, at a point 50 miles southwest of Sanford, to Lake George, 35 miles north-northwest of Sanford. The region to the west of Sanford for 40 miles is one of the wettest in central Florida, abounding in lakes and swamps, known as the lake region, and much of it an intake area of the open reservoir.

There are some conditions in central Florida respecting the water supply and water disposal about which many people seem to know little. Although the city of Orlando has a population of some 35,000 people, none of the sewage, ground water, nor the overflows from the streets goes out through any viaduct, drainage ditch, or river. It all flows into the middle of the earth. There are many very large drainage wells which are constructed to take care of the sewage and street water, and even the overflow of the lakes in Orlando, of which there are about 12 inside the city limits, is cared for by these drainage wells. We do not know where those waters go. We do know that the intake there is very great, for, in addition to the many buildings in the city of Orlando, we have a hundred miles of paved streets, and the lakes are kept at certain levels by the underground wells. During the recent winter there has been one of the worst droughts in decades; as I stated, there has been only about 50 percent of the average rainfall in central Florida this winter, and that percentage is figured by taking the average over a period of 20 years or more.

That the great southern water-table "high" can be reduced in elevation by the canal cut is regarded as impossible. No effects can be transmitted from the canal to Sanford by way of the Lake George depression area. The artesian heads at Sanford, therefore, cannot be affected by the construction of the canal.

I read that above-quoted portion of the report in regard to Sanford purposely, because many of the letters and protests concerning the construction of the canal have come from that vicinity.

The domestic water supplies of such cities as Jacksonville, Tampa, Palm Beach, or Miami will be unaffected by any changes in water-table level brought about by digging a sea-level canal.

The above is an unequivocal statement that is made by the board of five persons whose names I read a few moments ago, whose job and responsibility it was to determine that question not only as to Sanford but as to Tampa and as to the Sarasota vicinity. Many thousands of letters come to my office—and I imagine the same applies to my colleague from Florida—in favor of and against the canal, and one of my secretaries who handles those letters has learned, he tells me, that he can look at the postmark and tell whether a letter is for the canal or is against it. If it is written from Jacksonville, Palatka, Green Cove Springs, Ocala, Inverness, Clearwater, or Brooksville, he throws it over into the "for canal" pile. If it is written from Sanford, from Sarasota, from Palm Beach, or from Miami, it is thrown into the pile of those against the canal. So it depends on where one lives whether he is for or against the canal. The truth is that if the construction of the canal would be deleterious to any section, it would be in and around those cities along the route of the canal, and they are for it and have voted bonds for it.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER (Mr. HUGHES in the chair). Does the Senator from Florida yield to the Senator from Oregon?

Mr. ANDREWS. I yield.

Mr. McNARY. Can the Senator advise me which has the largest voting population, those for or those against the canal?

Mr. ANDREWS. In the State of Florida?

Mr. McNARY. Yes; in the "for" column or the "against" column. The Senator just stated the cities by name.

Mr. ANDREWS. I could not answer the Senator without looking the matter up carefully. I think possibly one would receive a great many more letters against any bill pending before Congress than for it.

Mr. McNARY. I think the Senator misunderstood the nature of my inquiry. I asked about the voting population, whether there was a larger voting population in the column we will call "for" or in the column we will call "against."

Mr. ANDREWS. I could not answer the question unless the one issue were put directly to the people of Florida by referendum. When I ran for the Senate in 1936 the canal was being dug through the 29-mile section.

When I ran for the Senate in 1936, I put out a small folder, to the number of probably 150,000. One of the statements in the folder was that I was in favor of proceeding with the construction of the cross-State canal unless or until it developed that it would perceptibly and materially injure the underground water supply of southern Florida. As a matter of fact I made considerable study of the problem.

I was nominated in the primary and the vote I received south of the canal where damage was predicted was larger than the vote I received north of the canal where none was predicted.

Mr. McNARY. I think we are all very happy about the result as far as that goes. I know there is a division of sentiment among the people of the State of Florida, but I am curious to know where the majority lies, for or against the canal.

The Senator must have some knowledge on that subject from which to make a very fair estimate, and I ask the question in all good faith, because information has come to me in letters, and by personal verbal representation in some instances, that the majority of the people of Florida are opposed to the canal. Other information I have received is that the majority of the people of Florida are in favor of the construction of the canal. What is the judgment of the very able Senator from Florida in that respect?

Mr. ANDREWS. I shall be glad to state the facts to the Senator, and let the Senator arrive at his own conclusions.

Mr. McNARY. I shall be very happy to have the facts. I have not had any yet.

Mr. ANDREWS. For example, the present Governor of the State of Florida made the construction of the canal a direct issue. He spoke in every county in the State of Florida. Wherever he spoke the people knew he was in favor of construction of the canal. He received the largest vote any

nominee for Governor of Florida ever received. He was elected by a great majority.

Mr. McNARY. What year was he a candidate?

Mr. ANDREWS. In 1936, the same year in which I was a candidate for the Senate. That was after the construction of the canal had been begun as a relief project.

Mr. McNARY. Did he receive a larger vote than the Senator received?

Mr. ANDREWS. I do not remember the exact figures.

Mr. McNARY. I do not want to impinge on the Senator's modesty.

Mr. ANDREWS. He won over 9 opponents in the primary. I believe he received 360,000 votes in the general election, while I received 348,000. I had a Republican opponent, a fine gentleman, and he received about 67,000 votes.

Mr. McNARY. The Senator did exceedingly well.

Mr. ANDREWS. We do not mind having Republican opposition down there. Sometimes I think it is helpful.

I will also state that Representative HENDRICKS comes as our Representative in Congress from the Fifth Congressional District of Florida, in which I live. The canal traverses his district from east to west. In 1936 he made the canal an issue in every speech in his district, and I believe he had seven opponents. He was elected a Member of Congress by a large majority. He ran again last year stating he was for the canal, and he had no opposition. Some of his territory is in the section from which the Senator has received letters.

Mr. McNARY. From the so-called facts which have been stated to me by the able Senator from Florida, I must make the deduction logically that those who have run for office and made the canal an issue have been elected. The Senator has not cited to me any instance when a candidate for office was opposed to the canal. What I wanted was a direct statement as to whether the voting population of Florida is for or against the canal.

Mr. ANDREWS. If the Senator wants to know my honest judgment——

Mr. McNARY. That is what I want, and I have been trying to get it.

Mr. ANDREWS. I think I know my Florida. I ought to.

Mr. McNARY. I think the Senator does. The only trouble I am having is to exact from the Senator a direct answer to my inquiry.

Mr. ANDREWS. I do not know what percentage, but at a guess I would say that 80 percent of the people of Florida, if they were to vote on the question tomorrow, would vote for the canal. The percentage in favor of the canal might be greater than that. The opposition to the canal from several of the localities, in my honest judgment, is not based on fear with respect to the water supply, because that fear has been largely dissipated. For what reason then could they oppose the canal?

In Florida we have jealousy between some of our larger cities, the same as in other sections of our country. We have three large cities. I do not think the commerce of Miami or the commerce of Tampa would be affected one iota by the construction of the canal. Those who are supposed to know tell me privately it will be of benefit to the shipping interests of Tampa, and the Board of Engineers say so in this report. I have not received any resolutions in opposition to the canal from the Chamber of Commerce of Tampa. I have received such resolutions from Winter Park, where there are many well-to-do retired residents. I understand that if one were to go down the street in Tampa and ask whether they are for or against the canal, one would probably find a very large majority in favor of the canal.

In the last 2 years there has been a great change in the sentiment with respect to the canal, not only in Florida but in all those portions of the United States.

I now desire to refer to the report of those to whom has been entrusted the task of furnishing information as to the benefit which would come from the construction of the cross-State canal with respect to national defense. The report of the Committee on Rivers and Harbors, Report No. 509, refers to that matter briefly. I now wish to read to the Senate the opinion of those who heard much testimony in regard to that particular point. I read from page 8 of House Report No. 509, which was made on April 26, 1939, as follows:

> Notwithstanding the abundant economic justification of this canal, its military value, in emergency, will transcend its commercial value. In the event of war, with the theater of operations on either the Atlantic or Pacific coast, transportation problems of the Nation would involve the transport of immense quantities of troops, munitions, raw materials, and supplies from the region between the Alleghenies and the Rockies to either or both coasts. The experience in this regard of our World War participation demonstrates that peacetime facilities and equipment of the railroads cannot adequately meet such a demand. Gen. Charles P. Summerall, United States Army, retired, former Chief of Staff, has stated that the railroads alone cannot place and maintain an adequate army on either coast. A large part of this movement must necessarily be by water. The committee has had evidence presented to it which demonstrates conclusively that as a protected route for the movement of troops, munitions, and supplies between the Gulf of Mexico and the Atlantic seaboard, and as a safe alternate route to the Panama Canal, compared with the potentially hazardous route via the Windward Passage, ordinarily used, the Atlantic-Gulf Ship Canal will serve as a major element of national defense in time of war.
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> The following resolution was presented by the Mississippi Valley Association:
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> "The security in time of war of the water-borne commerce of the Mississippi Valley, via the Gulf of Mexico, with the Atlantic seaboard is of deepest concern to the Nation. We, therefore, urge the completion of all channels for this commerce, which are recommended by the Chief of Engineers and designated by the Secretary of War as having important strategic value."
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> In his letter to the chairman of the committee, the President has stated the military need for the canal.
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> A communication to the chairman from the Assistant Secretary of the Navy under date of March 9, 1939, states:
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> "It is the opinion of the Navy Department that by shortening the distance and providing an additional route for sea-going vessels between the Atlantic Ocean and the Gulf of Mexico, the Atlantic-Gulf Ship Canal would be of definite value during war in the shipment of necessary matériel for both military and commercial use, as well as for the passage of naval vessels if sufficient draft is provided.
>
> "The improvements of the St. Johns River, contemplated under the plans for the construction of the canal would contribute materially to the use of this location for the operation of naval seaplanes."

At this point I again state that the cross-State canal is not a Florida project. As I have previously stated, the canal has been advocated for more than a hundred years. The Constitution of Florida permits bonding the State for only two things. One is to repel invasion and the other is to aid in the construction of a cross-State canal. In 1935 the State of Florida was requested by the President to furnish the right-of-way to the zone through which the canal was proposed to be built. Up to that time the other portions of the United States signifying their interest in the construction of the canal, such as the great Mississippi Valley, did not have the right to dig the canal through Florida. Condemnation proceedings would have been required, and perhaps such a project might have met with resistance from the Florida property owners. So in 1935 the Legislature of Florida passed an act which provided for a bond issue for the purchase and transfer to the United States, without cost, a canal zone something like the Canal Zone in Panama.

The bond issue covered and pledged the six counties across which the canal was to be constructed, and it received about 90 percent of the vote. The people went to the polls and voted for the bond issue of $1,500,000 in good faith. They have already turned over much of the land to the Federal Government; and it seems to me there is an obligation on the part of the Federal Government to stand by their suggestion.

The length of the canal has often been mentioned as 175 or 180 miles. That seems a very long distance, but the first 85 miles or more is through the St. Johns River, which is practically an inland sea, approximately paralleling the Atlantic coast. The St. Johns River has often been spoken of as the majestic St. Johns. It is anywhere from one or two thousand feet to 3 or 4 or 5 miles wide. Ships can travel at full speed for much of the distance through the St. Johns River. It is a deep river and requires comparatively little dredging. Indeed, the canal would be constructed in river bottoms four-fifths of the way across the State; in fact, all the way except about 29 miles across the ridge west of Ocala.

Turning again to the report of the House committee, on page 9 I read:

Whatever may have been true in the past, there is no longer any room for doubt that the present and future key to the ultimate defense of the United States is the body of water comprised in the Gulf of Mexico and the Caribbean Sea. Our military policy is based upon the defense of our own territory. The success of that policy pivots upon our ability to prevent serious curtailment of the waterborne traffic now moving through the Panama Canal and the Straits of Florida. The eastern defense of the Panama Canal depends almost entirely on the ability of the Navy to close the Atlantic entrances to the Gulf and the Caribbean Sea. With the closing of these, the Atlantic-Gulf Ship Canal would become a logical military necessity. The idea that naval engagements in the Gulf of Mexico and the Caribbean are not contemplated, and therefore that this canal would not transit fighting craft can only be the result of an incomplete understanding of the situation and the military purposes which the canal would serve. Its primary function in the event of war would be the affording of a safe route for troops, munitions, supplies, and raw materials between the ports of the Gulf of Mexico and our eastern seaboard and between the latter and the Pacific Coast States via the Panama Canal. In the face of determined enemy opposition, the maintenance of this flow via the existing channels, i. e., the Straits of Florida and the Windward Passage, would be possible only at a cost in ships and men which would dwarf into insignificance the cost of the canal. It should be remembered that all of the very numerous islands lying immediately south and east of Florida are foreign possessions. The strategic location of these is such that should they be in enemy hands they would serve as bases for submarine and air attack on our shipping in the Straits of Florida, which would practically close that route. In such an event, the absence of the Atlantic-Gulf Ship Canal might prove pivotal.

The Army and Navy Munitions Board, in a memorandum of recent date to the Senate Committee on Military Affairs, has named those materials and supplies which it considers strategic, critical, and essential to the defensive efforts of the United States during war.

The materials are set forth in the report for the inspection of all those who doubt that assertion.

With the closing of the Atlantic openings into the Gulf of Mexico and the Caribbean Sea, all of these necessary materials could move with comparative safety and dispatch through the Atlantic-Gulf Ship Canal to our Atlantic seaboard.

The case of petroleum alone affords a striking example. Evidence submitted shows that more than one-half of the total petroleum reserves of the Nation are in the Gulf States, and of the remainder a large part is also directly tributary to this canal. Army engineer officers have pointed out the absolute necessity in time of war to safeguard the enormous ocean-going petroleum movement, upon which the Navy and a large part of our industries and public utilities are dependent and which now moves through the Straits of Florida. This could be moved through the canal to the Atlantic seaboard more quickly and with comparative safety from submarine attack.

This Government does not own the many islands across the Florida Straits from the mainland. From the upper windows of some of the hotels in Palm Beach on a clear day one can almost see Bimini, a part of the Bahama Islands. Many of the islands are not inhabited. They are islands upon which naval and war planes may land at any time on perfectly firm beaches without fear of danger.

We do not own the island of Cuba. We do not own the lands to the southwest of the Gulf of Mexico.

There are two strategic entrances into the Gulf of Mexico—Florida Straits and Yucatan Channel. The Gulf of Mexico is the Mediterranean of the United States. Mines could be laid in the Straits of Florida by foreign enemies without much danger, in the event of another great world war. Laying mines in the Straits of Yucatan, the only other entrance, is not beyond probability. In other words, in the event of another world war, the two entrances would be subject to enemy control.

Two or three years ago it perhaps would have been impossible to have provided plans for the great navy which has been authorized in recent months by the Congress. Three years ago such a plan and appropriation would have been impossible. Why? After the Great War we determined that we would not enter again into any war on foreign soil. It is my view and my belief that we are still of that opinion; but we have also learned another very important lesson. The conference called after the Great War to reduce armaments, and which met here in Washington, resulted in the drafting of a treaty for the reduction of armaments which was solemnly signed by all the great powers. Soon after that treaty was entered into, however, some of the governments that signed it began to arm secretly. They increased their armaments, and soon after they increased their armaments they began tearing up peace treaties. Treaties with dictators, we now learn, are nothing more nor less than "scraps of paper," and have often been referred to as such.

Italy is today ruled over virtually by a dictator. Both Germany and Italy have found it expedient in consummating their desire for additional territory to invade and take small countries that cannot help themselves. Japan has done the same thing in China. We have seen this going on now for a period of years. We do not know what to expect in Europe today or tomorrow or next year. We do know that there is a contest, and it is a contest between democracies and dictatorships. If the democracies of Europe should be overrun, and fall under dictatorships, as some of those democracies own islands to the southwest of the United States, naturally, the next blow for world power, with which at least two dictators in Europe seem to be obsessed, would fall in that direction; and it is not difficult to imagine what might happen. The Caribbean and not the Mediterranean perhaps would be the scene of the last naval battle of the world.

Under the Monroe Doctrine we must defend the republics to the south of us and to the southwest of us; we must undertake to aid in maintaining their territorial integrity as independent nations. The republics of the west may have to fight the nations of the east in order to maintain their independence and their democratic forms of government.

It is well that we should prepare in time of peace for what might happen in case of war. As a member of the Naval Affairs Committee I know there has been presented to us the question why we needed a billion dollars last year to provide a gigantic program for the Navy, in the interest of defense and not aggression or conquest.

It is also true that if the United States is ever unhappily to be the victim of a mass attack from foreign countries of the East, the chances are four or five to one that such attacks are going to come by air and from navies on the southeastern coast of the United States. They will come there because it is natural and logical. It is the most vulnerable spot for many reasons. No attack on the democracies of the western continent can be made so easily from any other point than from the Caribbean and the environment of the Caribbean.

So it is very important that the lifeblood of this Nation in time of war, flowing from the Gulf ports and Mississippi Valley should be safeguarded, and the best means and way of safeguarding the lifeblood of the Nation in time of war would be the completion of the cross-State canal in Florida. It does not require but little thought to realize the truth of that statement; it stands out as a matter of fact.

A short time ago we understood that the great naval fleet of the United States would take part in the opening of the World's Fair at New York on April 30. About 2 weeks before that time, however, a great portion of the Navy was ordered to the western coast. I, at least, have not yet learned why that was done; I have not even asked why that movement took place, but it was a demonstration of the fact that we need a formidable Navy in the Pacific and we also need one in the Atlantic.

We are dependent upon the Panama Canal for the interchange of our Navy from the Atlantic to the Pacific in time of war, depending upon whether an attack should come from the west or from the east. It is only an hour and thirty-five minutes by plane from some of those islands owned by European nations to the Panama Canal. Bomb-carrying airships could readily go that distance in a few hours, and probably destroy the Panama Canal. It is argued that the same thing might be said of the cross-State canal but the cross-State canal will be much better protected. One air base is located not very far away and we will have another in Puerto Rico. Of course that air base can be utilized in defending the Caribbean, in the first instance, and in preventing submarines and other naval vessels coming into the Caribbean.

We do not know what the ingenuity of man may bring forth tomorrow, but it has been said by men who are more capable of discussing such subjects than am I that the progress of man in the invention of machines and their application may ultimately destroy man. It has been predicted that the next war may be the last; that it will be the destruction of civilization. We feel very safe across the Atlantic Ocean; it is the greatest barrier to war against us. The broad expanse of the Atlantic stretches 2,300 miles from our coast. That barrier must be overcome to enable an attack on the United States from the east to meet with any degree of success. Nevertheless, during the Great War German submarines, I am told, sank 13 vessels of the Allies between Cape Hatteras and Cape Cod.

They were not reported at that time, for reasons which are now obvious. It would be absurd to say that submarines and mine layers cannot come across the Atlantic, or cannot use as a base the western coast of Africa, which is almost uninhabited, and then go the short distance from there across the Caribbean Sea, and do the same thing that was done in the World War. The death-dealing instruments which were used in the World War have been improved by inventions of every known variety, with the thought that they will be more efficient and will very much more quickly deal a death blow before resistance can be contemplated or offered.

On this point I desire to read the words of an expert, a man whose business it has been through a lifetime of training and experience to know what he is talking about:

> The value of the proposed canal "to national defense in time of war" was developed by the Rivers and Harbors Committee of the House in closed session, under testimony, I would recall, of General Summerall and one of the admirals. "Without undertaking to express with any authority my personal views as to the transit into and out of the Gulf of the major vessels of our Naval Establishment, I suggest, with complete disregard of that phase of naval strategy, that a predominant consideration as to our national defense should be the creation of a way alternate to the Caribbean route to and from the eastern seaboard for the 'life-blood of the Navy,' namely, fuel oil from Gulf ports."

It has been said that the larger naval vessels would not use the cross-State canal. Possibly some of the largest naval vessels, drawing 30 or 32 or 35 feet of water, would not use the cross-State canal when fully fueled and provisioned. Those vessels which are now being built are, in fact, floating fortresses. They are able, with their convoys, to defend themselves anywhere in the world. It would not be necessary for those vessels to go into the Gulf of Mexico. I do not know any special use that could be made of them in the Gulf of Mexico. All of the other vessels, the ones that do most of the fighting, could use the canal. In fact, the largest naval vessels could pass through by lightening their loads if they desired to pass from the Atlantic Ocean through the Panama Canal by means of a safe route.

Two of the very largest of the large tankers which are engaged in shipping oil to be used in the Navy and all over the world, and especially on the eastern seaboard of the United States, might not use the canal. Two of them, which I believe were referred to by General Markham, might not use the canal with a load, but they could use it going for an additional load; in other words, on the reverse trip.

There are so many phases involved and so many questions have been raised regarding the cross-State canal, that books would be required to contain all the information on the subject. In fact, many books have been written about it. As I stated in the beginning, the construction of this canal has been discussed for over a hundred years. Many resolutions and acts have been passed by Congress and by the Legislature of Florida looking toward the construction of a cross-State canal.

Florida has been asked to furnish the right-of-way. It voted a million and a half dollars for the purpose and is ready to furnish the right-of-way. In fact, it has already transferred to the Federal Government much of the right-of-way and is ready to transfer the remainder. It seems to me that Florida has performed its part; and in so saying I want to make it as clear that the cross-State canal is not a Florida project. Indeed, Florida cannot derive very great benefit from the cross-State canal. It would be a through highway; a national highway. The people to the west on the Gulf coast and the States of the Mississippi Valley will profit most by this short route. It is true that they will save only from about 20 to 24 hours by using the canal; but a saving of 20 to 24 hours means a great deal in the case of great cargoes that must be insured and are costing money each day in transit by way of insurance and interest.

It is also true that transit around the Florida Straits can be made with greater safety in recent years than formerly, because more lights have been established, and the danger spots are better known. That, however, does not alter the fact that the Straits of Florida are dangerous during the hurricane season, covering about 3 months during each year. Many vessels have gone on the rocks in that portion of the country. In fact, during the first century of the settlement of Key West, which once had a population of 24,000 persons, its people lived well by salvaging vessels that were wrecked on the coast of Cuba, and on the reefs in that portion of the Gulf of Mexico and in the Florida Straits.

It is reasonable to suppose that there will always be West Indian hurricanes. We can compute the saving of time that will result from the use of the cross-State canal as against the use of the Florida Straits as a channel for commerce; but that does not entirely cover the question. A saving of from 24 to 48 hours is a very important matter, as we all know who live in that part of the country, when there is a West India hurricane brewing off Puerto Rico. At such times all vessels within the Caribbean, off the coast of South America, in the Gulf of Mexico, and along the southern coast of the United States, are warned of the approach of the hurricane; and hour after hour they obtain information as to what direction the hurricane is taking and its velocity. The ships which are approaching the Straits of Florida anchor or go to places of safety, for their masters are afraid to make the transit around the southern part of Florida, because of the peril that they know they would or might encounter in undertaking to go through those straits in a storm.

I have not a memorandum at hand of how many vessels have reported damage. Usually, those which do not go on the reefs do not report the damage, nor publish how many hours or how many days they were forced to lower their speed in order to evade an approaching West Indian hurricane, or how many days they spent in harbors on the coast of the Gulf or the Atlantic, sometimes for 3 or 4 days, because they feared making the transit around the Florida Straits. If the cross-State canal were constructed, those conditions would not be encountered by the great traffic which goes from the eastern seaboard to the Gulf of Mexico. Ships could go through with safety.

A portion of the report made by the board which I read this morning refers specifically to the fact that where the canal enters from the Gulf of Mexico the mouth of the Withlacoochee River across to Jacksonville happens to be that portion of the State which is visited less frequently by West Indian hurricanes than any other part of Florida. In fact, the record shows that not within several decades has a West Indian hurricane disturbed or passed across the northern portion of the State where the canal is to be constructed, near Palatka, south of Jacksonville, and there has been only one hurricane in something like 30 years at the western terminus of the cross-State canal, there having been one during the past year.

Mr. President, the question of the economic value of the cross-State canal to transportation has been thoroughly discussed on this floor, and I shall not undertake to cover that phase of the issue.

It has been stated that shipowners engaged in shipping materials which come from the great Mississippi Valley to the Gulf coast would not use the canal. If one will read the history of canals, especially the history which covers the period preceding their construction, it will be found that there has

always been opposition. For a great number of years there was opposition to the construction of the Panama Canal; and, as a matter of fact, a former President almost had to take the bit in his teeth, to use a slang term, in order to effect the construction of the Panama Canal. Today no one regrets that that was done.

Today no one regrets that the Cape Cod Canal was constructed. No one regrets that the canal connecting the Delaware Bay and the Chesapeake Bay was constructed. So far as I know, no one regrets that the Welland Canal was constructed. So the view of the shipowners perhaps should not govern us as to whether or not the canal would be economical. The fact is that the people who would be most greatly benefited by the canal are the farmers and those who produce commerce who live on the Gulf coast and in the great Mississippi Valley.

It might be interesting to note who is in favor of the canal. I think this list should have considerable weight. In the first place, President Franklin D. Roosevelt inherited this project from President Hoover of a former administration. Four or five hundred thousand dollars had been spent in an effort to determine just exactly where the canal should be constructed. Twenty-seven surveys have been made. No other project in the world has had such consideration in an effort to determine whether or not the right course was being pursued.

The Navy Department has endorsed it and is our constituted official authority, an authority which has to speak officially for all the people of the United States.

The War Department has expressed its approval. The Department of Commerce has stated that the commerce from the Mississippi Valley and the northern Gulf coast has increased 50 percent in the last 3 or 4 years, and it will undoubtedly continue to increase.

The project has been endorsed by the Governors of Alabama, Arizona, Delaware, Florida, Georgia, Louisiana, Mississippi, Missouri, North Carolina, North Dakota, South Carolina, and Wyoming. The Mississippi Valley Association, which is composed of representative citizens, have endorsed it unequivocally, not once but every year for the past 6 years. They represent those who are most interested in the construction of the canal.

The Atlantic Deep Waterways Association has endorsed it. The Rivers and Harbors Congress has endorsed it.

Mr. GILLETTE. Mr. President——

The PRESIDING OFFICER (Mr. WILEY in the chair). Does the Senator from Florida yield to the Senator from Iowa?

Mr. ANDREWS. I yield.

Mr. GILLETTE. I was interested in the statement the Senator made to the effect that 27 separate surveys had been made of a route for this canal over a series of years. I am wondering whether the Senator has any information as to what the source of the persistent pressure was for the building of a canal of this kind, which would be so insistent and so persistent as over a series of years to request and secure studies for 27 surveys.

Mr. ANDREWS. Mr. President, the only answer I can give is that Congress authorized it. I imagine the authority to do that came from Congress. There must be some virtue in it, and evidently there is, if former President Hoover, who is one of the greatest of engineers, I am told, should become interested in it and sign the bill appropriating $500,000 to make this investigation. It has been made from every standpoint, right and left, up and down, in every way possible.

The responsibility is not on Florida to see that the canal is dug. We are willing to have it dug. I personally was not willing to see it dug until I could be perfectly satisfied, by the evidence of persons who do know and ought to know, what the effect would be on the underground water supply. Since I have had that expert information, and have examined and cross-examined those giving it, privately and otherwise, I have come to the determination that that objection is not in the way.

This is not a Florida project any longer. The people of Florida in good faith bonded themselves for a million and a half dollars for the acquisition of the right-of-way, at the request of the United States Government. It is now a problem of the United States to dig the canal, and to take whatever course it desires, and to do whatever seems feasible.

The Intercoastal Waterways Association has endorsed this project several times. By referring to the maps on the wall it will be seen that the Intercoastal Waterway comes all the way from Maine down to Miami, and somewhat below Miami. The intercoastal waterway does not go all the way around to connect with the Appalachicola, where the intercoastal waterway practically stops.

The plan will be continued to complete the intercoastal waterway. At present there is no intercoastal waterway from Fort Myers up to Appalachicola. It is a long distance and a greater portion is unsafe for coastwise vessels.

By constructing the cross-State canal we thus connect the Atlantic intercoastal canal with the west coast and on to the mouth of the Rio Grande. It will be necessary, however, to construct a portion of the canal from Appalachicola to the mouth of the Withlacoochee River, which is not a very long distance. Many millions of dollars have been appropriated and spent to complete that intercoastal waterway. It is ultimately going to be completed. Here is where about 600 or 700 miles are sawed off by cutting across the State of Florida at the point where the canal is to be constructed. It seems to me that is a very strong point in favor of the canal.

Mr. President, I have one or two very important opinions with respect to the Florida ship canal which I will not take time to read. One is a reprint of an article by John L. Bogert, editor in chief of the Marine News, published in May 1937, on the subject The Mississippi Valley and the Florida Canal. I ask that it be inserted in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ANDREWS. I also ask to have inserted at the conclusion of my remarks a statement by Hon. A. J. Weaver, president, the Mississippi Valley Association, made before the Board of Engineers for Rivers and Harbors, United States Army, at Washington, D. C., December 16, 1936.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. ANDREWS. I also ask to have inserted in the RECORD at the conclusion of my remarks a statement by the Honorable John H. Small, vice president of the Atlantic Deeper Waterways Association and former chairman of the Rivers and Harbors Committee of the Congress of the United States, before the Board of Engineers for Rivers and Harbors, United States Army, Washington, D. C., December 16, 1936.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit C.)

Mr. GILLETTE. Mr. President, will the Senator be kind enough to yield to me once more?

Mr. ANDREWS. I shall be glad to yield to the Senator from Iowa.

Mr. GILLETTE. I wonder if the Senator has information, in the light of experience with other canals, from which he takes assurance that there will be savings in transportation costs through the Florida canal, if it were dug, and if the anticipated savings resulted, that the savings would be passed on in lowered freight rates to the citizens of the Mississippi Valley to which the Senator has just referred.

Mr. ANDREWS. Mr. President, I think that is inevitable.

Mr. GILLETTE. I would hardly agree with the Senator that it is inevitable, but in the light of experience is there reason to believe that it will be done?

Mr. ANDREWS. In the light of experience I think there is much hope that it would be done. The most serious problem which exists in the West today is the matter of freight rates.

Mr. GILLETTE. That is true.

Mr. ANDREWS. A cargo of grain can be carried from Brazil to Chicago at a cheaper rate than it can be carried from the State of Iowa unless the shipper happens to live on a waterway. That cargo can be shipped from Brazil to Chicago cheaper than it could possibly be shipped by railway.

The greatest problem the South is confronting today, and for over 50 years, is the discrimination against the South in the matter of freight rates. We have to pay something like 27 percent higher freight rates than are paid in what is called the "official territory" north of the Potomac; we have to pay that much more for transportation on commodities we have to ship than do shippers within that territory.

Indeed, we can hardly ship our produce to the north of the Ohio River; that is, into Ohio, Indiana, and Illinois. We even speak of it in Florida as "prohibited territory." We want to see if there is not some solution of that problem, and the Florida canal will have a great bearing on that question. In my judgment, it will help the people of the West more than it will help Florida.

In the first place, there would be no use for railroads if there was not someone to produce something to put into the freight cars. The farmers, the mine owners, the oil producers, and the factories provide the freight. So we are deeply interested in providing much freight for the railroads, and we have been doing that for many years. We hope the Florida ship canal will be a link in the chain which will finally result in the South getting its just dues in the matter of freight rates.

Mr. President, in conclusion, let me say that it has been estimated that the construction of the canal will cost from $168,000,000 to $198,000,000. The Congress of the United States has been appropriating two and three billion dollars a year for made work. Every country which has provided internal improvements has kept its people at home and has become great. In Holland, among other countries, we have an illustration of what I have just stated. When a country neglects its internal improvements it usually perishes from the earth. So it is that by constructing the canal we will not throw away any money. We will undoubtedly provide work for persons who are in need. We have been spending billions of dollars to do it. It would be wise to put money into permanent improvements, improvements such as the canal, for a thousand years to come. It is not bad policy to put our money into such improvements.

We will have to have steel from Alabama to provide for a great part of the work. Coal mines will have to furnish coal. The workers on the canal will eat cheese from Wisconsin. They will consume wheat raised in Kansas, Illinois, and other States of the North, because we grow no wheat in the South. Much of the food for the workers would come from those States which are north of us.

Trucks and tractors and automobiles used in connection with the work would come from Michigan. In Florida we have something like 400,000 automobiles now running on rubber. They cost more than $200,000,000. Three-fourths of that money was sent to Michigan to the great automobile factories. We paid the heavy tax that had to be paid on automobiles, but it did not stay in Florida; it went to Michigan.

We have contributed very largely to the success and growth of the great State of Michigan and other States.

We feel that the canal is not a project which will alone benefit Florida people. We can use relief labor on the canal. Why not? It may be a little more costly, but all the Members of the Senate will have to continue to provide funds for relief work unless we find some other solution of our unemployment problems, and we must find some other solution if we can.

In the meantime we should provide for internal improvements which have the recommendation of the authorities. I heard a prominent man say yesterday, "For God's sake, let us carry through the few canal, river, and harbor projects that are recommended by the Board of Army Engineers because they certainly recommend as few as possible." The Florida ship canal is one which is recommended by the United States Army engineers.

I thank Senators for their courtesy in listening to my remarks.

[EXHIBIT 1]

THE MISSISSIPPI VALLEY AND THE FLORIDA CANAL

(Reprint of article by John L. Bogert, editor in chief Marine News, Marine News, issue May 1937)

ATLANTIC-GULF SHIP CANAL

(Florida canal)

Canal savings

Distance: Approximately one-fourth New York to New Orleans.

Time: Two and one-half days round trip New York to New Orleans. Two days round trip average all Gulf ports to United States Atlantic and European ports.

National advantages

(1) A shorter route for the Nation's water-borne commerce, totaling more than 67,000,000 tons annually, between the Atlantic and Gulf coasts.

(2) An aid to the national defense in time of war.

(3) A safeguard to life and property from destructive hurricanes in the hazardous Straits of Florida.

(4) The completion of the vital link across Florida in the Nation's inland waterway system extending from New York to Mexico.

(5) Its benefits will increase with time and will accrue to a larger portion of our country and its population than those of almost any other Federal public work.

THE CASE FOR THE FLORIDA CANAL

(John L. Bogert, editor in chief, Marine News)

The Missouri, Mississippi, and Ohio Rivers, with their tributaries, constitute a chain of navigable waterways 15,000 miles long, but it is improbable that the time will ever come when 75 percent of these rivers will be navigable for vessels drawing more than 9 feet of water. Such being the case, barges, both self-propelled and towed, must constitute the bulk of that immense flotilla of freight carriers that can alone insure to the dwellers of our vast interior sufficiently low-cost transportation.

The Department of the Interior has issued a pamphlet which shows that many of our Middle West States, which were at one time the granary of the world, are now losing their inhabitants; and their farms, which were years ago the producers of great national wealth, are now being abandoned. High transportation costs will always arrest the growth in population of any land.

Montana, North Dakota, Wyoming, Nebraska, Kansas, Iowa, Missouri, Oklahoma, Arkansas, are all seriously handicapped by the high cost of rail transportation. Congressman Pettengill, in a pamphlet entitled "Giving All Shippers an Even Break," makes the statement that in 1910, 38 percent of our people lived within 50 miles of salt water or the Great Lakes and in 1930 this percentage had grown to 45. Coupled with that he calls attention to the fact that two-thirds of our growth in population had taken place in that strip of 50 miles from salt water or from the shores of the Great Lakes.

If those figures prove anything, they prove that people cannot afford to stay anywhere where there is no cheap water transportation available. There is but one lesson to be learned from such figures, and that is the importance from a national standpoint of extending cheap water transportation throughout our interior. To fancy this natural drift to the shores of waterways can properly be arrested by abandoning the waterways and forcing into bankruptcy all transportation systems that utilize those same waterways is the height of absurdity. Cheap transportation means extended markets, and extended markets mean a higher standard of living.

It is easy to demonstrate from the history of the great State of New York that a perfectly adequate waterway paralleling a railroad, not only does not injure that railroad but builds it up and increases its earning capacity. There are three trunk lines that cross the State diagonally from New York to Buffalo with a mileage haul of about 436 miles. The New York Central paralleling the Hudson to Albany, and from Albany paralleling the New York State Barge Canal for its 340 miles to Buffalo, is several miles longer. Nevertheless, the New York Central has assisted in the building up of five cities of over 100,000 inhabitants, while Binghamton alone, of all the cities and towns on the Erie, Delaware, Lackawanna & Western and Lehigh Valley Railways has as much as 78,300. The conclusion is inescapable that cheap water transportation is absolutely essential for rapid growth in population.

Congressman Pettengill's figures don't begin to tell the tale so far as the State of New York goes: We understand that 85 percent of the entire population of New York is located within 10 miles of its great waterway route up the Hudson to Troy and thence to Buffalo. And Albany, Troy, Schenectady, Utica, Rome, Syracuse, Rochester are the prosperous, growing cities they are just because they are not at the mercy of "all the traffic will bear" railroad freight rates.

Suppose we contrast the happy fate of these prosperous cities with the melancholy fate of the grain growers of South Dakota. If we do, we will speedily discover ample reason why the farm population of the central West is shrinking. From Yankton, S. Dak., to

Duluth, Minn., is but 424 miles by rail and the railroad charge is 15.9 cents per bushel of heavy grain, which, on the basis of 60 pounds to the bushel, would be closely 14 mills per ton-mile, or $5.93 for the ton haul. Now contrast that with what the railroads ask to haul that same bushel of wheat from Buffalo to New York—4 cents per bushel. The distance is 436 miles, so that rate per ton-mile is but 3.4 mills. Now if the railroads can afford to haul grain through the State of New York for 3.4 mills per ton-mile, what earthly right have they to ruin the poor farmer of the Dakotas by mulcting him 14 mills per ton-mile? Nevertheless, the Interstate Commerce Commission permits just such discrimination.

There is salvation for the western farmer, however, but it does not lie in any route through the Great Lakes; it lies down the Missouri and Mississippi Rivers. The Annual Report of the Inland Waterways Corporation for the year 1935 conclusively proves the possibility of a "downstream" rate for bulk cargoes as low or even lower than 1 mill per ton-mile. Therefore, the Yankton, S. Dak., farmer can have his heavy grain hauled down the Missouri and Mississippi Rivers, 2,050 miles, to New Orleans, for 5.5 cents per bushel. That is but little more than one-third of what the railroads ask him to land it at the head of Lake Superior, 4,576 miles from Liverpool—to be exact, 10.4 cents less. Now, that 10.4 cents per bushel will go a long way to pay the cost of the ocean haul from New Orleans to Liverpool, a distance around through the Florida Straits of 5,266 statute miles.

It must be evident that every mile cut off this long haul will be a distinct benefit to the shipper; a saving of 400 statute miles (350 nautical miles) would reduce this ocean haul to 4,866 statute miles. At 1 mill per ton-mile 10.4 cents saving per bushel would pay for a haul of 3,882 miles. So down the Missouri River to its junction with the Mississippi River, thence down the Mississippi River to New Orleans, and from thence across Florida 15.9 cents per bushel would pay for the transportation of that South Dakota heavy grain to within 1,000 miles of Liverpool. Think of it, ponder over it, hauling heavy grain by water nearly 6,000 miles for the same price as is demanded by the railroads to haul it 424 miles. There is nothing extraordinary about hauling a bushel of grain 6,000 miles for 15.9 cents by a water route. The Argentinian, 7,178 miles away from Liverpool at Buenos Aires, has during the recent depression had his coal brought to him for 10 shillings per ton and his grain hauled back to Liverpool for 20 shillings per ton. Prices are higher now, but still well under a mill per ton-mile. In sailing vessels grain has been carried from Australia to Liverpool, 15,000 miles, for 6d per ton, or six-fifteenths of a mill per ton-mile. This compares very favorably with bulk-cargo haulage on the Great Lakes, where coal and grain have been carried for a little as three-eighths of a mill per ton-mile.

In view of the report of the Board of Engineers for Rivers and Harbors bearing date of February 24, 1937, which after advocating dimensions for the canal of "35 feet increased in the rock sections to 36 feet and 37 feet in the Atlantic and Gulf entrances, with a minimum width of 400 feet in the land cuts increased to 600 feet in open water," it seems pertinent to point out that it is perfectly possible to construct any canal of such excessive cross-section for the canal prism, that the visible traffic would be utterly inadequate to economically justify its construction. This the Board of Engineers for Rivers and Harbors seems to have done.

Justification for the foregoing conclusion can be pointed out by considering the case of the St. Marys Canal on the Great Lakes. Here is a canal that passes the largest tonnage of any canal in the world—tonnage that carries cargoes at rates as low as any on any sea, lake, or river anywhere. Furthermore, the bulk cargo vessels that ply through this canal are of considerable length; the steamer *Harry Coulby* is 604 feet long, 65 feet beam, and 33 feet depth. Yet these vessels carry cargoes as large as 15,000 tons on less than 20-foot draft. At no time in the last 25 years has the recommended draft exceeded 21 feet.

There are no tankers as yet built that are as long as 600 feet; a standard size may be taken as 500 feet long, 68 feet beam, carrying 15,550 tons, on 30 feet draft. But it is perfectly possible to build tankers longer than 500 feet and drawing less water than 30 feet when fully loaded. The ratio of length to draft in our large trans-Atlantic passenger vessels is much greater than what obtains in the modern tanker. It can be taken as axiomatic that vessels will always be built to suit the canal locks they must traverse. So it must be obvious to anyone that General Markham is perfectly justified in restricting the cross section of the Florida canal prism to such dimensions as he feels the visible traffic warrants.

So far as the needs of vessels that can navigate the upper reaches of our inland waterways is concerned, a canal across Florida that will accommodate barges drawing but 8 feet of water fully loaded will meet their requirements, but no such limited draft would suffice for the trade that will use this most desirable waterway. With the deepening of the New York State Barge Canal, barges drawing 14 feet of water will be constructed in large numbers, and it would be folly to restrict the possible use of the canal to only river barges.

It seems pertinent to point out here that the tank trade is a one-way trade and that upon its return voyage south to the Gulf, in ballast, these tankers, which draw 30 feet fully loaded, will rarely draw more than 20 to 21 feet aft and but little more than half that forward. So the very largest tankers in ballast will never call for more than 25 to 30 feet.

There is one other advantage that inheres to the Florida canal route. As everyone knows, the Gulf Stream pours out through the Florida Straits at the rate of 3 to 3½ knots, and for a tanker to go south she must buck this same Gulf Stream. But below Hatteras there is a counterflow current close in to shore running south. So a direct course for Jacksonville would be favorable, while any course around the lower end of Florida would be against the current. It is, therefore, absurd to suppose that tankers will not use the Florida canal, when built, in any event, on their south-bound, in-ballast condition. There is a further reduction in fuel consumption when the speed is cut down in transiting the canal.

As every naval architect knows, the power needed is proportional to the cube of the speed, so that theoretically but one-eighth of the normal power is required when the speed is reduced one-half. While the mechanical losses of the propelling machinery remain nearly constant, so that the fuel consumption does not follow closely any such rule as one-eighth fuel consumption for one-half speed, it is nonetheless true that in transiting such a canal as the Florida canal a 15,000-dead-weight tanker might save 15 tons of fuel oil in a 24-hour passage owing to the reduction in speed.

It must always be borne in mind that the cutting of this canal across Florida will permit shoal-draught vessels that are utterly unsuited to ocean navigation to pass from the intracoastal waterways of the Gulf to those of the Atlantic. There are over 1,000 miles of these intracoastal waterways in the Gulf and 1,431 miles of them on the Atlantic: this canal will join them.

[EXHIBIT 2]

THE MISSISSIPPI VALLEY NEEDS AND WANTS THE FLORIDA CANAL

[A statement by the Honorable A. J. Weaver, president, the Mississippi Valley Association, before the Board of Engineers for Rivers and Harbors, U. S. Army, Washington, D. C., December 16, 1936]

STATEMENT OF ARTHUR J. WEAVER, ESQ., FORMER GOVERNOR OF THE STATE OF NEBRASKA, AND PRESIDENT, MISSISSIPPI VALLEY ASSOCIATION, ST. LOUIS, MO.

Mr. WEAVER. General Pillsbury and gentlemen of this Board, I deem it a privilege to appear at this hearing. I happened to be in Washington on other matters and learned of this hearing, and I am glad to be here.

For 12 years I have been intensely interested in the development of the inland waterways of the country, and because of my residence in Nebraska I have been particularly interested especially in the improvement of the Mississippi Valley, which includes the Missouri River section.

I have been president of the Missouri River Navigation Association for a great length of time and I am now president of the Mississippi Valley Association, an association whose membership embraces the representatives of 23 States.

We believe in the Mississippi Valley, and especially that part in which I live, that it is absolutely necessary for us to find an outlet by a cheaper process.

Our country has the longest haul and the highest freight rate of any great agricultural country in the world.

I checked our rates 2 years ago and I find that it costs to ship a bushel of grain from Omaha, interior Nebraska, to Louisiana and San Francisco by rail 34 cents a bushel, and to Seattle and Portland 33 cents a bushel.

Now, our country cannot go ahead on that basis.

So we have made a fight for a good many years for the development of the Missouri River. That channel is nearing completion, and with the great Fort Peck Reservoir, which will insure a 9-foot channel on that river from Yankton, Sioux City, down to the mouth and restore a 9-foot channel on the Mississippi River from St. Louis to Cairo, we think that our country will develop by putting industry by the side of agriculture.

Two years ago I talked to the manager of a dairy company, who told me that the rate on dairy products from a little factory near Omaha, canned milk, condensed milk, dry buttermilk, and other products, to the Atlantic seaboard and New York was $1.10 a hundred and Oregon and Washington shipped those products seven or eight thousand miles for 45 cents a hundred. Yet our country is a dairy country, a blue-grass country, naturally a dairy country.

There is a running stream of water spraying on each quarter section in that section of Nebraska in which I live.

We have an equable climate. We produce all the feed grains and we could build a dairy interest and make of it an industry if it were not for the hard times we have had in getting our products out. We just cannot compete.

The Pacific coast ships to New York and back to Chicago and our people cannot get the benefit of the Chicago market.

The only thing that will equalize this condition which was brought about, as far as that Midwest area is concerned, by the Panama Canal, which was in the interest of the whole Nation and a great national development and necessity, is to develop these great outlets so we will have a closer and cheaper connection with the Atlantic seaboard and, of course, through the canal, with the Pacific seaboard, and through the other ports, such as the recent opening of the Ohio River will afford, which will allow our section to take its products to Pittsburgh and to distribute them in the Northeast and to come to Chicago and to the lake cities and to trade with the Minneapolis, St. Paul, and other areas, and to bring farm machinery in that area, as well as other parts of that agricultural empire.

The Missouri Valley States alone present 80 percent of the food and grains of the United States, and those products, if we process and use them properly, must go to the other sections.

Six years ago, in 1930, in speaking in St. Louis before the Mississippi Valley Association, because I happened to hear a presentation of this part of the canal project then, I said in my extemporaneous

remarks that it looked as though it were common sense to cut off that arm that runs down there several hundred miles and to give us closer and cheaper access to the Atlantic seaboard.

The Mississippi Valley Association in 1932 endorsed this project. It endorsed it again in 1933 and again in 1934 and again this year. That is an organization that was organized—and we just held the eighteenth annual convention—to promote the commerce of the Mississippi Valley and also to promote the commerce of the Nation through the Mississippi Valley, and I am sure that that canal, when it is constructed, if the engineers approve it—and we always have held that this project must be approved by the engineers, as we hold that all river and harbor projects must be approved by the Corps of Engineers—will be a great asset to this country and an asset of special value to the Mississippi Valley as well as to others.

The country where I live and the Northwest beyond that produced 400,000,000 bushels of exportable surplus. The East and Southeast, east of the Mississippi River, make up an area that has a shortage of 200,000,000 bushels.

The distribution of feed products can be equalized and helped by such projects as this.

This great system in the Mississippi Valley is not yet complete. Our 9-foot channel from St. Louis to Kansas City was just opened up a year ago last June and in the lowest water in history there was not a single weekly trip missed, possibly, and a 10-day average from St. Louis to Kansas City and return was maintained.

Our river will be improved to Omaha next year and to Sioux City the year after, and the Fort Peck Dam, which backs the Missouri back 180 miles, which is one of the great public works of the world and holds about 20,000,000 acre-feet of water, will make that Missouri River one of the most beautiful rivers and one of the most beautiful sights in the world, and it will put industry, because of the stability of the river, in the heart of our country. It will supply the deficiency and save the soils going down to the Gulf of Mexico, and we want this Florida ship canal.

The Mississippi Valley Association thinks that this Florida ship canal is a thing that is worthy and that it is really a part of the general development of our arteries of commerce which we are so greatly and vitally interested in.

We think when we get an average low-water flow by Sioux City of 30,000 cubic feet per second, in addition to taking care of the present 6,000,000 acres that have gone into irrigation in that Missouri River watershed and of the 4,000,000 more to ultimately go under irrigation, that we will have the greatest inland waterway system in the world, and we are sure it will help the railroads instead of injuring them.

Now, on this question of railroads: I point out the development which occurred on the Monongahela River. The railroads opposed that development. The railroads had a rate into Pittsburgh on coal that was $1.20 a ton, and the water rate is 19 cents. After they got cheap coal into Pittsburgh and after the Government built the Soo Lock in the St. Marie River and they saw they could get the cheap iron ore down over the Mesabi Range to meet the cheap coal at Pittsburgh, the waterway tonnage in the Pittsburgh districts from 1900 to 1925 increased 32,000,000 tons, and the railroad tonnage increased in that period 116,000,000 tons.

We have made a fight in our section for the waterways on the theory that they will help build the country.

There are only 26 people to the square mile in the Missouri River Valley. East of the Mississippi there are 100 and farther east there are from 250 to 300.

Commerce begets commerce.

You build this canal and give us a shorter route to the Atlantic seaboard, and it will make a saving to the people who produce the products in the way and to the people who consume them along that great area.

The only thing that will restore the balance of this country is to give every section an equal opportunity for its development. The rim of the country, from 1920 to 1930, the census during that period covered shows that 50 miles back from the ocean only one-seventh of the area of the United States had an increase in population of over 11,000,000 people; that increase represented over 60 percent of the increase in population of the whole country.

Our country has been standing still. We have been losing Congressmen. The north half of the Mississippi Valley and the northwest portion of it have lost about 16 Congressmen, and the development has been where they get these great waterways.

We will be a part of the Florida ship canal when it is completed.

We will be a part of the Mississippi River when the Missouri River is a navigable 9-foot channel to Sioux City, and we will be a part of the Illinois River and a part of the Great Lakes to the Gulf waterway, that great waterway that Abraham Lincoln envisioned years ago, and it will help every industry in that area and will not hurt the railroads but will build them, just like the Great Lakes system has built the railroads.

Where is there anyone that will contend that the Great Lakes system has injured the railroads? They have handled 93 percent of the traffic in two things, iron ore and coal. Those are raw materials and fuel, and that is what builds industry. The Interstate Commerce Commission reports will show that many of the most prosperous railroads this country has are the railroads belting the Great Lakes coming east from Chicago, because population and pay rolls follow industry.

This is just one step in our effort to save several hundred miles, effect more safety for transportation, and it is a step in the great system which is almost complete. You cannot judge this system yet. It has not had a chance to coordinate one great river development with another, but it is almost complete, and with the Fort Peck Reservoir it will insure that channel taking up the slack in that area from Sioux City on the Missouri clear down to the Gulf of Mexico, as I said, which, because of the 7-foot channel, in the extra-dry season, from St. Louis to Cairo, requires that. It is a development, and I am for this canal and this association is for it.

I would like to present for the record the resolutions passed by this association on this subject for the years 1932, 1933, 1934, 1935, and 1936, and I give them to you. They are marked and can easily be inserted into your record, where I would like to have them.

I probably went far afield on some of this matter, but I only had short notice of the hearing and just happened to be in the city, and I want you to know that I do look on this development as logical, not only for the Mississippi Valley but for the whole country.

Brigadier General PILLSBURY. Thank you, sir; the resolutions will be made part of the record.

[EXHIBIT 3]

THE ATLANTIC STATES AND THE FLORIDA CANAL

[A statement by the Honorable John H. Small, vice president, the Atlantic Deeper Waterways Association, and former chairman, Rivers and Harbors Committee of the Congress of the United States, before the Board of Engineers for Rivers and Harbors, U. S. Army, Washington, D. C., December 16, 1936]

STATEMENT OF HON. JOHN H. SMALL, VICE PRESIDENT, ATLANTIC DEEPER WATERWAYS ASSOCIATION, PHILADELPHIA, PA.

Mr. SMALL. General Pillsbury and members of the Board, the Honorable J. Hampton Moore, president of the Atlantic Deeper Waterways Association, had intended being present today, and in behalf of that association to express its endorsement of the project for a canal across the State of Florida, but a death in his family prevented it. He has requested me, as the vice president of the association, to attend in his stead and to express the approbation of the Atlantic Deeper Waterways Association of this project. At this stage I shall ask that a resolution of the association be included as part of my remarks:

"Florida canal: This association reaffirms its endorsement and support of a ship canal across Florida. We regret the failure of the Seventy-fourth Congress to provide funds for the continuation of the work already begun and urge that adequate appropriations be made to continue construction in accordance with the plans and recommendations of the Chief of Engineers."

The Atlantic Deeper Waterways Association, it may be stated here, was organized in 1907, more than 25 years ago. At the beginning it expressed as its objective its purpose to endeavor to secure the approval of the engineers and the approval of Congress for the construction of the several links in an intracoastal waterway between Boston and Florida. To this, in a few years, it added as part of its objective a canal across the State of Florida, connecting the Atlantic Ocean with the Gulf of Mexico, and for this more than a quarter of a century that organization has—I think intelligently and I know with loyalty and persistence—advocated this project, and it is now complete from Boston to the Gulf of Mexico except for a few links—one across the State of New Jersey and one across the State of Florida.

I shall be brief in my presentation and bring to you only one or two fundamental thoughts:

If there is any proposition connected with inland transportation by water which has taken hold of the public mind, surely it is this: An intracoastal waterway along the Atlantic seaboard from Boston to Florida and thence across Florida to the Gulf of Mexico, from Florida along the straits of Mississippi and Alabama, to the Mississippi River, from the Mississippi River to the Rio Grande, along the Gulf of Mexico up the Mississippi to the Illinois, from the Illinois to the Lakes, from the Lakes again to Buffalo and the Hudson River, and thence a connection with the Atlantic intracoastal waterway.

Thirty years ago, when this proposition was conceived, its advocates were regarded as dreamers, as impractical, but that dream has not only been sufficiently converted into a reality but almost has been completed.

It seems superfluous that any necessity should exist to press upon those in authority the approval of the completion of the several links in this great chain of inland transportation.

If you hesitate to approve it, your successors will approve it. It cannot be stopped.

This entire improvement which I have just described is just as certain as the assembly of future Congresses, so why not do it now? Why not give those faithful servants who, unselfishly for years, have advocated this proposition which they believe to be in the public interest and which the American people believe to be in the public interest an opportunity of visualizing the approval by the engineers and the approval by the Congress of the several propositions which will complete this great system of inland transportation?

I am aware of some of the objections that have been urged to this waterway, some of which—and I have no reference, I beg you to believe, to the engineers, but to others—have been trivial, some of which have been selfish, some of which have been narrow, and some of which have, if you please, been even unpatriotic. I shall not refer to those except to emphasize the suggestion which I have made that the great work which has been so nearly completed shall have an end and shall be placed upon the map.

Gentlemen, there never has been a project in the field of economics, in the interest of the public welfare, which did not, to a

certain degree, affect existing interests. Every new idea which has come into the world has conflicted with some existing idea, and each of us has lived long enough to have seen new thoughts which we ridiculed take their place in the realm of intelligence, in conception, and in reality. And so it has been with every project which had in it the elements of public service, the promotion of the public welfare.

No intelligent person would contend that the completion of this interior inland system of transportation would not affect existing instrumentalities of transportation. Of course, it will. But if that objection had prevailed during those last 300 or 400 years that we have lived through, we would today be as static as is China. It is because we have been tolerant of new ideas, it is because we have welcomed new projects which promoted the public welfare that we have advanced.

Of all persons, I would be the last to say a word in derogation of the railroads. I think in many instances they have been treated unfairly and I have been glad to see, from time to time, the rejuvenation of public sentiment in dealing with them fairly, but having a chance to exist and a fair opportunity to grow and to serve the public involves an entirely different proposition from opposition to something that is due simply because it will, in some degree, affect existing conditions, to wit, the railroads of the country.

Any person who would today advocate the abandonment of our important hard-surfaced highways and the scrapping of the motor vehicle would be laughed at, and yet we find highways and motor vehicles perhaps affected and changed more the conditions in our lives than any other innovation in recent years, and among their changes have been their effect upon the traffic of the railroads, much more serious in tonnage and value than that which would result by the construction of this great interior system of waterways transportation facilities.

The only thing for them to do is to say to the American people, "We recognize the advance of progress; we recognize that when a public improvement is demonstrated to be in the public welfare that it is going to be constructed and completed; and we shall simply accept the result and do our best to mend the broken places and continue our function as one of the great instrumentalities of transportation in the United States"; and our railroads are, and I believe always will be, one of the great instrumentalities of transportation in the United States.

So, gentlemen, I shall not detain you further.

Speaking for the Atlantic Deeper Waterways Association, whose membership extends from Massachusetts—yea, even Maine—to Florida, composed of men and women who have dedicated a part of themselves to the public service, I ask you to give approval to this great project of a canal across the State of Florida.

Thank you.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Colorado [Mr. ADAMS] to the amendment of the Senator from Oklahoma [Mr. LEE].

Mr. VANDENBERG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Downey	La Follette	Schwartz
Andrews	Ellender	Lee	Schwellenbach
Ashurst	Frazier	Lodge	Sheppard
Bailey	George	Logan	Shipstead
Barbour	Gerry	Lucas	Slattery
Barkley	Gibson	Lundeen	Smathers
Bilbo	Gillette	McKellar	Stewart
Bone	Glass	McNary	Taft
Borah	Green	Maloney	Thomas, Okla.
Bridges	Guffey	Mead	Thomas, Utah
Brown	Gurney	Miller	Tobey
Bulow	Hale	Minton	Townsend
Burke	Harrison	Murray	Truman
Byrd	Hatch	Neely	Tydings
Byrnes	Hayden	Norris	Vandenberg
Capper	Herring	Nye	Van Nuys
Caraway	Hill	O'Mahoney	Wagner
Chavez	Holman	Overton	Walsh
Clark, Idaho	Holt	Pepper	Wheeler
Clark, Mo.	Hughes	Pittman	Wiley
Connally	Johnson, Calif.	Radcliffe	
Danaher	Johnson, Colo.	Reed	
Davis	King	Russell	

The PRESIDING OFFICER. Eighty-nine Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment of the Senator from Colorado [Mr. ADAMS] to the amendment of the Senator from Oklahoma [Mr. LEE].

Mr. BARKLEY. Mr. President, I ask unanimous consent that at an hour not later than 3:30 today the Senate proceed to vote on the bill and all the amendments thereto to final passage.

Mr. VANDENBERG. Mr. President, may I suggest that the hour be specifically fixed so that Senators may make their plans accordingly?

Mr. BARKLEY. I said not later than 3:30. I am willing to amend the request by definitely making it 3:30.

Mr. VANDENBERG. With the understanding that all absent Senators have been paired, I have no objection to the agreement.

The PRESIDING OFFICER. Without objection, the call for a quorum required by the rule will be dispensed with.

Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. BORAH. Mr. President, I rise to ask what the request was.

Mr. BARKLEY. The request was that the Senate vote on the bill and all amendments at 3:30 o'clock today.

Mr. VANDENBERG. Mr. President, was the agreement entered into?

The PRESIDING OFFICER. It was.

The question now is on agreeing to the amendment of the Senator from Colorado [Mr. ADAMS] to the amendment of the Senator from Oklahoma [Mr. LEE].

Mr. ADAMS. Mr. President, the question before the Senate is a pending amendment. In that connection, I wish to make a comment or two in reference to the main bill.

When the Florida ship canal bill was previously before the Senate I voted against it. I have endeavored this time to approach the question with an open mind. The Senator from Florida [Mr. PEPPER] suggested that I read the hearings. I have read the entire hearings. I have either listened to or read all the speeches which have been made on the floor of the Senate in reference to the bill.

It seems to me that a fundamental principle which should apply to all such projects is that anyone who comes before the Senate asking for a great appropriation has the burden of proof to establish the advisability and the desirability of the appropriation. That is a procedure with which lawyers are familiar; and I think the same obligation rests upon the proponents of the ship canal; that is, they should establish to the satisfaction, and almost to the conviction, of the Senate that from a national standpoint the project should be constructed.

I have gone into the matter of the burden of proof, and I find that the people of the State of Florida are divided. There is more bitter opposition to the bill from the people of Florida than from the people in any other section of the United States. That is, there is a division. I do not pretend to know the percentages. I understand from the record that two Members of the House from Florida are against the project and three are for it. We find unanimity and harmony only between the two Senators from Florida.

The engineers are divided. I believe the statement was made on the floor of the Senate that of the engineers who have studied the project, a substantial preponderance in number have been opposed to the canal. In any event, the engineers have been and are divided. We have reports for it and we have reports against it.

The Senate committee, which heard all the testimony and examined the witnesses, is divided. A majority of the Senate committee are opposed to the passage of the bill. It was reported to the Senate without recommendation; but I understand that an actual majority would have voted against a favorable report had the matter been submitted to the committee. If I am in error in these statements, I want to be corrected. The shippers who are concerned are, at best, divided. Two statements have been made as to the hearings before the committee. One is that no shipper appeared before the committee to oppose the canal, and the other is that no shipper appeared before the committee to support it. Letters, which were read into the record by the Senator from Michigan, convinced me that the major portion of the shippers were not friendly to the canal. I am merely saying that, from the standpoint of maintaining the burden of proof, I think the proponents of the bill have failed. The State of Florida is divided; the engineers are divided; the Senate committee is divided; the shippers are divided; and yet upon this divided sentiment we are asked to inaugurate the construction of a project the minimum cost

of which is figured to $197,000,000, but which, I venture to say, from experience with engineers and knowledge of other projects, will cost nearer $400,000,000 than it will $197,000,000 when it is completed.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. CLARK of Missouri. In view of the limitation of time, I do not wish to consume more than a moment; but I should like to ask the Senator from Florida if it is not a fact that, in addition to what he has said, there is an essential divergence, in fact, a fatal divergence, as we say in drawing a petition for a lawsuit, between the recommendation of the President of the United States in his letter to the Senator from North Carolina [Mr. BAILEY], chairman of the Senate Committee on Commerce, and the measure now before the Senate, because in that letter the President said:

> This canal will, according to the engineers, receive in tolls enough revenue to pay for its upkeep and over a period of years to amortize its cost, though it is doubtful that these revenues would take care of accumulated interest charges.

That matter was brought up in the Senate committee, and General Summerall, who was the star witness for the proponents of the measure, testified that it was not contemplated under the bill now pending before the Senate to impose tolls to reimburse the Government for its expenditures on the canal. Therefore, I submit that there is a very fatal divergence between the recommendation of the President of the United States and the measure now before the Senate.

Mr. ADAMS. I will go further than that. That divergency exists, but, as I have read the record, with the exception of the two Senators from Florida, there is divergence all down the line. I have found no divergence which the Senators from Florida have cleared up effectively. While I have under my eye one of the Senators from Florida, I wish to say that I think never before in the Senate have I seen more effective work accomplished by Senators than has been accomplished by the two Senators from Florida. I do not believe that when the bill came into the Senate there were a dozen Senators in favor of the canal on its own merits, but the Senators from Florida, by diligence, by persuasion, and because of the personal affection in which they are held by other Senators, now feel that there is a chance to carry the measure.

Mr. PEPPER. Mr. President, I ask the Senator from Colorado if he has ever heard any reference to such a thing as "damning with faint praise"?

Mr. ADAMS. Well, that is the last thing I would do to the Senator from Florida. If I were advocating a project, I think I would want the Senator on my side, because, from the standpoint of efficiency in getting votes for a project that had so little support upon its merits in the Senate, I have never seen the effort equaled. It is a mark of the affection which many Senators hold for the two Senators from Florida that there is now greater support for the measure. I will not detail further the reasons, but I mean what I have said to be great praise.

Mr. President, I am interested in this question from the same standpoint that I have argued some other matters in the Senate. We have in this country today a debt of over $40,000,000,000. We have been accumulating a deficit of $4,000,000,000 a year. That the growing debt and the continuing deficits are dangerous to the country I think there are few who will deny. I would not oppose an appropriation for an expenditure emergent in character for the immediate welfare of the public of the United States, but I am unable to find anything of an emergent character in the Florida ship canal.

The President in his message looks forward to the construction of the canal within 10 or 15 years. Any emergency will have long since passed when the 10 or 15 years shall have elapsed and we will then have had the answer to the program of extravagance and great expenditure on which we are now embarked.

I stood on the floor and was one of a majority of Senators who voted to cut down the requested appropriation for relief of the needy and unemployed. I only speak for myself, but I could not possibly vote to appropriate or to involve our Government in an expenditure of from two hundred to four hundred million dollars, having voted to take $150,000,000 from the relief appropriation first requested, and when the additional request was made having urged upon the floor a reduction in the second relief appropriation of $50,000,000. I could not say that I am willing to take the hazard of denying relief appropriations asked by the President and yet willing to start an expenditure unknown in amount, disputed as to its benefits, and lacking entirely in emergent character.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ADAMS. Gladly.

Mr. VANDENBERG. If the Senator will permit me to make merely one observation in his time it will be my only intrusion upon the limitation.

I anticipate that when the tolls provision is put into this bill it will then be urged that the cost of the canal will cease to be a charge upon the public credit and that it will liquidate itself. I simply wish to state to the Senator that we cannot make a project self-liquidating by simply calling it such. If ship operators, as I have clearly demonstrated, will not use the canal when it is free, they certainly are not going to pay to use it. Therefore, the provision for tolls does not make it self-liquidating; it merely camouflages it for the purpose of getting easier votes. You cannot make a silk purse out of a sow's ear.

Mr. ADAMS. Mr. President, the Senator from Michigan has very clearly stated the situation. It does not matter what provision we put into the law as to tolls, if the canal itself will not justify the collection of tolls no tolls will be paid. When the canal is completed, if the shipping does not use it because of tolls, Congress will very promptly take off the tolls because we will not leave a great canal to be idle if it has any virtue. So the tolls provision does not meet the problem.

Mr. President, there are certain facts which stand out. There will be some damage to underground water supplies. Witnesses differ as to how great the damage will be. That, however, is not a matter which has concerned me. I have been concerned with the gross expenditure for a debatable project. The United States is to pay the cost, and if there is any benefit, shippers and ships will get the saving. It is stated—and I am hurrying along because the Senator from Florida [Mr. PEPPER] is anxious to take the floor—that the maximum saving will be 15 cents per ton. I hope that may be so.

The military benefits have been stressed. Who is going to make war against us? Against whom do we propose to make war? I know of no nation that contemplates war upon the United States; I know of no nation against whom we propose to make war; and if we do propose to make war, of what effect and of what benefit will a canal be that will be constructed 6 years or 10 years or 15 years from now? So far as the military factors are concerned, if we build the canal, and if it is useful, we will have simply obligated ourselves to another grossly expensive undertaking to defend the new canal.

I cannot imagine a ship willingly in time of war going through a tortuous channel 200 miles long instead of traveling the open seas; and if the progress in the improvement of bombers continues, the Florida ship canal would not last 2 weeks after war was declared. One bomb at any point of the 200 miles would destroy the usefulness of the Florida ship canal.

We are told that it would be of advantage to the Navy, but battleships could not use it. If so, it would be necessary to separate the battleships from the other vessels; and the battleships would be without their defending flotilla around the straits of Florida. I have not been impressed with that argument.

The Senator from Florida is watching the clock and listening to me at the same time.

Mr. ANDREWS. Mr. President, I should like to ask the Senator a question.

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Florida?

Mr. ADAMS. I do. I will answer the question if I can.

Mr. ANDREWS. I heard the Senator use the expression "tortuous canal." That is the first time I ever heard the canal referred to in that way. I am wondering how it is possible for a canal of that kind to be tortuous when the first 85 miles of it, at least, is almost an inland sea, and it is one of the straightest canals ever proposed, 33 feet deep and 400 feet wide. How could it be tortuous?

Mr. ADAMS. I withdraw that term. It is the longest canal ever projected in the world. It is relatively narrow. Of course, 400 feet is a substantial width; and I do not mean that it is a narrow, winding canal. I merely mean that from the standpoint of passing traffic it is narrow, and there are curves in it.

Mr. President, it is not claimed that the construction of this canal would increase the traffic. It could not do so. As I see it, in this matter Congress is on trial, as Congress has been on trial in all matters affecting the expenditure of Government money. When I say "Congress," I mean Congress. It is idle, it is unfair, to charge the President of the United States with responsibility for debts and deficits. The Constitution of the United States, following the precedent of English history, placed in Congress the power of the purse.

If the progress of the country is wrecked by reckless expenditures, by continuing deficits, by great debts, it is the Congress that is responsible for it. When, under the present financial situation of the land, Senators vote to impose an obligation which, in my judgment, will run to $400,000,000, and which will involve an annual cost of over $10,000,000 for maintenance and for interest, to say nothing of amortization, I think, in the face of the existing emergencies, that Congress and individual Senators must be responsible. So if Congress does not restrict its spending, the disaster to the country is inevitable; and of all the expenditures which we are asked to make, the Florida ship canal is the one above all others lacking emergency character. It may be postponed. We do not need to pass upon the ultimate merits of the Florida ship canal; but I say to the Senate we have no right to undertake its construction at this time, to obligate ourselves in a time of financial stress, when the questions of benefit are so disputed and when, as I have said, the burden of proof has not been met.

As a last word, I think we have been looking for a pick-up in business. Business is looking to Congress. One of the things that has held business down has been a lack of confidence on the part of the business of the United States in the course Congress has been taking. This is a chance for Congress to say to business, "Congress is concerned with expenditures and with debts," or to say to business, "Congress never can say 'no' to an expenditure when a strong appeal is made to us." I am hoping that Congress by its vote will justify a feeling of confidence as to its financial intentions.

Mr. PEPPER. Mr. President, before the Senator from Colorado takes his seat will he make a brief explanation of his amendment which is now pending before the Senate?

Mr. ADAMS. An amendment was offered by the Senator from Oklahoma [Mr. LEE] which provided that the President should cause to be made—

> A study for the purpose of determining the rates of toll which it will be necessary to levy on the various classes of vessels transiting the canal * * * for the purpose of providing for the maintenance and operation of such canal and for the amortization * * * of the capital cost.

And that a table setting out such rates of toll should be transmitted to Congress prior to the completion of the canal. The amendment then provided that until otherwise provided by law, the rates of tolls set out in the table furnished by the President should be binding. The amendment I suggested provided that the study should be made before resumption of construction of the canal rather than afterward.

Mr. PEPPER. In other words, if the amendment of the Senator from Colorado should prevail, before any appropriation would be made by the Congress the report from the President about the adequacy and sufficiency of the toll structure would be before the Congress?

Mr. ADAMS. That is the intention.

Mr. PEPPER. That is the question before the Senate. I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. ADAMS] to the amendment offered by the Senator from Oklahoma [Mr. LEE].

Mr. TYDINGS. Mr. President, I should like to ask a question. Is it contemplated that the bill will go through, and the money will be impounded, before the tolls are ascertained under the amendment of the Senator from Colorado?

Mr. ADAMS. Mr. President, I may say to the Senator that the amendment is not mine. The amendment is that of the Senator from Oklahoma [Mr. LEE]. I merely endeavored, if I may so phrase it, to improve a bad amendment.

Mr. TYDINGS. I understand; but what would happen to the remainder of the bill if the amendment should be adopted?

Mr. ADAMS. Congress would be authorized by the bill, if passed, to make appropriations.

Mr. PEPPER. But no appropriation would be made until the Congress had before it the information from the President which is called for by the amendment.

Mr. TYDINGS. Mr. President, I do not want to get into this argument at this late hour; but it seems to me we are authorizing something and then saying that before it goes into effect we ought to have additional information. If that argument is sound, certainly we ought not to authorize the construction of the canal until we have the additional information. Logically stated, we are either for the authorization without the information, or we ought to get the information before we make the authorization, one of the two. We ought not to make the authorization and then turn around and say, "But we want additional information before the Appropriations Committee recommends the appropriation of any money"; for no sooner would the authorization be enacted into law than pressure would be put on Congress, since we had authorized it, to appropriate the money without a report.

While I am on my feet I wish to say that I have no reason to oppose the Florida canal. It seems to have a great deal of merit; no doubt a pretty good case can be made out for it, and, as a personal matter, I should like to go along with the Senators from Florida. But with a $40,000,000,000 deficit and with three or four billion dollars to be added to the deficit this year—the fifth or sixth or seventh year of large annual deficits—in my opinion the good that would come to shipping from the construction of the canal would not be a drop in the bucket to the harm that is being done the entire country by constantly appropriating money which we have not got and which, up to now, Congress has shown no disposition to get.

Reluctantly I am going to vote against the authorization, even with the Lee amendment; but I feel that if we are going to authorize the construction of the canal, the Lee amendment is not worth a snap of the finger; and if the Lee amendment is to have any effect, we ought to have the information called for by the amendment prior to the passage of the authorization.

Mr. BARKLEY. Mr. President, will the Senator who has the floor yield to me for a question?

Mr. TYDINGS. I shall be delighted to yield to the Senator if I can answer his question.

Mr. BARKLEY. As I understand the Adams amendment, the effect of it, if adopted is that in making appropriations hereafter to carry out this authorization over a period of years, or from year to year as, of course, it would be, the Appropriations Committee would consider the information called for under the amendment, and probably would take no action until it was received. Of course, they could do that anyway. The Appropriations Committee could refrain from recommending appropriations for carrying out an authorization until the committee obtained whatever information it wanted, from whatever source it could obtain it.

Mr. TYDINGS. That is correct.

Mr. BARKLEY. So really this amendment does nothing more than create a sort of moral obligation on the part of the Appropriations Committee and also the Congress not to appropriate the money authorized by the bill until certain information is available, which the Appropriations Committee could do anyway.

Mr. TYDINGS. Let me develop for just a second the point of view of the Senator from Kentucky. Assuming, for the sake of the argument, that the information would be adverse to carrying out the authorization of the bill, and assuming that when we got the information it would show that we never ought to appropriate a nickel to carry out the authorization of the bill, why in the world should we authorize something which subsequent facts may show we never ought to have authorized at all? If that is a point at issue, if it is going to determine the course of Members in supporting or opposing the measure, the logical thing to do is to have the money first.

I am going to desist now, because I think the Senator from Florida [Mr. PEPPER] ought to have the privilege of closing the debate.

Mr. PEPPER. Mr. President, I find myself in a very embarrassing situation. The Senator from Michigan [Mr. VANDENBERG] and I anticipated that no new remarks would be made upon the subject. While we have profited by the remarks which have been made by the able Senator from Maryland [Mr. TYDINGS] and by the able Senator from Colorado [Mr. ADAMS], I had hoped to say a few things, and then the Senator from Kentucky was going to conclude the debate. So as the result of the unexpected entry into the discussion of the Senators from Maryland and Colorado, I have only 1 minute available now if the Senator from Kentucky is to be given even 5 minutes in which to make his remarks.

I shall just say this, therefore, as a summary of our position:

The Chief of Engineers has recommended favorably to the Congress the construction of the Florida ship canal, and the Corps of Engineers is the agency which Congress has designated as the one to pass upon such projects.

The Department of Commerce of the United States has favorably recommended the project. The Navy Department has recommended it. The President of the United States has favorably recommended it. The House Committee on Rivers and Harbors, after two hearings upon the subject, has favorably recommended it, and there is a bill on the subject on the calendar of the House.

As a river and harbor project this project stands approved before the Congress, and if we are to deal with it as we have dealt with other river and harbor projects it is entitled to the support of the Congress when the engineers of the United States Army have given their approval and recommendation to it. Therefore we do not have to come here asking for a toll canal. We come here to ask justice from our colleagues because of the favorable recommendation to the Congress by its own agency—the engineers. But in view of the present condition of the Treasury, which is disturbing to some, to show good faith, and to show assurance that the canal is economically sound, we are willing to acquiesce, as we now do, in the amendment of the Senator from Colorado. We say that we will not appear before any Appropriations Committee, that no one will make application for an appropriation of money to begin the construction of the canal until an additional survey may be made by an agency designated by the President, which will show affirmatively that it will be a self-liquidating project.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. SHIPSTEAD. I voted against this project on the previous occasion when it was before the Senate, but at that time there was no provision for an investigation as to the practicability of the canal or as to the revenues to be derived from tolls. It is to be an artificial canal, like the Panama Canal, and I must say that I am not sufficiently well informed as to its economic justification because of the conflict of opinion in the matter.

If I understand the position of the Senator, there is before us an authorization requiring an investigation to determine what may be the possible use of the canal, and the rates, and the possible revenue, with a view to determining whether or not the revenues will liquidate the project and pay back the money invested.

Mr. PEPPER. That is correct.

Mr. SHIPSTEAD. Am I correct in assuming that unless such an investigation shall be made, and the evidence shows that the canal will be used, and that the revenues will within a period of years liquidate the investment, it will then be for the Congress to determine whether or not they will appropriate the money to complete the project?

Mr. PEPPER. The Senator is correct. So I appeal to my colleagues whether any fairer proposition could be made, and whether the Congress could have any greater safeguard than is furnished, because Congress will not permit itself to do anything which subsequent investigation and assurance may not show to the Congress to be economically justified.

I desire now to yield the remaining time to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I cannot deal with this important subject in 2 minutes. I had intended to make a few remarks upon the construction of the proposed canal purely from the standpoint of national defense, not that it may not be justified from the standpoint of commerce.

I voted for the canal bill originally without knowing much about it. I did so very largely because of my great affection for and deference to the former Senators from Florida, Senator Fletcher and Senator Trammell. I have since learned more about the subject, and I feel that if I had time I could defend the canal on its merits. But I have not the time, and about all I can say in the few minutes at my disposal is that I expect to vote for the pending measure, because I believe the canal can be justified commercially, as much so as any of the other canals we have constructed or bought, including the Cape Cod Canal, which the Government bought some years ago. That canal may not have been a financial success so far as repaying the Treasury all that was expended in its purchase and maintenance is concerned, but it certainly has been of infinite value to the shipping interests of the Atlantic seaboard.

I realize that it may be fantastic to anticipate any sort of war, but there have been wars, and probably there will be others, and there is no way to anticipate or designate who our enemy may be in the future. Looking at the map on the wall, taking into consideration the chain of islands running from Florida down to the coast of South America and reflecting that probably more than 50 percent of our raw materials must come from regions contiguous to the Gulf of Mexico, from the Southern States and from Central and South America, and must reach the industrial centers on the Atlantic seaboard, it is easy to understand that if a condition existed which made it impossible or difficult for us to send our commerce or our men or our ships to the islands and countries to the south the Florida ship canal would certainly be of great value from the standpoint of national defense. For that reason I expect to vote for the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. ADAMS] to the amendment offered by the Senator from Oklahoma [Mr. LEE].

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Bulow	Downey	Harrison
Andrews	Burke	Ellender	Hatch
Ashurst	Byrnes	Frazier	Hayden
Bailey	Capper	George	Herring
Barbour	Caraway	Gerry	Hill
Barkley	Chavez	Gibson	Holman
Bilbo	Clark, Idaho	Gillette	Hughes
Bone	Clark, Mo.	Green	Johnson, Calif.
Borah	Connally	Guffey	Johnson, Colo.
Bridges	Danaher	Gurney	King
Brown	Davis	Hale	La Follette

Lee	Murray	Russell	Tobey
Lodge	Neely	Schwartz	Townsend
Logan	Norris	Schwellenbach	Truman
Lucas	Nye	Sheppard	Tydings
Lundeen	O'Mahoney	Shipstead	Vandenberg
McKellar	Overton	Slattery	Van Nuys
McNary	Pepper	Smathers	Wagner
Mead	Pittman	Stewart	Walsh
Miller	Radcliffe	Taft	Wheeler
Minton	Reed	Thomas, Utah	Wiley

The VICE PRESIDENT. Eighty-four Senators have answered to the roll call. There is a quorum present. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. ADAMS] to the amendment offered by the Senator from Oklahoma [Mr. LEE].

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. CHAVEZ. Mr. President, I offer an amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. It is proposed to add, after line 8 on page 2 of the bill, a new section, to read as follows:

The canal shall be known and designated as the "Duncan Fletcher Florida Ship Canal."

The amendment was agreed to.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. VANDENBERG. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. HILL (when Mr. BANKHEAD's name was called). The senior Senator from Alabama [Mr. BANKHEAD] is paired with the senior Senator from Connecticut [Mr. MALONEY]. I am advised that if the Senator from Alabama were present and at liberty to vote he would vote "yea," and if the Senator from Connecticut were present he would vote "nay." Both Senators are absent on important official business.

Mr. CLARK of Idaho (when his name was called). I have a pair with the junior Senator from Virginia [Mr. BYRD]. If the Senator from Virginia were present and at liberty to vote, he would vote "nay." If I were at liberty to vote on this question I should vote "yea."

Mr. GEORGE (when his name was called). I have a pair with the senior Senator from Ohio [Mr. DONAHEY], who is absent on important business. If he were present, he would vote "nay" on this question. If I were at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. SHIPSTEAD (after having voted in the affirmative). I have a pair on this question with the senior Senator from Virginia [Mr. GLASS]. I therefore withdraw my vote. If the Senator from Virginia were present, I understand he would vote "nay."

Mr. McNARY. The senior Senator from Vermont [Mr. AUSTIN], who is absent on the business of the Senate, has a pair with the junior Senator from Nevada [Mr. McCARRAN]. If the Senator from Nevada were present, he would vote "yea," and if the Senator from Vermont were present he would vote "nay."

I also announce that the junior Senator from Maine [Mr. WHITE] has a pair with the junior Senator from North Carolina [Mr. REYNOLDS]. If the Senator from Maine were present, he would vote "nay," and I am advised that if the Senator from North Carolina were present he would vote "yea" on this question.

Mr. MINTON. The Senator from Oklahoma [Mr. THOMAS], who is detained on official business, is paired with the Senator from South Carolina [Mr. SMITH]. The Senator from Oklahoma, if present and at liberty to vote, would vote "yea," and the Senator from South Carolina, if present, would vote "nay."

I announce that the Senator from Nevada [Mr. McCARRAN] is absent on official business for the Committee on the Judiciary.

The Senator from South Carolina [Mr. SMITH] is absent because of illness in his family.

The Senator from West Virginia [Mr. HOLT] is delivering a commencement day address in West Virginia, and is therefore necessarily detained.

The Senator from Alabama [Mr. BANKHEAD], the Senator from Ohio [Mr. DONAHEY], the Senators from Virginia [Mr. GLASS and Mr. BYRD], and the Senator from North Carolina [Mr. REYNOLDS] are detained on important public business.

The Senator from Connecticut [Mr. MALONEY] has been called to his home State on public business.

The result was announced—yeas 36, nays 45, as follows:

YEAS—36

Andrews	Green	Mead	Russell
Barkley	Hatch	Miller	Schwartz
Bilbo	Hayden	Minton	Schwellenbach
Bone	Hill	Murray	Sheppard
Caraway	Hughes	Neely	Smathers
Chavez	Lee	Norris	Stewart
Connally	Logan	Overton	Thomas, Utah
Downey	Lundeen	Pepper	Truman
Ellender	McKellar	Pittman	Wagner

NAYS—45

Adams	Danaher	Johnson, Calif.	Taft
Ashurst	Davis	Johnson, Colo.	Tobey
Bailey	Frazier	King	Townsend
Barbour	Gerry	La Follette	Tydings
Borah	Gibson	Lodge	Vandenberg
Bridges	Gillette	Lucas	Van Nuys
Brown	Guffey	McNary	Walsh
Bulow	Gurney	Nye	Wheeler
Burke	Hale	O'Mahoney	Wiley
Byrnes	Harrison	Radcliffe	
Capper	Herring	Reed	
Clark, Mo.	Holman	Slattery	

NOT VOTING—15

Austin	Donahey	McCarran	Smith
Bankhead	George	Maloney	Thomas, Okla.
Byrd	Glass	Reynolds	White
Clark, Idaho	Holt	Shipstead	

So the bill S. 1100 was not passed.

NAVAL APPROPRIATIONS

Mr. BARKLEY obtained the floor.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from South Carolina.

Mr. BYRNES. I move that the Senate proceed to the consideration of House bill 6149, making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1940, and for other purposes.

Mr. McNARY. Mr. President, the Senator from South Carolina has moved that the Senate consider what is known as the Navy appropriation bill. I have no objection to the bill being made the unfinished business, providing we have the understanding that the bill will not be considered until tomorrow.

The VICE PRESIDENT. That has to be done by unanimous consent.

Mr. BYRNES. That is understood, Mr. President. I shall make that proposal now.

Mr. McNARY. Is it the understanding that the bill shall merely be made the unfinished business, and that further consideration of it shall go over until tomorrow?

Mr. BYRNES. That is the understanding. I think the Senator from Oregon will have no objection if I move that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The VICE PRESIDENT. The question is on the motion of the Senator from South Carolina that the Senate proceed to consider House bill 6149, making appropriations for the Navy Department.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 6149) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1940, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. BYRNES. I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for

amendment, and that the committee amendments be first considered.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

PROGRAM FOR REMAINDER OF WEEK

Mr. BARKLEY. Mr. President, for the benefit of Senators, many of whom have inquired about the program for the remainder of the week, I wish to say that following the consideration of the bill which has just been made the unfinished business, the Senator from Montana [Mr. WHEELER] desires to have taken up for consideration Senate bill 2009, one of the railroad bills which has been reported from the Committee on Interstate Commerce. Whether that bill will be taken up and made the unfinished business this week or put over until Monday may depend upon the length of time consumed in the consideration of the naval appropriation bill, but the railroad bill will follow the naval appropriation bill, according to the present program.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CLARK of Missouri. In connection with the statement of the majority leader, I think it is only fair to say that when the railroad bill referred to by him is brought before the Senate for consideration, that is, when the motion is made to consider it, by direction of the Committee on Commerce a motion will be made to refer that bill to the Committee on Commerce for the consideration of the features of the bill properly within the jurisdiction of the Committee on Commerce.

Mr. BARKLEY. That question will arise when the motion is made.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. CONNALLY (for Mr. BURKE), from the Committee on the Judiciary, reported favorably the nomination of Walter A. Huxman, of Kansas, to be judge of the United States Circuit Court of Appeals for the Tenth Circuit, vice Robert L. Williams, retired.

Mr. THOMAS of Utah, from the Committee on Education and Labor, reported favorably the nomination of William M. Leiserson, of Ohio, to be a member of the National Labor Relations Board for a term of 5 years from August 27, 1938, vice Donald Wakefield Smith, term expired.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

POSTMASTER, WILMINGTON, CALIF.—DORTHA MAE ROBERTS

Mr. McKELLAR. From the Committee on Post Offices and Post Roads I report adversely the nomination of Dortha Mae Roberts to be postmaster at Wilmington, Calif., the junior Senator from California [Mr. DOWNEY] having certified that the appointment would be personally objectionable to him.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Simon Hellenthal to be United States district judge for division No. 3, District of Alaska.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEYS

The legislative clerk read the nomination of Charles J. Clasby to be United States attorney for division No. 2, District of Alaska.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Eli H. Brown, 3d, to be United States attorney for the western district of Kentucky.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of George L. Grobe to be United States attorney for the western district of New York.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Joseph T. Votava to be United States attorney for the district of Nebraska.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John J. Boyle to be United States attorney for the western district of Wisconsin.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES MARSHALS

The legislative clerk read the nomination of John M. Moore to be United States marshal for the eastern district of Kentucky.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Loomis E. Cranor to be United States marshal for the western district of Kentucky.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John G. Utterback to be United States marshal for the district of Maine.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Stephen J. Doyle to be United States marshal for the district of North Dakota.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John J. Barc to be United States marshal for the eastern district of Michigan.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John J. Farrell to be United States marshal for the district of Minnesota.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE—NORMAN ARMOUR

The legislative clerk read the nomination of Norman Armour to be Ambassador Extraordinary and Plenipotentiary of the United States to Argentina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. PITTMAN. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination of Mr. Armour.

The VICE PRESIDENT. Is there objection to the request of the Senator from Nevada? The Chair hears none, and the President will be notified.

DEPARTMENT OF THE TREASURY—EDWARD H. FOLEY, JR.

The legislative clerk read the nomination of Edward H. Foley, Jr., to be General Counsel for the Department of the Treasury.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. HARRISON. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination of Mr. Foley.

The VICE PRESIDENT. Is there objection to the request of the Senator from Mississippi? The Chair hears none, and the President will be notified.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. Mr. President, at the request of the junior Senator from Minnesota [Mr. LUNDEEN], I ask that the nomination of Margaret E. Mahling to be postmaster at Randall, Minn., and the nomination of Morten G. Pedersen to be postmaster at Tyler, Minn., be recommitted to the Committee on Post Offices and Post Roads.

The VICE PRESIDENT. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and it is so ordered.

Mr. McKELLAR. I ask that all other nominations of postmasters on the calendar be confirmed en bloc.

The VICE PRESIDENT. Without objection, all other nominations of postmasters are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. SHEPPARD. I ask unanimous consent that the Army nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the Army nominations are confirmed en bloc.

That concludes the calendar.

THE JUDICIARY—WALTER A. HUXMAN

Mr. CAPPER. Mr. President, the nomination of Walter A. Huxman, of Kansas, to be judge of the United States Circuit Court of Appeals for the Tenth Circuit was unanimously reported by the Judiciary Committee today. I ask unanimous consent that the report be approved, and that the nomination be confirmed at this time.

Mr. ASHURST. Mr. President, I observe the Senator from Nebraska [Mr. BURKE] on his feet. Doubtless he intends to make a similar request. The Senator from Nebraska was chairman of the subcommittee which considered the nomination. Both Senators from Kansas have very cordially endorsed the nomination. The subcommittee of which the Senator from Nebraska is chairman favorably reported the nomination, and I hope the request of the Senator from Kansas will be granted.

The VICE PRESIDENT. It will have to be done by unanimous consent.

Mr. McNARY. Mr. President, the Senator from Kansas [Mr. CAPPER] intended to ask unanimous consent for the present consideration of the nomination. I ask unanimous consent for the present consideration of the nomination.

The VICE PRESIDENT. Is there objection?

Mr. BURKE. Mr. President, I should like to say just a word.

The nomination of Mr. Huxman to be judge of the United States Circuit Court of Appeals for the Tenth Circuit has been before the Judiciary Committee for some weeks. Because of one difficulty after another, but not because of any objections to the nomination, the matter was unavoidably put off from week to week. As has already been stated, the subcommittee at its last meeting was unanimously in favor of the nomination. The full committee was unanimously in favor of the nomination, and the nomination was ordered reported to the Senate. Through inadvertence, the one who was delegated to make the report did not file it quite on time.

I join the Senator from Kansas and the Senator from Oregon in asking unanimous consent for the present consideration of the nomination.

The VICE PRESIDENT. Is there objection to the present consideration of the nomination? The Chair hears none. Without objection, the nomination is confirmed.

Mr. CAPPER. I ask unanimous consent that the President be notified of the confirmation of the nomination of Judge Huxman.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kansas? The Chair hears none, and the President will be notified.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Thursday, May 18, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 17 (legislative day of May 8), 1939

SECURITIES AND EXCHANGE COMMISSION

Leon Henderson, of New Jersey, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1944. (Reappointment.)

UNITED STATES DISTRICT JUDGES

Hon. Robert A. Cooper, of Puerto Rico, to be a judge of the District Court of the United States for Puerto Rico to fill a position created by the act of Congress dated March 26, 1938.

Alva M. Lumpkin, of South Carolina, to be United States district judge for the eastern and western districts of South Carolina, vice Hon. J. Lyles Glenn, deceased.

Leslie A. Darr, of Tennessee, to be United States district judge for the middle and eastern districts of Tennessee to fill a position created by the act of Congress of May 31, 1938.

UNITED STATES ATTORNEYS

Francis H. Inge to be United States attorney for the southern district of Alabama. (Mr. Inge is now serving in this office under an appointment which expired May 1, 1939.)

Frank E. Flynn, of Arizona, to be United States attorney for the district of Arizona. (Mr. Flynn is now serving in this office under an appointment which expired May 1, 1939.)

John K. Valentine, of Iowa, to be United States attorney for the southern district of Iowa, vice Edwin G. Moon, deceased.

Leo Calvin Crawford, of Ohio, to be United States attorney for the southern district of Ohio, vice Francis C. Canny, resigned.

UNITED STATES MARSHALS

Joseph Henry Goguen, of Massachusetts, to be United States marshal for the district of Massachusetts, vice John J. Murphy, resigned.

Felipe Sanchez y Baca, of New Mexico, to be United States marshal for the district of New Mexico. (Mr. Sanchez y Baca is now serving in this office under an appointment which expired March 2, 1938.)

Charles H. Sisson, of Ohio, to be United States marshal for the southern district of Ohio, vice R. Kenneth Kerr, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 17 (legislative day of May 8), 1939

AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY

Norman Armour to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina.

DEPARTMENT OF THE TREASURY

Edward H. Foley, Jr., to be General Counsel for the Department of the Treasury.

UNITED STATES CIRCUIT JUDGE

Walter A. Huxman to be judge of the United States Circuit Court of Appeals for the Tenth Circuit.

UNITED STATES DISTRICT JUDGE

Simon Hellenthal to be United States District Judge for division No. 3, District of Alaska.

UNITED STATES ATTORNEYS

Charles J. Clasby to be United States attorney for division No. 2, District of Alaska.

Eli H. Brown, 3d, to be United States attorney for the western district of Kentucky.

George L. Grobe to be United States attorney for the western district of New York.

Joseph T. Votava to be United States attorney for the district of Nebraska.

John J. Boyle to be United States attorney for the western district of Wisconsin.

UNITED STATES MARSHALS

John M. Moore to be United States marshal for the eastern district of Kentucky.

Loomis E. Cranor to be United States marshal for the western district of Kentucky.

John G. Utterback to be United States marshal for the district of Maine.

Stephen J. Doyle to be United States marshal for the district of North Dakota.

John J. Barc to be United States marshal for the eastern district of Michigan.

John J. Farrell to be United States marshal for the district of Minnesota.

APPOINTMENTS IN THE REGULAR ARMY

George Catlett Marshall to be general while holding office as Chief of Staff of the Army.

James Carre Magee to be the Surgeon General with the rank of major general.

APPOINTMENTS TO TEMPORARY RANK IN THE AIR CORPS, IN THE REGULAR ARMY

Clinton Warden Russell to be colonel.

Gilbert Taylor Collar to be lieutenant colonel.

Thomas Dresser White to be major.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

Maj. George Frye Herbert to Adjutant General's Department.

Maj. Lawrence Lofton Cobb to Quartermaster Corps.

Lt. Col. Lewis King Underhill to Infantry.

POSTMASTERS

IDAHO

Stanford W. Christensen, Downey.
Milton F. Haynes, Headquarters.
Wheeler McGill, Paul.

IOWA

Thomas C. Kelly, Charles City.
John R. Reider, Eagle Grove.
Glenn G. Braden, Goldfield.
Floyd Stotts, Melcher.
Mark F. Hogan, Monticello.
James N. Hileman, Mount Pleasant.
Mabel E. Forsythe, Plover.
Leon C. Thorp, Sidney.

MASSACHUSETTS

George J. Newitt, Duxbury.
Mark W. Supple, Easthampton.
John J. Stewart, North Scituate.

MICHIGAN

Alice M. Wolohan, Birch Run.
Loyal W. Rector, Dexter.
Geraldine E. Vincent, Falmouth.
Nola B. McIntosh, Houghton Lake.
Clare M. Troub, Middleton.
Victor P. Weidensee, Pentwater.
Clement H. Oxenger, Reading.

MINNESOTA

Odin A. Jacobson, Barrett.
Evelyn K. Soes, Climax.
Oscar W. Hennings, Wanamingo.

NEW JERSEY

John B. Johnson, Freehold.
Irma M. Adams, Hamr
James Simpson, River Edge.
Marie C. Riordan, Shrewsbury.

RHODE ISLAND

Frederick Malone, Greystone.

TENNESSEE

Daniel O. Clemmer, Benton.
John W. Farmer, Cedar Hill.
William A. Murphy, Harrison.
May C. Trobaugh, Millington.

TEXAS

Irene J. Brice, Bruni.
Buna T. McDaniel, Floresville.
Oscar Humphrey, Hutto.
Charles A. Fleming, Kress.
Margaret Chrystene Ayers, Laird Hill.
Edwin M. Lockey, Palestine.
Lewis C. Davis, Richmond.

VIRGINIA

Fergus McRee, Richmond.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 17, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art our God and blessed forevermore, we thank Thee for the fellowship of men and for the hopeful realization of the brotherhood of all classes. We pray that we may know Christ in us as the restraining power and the inspiration of duty. In this hall of legislation, may there be mutual trust and cooperation. Strengthen us with understanding minds and sanctified hearts, and may Thy wisdom be translated into our labors. Bless us with the spirit of optimism instead of regrets; let the stars of promise break up the night and shine in beauty. We pray for our President and all his advisers, for our Speaker and the Congress; do Thou inspire them with the energy of Thy power and purpose; and unto Thee be eternal praise through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 595. An act to increase further the efficiency of the Coast Guard by authorizing the retirement, under certain conditions, of enlisted personnel thereof with 20 or more years of service; and

S. 1876. An act to readjust the commisioned personnel of the Coast Guard, and for other purposes.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. GIBSON members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of the Interior.
4. Department of Labor.
5. Department of the Navy.
6. Post Office Department.
7. Home Owners' Loan Corporation.
8. The Panama Canal.
9. United States Civil Service Commission.
10. United States Maritime Commission.

NEW YORK WORLD'S FAIR

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, we will be again asked to appropriate $3,000,000 to carry on the New York World's Fair. Remember we appropriated $3,000,000 for them last year.

I had the privilege of going to the New York World's Fair last week with JACK NICHOLS' congressional party, on which trip we paid our way. It was a wonderful trip, and the New York World's Fair is a wonderful show. [Applause.] If the Members of Congress who went there say the same things I heard them say during the trip, there will be a million and a half more people in this country who will want to see that exposition, and when they do this they will get the $3,000,000 from the people of this country and save the Treasury of the United States that amount.

This is one of the greatest exhibitions I have ever seen. They have all kinds of sports there. Bill Rose's Acquade constitutes one of the finest shows I have ever witnessed, and it is certainly worth the price of admission. The Perisphere and other public buildings are really worth while. So let us tell the people of the country what a great fair is in progress, and by increasing their attendance we will save the Government $3,000,000; we will increase the interest in the fair and all will be better off and the people will all appreciate their visit and will be well paid for their attendance and visit to the fair in New York. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. BARTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an address by Joseph V. Connolly before the National Eucharistic Congress.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CITIZENSHIP DAY

Mr. JOHNS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNS. Mr. Speaker, I desire this morning to call the attention of Members of this House to what will prove to be, in the future history of this country, an important date. It will be the first real exclusive observance of what will be known as Citizenship Day. The event will be held at Manitowoc, Wis., in my own district, on Sunday, May 21, of this year.

This day will climax weeks of preparation, participated in by all the citizenship of Manitowoc County, and the city of Manitowoc, together with valuable suggestions from all parts of the United States. Leading educators, jurists, and public officials will be present to participate in the program. Among these notables will be President Dykstra, of the University of Wisconsin; Chief Justice Rosenbery, of the Supreme Court of the State of Wisconsin; and John Studebaker, United States Commissioner of Education. Dr. R. J. Colbert, head of the University of Wisconsin extension department, is the originator of the idea.

Dr. Colbert lists the five objectives of such a day to be, first, to create a sense of duty and responsibility that accompany the rights of citizenship; second, to give to the entire citizenry a clearer appreciation of its duties, responsibilities, and obligations; third, to develop a clearer understanding of the relations of local government to the State and Nation; fourth, to assist in creating a higher degree of community spirit; and fifth, to counteract unwholesome negative propaganda by generating intelligent and creative participating citizenship.

The day will bring together all of the young men and women who have just reached the age of 21 years. There are about 1,200 of them in Manitowoc County, Wis., while we have in the Nation about 2,500,000 each year who are inducted into the grave responsibilities and the exceptional privilege of citizenship.

As a rule there is nothing done in the course of these events to impress youth with its significance and is taken as a matter of course. This is a dangerous thing in any democracy. An enlightened and intelligent citizenship is the only way to have and maintain a successful democracy.

The young man or woman of today must be impressed with the fact that citizenship carries with it grave duties and responsibilities as well as privileges.

We must impress the youth of today that on them falls the responsibility of improving our standard of living and social position in life. That in the final analysis government is the cooperative effort of citizens to secure the greatest good to the greatest number. We must in some way get the average American voter to take a greater interest in problems of government. His or her duty as a citizen of today is much greater than the citizen of the past. The idea has already been publicized all over the United States, and many editorials in newspapers have been written and published commending and endorsing the idea.

Many cities in Wisconsin have arranged for such a day. The Legislature of the State of Wisconsin is memorializing Congress and suggesting that it be made a national program next year. A bill has been introduced in the Wisconsin Legislature, making such a program mandatory in Wisconsin in 1940, and has already passed the senate.

I commend to my colleagues this Citizenship Day idea, and through you to the citizens in your respective districts. [Applause.]

EXTENSION OF REMARKS

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter written to me by the president of the Philippine National Volunteers on the question of Philippine independence.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a short statement by Bainbridge Colby on keeping out of war.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement before the Foreign Affairs Committee by Mrs. George H. Fitch.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a short statement by Major General Rivers on national defense.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DONDERO. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Obviously, there is not a quorum present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

[Roll No. 74]

Barden	Buckley, N. Y.	Chapman	Douglas
Bell	Burch	Crowther	Evans
Boren	Case, S. Dak.	Curley	Faddis
Bryson	Casey, Mass.	Dirksen	Fernandez
Buck	Celler	Ditter	Flannery

Ford, Leland M.	Johnson, W. Va.	Nichols	Sumner, Ill.
Ford, Thomas F.	Lambertson	Osmers	Sumners, Tex.
Harness	Lord	Pierce, N. Y.	Sutphin
Hartley	McReynolds	Shanley	Weaver
Havenner	Maloney	Short	White, Idaho
Hope	Marshall	Smith, Ill.	Winter
Jensen	Mouton	Starnes, Ala.	Wood

The SPEAKER. On this roll call 380 Members have answered to their names, a quorum.

Mr. RAYBURN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

FORMER REPRESENTATIVE JESSE DASHIELL PRICE

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. COLE of Maryland. Mr. Speaker, the successor to former Representative—now Justice T. Alan Goldsborough—not having been selected, I consider it my duty to announce the death of the former Representative from the First Congressional District, the Honorable Jesse Dashiell Price. Mr. Price was born in White Haven, Somerset, now Wicomico, County, Md., August 15, 1863. He served as a member of the State Senate of Maryland from 1908 to 1916, and was president of that body from 1912 to 1916, when he resigned to enter Congress. He was elected as a Democrat to the Sixty-third Congress to fill the vacancy caused by the resignation of J. Barry Covington because of Mr. Covington's appointment to the District Court of the District of Columbia. Mr. Price was reelected to the Sixty-fourth and Sixty-fifth Congresses and served from November 3, 1914, to March 3, 1919. Mr. Price was a prominent businessman and active in many ways in the affairs of the State of Maryland. He was a member of the Maryland State Tax Commission for a number of years and later served as chairman of that important body. Former Representative Price died at his home in the Charles Apartments in Baltimore on May 15, 1939, at the age of 75 years.

I speak for the entire Maryland delegation in the House in endorsing the prominent and useful life which former Representative Price so richly enjoyed. He will be missed by the State which honored him many times, and his death is mourned by his many friends.

EXTENSION OF REMARKS

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to place therein an article written by myself appearing in the Chicago Herald-Examiner.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to place therein a letter I have just received from the secretary of the Minnesota Fox and Fur Breeders' Association.

The SPEAKER. Is there objection?

There was no objection.

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. IZAC. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter which recently appeared in the Dakota Farmer relative to the General Welfare Act.

The SPEAKER. Is there objection?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

The SPEAKER. This is Calendar Wednesday, and the Clerk will call the committees.

RIVERS AND HARBORS

Mr. MANSFIELD (when the Committee on Rivers and Harbors was called). Mr. Speaker, by the direction of the Committee on Rivers and Harbors, I call up the bill H. R. 6264, authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The SPEAKER. The gentleman from Texas calls up the bill H. R. 6264. This bill is on the Union Calendar. Under the rule the House will automatically resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, and the gentleman from Missouri [Mr. ZIMMERMAN] will take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6264, with Mr. ZIMMERMAN in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk will read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. MANSFIELD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MANSFIELD. Ordinarily bills are read by sections. It has generally been the custom to read river and harbor bills by paragraphs. There are 80 paragraphs in one section, and my inquiry is to know whether the bill will be read by sections or by paragraphs.

The CHAIRMAN. Under later decisions, river and harbor bills are read by sections, instead of paragraphs, and that procedure will be followed in this instance.

Mr. CULKIN. Mr. Chairman, in regard to the time allowed the respective sides on the bill, I understand it is the practice of the Chair to recognize the chairman of the committee, in this instance the gentleman from Texas [Mr. MANSFIELD], for an hour. Do I understand the minority gets an hour on the bill?

The CHAIRMAN. The gentleman from Texas will be recognized for 1 hour, and the ranking minority Member, the gentleman from New Jersey [Mr. SEGER], will be entitled to 1 hour, to divide and apportion as he sees fit. The Chair recognizes the gentleman from Texas [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Chairman, I desire first to express my sincere thanks to the members of the Committee on Rivers and Harbors for their splendid cooperation in conducting the hearings and in the preparation of the bill before us. I was only permitted to be with the committee for a few days while the hearings were in progress, but at my request the committee very graciously continued in its labors and has brought forth a splendid piece of work, which, if enacted into law, will supply some very important and necessary aids in the transportation system of our country.

The bill embraces 72 projects for the improvement of our rivers and harbors, all of which are fully described in the committee report. The total amount of expenditures involved is estimated by the engineers at $119,928,100, to be paid as the work progresses through a period of years. No public funds will become available for any of these works until the appropriations are made for the fiscal year ending in 1941. Some of the larger projects will require 8 years thereafter for completion. Consequently, the amount of expenditures for any one year will be comparatively small.

The thoroughness with which river and harbor projects are considered is not generally known to the public. In fact, many Members of Congress who have their multitudinous duties to perform have not had time or occasion to give these matters their careful attention. I will refer briefly to the course of procedure.

Congress, of course, originates all projects by ordering a preliminary survey. From the result of this preliminary investigation, the procedure of which I shall not take time to describe, the Board of Engineers determines whether the potentialities are such as justify the cost of further investigation. If the facts appear to warrant such further investigation, then the district engineer proceeds to make all necessary surveys and report the facts to the division engineer, with his recommendation.

If favorably considered by both the district and division engineers, then the matter comes before the Board here in Washington. The Board leaves nothing undone in its investigations, and if the project is found to be worthy in all respects it submits its favorable report to the Chief of Engineers, who likewise gives it thorough consideration from every conceivable angle. If the project also has the approval of the Chief of Engineers, he transmits the report to the Secretary of War, after which it is referred to the National Resources Committee, which acts as a clearing house in coordinating it with works contemplated by other governmental agencies in the same field, if any.

After the investigations are all complete the reports are returned to the Secretary of War to be transmitted to Congress. The Committee on Rivers and Harbors then gives the whole matter another thorough overhauling before reporting the bill to Congress. There is no type or class of legislation in this or in any other country that is given the same degree of thoroughness of investigation as that which is given to river and harbor legislation. Those who facetiously refer to it as "pork barrel" legislation are many years behind the times.

From the dawn of history transportation by water has been in general practice in all countries having access to waterways. It is still in general use, because no cheaper method of transportation has ever been found to take its place. In ancient and in modern times, with few if any exceptions, the most prosperous countries of which we have an account have been those whose commerce has moved by water wherever there was water sufficient for the practical movement of commercial boats.

Greece and Rome in their heyday were in the front rank of maritime nations. Their commerce extended to all the civilized world. England and Japan, both comparatively small island kingdoms, and dependent almost entirely upon water transportation for their national existence, hold high rank in national and world commerce today. It is said that the Union Jack can at all times be seen in every major port in the world. Germany probably leads the world in inland water-borne commerce, notwithstanding her great network of railways. Her rivers are under high state of improvement and connected by strategic canals and cross channels.

One year ago this month Professor Burrows, of Yale, president of the American School of Oriental Research, announced the excavation of King Solomon's port on the Red Sea, a flourishing city of trade and industry nearly 3,000 years ago. It was pronounced to be the port of Ezion-Geber, which, from the Biblical account, was beside Eloth on the shore of the Red Sea in the land of Edom. It is said that it was here that King Solomon, with the aid of Hiram, King of Tyre, built a great fleet of ships in which a rich trade was carried on with southern Arabia and indirectly with India. Many of the relics unearthed by the research party consisted of articles used in shipbuilding operations, showing the importance of water-borne commerce in that early day.

Nations without access to the high seas have great difficulties to contend with and cannot expect to maintain high rank as commercial nations. Austria, with the great city of Vienna, was left almost lifeless by the Versailles Treaty, in which her coastal area was given to Italy, leaving her entirely inland. Largely for this reason she voluntarily surrendered her national existence, which had had a proud history for many years.

After the World War Poland was reestablished as a nation with her northern boundary extended to the Baltic, giving her access to the free port of Danzig. In this comparatively short time Poland has become a very important maritime nation. Her flag on ships of the Gdynia-American Line is now familiar to all our major Atlantic and Gulf ports, and this line has become one of the most important in the movement of American cotton.

Poland on her own territory has established the additional port of Gdynia, about 15 miles from Danzig, where the little fishing village of 126 people has developed into a great commercial city of 120,000 population in less than 20 years. In 1937 the port of Gdynia had a commerce of more than 9,000,000 tons of general cargo, while the commerce of Danzig had increased from 2,000,000 to 6,000,000 tons. The magazine Marine Progress, for April, contains the announcement that Gdynia is now the second port of importance on the Baltic. Much of the commerce of Danzig and Gdynia passes over the Vistula River, which flows north through Poland, emptying into the Baltic at Danzig, and is under a high state of improvement. Poland furnishes one of the finest examples of the effect of waterway improvement, both as to foreign and inland trade.

Inland waterway improvements are now being carried on in Europe to a greater extent than ever before known. A few years ago the Department of Commerce announced the report of Rollin R. Winslow, consul at Trieste, of the measures taken by the Italian Government for the improvement of the River Po, to provide practical barge-line transportation to Milan and the rich valleys of the Lombard region. The report shows that the Po has been under improvement in part since the twelfth century, at the cost of localities, and the improvements now being carried out have heretofore at various times been under consideration. The cost of the present improvement is to be borne by the Italian Government.

I have here Associated Press dispatches of March 27, 1938, of the announcement made by Field Marshal Herman Wilhelm Goering, of the German Government, in which he stated that ships up to 1,200 tons would soon proceed from the North Sea, over the Rhine, Main, and Danube Rivers, to the Black Sea.

In July 1937 I received a full description of this ambitious waterway project from Colonel Marks of the War Department, now division engineer at Cincinnati. Colonel Marks at that time was in Germany and made a personal inspection of the waterway which was then under construction. It embraces extensive improvements on the Danube, the Main, and the upper Rhine, all of which are connected by artificial channels. It is perhaps the most ambitious inland waterway improvement in the world and will give Germany access to the Black Sea, and possibly later, through the Dardanelles to the Mediterranean.

A few weeks ago the press dispatches announced that Russia was taking steps for the further improvement of the Volga, which has been an avenue of commerce for many years. A few years ago the late Speaker Rainey gave an interesting description of this river before the National Rivers and Harbors Congress. Mr. Rainey had just returned from a boat trip over the Volga.

What I have said shows the great interest other countries are taking in the improvement of their rivers and other waterways. They have long since learned the importance of promoting every practical type of transportation, and not permitting any type to obtain a monopoly. In fact, such a monopoly might soon be the death knell of most any European country. Such a monopoly here would undoubtedly prove disastrous to the interests of the people of this country.

Our transportation systems, whether by rail, pipe line, water, or air, are all necessary for the welfare of the people of this country. This was thoroughly demonstrated by the World War. When the Director General took charge of the railroads on January 1, 1918, his report shows that there were 180,000 loaded cars congested on the eastern terminals that could not reach shipboard. They were loaded with munitions and other materials necessary for the Army in the field, and even the transport ships were having great difficulty in securing necessary fuel, many of them at that time using coal.

The Mississippi River was again brought into action after a lapse of many years in the transportation field. A flotilla of barges was secured, the most of them more or less of an obsolete type, and loaded with coal for the transports. The steamboat *Sprague* conveyed the flotilla to New Orleans where the coal was made available to the ships for overseas service. This barge fleet covered 12 acres of water and carried a cargo of 56,000 tons, the largest cargo ever transported under a single power in this or any other country up to that time. This thoroughly demonstrated what our rivers could

do in time of emergency. Let us do as the European countries are doing, preserve them, improve them, and utilize them for all practical, necessary, and useful purposes.

The total cost of all our waterway improvements for navigation from the beginning of our Government to the present time amounts to $2,308,895,000. This includes expenditures on our ocean and Gulf harbors, the Great Lakes, inland and intercoastal waters including Alaska, Puerto Rico, Virgin Islands, Hawaii, Midway and Wake Islands. Whilst these improvements have supplied the needs of commerce, many of them have also been useful to the Navy and to the United States Air Mail Service.

The Budget has approved the expenditure of $41,000,000 for the maintenance of all these waterways for the coming year. The maintenance for the year 1937, the last year for which we have official reports, amounted to $38,004,296.45. The water-borne commerce for that year was 583,100,000 tons. The cost of maintenance was 6½ cents per ton of all freights handled.

The maintenance of our railways for the same year, 1937, as approved by the I. C. C., including equipment, was $1,322,302,748. The freights moved by rail originating on class I railroads for that year was 1,015,586,028 tons. This maintenance cost per ton of freights handled by rail was $1.30, as compared with the cost of 6½ cents per ton of freights moved by water. Maintenance of the waterways are paid out of appropriations made by Congress. The maintenance of railways is paid out of freight and passenger charges approved by the I. C. C. In both instances Jones pays the freight.

For many years it seemed to have been the policy of Congress to improve our rivers for purposes of navigation only. In the course of time, flood control on the Mississippi got to be an important subject for consideration, and the flood-control program is now extended to the entire country.

But little attention was paid to hydroelectric development until after the 308 reports made by the Army engineers in response to the provisions in the river and harbor bill of 1927. These reports made on surveys at a cost of more than $10,000,000 showed unmistakably that power of great value could be developed on many of the rivers of the United States. It is now the fixed policy it seems, to develop and utilize this power wherever practical in connection with navigation improvements.

We should, in my judgment, proceed upon the theory that water in our navigable rivers should be made to perform every reasonable and practicable service to mankind before its return to the ocean from whence it came. Our streams should be kept in a sanitary condition for domestic use, thereby promoting health, rather than scattering the germs of pestilence and disease. Fisheries and wildlife should be promoted, and the needs of irrigation carefully considered. The development of power wherever feasible in connection with navigation improvements should not be neglected. The escape of waters into the ocean without performing these useful services to man is an economic waste that cannot reasonably be condoned. "The mill will never grind with the water that has passed." [Applause.]

Mr. WARREN. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Yes.

Mr. WARREN. In the very splendid speech the House has just heard from the able gentleman from Texas, he quite properly pointed out that our waterways give us the cheapest form of transportation, and he also said, and I quite agree with him, that no one system of transportation should have a monopoly; but the very things that we have been trying to do over the years in developing our waterways and bringing in new projects is now being seriously imperiled by a bill now pending in the House before the Committee on Interstate and Foreign Commerce, which seeks to give relief to the railroads. I think that certainly a majority of the Congress would be very glad to vote for a measure to give proper and legitimate relief to the railroads of the country, but it is proposed in that bill to place the rate-making power for all water transportation under the Interstate Commerce Commission. I ask the gentleman whether he does not agree with the statement that if that is done it will mean that the cheap water rates we now have will be brought up to a parity with the rail rates of the country and, therefore, all of these millions that we have expended will prove to have been spent in vain?

Mr. MANSFIELD. I agree with the gentleman quite thoroughly. I will state that a similar measure was before the Committee on Merchant Marine about 2 years ago. I was a member of that committee and opposed the bill. It was never reported and never came to a vote. I hope that the bill which the gentleman speaks of will receive the same fate. [Applause.]

Mr. LEA. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. LEA. I think the gentleman may rest assured that the present Committee on Interstate and Foreign Commerce will not report a bill that provides for any unjust discrimination against water carriers. What we hope to do is to preserve the economic advantages of each of those methods of transportation which are fair and the best interests of the country demand that those economic advantages should be preserved.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. RANKIN. You do not propose to put these inland waterways under the Interstate Commerce Commission, do you?

Mr. LEA. The committee will probably report in favor of having unified control, but it will not report a bill that provides for any unjust discrimination between different carriers.

Mr. MANSFIELD. In that connection, I would like to state that after some studies covering a period of about 22 years, I have never been able to find where any successful waterway has ever injured any railway in the United States. In the Pittsburgh district, where the greatest amount of waterway traffic is handled, there is also the greatest density of rail traffic. In 1900, when the waterways on the upper Ohio, Allegheny, and Monongahela were carrying 9,000,000 tons of coal, stone, ore, and so forth, the railways were carrying 57,000,000 tons. In 25 years the waterway traffic had increased to 40,000,000 tons, and the rail traffic in the same section had increased to 173,000,000 tons. The bulk commodities handled by water built up the city of Pittsburgh with all the great industries around there and made a tremendous amount of traffic for the railways on which they received a much higher rate for transportation than they would have received on the raw material. [Applause.]

Mr. KRAMER. Mr. Chairman, will the gentleman yield that I may ask a question of the chairman of the Committee on Interstate Commerce?

Mr. MANSFIELD. I yield.

Mr. KRAMER. I would like to ask the gentleman from California what his attitude will be with respect to the motor transportation which is making inroads on the rail transportation lines and also the water transportation lines?

Mr. LEA. Will the gentleman yield for that purpose?

Mr. MANSFIELD. I have already yielded to the gentleman from New Jersey.

Mr. KRAMER. I would like to get an idea as to what effect this will have on the motor transportation.

Mr. MANSFIELD. Well, you will have to ask the experts. You know, experts never agree. It is said that an expert is just a common man a long way from home. [Laughter.]

Mr. KRAMER. Does not the gentleman know that the motor transportation companies are making inroads not only on the rails but on the water transportation by their cheap rates, and the cost which they impose on the counties and States in maintaining highways over which they operate heavy trucks carrying various traffic; so that a man driving a passenger car does not have a chance to pass them; great trucks, hauling truckloads of oil and other freight from one place to another?

Mr. MANSFIELD. I am not defending the trucks nor the highways nor the waterways along that line. It will all work itself out.

Mr. RANKIN. Will the gentleman yield for a question in line with what the gentleman was just saying? Is it not a fact that it was shown in the hearings that no water transportation had ever put a railroad man out of work?

Mr. MANSFIELD. I do not think there is any doubt about that being true. The rail lines are abandoning an average of a thousand miles of line a year and not a single mile has been on account of water-borne traffic, nor in any section where water traffic has been handled to any great extent.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. CRAWFORD. I want to ask the gentleman this question, in all fairness, and I know I will get a fair answer. I want to be fair in propounding the question. In connection with water, rail, and highway transportation does the gentleman feel that the trucks should be taken off the highways when they give adequate, quick, economical service to buyers and shippers, even though they do somewhat interfere with passenger touring on the highways?

Mr. MANSFIELD. There is no use talking about stopping highway construction in this country. That is on foot and it is going to stay there. The sentiment for it, in my judgment, is growing each year, and although the trucks may become to a certain extent nuisances on the public highway, like a great many other nuisances, how are we going to dispose of them?

Mr. CRAWFORD. Will the gentleman agree with me on this observation, that the important thing to keep in mind all the time is to have transportation service that will accommodate shipping demands and at prices they can afford to pay, and that that also includes rails, highways, air, and water?

Mr. MANSFIELD. In other words, look first to the interest of the people of the United States.

Mr. CRAWFORD. The interest of the people who want to ship goods.

Mr. MANSFIELD. Yes.

Mr. CRAWFORD. I agree with the gentleman.

Mr. SEGER. Mr. Chairman, I believe no one is more interested in or better informed on waterways than the chairman of the committee. I am sure all the Members do not know that in the past few months the gentleman from Texas [Mr. MANSFIELD] has suffered considerable physical and mental anguish because he could not be here to call up this bill. He is here today, I believe, under a great strain, and we congratulate him on his recovery. [Applause.]

Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Chairman, I join the able, but modest ranking member on the Republican side, the gentleman from New Jersey [Mr. SEGER], in extending to our distinguished chairman the heartiest congratulations of the minority upon his return to health. We congratulate him upon the fact that he is able to appear here today to make this very scholarly address on the subject of water transportation. This Congress in the course of its history has produced many able men who have contributed materially to the growth and development of America, but no man in the Congress has given more generously, more fully, or more effectively of his great natural ability and his devotion to the cause of America than has the distinguished chairman of this committee. [Applause.]

I wish we might have more men of his sterling ability here on this floor—men who like him can sweep aside propaganda, falsehood, mistaken theory, and bear upon such questions as water transportation the full focus of truth and great knowledge.

It is of course elementary, and no amount of propaganda from whatever source can refute it, that low-cost transportation is essential to the growth and development of America. The farmer of the West, the consumer in the city, the manufacturer, the employee in industry, all these men everywhere are looking to this Congress to settle this question, not in accordance with propaganda, not in accordance with half truths, not in accordance with paid advertising or the demand of pressure groups, but in the interest, I say to the gentleman from California, the chairman of the Committee on Interstate Commerce, in the interest of the American people. When measures are proposed in Congress that have for their bald, positive purpose the throttling of this great source of transportation so essential to the very life of America, this Congress should stop, look, and listen. I had not intended to discuss this phase of the question today. It was interjected into the discussion by the very timely question of the able gentleman from North Carolina [Mr. WARREN] and my chairman's response thereto.

I want to impress particularly upon the Members on my own side of the aisle that every river and harbor project presented to this Congress for the past 10 years has had the imprimatur, the approval, of the Board of Engineers. I sometimes wonder whether the Congress appreciates the services of these great servants. They are the true career men in our scheme of government. They are not influenced by propaganda. They are not influenced by Wall Street or politics. In the first instance, they came from the top of the class at West Point, and from that time on they have devoted their best efforts and their great ability to the solving of America's transportation problems. Let the waves of propaganda, lying propaganda, bought and paid for propaganda, rise however high they may, these men stand before the people of America as the true keepers, the true protectors of the public domain, these devoted men who are bringing low-cost transportation to the American people through the medium of river and harbor improvements. If unhampered, the engineers will rescue whole areas of America from the oppressive, destructive transportation rates imposed by the Interstate Commerce Commission.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield briefly.

Mr. RANKIN. Is it not true that every single project in this bill has been approved by the Board of Army Engineers?

Mr. CULKIN. No river and harbor project has ever been reported to this House during the 10 years I have served on this committee under the leadership of the distinguished gentleman from Texas that did not have the full approval of the Army engineers. There have been projects put in these bills in the Senate, but the projects that we have reported have always had the approval of the Board of Army Engineers.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. MANSFIELD. Is it not a fact that we never even hold hearings on a project until it has the approval of the Board of Army Engineers?

Mr. CULKIN. The engineers are always called in, as the gentleman states, after they have approved the particular project.

Let me suggest to some of these doubting Thomases, some of these gentleman on my own side of the aisle, that they should read at least one report on a river and harbor project as prepared by the Army engineers. If they do they will marvel at the full information as to present and future possibilities that these reports contain. The Corps of Engineers has served the country for 100 years. They laid out the transcontinental railroads, and in the early days built all the bridges. They constitute the organization from which Robert E. Lee came. Their traditions are unassailable in point of integrity. The Congress has therefore a definite yardstick, if you please, for every project that is presented in this bill. May I say in this connection, Mr. Chairman, that there are but 3 projects in this bill out of the 73 that it carries on which anyone differs.

Permit me to call the attention of the House for a brief moment to the accomplishments of lake transportation in the Great Lakes area. The Great Lakes transportation is not subsidized transportation. Its seamen are the best paid of any in the world.

[Here the gavel fell.]

Mr. SEGER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. RANKIN. Will the gentleman yield?

Mr. CULKIN. Briefly.

Mr. RANKIN. There have been a great many stereotyped telegrams and messages sent in here about railroad labor. May I ask the gentleman if it was not brought out before the committee that no railroad laborers were ever put out of business because of the development of river transportation?

Mr. CULKIN. The gentleman is right. Of course, the suggestion that railroad labor is affected by water transportation is utterly absurd. One of the main beneficiaries—I assert this and I can demonstrate it without doubt—of water transportation in America has been the railroads. Take Chicago, San Francisco, all the gulf and ocean ports, take all the great cities that have had water and rail transportation. In those cities we had had our greatest and soundest growth. In those areas the railroads have flourished.

Mr. MILLER. Will the gentleman yield?

Mr. CULKIN. Briefly.

Mr. MILLER. Does the gentleman consider 18 telegrams from labor railroad organizations, individually signed, 3 being members of the Big Four, as stereotyped letters?

Mr. CULKIN. I consider that is part of the pressure propaganda that this House will hear from more and more as the question is being considered.

Mr. MILLER. From organized labor.

Mr. CULKIN. The railroads and the brotherhoods went to war. The railroads tried to cut the men 15 percent, but the American people opposed that cut. American public sentiment beat that cut. Now, the railroads and the brotherhoods have ganged up together to create a monopoly on transportation in America. That is the question that the Members of this House will have to face shortly.

Mr. VAN ZANDT. Will the gentleman yield?

Mr. CULKIN. I cannot yield now.

I want to give the comparative freight rates, if you please, by rail and water. From Havre, Mont., to Duluth, via the Great Northern is 932 miles. It costs $8.82 to carry a ton of wheat between those two points. From Duluth, Minn., to Buffalo, N. Y., by lake steamer, 988 miles, 56 miles farther, it costs 67 cents. In other words, to carry this wheat a less distance by rail costs 14 times as much.

An attempt is now being made in this Congress to harness the type of transport that is giving relief to the American farmers.

Let me give you another figure comparing the American railroads with the Canadian roads. This is a comparison between the Canadian Pacific and Great Northern. From Turner, Mont., to Duluth, via the Great Northern, 884 miles, it costs $8.72 to carry a ton of wheat. From Saskatoon to Port Arthur on the Canadian Pacific, a greater distance, it costs $4.40. In other words, it costs half as much in Canada to haul over a greater distance by practically a parallel line, with only an imaginary line between the two countries. The farmer pays twice as much to carry it on the American railroad.

Mr. VAN ZANDT. Will the gentleman yield?

Mr. CULKIN. I am sorry I cannot.

I wish I had more time to develop that thought. I was shocked some years ago when I learned that up in the Snake River country in Idaho it cost more to carry a hundred pounds of wheat a hundred miles than it was worth.

I believed then and I believe now that such a situation as that cries to Heaven for relief.

[Here the gavel fell.]

Mr. MANSFIELD. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CULKIN. Mr. Chairman, during the depression, from Salina, Kans., to Chicago, it cost 25 cents a bushel, or twice as much as it sold for, to carry a bushel of wheat between those two points. In other words, it cost as much as 2 bushels were marketed for to carry 1 bushel to Chicago. At the same time lake transportation was carrying corn down to Buffalo, 998 miles—a greater distance—for 1½ cents a bushel. It cost about half as much to carry a bushel of wheat from Chicago to Buffalo as it did to send a 1-ounce letter from Chicago to Buffalo. That is the type of transportation which some of our earnest and propagandized gentlemen are endeavoring to put into a strait jacket.

Mr. THORKELSON. Will the gentleman yield?

Mr. CULKIN. I will have to yield first to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. A moment ago the gentleman compared rates on the Great Northern with rates on the Canadian Pacific. Is he aware of the fact that the Great Northern today is not a bankrupt corporation, but the Canadian National Railroad is?

Mr. CULKIN. As a matter of fact, that is part of the mistaken half truths that go out on this question. The Canadian Pacific carries this grain for half as much. May I say to the gentlemen here present, that is one of the main reasons why the western farmers have lost their market abroad for wheat. I wish my western colleagues would look into that. The Canadians take care of the farmers, both with water and rail transportation. The Interstate Commerce Commission continues to pile up rates. The Canadian Pacific is not a Government-subsidized railroad. The Canadian Pacific is a privately owned railroad. That is another mistaken idea.

Mr. OLIVER and Mr. THORKELSON rose.

Mr. CULKIN. I yield to the gentleman from Maine.

Mr. OLIVER. Perhaps the gentleman would be interested to know that the Canadian railroad referred to which is in bankruptcy and is insolvent and operating at a deficit is the Canadian National Railroad, not the Canadian Pacific, which is operating at a profit.

Mr. CULKIN. That is true; and the Canadian Pacific is carrying wheat for the Canadian farmers at half what it is costing ours. I would say to the distinguished gentleman from Pennsylvania, whom I admire, that our railroads are serving 130,000,000 people, while the Canadian railroads are serving but a meager 10,000,000 people. Our volume of business is much greater and our rates therefore should be much lower. All this has been done under the magic procedure of the Interstate Commerce Commission, to whom it is now proposed to turn over on a silver platter the water transportation of America. I wish I had time to develop that thought further. I shall do so at a later date.

May I say that 90 percent of the harbors that have been improved in America have been improved at the request of the railroads. For example, in normal years over the improved harbor of New York, at least $13,000,000,000 worth of freight is moved by the railroads.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield for a question?

Mr. CULKIN. I yield to the gentleman from Texas.

Mr. MANSFIELD. Is it not a fact that four or five important harbors in the State of Michigan are almost exclusively for railroad-ferry use?

Mr. CULKIN. Exactly. We would not have grown to be the country we are and the railroads would not have had the business they have enjoyed except for the intervention of water transportation. Water transportation bridged the gap, as the chairman stated a moment ago. It brought the ore from the Mesabi Range to the coal in the Pittsburgh area, and then came that development. I recall one year it made possible to the railroads in that Pittsburgh section, which were created and fostered and made possible by lake-water transportation, an income of $165,000,000. No; that cry about the waterways injuring the railroads simply is stupid, foolish, and old-fashioned propaganda. The cure for the railroads' condition—and I am as deeply in sympathy with them as the gentleman from Pennsylvania—does not lie in throttling water transportation, because then you throttle all of industrial, all of consuming, and all of agricultural America. The railroads and their employees would be the first to suffer. The solution is, I suggest, for the railroads to put their own house in order. I am willing to liberalize

the procedure by which they may buy equipment through loans from the R. F. C.

[Here the gavel fell.]

Mr. MANSFIELD. Mr. Chairman, I yield 5 additional minutes to the gentleman from New York.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield on the point he just made?

Mr. CULKIN. I have only 5 minutes, so be brief.

Mr. CRAWFORD. I will ask a short question.

The gentleman observed that the railroads should put their own house in order. Will the gentleman enlarge on that point for just a moment?

Mr. CULKIN. The stock-market value of the railroads today is approximately $9,170,000,000. The I. C. C. has appraised the railroads at $26,000,000,000; and they are engaged, insofar as we can make out, in an attempt to make the American people pay on a $26,000,000,000 valuation, $17,000,000,000 of which does not exist. In other words, I may say to the gentleman from Michigan, the majority of the I. C. C.—and I do not question the personal integrity of the Commissioners—have become railroad-minded. At the turn of the century the railroads, through their skillful attorneys—and they have very able attorneys—took over the I. C. C. body and soul.

Mr. CRAWFORD. Does the gentleman mean to say, then, that the solution of the so-called railroad problem does not lie in the recovery of tonnage from the waterways or other transportation agencies?

Mr. CULKIN. I would say to the gentleman that I believe they must reorganize their financial structure. I will say further that if we would get an era of fair prosperity, according to Mr. Eastman, and many other economists who have studied the question agree, the railroads would come into their own. May I suggest again, to the Members of the House, that pending the coming in of this legislation they steel themselves against this sob-stuff propaganda that has no foundation in fact.

Mr. CRAWFORD. Does the gentleman believe that the Interstate Commerce Commission has erected barriers and that the situation might have been met successfully by railroad management had it not been for the interference of the Interstate Commerce Commission?

Mr. CULKIN. I would not want to answer that question categorically, but I do believe—and in this connection I am in accord with the senior Senator from Montana—that the railroads have had too much banker management. I will say to the gentleman that the people who control the class I railroads of the United States, and that is seven-eighths of the railroad property, are, in fact, J. P. Morgan & Co. and Kuhn, Loeb & Co. That is where the real railroad management is today.

Mr. CRAWFORD. The gentleman believes the railroads have perhaps been operated too much for the bond and stock holders instead of giving service and maintaining the capital structure?

Mr. CULKIN. The bondholders and stockholders never got anything in the way of principal. It was the bankers that got the cream of it.

Mr. CRAWFORD. The financial managers?

Mr. CULKIN. The railroads have to divest themselves of that control first. That is another point on which I agree with the senior Senator from Montana.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Mississippi.

Mr. RANKIN. In other words, if the railroads will squeeze anywhere from $10,000,000,000 to $17,000,000,000 out of their capital structure they can meet competition of any kind.

Mr. CULKIN. This Congress should not immortalize the past sins of the railroads.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. No; I am sorry.

Mr. VAN ZANDT. I would like to answer.

Mr. CULKIN. This legislation comes to you tested as if by fire. It has run the gantlet of those brilliant economists, the Army engineers, who to my knowledge have never made a mistake in their economic findings. It comes approved by that group, and the bill should be passed, after the Committee has disposed of the few controversial features contained in it. [Applause.]

[Here the gavel fell.]

Mr. SEGER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, first of all, I want to share with my colleagues on the committee what has already been said regarding the very distinguished chairman of this committee. No one on the committee holds him in higher affection or regard than he who now speaks from the Well of this House, and that committee is most fortunate to have a man who is as well versed on the rivers and harbors of this country as our distinguished chairman, Judge MANSFIELD, of Texas. [Applause.]

During nearly 7 years of service on that committee I have stood in the Well of this House and consistently supported river and harbor legislation. I propose to do that again today, and will support wholeheartedly every project in this bill except three, which, in my judgment, are not justified under present conditions.

This bill, while on its face carrying authorizations for $119,000,000, is a very unique and unusual bill in this regard: It conceals $210,000,000 worth of projects that you know nothing about unless you read the reports on those projects carefully; and of the three projects which I have in mind, and which I cannot support, two of them contain power. They are purely power projects; and even though this may be denied from the floor of this House, nevertheless, the Army engineer who appeared before the Rivers and Harbors Committee frankly admitted that the Umatilla Dam, out in the States of Oregon and Washington, is 80 percent power and 20 percent navigation and irrigation. While that $119,000,000 may be very clear to every Member of the House, it is not shown that if you adopt that project—and this is the initial authorization for which they are asking $23,700,000—you are adopting that project as a Federal project, and the report shows that the project will cost, when completed, $177,000,000.

This is one of the projects to which I object, and I object to it for the reason that the Army engineers frankly say that this project on the Snake River or on the Columbia below the junction of the Snake, is not necessary even though that money is only going to be used to build the foundation for the power dams. They say it is not necessary as long as the great blocks of power produced by Bonneville and Grand Coulee have not been sold, and that is the situation that exists today. The engineers stated that if this dam had been installed before Grand Coulee or Bonneville then there would be some justification for it at the present time.

The other project which will undoubtedly be offered from the floor of the House as a committee project, involves the setting up of a little T. V. A. proposition on the Connecticut River above Hartford.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to my distinguished chairman.

Mr. MANSFIELD. The cost of that is in addition to the amount of $119,000,000 mentioned in my figures, because my figures were prepared before it was agreed to put that in the bill.

Mr. DONDERO. Yes; I understand very clearly that that is so.

The bill, if it goes through with the three projects which I shall object to, and offer amendments to strike two of them out, will not be $119,000,000, but will be $341,000,000, and if anybody has the temerity to offer from the floor another project which has had the attention of the country for several years, this bill may reach more than one-half billion dollars of authorizations.

Oh, but you say this is not an appropriation of money, and I grant that, but it is the first step toward the Treasury. It is putting the hand on the doorknob; it is taking a look

into a Treasury that is already empty; and I object to these projects on the ground that this is no time, under economic conditions existing in this land, to force upon the country projects that are not needed. Lay them on the shelf until such time as they are needed and when the country is in better condition, then we may be doing a service to the Nation.

I wish to say a little bit more about the project in the Connecticut River Valley. It is above Hartford, and it involves $13,000,000. It will be admitted on the floor, and was admitted to the committee, that $1,500,000 of that money will be used to buy out private utilities. Up to this very moment not a friendly official voice from the State of Connecticut has been raised in favor of the project, while a vast majority of the Representatives in this body are opposed to it, as well as the Governor of that State. People, humble people, even a farm woman, came down here with a petition signed by more than 600 people, a woman with gnarled hands, with a face bronzed from weather and wind from time spent on the farm, to protest against spending public money on a project they did not want in that valley. What is the purpose of it? It is nothing more or less than to put the Government of the Untied States a little deeper in the power business; and I wish to direct my remarks for a few minutes now to just what that policy has done in the United States during the last few years.

In the morning paper the President of the United States is quoted as challenging the monopoly committee to discover some way to harness America's billions of idle dollars and put them to making jobs. Private capital is abundant, says the President, but it is not at work. I suggest that the President do not look beyond himself to find one of the reasons why the dollars are not at work. People who have saved up money against a rainy day are keeping it at home, hidden in the mattresses; they are hoarding, because they are afraid to risk their savings while the administration maintains an attitude unfavorable and unfriendly, if not almost hostile, toward private enterprise, which sometimes appears to be a mania. Take, for example, the New Deal whipping boy, the Power Trust, which seems to be the target for all the remarks that are unfavorable to business. In a side-door approach to socialism the administration has taxed for the destruction of their own investment the 4,000,000 investors who directly own most of the utility industry, and 65,000,000 insurance policyholders, who own indirectly one-fourth of that industry. In the past 6 years we have spent or pledged ourselves to spend nearly $2,000,000,000 to duplicate and compete with and destroy one of the heaviest taxpayers of the country. In the face of such a situation, who would be fool enough to invest new money in such an industry?

The President said that it is our task to find and energetically adopt those specific measures which will bring together idle men, machines, and money.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. DONDERO. May I have an additional 10 minutes?

Mr. SEGER. Mr. Chairman, I yield 5 minutes more to the gentleman from Michigan.

Mr. DONDERO. Mr. Chairman, I offer as the very first specific measure toward that laudable end, immediate action by the Congress which will reassure investors to the point where, once again, the utility industry will go back on a billion-a-year building basis. There is a chance for idle men, idle machines, and idle money.

Let us look at the building record of this industry. In the 10 years from 1923 to 1933, the electric industry constructed in new lines and plants an average of $711,000,000 annually. In 6 years, from 1933 to 1939, the building average was $282,000,000 annually. On the basis of the previous 10 years, this was an annual building deficit of $429,000,000 for every year since that policy began. Moreover, in the last 4 of these 6 years there had been a consumption of electricity far higher than in the boom days of the preceding 10 years. What has caused this situation? Listen to me, and I shall give you the answer, for it is plain. During the preceding decade, before the present administration came into power, the general public invested new money in the electric industry to the extent of an annual average of $638,000,000. Since this administration began this policy of putting the Government in competition with its private citizens, which I am objecting to, that has dropped to $49,000,000 a year. That means an annual new capital deficit of nearly half a billion dollars. If the building average of the preceding 10 years had continued normally over the past 6 years, the utility industry would have built $3,000,000,000 more of new lines and plants. In fact, because of the record-breaking loans of the past 4 years, it probably would have exceeded that figure by a billion dollars more. I shall put into the RECORD a table of figures from the Federal Power Commission and from the Electrical World, statistical edition, showing the decline in the amount of capital invested in this industry and the decline in new construction in spite of a marked increase in the consumption of electric energy caused by the policy adopted by this Congress of putting the Government into competition with its citizens.

Electric utility construction record before and since the New Deal

I. BEFORE

	United States consumption of power in kilowatt-hours	New construction	New capital
1923	42,220,000,000	$602,143,000	$600,000,000
1924	45,000,000,000	692,440,000	759,399,092
1925	50,221,000,000	721,300,000	726,956,210
1926	56,089,000,000	841,344,000	757,870,107
1927	61,251,000,000	760,353,000	830,439,960
1928	66,988,000,000	780,978,000	599,808,500
1929	75,294,000,000	866,344,000	624,174,000
1930	74,906,000,000	960,889,000	804,473,434
1931	71,902,000,000	596,740,000	424,163,000
1932	63,711,000,000	285,000,000	165,727,800
Total	607,582,000,000	7,113,531,000	6,383,014,103
Annual average	60,758,000,000	711,353,100	638,301,410

II. SINCE

1933	65,916,000,000	$129,300,000	$6,812,500
1934	71,082,000,000	147,654,000	2,430,800
1935	77,596,000,000	192,855,000	26,496,111
1936	90,044,000,000	289,710,000	59,727,053
1937	99,446,000,000	455,480,000	81,983,646
1938	93,894,000,000	482,000,000	[1] 121,156,482
Total	497,978,000,000	1,696,999,000	298,606,592
Annual average	82,996,000,000	282,833,166	49,767,765

[1] Electrical World, annual statistical edition.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I ask the gentleman to defer that for a moment. Let me call your attention to these figures: From 1923 to 1932 this country consumed on an average 60,758,000,000 kilowatt-hours of electric energy. It put into new construction an average of $711,353,100 annually, and new capital to the extent of $638,000,000 annually. Since 1933, although the consumption of electric energy has increased to 82,996,000,000 kilowatt-hours, nevertheless new construction has declined from $711,000,000 to $282,000,000 annually, and the new capital that has gone into this business has dropped to $49,000,000 a year instead of being up to $638,000,000 a year, where it was before we began this policy.

The time has come when we must make up our minds whether we want prosperity in this country or whether we want back-door socialism. No time to call a halt is better than the present. Let us begin by striking out this unnecessary Umatilla Dam in Oregon and the unwanted attempt to set up a little T. V. A. in the Connecticut River Valley.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I promised to yield to the gentleman from Washington [Mr. LEAVY].

Mr. LEAVY. I wanted to ask the gentleman if he did not think that the fact that private utilities have dropped $3,000,000,000 in development in the last 10 years over the preceding 10 years was partly due, at least, to the manipulation and operation of such concerns as Insull, where the public lost nearly $3,000,000,000 in the same 10-year period?

Mr. DONDERO. Just because one company may have overstepped and done wrong is no reason why the entire industry of the Nation should be penalized by the policy we now pursue.

Mr. LEAVY. But where you have a loss of nearly $3,000,000,000 of public investment in a 10-year period, does not the gentleman believe that would cause the investing public to become skeptical of trusting their savings to such companies?

Mr. DONDERO. Not quite as much as when their own Government comes into competition with them by setting up a false and deceptive yardstick and makes the public believe that private industry is overcharging for electric energy. Private business cannot compete on the same basis with Government money and property, on which it pays no taxes, pays no interest, and on which it has no administrative costs.

Mr. RANKIN. Will the gentleman yield?

Mr. DONDERO. I yield.

Mr. RANKIN. During these years we have been squeezing this water out of these alleged investments, is it not a fact that we have reduced light and power rates to the electric consumers throughout the country $625,000,000 a year?

Mr. DONDERO. No; I take issue with that statement and I will answer the gentleman by saying that the reduction in the rate for electric energy depends upon many things, and one of the things is the greater demand for that particular commodity. [Applause.]

Mr. RANKIN. And honest competition which we are giving them.

[Here the gavel fell.]

Mr. SEGER. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. GRISWOLD].

Mr. GRISWOLD. Mr. Chairman, we are considering a Rivers and Harbors Committee bill as an aid to the transportation system of our country. Not all our people, sections, or States can have water transportation; some must depend on railroads and some on highways. Even our rivers and harbors are largely dependent on our railroads and highways to get freight to or from them. Whatever means of transportation we may consider must be considered in relation to and in conjunction with all other forms.

From the beginning of history the size and power of every nation depended on its ability to secure and control transportation. The location and size of cities, both in the Old World and in the United States, is determined almost entirely by transportation. Whoever controls transportation can determine the location and size of our cities and shift our population at will.

Water is the oldest form of transportation we have, and in the early history of this country it determined where our cities should be built. The Yankee sailor and the Yankee clipper were supreme, and our ships carried a large part of our world's commerce. Then steam power came into use, and the railroads came into being. We neglected our merchant marine and expanded our railroads. The railroads meant the opening up of great areas of transportation-locked resources. The Government encouraged and our people invested in the expansion of our railway system. We covered every State, and the Nation is a great network of railroads. We built and still have the greatest railway system in the world. As our railway system grew, it controlled all transportation; and with the monopoly in transportation came abuses of power. Money was squandered and spent in corrupting the very Government and people that built the system. Public opinion turned against the abuse of power, and about 1900 we entered into a period of taxation and regulation that has brought every railroad we have to its knees, if not to actual bankruptcy. With the coming of the railroad era, we neglected our merchant ships, and the American flag almost disappeared from the ocean. The raft, barge, and steamboat that plied our inland rivers disappeared. We depended entirely on the railroads. Whatever we may have done in the past, intentionally or otherwise, our transportation developed every section of the country on a fairly even basis. Cities and manufacturers flourished in every section of our country, and we came nearer to offering an equal opportunity to every industry than any country of like size in the world.

When our railroads fell into disfavor, we gradually turned again to water as a means of transportation and built the Panama Canal. We tried to build a merchant marine and failed. Now we are again making a try to put American ships on the ocean. About 10 years ago Congress began to pay some attention to rivers and harbors and during the last few years we have spent more on rivers and harbors than was spent in our entire previous history. We are providing a channel in our rivers and building canals. We are widening and deepening our harbors. We not only are developing our natural waterways but are building unnatural ones. We are offering a right-of-way, free of charge, for our shipping and relieving our ships of all taxes. When all such incentives fail and an ill-conceived project carries no freight we subsidize the transportation to the extent of building and operating barge and freight lines by the Government itself. With such a subsidy we are building up water transportation on a below actual cost basis. We are granting a special privilege to the few who have water transportation at the expense of the many who do not. We are giving an unfair advantage to the manufacturer who is fortunate enough to be on a system of subsidized water transportation and placing his inland competitor in a position where he must compete against the Government itself.

The Board of Army Engineers is authorized to pass on each project in this bill, but they are allowed to justify a project on the amount of freight that can be taken away from the railroads. Freight taken from a railroad, unless the railroad is to be abandoned, only means a higher cost on the freight the road does handle or a general increase in freight rates in other parts of the line. The railroads that have water competition may be forced to reduce rates in order to salvage a part of the freight and continue their existence but in that case it only adds to the burden of freight that must be borne by the inland shipper. The Board of Army Engineers is allowed to justify a project even if over half the cost is a power project and no market in sight for the power. We have thrown prudence and judgment to the winds and this bill contains projects that sober judgment would never consider.

We build a highway because the freight and passenger traffic demand it. We extend a railroad because there is freight needing an outlet that justifies the extension. We build many of our waterways not because of any demand by the shippers or general public, but because some Senator or Congressman envisions a great expenditure of public money in his district and proceeds to build an organization to support it. If it is not used, he asks the Government for a sufficient subsidy so that it will be used.

The policy we are now pursuing means constantly increasing freight rates in the inland portions of the United States. It means unjustified low water rates, subsidized by the very portions of the United States paying the highest freight rates. It increases the advantage of the industry on the water over his inland competitor. It means that the manufacturer in your district or mine who has national competition and no water transportation cannot compete with his rival who has water transportation subsidized by the Government itself. His factory must stagnate and rot while his water competitor takes his trade.

Heavy industries have already sought the water and the others must follow. Population follows the manufacturer. If our present policy is continued, those States and districts without adequate and subsidized water transportation must yield their industries and population to swell our already overcrowded coastal area. The Congress can either continue and extend the present policy, and by so doing give notice to every inland manufacturer that his business must be liquidated and inland cities cease to grow or the Congress can refuse to authorize and subsidize water transportation to the detriment of the great central portion of the United States and allow the manufacturer and cities there to live.

I would like to support a river and harbor bill. I believe that there is a place for water transportation, particularly in heavy commodities, but I cannot support this bill because it contains projects costing millions of dollars that in my opinion are not economically justified. It goes beyond reason and tends to destroy the industry of the great central part of the United States, of which my district is a part. Excesses lead to reaction. I appeal to the real believers of water transportation in this House, not to allow this bill or any other to be packed with extravagant unjustified projects. It will be resented by the American people and means the future defeat of real worth-while projects. The present bill, I believe, is detrimental to the welfare and best interest of the people of these United States and I cannot support it. [Applause.]

I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN (Mr. O'NEAL). The gentleman yields back 1 minute.

Mr. SEGER. Mr. Chairman, I yield 6 minutes to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, I think we should particularly remember at the outset that this is not an appropriation bill. It does not authorize a single dollar of expenditure. It is merely an authorization bill from the Committee on Rivers and Harbors, which authorizes certain projects. Of course, it means that under it no money will be expended during this coming fiscal year. As our worthy chairman stated, it carries $119,000,000 of approved projects. In addition to that there is an amendment which will be offered, but the bill itself covers $119,928,100 and 72 projects.

It is my good fortune to serve on this committee. Being a new Member, I have enjoyed very, very much having a service of this type on this distinguished committee, because this committee does have for its purpose the handling of projects which are not in their nature political. Regardless of whether we sit on the right or left side of the aisle, the projects which come before us on the Rivers and Harbors Committee may be considered as nonpartisan projects which are approved by that outstanding Board of Army Engineers, who, down through the ages of their service, have stood as guardians at the gate and have not permitted anything for political purposes to pass them and come before us under a river and harbor bill.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. ANGELL. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman from Michigan [Mr. DONDERO] intimated, if he did not say so, that this Umatilla Dam was wholly unnecessary. Of course, the Army engineers all disagree with him. But is it not a fact that this dam is absolutely necessary to render that river navigable up to the Grand Coulee Dam?

Mr. ANGELL. It is.

Mr. RANKIN. And if it is not built or some provision is not made, that river will not be navigable except for a short distance above Bonneville Dam?

Mr. ANGELL. The gentleman is absolutely correct. In the short time I have at my disposal I will attempt to comment on that a little later.

Mr. RANKIN. In other words, it fills in the gap of transportation in the great Columbia River?

Mr. ANGELL. That is true.

For some 15 or 20 years it was my privilege to act in the engineering service of the Federal Government. During that period I had occasion to go over all of the Western States—Oregon, Washington, Idaho, and Montana—and view, first-hand, many of these great projects in the West, and to know something from the standpoint of one on the ground and in the field, of these projects and what they mean to the people of our community.

Many of these projects, of course, are in the East. Some of them are in the South; some are in the Middle West; others are on the Great Lakes and others on the Atlantic seashore, but a number of them also are on the Pacific coast. One of them is the so-called Umatilla project of which my good friend from Michigan [Mr. DONDERO] spoke a few moments ago, saying he was opposed to the project. He was opposed to it, however, because in his judgment it is a power project. It is not in my district in Oregon. It is on the Columbia River a short distance below the mouth of the Snake, between Washington and Oregon, but my State is vitally interested in it. My colleague from Washington [Mr. HILL] has the privilege of serving the district opposite, in the State of Washington.

The situation with reference to Umatilla Dam is this: The Columbia River is the second largest river in the United States. It drains an area of over 250,000 square miles, one-tenth of the area of the United States, an area larger than the Republic of France. This river serves four States—Oregon, Washington, Idaho, and Montana. The area comprises almost a nation in itself. These four States are progressive; they are new. In some areas, of course, they are sparsely settled, but in other areas they are thickly settled, and they are rich in mineral resources. They have a great expanse of fine agricultural land, and they have immense water resources, including hydroelectric power and water for navigation. Over and beyond that, this area is an integral part of this great country of ours, the United States of America.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. ANGELL. I yield.

Mr. MANSFIELD. It is a fact, is it not, that the Columbia is the second largest river in the United States?

Mr. ANGELL. It is the second largest river in the United States.

Mr. MANSFIELD. And the Snake River, one of its tributaries, is 1,000 miles long.

Mr. ANGELL. The Snake River is 1,000 miles long. The Columbia River is about 1,200 miles in length; so this river and its tributaries drain a tremendous area. Thomas Jefferson commissioned Lewis and Clark to go on that memorable journey of exploration over a century ago. They traversed the Columbia River down to its very mouth, Astoria, Oreg., and brought to the attention of the world, and particularly of our own country, the great resources of the Northwest.

This river, as our distinguished chairman has said, together with the Snake, is one of the greatest waterways in the United States. This Umatilla Dam project is not a power project; it is purely and simply a navigation project. With all due deference to our distinguished colleague on the committee from Michigan [Mr. DONDERO], I say it is a navigation project, because I personally saw to it that the authorization in the bill itself provided that it should be limited to navigation and to irrigation; but, as a matter of fact, there is no irrigation in it, because the authorization is for the construction of the dam only. When the dam is built, of course, a lake will be created behind it and the water will be there available for irrigation if it should be needed.

Mr. Chairman, the Umatilla Dam is a navigation project on the Columbia River between the States of Oregon and Washington. The project, however, affects the entire Northwest Territory contiguous to this great waterway. Under section 6 of the River and Harbor Act, approved August 30, 1935, surveys were authorized in accordance with the River and Harbor Act of January 21, 1927. On May 21, 1938, the following resolution was adopted:

Resolved by the Committee on Commerce of the United States Senate, That the Chief of Engineers is hereby requested, in reviewing reports on the Columbia and Snake Rivers, Wash., Oreg., and Idaho, in accordance with resolutions previously adopted by this committee, to consider the indirect benefits that would accrue to the general public from improvement of the waterways in question, including relief of unemployment.

In response to these authorizations the Board of Engineers for Rivers and Harbors made extensive surveys of the Columbia and Snake Rivers and its report is embodied in House Document 704, Seventy-fifth Congress, third session. The complete improvement of these rivers for navigation is an extensive program and the Board of Engineers, as well as Major General Schley, Chief of Engineers, reported that transportation savings and benefits from irrigation were not sufficient at the present time to justify the construction of the

entire project. But, as stated by Major General Schley in his letter of transmission—

I consider these reports to be most valuable documents in the forward planning of the water resources of the Nation, and I have no doubt that this very promising section of the country will eventually justify the prosecution of the project. Furthermore, the indirect and intangible benefits, coupled with the tangible benefits, may be found sufficient to warrant construction of elements of the project for relief of unemployment. For these reasons some action by Congress at this time would be advantageous which recognizes the virtue of this project and gives it such stamp of approval as would make it a basis for modifying the existing projects and as would provide an over-all plan for coordinating the improvements in this part of the valley of the Columbia River which may be undertaken by local agencies or by States or be selected for relief employment. The approval of the plan by Congress would also afford reasonable assurance that the Federal Government would participate in carrying the project to completion when conditions warrant.

I therefore recommend that the general plans presented herein for the initial and ultimate development of the Columbia and Snake Rivers between the pool of the Bonneville Dam and Lewiston, Idaho, be accepted by the Congress as a general guide for future development of the waterway in the combined interests of navigation, irrigation, and the development of hydroelectric power, and that the Congress authorize from time to time such portions of the plan as it wishes to initiate, revised as may be needed at the time to meet changing conditions.

This project, as approved by the Rivers and Harbors Committee to be included in the river and harbor omnibus bill, is limited to the construction of the Umatilla Dam only for the purpose of navigation and without generating facilities, as specified in paragraph 83, page 37, of Document 704, to which I have referred. It does not, therefore, cover any additional facilities for hydroelectric power. At the beginning of this session of Congress, on January 3, 1939, our esteemed and efficient colleague, chairman of the Rivers and Harbors Committee, the gentleman from Texas [Mr. MANSFIELD], gave an outline of the important subjects which would come up for consideration during this session having to do with the development of our water resources. His address appears on page 5 of the Appendix of the CONGRESSIONAL RECORD of January 3. He stated that—

It is important that we pass a river and harbor bill during this session of Congress in order that the transportation facilities of our waterways may keep pace with the growth of the country and the needs of water-borne traffic.

He further stated:

The national aspects of the proposed improvements are indicated by the fact that the projects under consideration involve construction in 30 or more States and affect directly or indirectly every State in the Union.

He then proceeded to outline these projects. Referring to the project under consideration, he said:

In the Pacific Northwest reports are ready for the Committee on Rivers and Harbors * * * for the improvement of the Columbia and Snake Rivers in Oregon, Washington, and Idaho. The proposed dams on the Columbia and Snake Rivers include extensive developments of hydroelectric power and comprise a comprehensive plan that may be authorized in part or in whole.

The construction of the Umatilla Dam is one step only in this development and is in line with the recommendation of the Board of Engineers and the Chief of Engineers.

The gentleman from Texas, Judge MANSFIELD, in his remarks to which I have referred made a significant statement which is worthy of consideration:

The development of our rivers and harbors for water-borne traffic is essential not only to the peacetime prosperity of the country but also to preparation of national defense. The waterways of the country carry large tonnages more economically than the railroads and serve the demand for heavy and large traffic which is beyond the capacity of the railroads. The two types of transportation should not be regarded as competitive since from a broad national viewpoint they supplement each other in the development of river basins. Such general development is dependent on low transportation rates for bulky and low-cost commodities, which general development creates in turn greater tonnage of high-grade goods which can stand higher transportation rates by rail. The boats and tows moving in the Ohio River give the appearance by their number of large traffic. When the tonnages are computed the enormous amount of freight is more evident. On the Mississippi and Missouri Rivers an observer does not see so many tows, but when he realizes that 1 tow carries as much tonnage as 200 loaded freight cars, or 3 freight trains, he realizes the great volume of the traffic.

One who works on the Committee on Rivers and Harbors of the House of Representatives is constantly impressed with the thoroughness, completeness, and comprehensive character of the plans which we have ready for the improvement and development of the Nation's navigable rivers and their tributaries. Not only do the Army engineers have all the information, data, and plans with respect to our great network of waterways, but the other agencies of the Government, each in its sphere of activity, also have their plans ready and up to date. The separate agencies are in constant contact and cooperation, exchanging information and plans, in such way that their effective operations meet and join so as to omit nothing, and so as to be effective as a unified whole with the minimum expense and the maximum efficiency and economy.

My colleagues, many of you who have not had occasion to visit the Pacific Northwest, which I hope you will do soon, may not appreciate the importance of the Columbia River and the part its development plays in the progress and welfare of our great Pacific Northwest. The Columbia River is one of our great waterways, being the second largest river in the United States. It rises in British Columbia not far from the international boundary and flows northwest 195 miles then turns south 380 miles, continuing west 110 miles, and then south 205 miles to its confluence with the Snake River at Pasco, Wash. It then flows westward 325 miles along the boundary between Washington and Oregon to the Pacific Ocean. The Snake River, one of its largest tributaries, rises in western Wyoming and flows westward across Idaho and northward along the boundary between the States of Oregon and Washington to Lewiston, Idaho, and thence westward 139 miles to its mouth.

The Columbia River has other important tributaries. The Columbia River watershed has an area of 259,000 square miles. This large drainage basin, embracing many mountain ranges, high plateaus, and numerous lakes, affords a continuous water supply throughout the year. Government reports show that the discharge of the Columbia at The Dalles has ranged from 35,000 to an estimated maximum of 1,170,000 cubic feet per second during the 60 years the records have been kept. The discharge of the Snake at Riparia, 67 miles above Pasco, has ranged from 10,600 to 409,000 cubic feet per second. This waterway is the only one affording water transportation to the inland empire of Oregon, Washington, Idaho, and parts of Montana. In this territory there are large agricultural areas, stock raising, mining, and mineral deposits, as well as forest products, requiring cheap transportation in order to furnish markets. From pioneer days the Columbia River has been an important means of transportation for this whole area. Before the construction of highways, and later railroads, it afforded water transportation from the sea for many hundreds of miles into the great hinterland of the Pacific Northwest. The Federal Government in carrying out its uniform policy of improving waterways and water resources over which it has jurisdiction has from time to time carried on developments in the Columbia River. The lower river has been dredged, affording a channel for ocean-going vessels, including warships, to Portland, a distance of some 100 miles from the ocean. The Government has also built jetties and improved the entrance at the mouth of the Columbia and, as you know, it has recently constructed the Bonneville Dam in the Columbia, affording a navigation pool extending eastward to the Celilo Canal, east of The Dalles. The Grand Coulee Dam, now under construction, will increase the minimum low-water flow and stage of the river below the dam, but will not be of material benefit to open-river navigation above The Dalles. The Government has dredged a channel 27 feet deep and 300 feet wide between the Bonneville Dam and Vancouver, Wash., which gives transportation for ocean-going vessels from The Dalles to the sea. Navigation around the falls and rapids at Celilo, extending 12 miles above The Dalles, is afforded by the Celilo Canal, which has a depth of 8 feet and width of 65 feet. The locks are 265 feet long and 45 feet wide. Above the Celilo Canal the Government has recently completed a dredging project affording a 7-foot channel 150 feet wide. The dam to be constructed under this project at Umatilla is the next step in this process of river development for transportation and will complete the

navigation facilities of the Columbia River from its mouth to the Snake River.

The Board of Engineers in its report calls attention to the fact that the completion of this whole project of the development of the Columbia and Snake Rivers, will necessarily extend over a considerable period of years, and that the locks and dams should be built in the order which will best meet the most pressing needs of water-borne commerce. In the establishment of through navigation to the Snake River, they recommend that the Umatilla Dam and the four dams proposed for the Snake River should be constructed before undertaking slack water in the Columbia below Umatilla where a fairly adequate channel already exists.

Referring to the recommendation of the district engineer for the development of the Columbia and Snake Rivers, as I have outlined, the Board of Engineers in its report, House Document No. 704, Seventy-fifth Congress, page 12, said:

> The Board of Engineers for Rivers and Harbors concurs in the view that the foregoing plans constitute a satisfactory, comprehensive, and integrated program for the initial and ultimate development of the Columbia and Snake Rivers between Bonneville and Lewistown, Idaho, and that further planning and investigation are neither required nor warranted. The definite savings in transportation costs and to irrigation now in prospect are not in themselves commensurate with the cost of the coordinate improvement, and the large blocks of power susceptible of development at the proposed dams cannot be disposed of advantageously until the output of the Bonneville and Grand Coulee projects has been absorbed. While the immediate tangible benefits are incommensurate with the carrying charges of the undertaking, the Board nevertheless recognizes that the proposed coordinated improvement would stimulate development of the natural resources of a large area in the Pacific Northwest and convey to that region, and to the Nation as a whole, indirect and intangible benefits of sufficient importance to warrant the initiation of construction work in the near future. The Board therefore recommends that the plan presented herein for the coordinated improvement of the Columbia and Snake Rivers from The Dalles to Lewiston, Idaho, by the construction of four locks and dams on each stream supplemented by open-river improvement between the pools of the proposed dams on the Snake, be adopted; the construction of the various elements of this plan to be initiated at such time and prosecuted at such rate as the Congress may direct.

Colonel Robins, division engineer, who is perhaps more familiar with the development of the Columbia River than any other man with reference to this project, said:

> The provision of low-cost water transportation between tidewater and the interior will promote the economic security and future development of agriculture and industry in the Pacific Northwest, and is more or less essential to the success of the Federal projects already undertaken with a view to construction and utilization of water resources in the Columbia Basin.

The development of the Columbia River as a transportation medium will afford a yardstick in measuring transportation costs for the whole Northwest area. This whole area contiguous to the Columbia and Snake Rivers covers such a vast expanse of territory and such a variety of products seeking a market that transportation is a major item in making possible the development. It would seem to be the part of wisdom to continue the plan we have followed through the years of making substantial expenditures from time to time through the recommendations of the Board of Engineers of the Army for the improvement of our waterways. These projects are investments which eventually will return to our people as a whole not only the funds expended in completing these projects but infinitely more in savings as the years go by. It may be true that we cannot place our finger upon particular savings at the present time that would justify the expenditures made in many of the projects that are carried on by the Board of Engineers, but the indirect benefits immediately and direct benefits eventually will more than justify the projects. I think we all realize that in the newer sections of our country, even from our earliest history, it was necessary for the Federal Government in some instances to go ahead of development in order to provide the facilities which would bring about the development of our natural resources. Otherwise, many of our great natural advantages would lie wholly undeveloped. All of our transcontinental railroad systems were obliged to forge ahead of development and afford the means for bringing about the settlement and improvement of our great undeveloped territories of the West.

Mr. Chairman, our people who have resided in the great Northwest area of our country have been dreaming for 20 years of the improvement of the Columbia River. You will recall that it was Thomas Jefferson who early in the nineteenth century commissioned Lewis and Clark to explore this great country. Later our hardy pioneer forebears, who trekked across the continent, following the Oregon Trail, discovered this great waterway, the Columbia, and followed its course to the mouth near Astoria.

As I have said, this river is the second largest in the United States and drains an area one-tenth of that of the United States and as large as the Republic of France. It is approximately 1,200 miles long, and its largest tributary, the Snake, is about 1,000 miles in length. From the days of the pioneers it has played an important part in the commerce of our country. With all of our modern developments, water transportation is still the most economical, and lends itself more readily to the development of industry and agriculture.

As I have said, we have developed a great portion of this waterway now, and there remains this one link, Umatilla Dam, to complete the project from the ocean to Snake River, a distance of approximately 350 miles. Colonel Robins, a member of the Board of Army Engineers, and who was the district engineer when the surveys of this project were made, testified before the committee:

> The indirect benefits from those savings in transportation costs are very great. You cannot state it in dollars and cents, but it means everything to the development of that whole country to get this navigation now without waiting until you can sell all the power. It is a question of whether Congress in its wisdom would authorize this development to get navigation going without waiting for the development of the power, which would absolutely make the project pay out. * * *
>
> I recommended that this plan be adopted as the authorized plan of procedure on the Columbia River, but that the work be undertaken when Congress sees fit to do it. The Board of Engineers made the same recommendation, and the Chief of Engineers made the same recommendation. In other words, it may very well be that the indirect benefits are more than sufficient to warrant going ahead with the project, giving the people navigation now without having to wait 30 or 40 years until we know that we can sell all the power.

He also said in his report:

> I therefore recommend that the general plans presented herein for the initial and ultimate development of the Columbia and Snake Rivers between the pool of the Bonneville Dam and Lewiston, Idaho, be accepted by the Congress as a general guide for future development of the waterways in the combined interests of navigation, irrigation, and the development of hydroelectric power, and that the Congress authorize from time to time such portions of the plans as it wishes to initiate, revised as may be needed at the time to meet changing conditions.

He further testified at the hearing:

> This should be the next step in that program unquestionably—building the Umatilla Dam. Umatilla is the key to the situation. You cannot get up in the Snake River by open-river methods. The Umatilla Rapids themselves are the biggest obstacle, and then above that there are the Homly Rapids, and it is impossible to improve those rapids by open-river methods at any reasonable cost, and the Umatilla Dam is absolutely essential to any navigation, any through navigation in the Snake River, and it should be the next dam constructed on the Columbia, unquestionably.

We believe that the completion of the Umatilla Dam will do more for the development of the whole Northwest territory by affording cheap transportation to the entire area for the development of industry and agriculture than any other Columbia River project that may be taken up at this time. We most earnestly solicit your support of the measure.

Mr. SEGER. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. MANSFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

The CHAIRMAN. The gentleman from Massachusetts [Mr. TREADWAY] is recognized for 10 minutes.

Mr. TREADWAY. Mr. Chairman, I wish to say at the outset of my remarks that I join our colleague in expressing delight and pleasure that we again have with us the distinguished chairman of this committee. I know of no man

in all my period of service in Congress who has been more beloved by his colleagues for his character and ability than the gentleman from Texas [Mr. MANSFIELD] [applause], and I think he is entitled to all the praise that has been bestowed him by his colleagues here today.

In the short time at my disposal I wish to discuss an amendment which it is expected the committee will offer; namely, to include in the bill the improvement of the Connecticut River as recommended by the Board of Engineers in their report, House Document No. 165.

Navigation on the Connecticut River has been a mooted question in western Massachusetts for a long period of years. The broad expanse of the river in the region from Hartford north to Springfield and Holyoke is barren of craft except here and there a pleasure motorboat. It seems incredible that during this long period of years no Federal project has been adopted for transportation by water on this stream. It has always seemed to me as though it were a great waste of natural resource not to have navigation on the Connecticut River. It is unnecessary for me at this time to refer to the numerous surveys and reports that have been made from time to time on this project. It is sufficient to say that practically all of them of which I have knowledge combine navigation and power; in other words, the Board of Engineers have stated frequently that navigation would not be justified unless power were included.

During the period of prosperity of years gone by several efforts were made to use this stream for private power purposes, but that did not materialize. This present report is the first wherein the Army engineers have recommended Federal aid for both navigation and power development.

I must take exception to the remarks of my colleague from Michigan, much as we admire his judgment, when he is quite as severe against Connecticut River power as he is in the remarks he makes today. The fact is that so far as my investigation has gone among my own constituents—and I speak for the people in the State of Massachusetts, not Connecticut—there is no opposition on the part of the power producers. The reason for this is because the amount of power that will be generated at the Enfield Dam is not of sufficient quantity to warrant the power interests, if you wish so to designate them, being interested. I have made a careful investigation along this line and feel that this statement is justified, that the producers of power are satisfied to allow power to be generated at Enfield Falls. Further than that, so far as rates are concerned in Massachusetts, those are sufficiently well controlled by our public utility commission that the interests of the general public are thoroughly protected.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I prefer not to, but in deference to the gentleman from Mississippi, if he will not get into an argument——

Mr. RANKIN. I will not.

Mr. TREADWAY. If he wishes to do nothing more than ask a question I will yield, but I do not want to get into an argument.

Mr. RANKIN. The gentleman from Michigan complains that under this project they would buy out a small utility there. On the other hand, he complains daily that we build these projects without buying out the local utilities. His proposition of today answers his criticism of yesterday.

Mr. TREADWAY. I told the gentleman when I yielded to him that I did not care to get into an argument at this time, because I wanted to discuss definitely the Connecticut River proposition, and 10 minutes is a very short time in which to do so.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield for a question only.

Mr. DONDERO. Is it not a fact that if this project is undertaken the Federal Government and not the States of Connecticut and Massachusetts will be the one to fix the power rate?

Mr. RANKIN. I hope so; then maybe the people of those States will enjoy reasonable rates.

Mr. TREADWAY. That is another debatable question. So far as power rates at the present time are concerned, my constituents in Massachusetts are satisfied with conditions as they are. I am going to let it go at that if I may.

I call attention to the fact that we place great reliance in the Army engineers' reports. They are impartial; they are not political; they are scientific. When, therefore, this Board of Engineers approves a project it is a pretty well-established fact that it is worth while, both from the public's standpoint and the interest of the Federal Government.

There is just one great demand in western Massachusetts and throughout New England, and that is to offer inducements to private business to continue to operate with us. We want to bring to our area new capital and we want more employment for the people who live in that beautiful area. If by securing river navigation, if by securing the power that will be generated at Enfield we can offer these inducements, it certainly will be well worth while.

There is another very outstanding reason for the adoption of the Connecticut River project. No section of the country has suffered more than western Massachusetts from floods. It stands to reason that by dredging the river and straightening the crooked places in it you are going to lessen the damage from floods. In other words, you are going to enable the flood waters to pass out more quickly, and in this way there should not be the same danger from flood. It will reduce the flood stages upstream.

Mr. SMITH of Connecticut. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Connecticut.

Mr. SMITH of Connecticut. Is it not true that this straightening of the dam will operate to increase the flood stage?

Mr. TREADWAY. I am informed that the amount of increase of the lower reaches will be practically infinitesimal. It will offer a great opportunity for the extra flood waters to find a way out to sea and in that way lower the danger of extended floods in our area. Therefore, it seems to me that we would be repaying the Government expenditure in large measure by the additional protection to property and people that this appropriation would make.

I have one invariable rule, Mr. Chairman, in dealing with problems of this kind, particularly where a local community is interested. I consult my constituents. When this bill was up for hearing before the Rivers and Harbors Committee some weeks ago, my constituents showed an interest in its favorable report.

When the question of reconsideration came up, some opposition developed among my constituents, and I reported the opposition at the second hearing of the committee. Since then I have been in close touch with my people, and while some of them, my personal and intimate friends as well as prominent citizens, are opposed to the inclusion of the Connecticut River proposition in this bill, I find that the greater number of them, by far the greater number of my constituents, and particularly those directly affected in the city of Holyoke, are strongly in favor of the Connecticut River amendment being adopted.

Therefore, Mr. Chairman, I intend to support the amendment and hope when the amendment is offered as a committee amendment by the committee it will be favorably received by the House. [Applause.]

Under leave to extend my remarks, I wish to append copy of telegram received by me which seems to be representative of the sentiment in the city of Holyoke. The message is as follows:

HOLYOKE, MASS., *May 16, 1939.*

CONGRESSMAN ALLEN T. TREADWAY: The Holyoke Industrial Development Committee, made up of representatives of the board of aldermen, the chamber of commerce, the American Legion, Real Estate Owners' Association, the junior chamber of commerce, the Veterans of Foreign Wars, and including in its component parts industrialists, merchants, property owners, bankers, and taxpayers, is unanimously recorded as in favor of Connecticut River navigation. Your support is solicited in the interest of industrial growth and progress.

JAMES J. DOWD, *Chairman.*

Mr. MANSFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. RANKIN].

TENNESSEE-TOMBIGBEE INLAND WATERWAY

Mr. RANKIN. Mr. Chairman, I was interested to note that when the gentleman from Michigan [Mr. DONDERO] brought out a map of the State of Washington, the entire delegation from Washington moved down to the front to protect that great section of this Republic. They are all here. [Applause.]

I shall not have time to answer all the arguments put forth by the gentleman from Michigan, but I want to speak for a short time about one of the projects which he stated he believed is "without sin," or at least he has failed to accuse it of any sin. That is the proposed Tennessee-Tombigbee Inland Waterway to connect the Tennessee River with the Tombigbee, which will give us an inland waterway down to Mobile.

The Tennessee River is on a plateau 125 feet above the Tombigbee. The head of navigation on the Tombigbee is only a few miles away from the Pickwick Dam on the Tennessee River. By connecting those streams they can give us a waterway all the way down to Mobile. What will this mean? It will not only give us a river here completely controlled, and relieve that great area here from the floods that have been devastating their lands in recent years, it will not only give a section of the country transportation that is now without adequate transportation, but it will open up the greatest wealth of natural resources to be found almost anywhere in the world.

In this area is the world's reserve supply of hardwood timber, the world's reserve supply of slash pine, the world's reserve supply of iron ore.

It will also open up a field of ceramic clay which has been discovered within the last 5 years, containing millions of tons, yet today the ceramic clay out of which our pottery and china is made is imported from foreign countries.

It will open an area that contains bauxite, from which aluminum is made, and this will be a deposit on which there will not be a monopoly.

It will open up a field of limestone, hundreds of millions of tons; hundreds of millions of tons of rock asphalt that is needed for building streets and roads, which must have cheap transportation in order to be carried any distance.

In addition to all that, it will open up to this great agricultural area here that transportation we had many years ago before it was destroyed and driven from the streams.

Now, as to the effect, let me show the distances. The distance from the mouth of Yellow Creek here at the Pickwick Dam to Cairo, Ill., is 261 miles. From Cairo to Mobile is 755 miles, making 1,291 miles. From Pickwick Lake down the Tombigbee River it is only 494 miles, or a little more than one-third the distance.

In addition to that, it shortens the distance from all points on the Ohio River to the Gulf of Mexico by 200 miles and shortens the distance from points on the Ohio River up to Pittsburgh, Pa., to Mobile by 370 miles. It shortens the water distance from all points on the upper Mississippi River, even from Chicago, Ill., to the Gulf of Mexico, by 108 miles. It shortens the water distance from all those points down to Mobile by 278 miles.

Now, that could not have been possible until this dam was built, lifting the water 55 or 60 feet and giving us Pickwick Lake as the summit reservoir from which to draw the water to run these locks.

Mr. MANSFIELD. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Texas.

Mr. MANSFIELD. Is the Pickwick Landing Dam completed?

Mr. RANKIN. It is completed now. It will shorten the water distance from all points up the Tennessee River, to above Knoxville, to Mobile by 797 miles.

In addition, it will give a slack-water route for ascending traffic. It is more than 900 miles from New Orleans to Cairo. Ascending traffic has to fight the most difficult current. But on this project here they will be traveling in slack water up the Tombigbee River until the traffic reaches the Tennessee, then it will be going down stream to Cairo. It will be of inestimable benefit to this great area, as well as to people along the Tombigbee River, for this to be opened up especially to the returning traffic into all this territory here.

I know it has been charged that these waterways were putting railroad men out of work. We had that question before the committee. Every time an inland waterway has been developed it has stimulated business and instead of putting railroad men out of work it has increased railroad traffic and railroad employment. In addition, the Army engineers are at work up in here now on a great flood-control project. They are waiting to see about the adoption of this project to know just where to draw their lines in straightening this stream, in order that it may fit into the great plan they have proposed.

This is not a new question. I went before the Committee on Rivers and Harbors 5 years ago. General Markham was the Chief of Army engineers at that time. I said to him:

Check me, and if I make a misstatement I want you to correct it.

When I got through he rose and said:

There is only one question that I have in mind, and that is whether or not it is economically feasible.

In this report presented by the Army engineers the other day they show it is amply justified from an economic standpoint.

Again General Markham said, "We will have it investigated," and a special board of five Army engineers put in 5 years studying this question. You talk about investigations—if we could get all legislation investigated as carefully as this has been by men who are as honest and as sincere and as capable as the Army engineers, we would get along a great deal better in this House. They put in 5 years and searched everything from one end of it to the other. They drilled probably thousands of artesian wells. They also examined every phase of the traffic. Finally they returned a report, which you will find in the hearings, in which they recommended this project. The special board sent the report to the General Board of Army Engineers, and they approved it, and then they sent it to the President of the United States, and he sends it here with his approval. The matter came before the Committee on Rivers and Harbors, they investigated it from every standpoint, it was overwhelmingly voted into this bill, and the bill was voted out by a unanimous vote.

Now, that is the story. That is this great inland waterway that we are talking about, that will benefit not only the people here but traffic throughout this entire area from Pittsburgh, from Youngstown, from St. Paul, from Minneapolis, and from Chicago and all the other points on the Great Lakes.

It is one of the greatest inland waterways in the world for the amount of money it will cost. The Army engineers have said time and time again that it is the outstanding project they have ever found where they can transfer the traffic from one major watershed to another with so little expense, with so much ease, with the saving of so much distance, and with the saving of so much effort and so much fuel on the part of those who transport goods by water carriers.

That is all I have to say. I trust there will be no opposition to this provision in the bill. [Applause.]

[Here the gavel fell.]

Mr. SEGER. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER. Mr. Chairman, you have been told that the committee would later offer an amendment to include the Connecticut River power and navigation project, at a cost of between $12,000,000 and $13,000,000, and an annual maintenance cost of $193,000. I am in the unique, if not unusual, position here of opposing a project, despite the fact that 90 percent of the sum carried in this amendment will be spent in my own district. This is not a new project. The Army engineers have made seven reports on the question of opening the Connecticut River to navigation between Hartford, Conn., and Holyoke, Mass., in the last 25 years. The residents of my district are opposing this project for several reasons.

Certainly in 5 minutes I cannot give you all these reasons, but they concern themselves with three major groups.

Those who live in the Connecticut River Valley are concerned by the statement in the Army engineers' report that this project will increase flood crests at various points from three-tenths to eight-tenths of a foot. You can see there will be little increase. Three-tenths of a foot or eight-tenths of a foot or five-tenths of a foot may not be much in some places, but on the end of your nose it is a lot, and when the water is lapping at your kitchen door three-tenths or eight-tenths of a foot is a lot. If in 1938 the Connecticut River had gone three-tenths of a foot higher, the damage would have been millions of dollars greater for the reason that they kept ahead of the rise of the river on the existing Colt's dike by building a temporary sandbag dike, using 1,000 W. P. A. workers and another 1,000 voluntary workers. If at that midnight the water had kept going up, it would have gone over that temporary dike and the damage to industrial property would have been terrific. So you cannot belittle three-tenths or eight-tenths of a foot.

Not a single representative of the State of Connecticut has appeared before the Committee on Rivers and Harbors in favor of this bill. I have here with me a strong letter from the Governor of the State of Connecticut protesting against this project on the ground that it is uneconomical, unsound, and not desirable. Fifteen or sixteen witnesses came down here representing farmers' organizations, property owners in the valley, the Connecticut Chamber of Commerce, the Hartford Chamber of Commerce, the selectmen of the towns between Hartford and the State line, and representatives of our general assembly, and without exception they were all opposed to the project. I may point out that we have between the city of Hartford and the Massachusetts State line seven towns, and if anybody were going to benefit by navigation they would benefit, two of them being industrial, Windsor Locks and Thompsonville. Without exception they are opposed to this project.

Now, you will perhaps be told that we in Connecticut are opposed to this because we do not want our good friends to the north to have river transportation. This is rather far-fetched because there are comparatively few competitive industries in that area. We have in Hartford aircraft factories, Colt's firearms, and two large typewriter factories, while in Holyoke, as I understand, it is largely textile and paper manufacturing.

The question of the economic justification for this project was discussed before the committee and it was brought out that, according to the Army engineers' report, 80 percent of the justification related to the transportation of petroleum products. Since that hearing was held permission has been granted to give a right-of-way to one of the major oil companies to put in a pipe line between Hartford and Springfield, which would do away with a good deal of the need of river transportation for oil barges, and would thereby destroy what was admitted by the Army engineers to be 80 percent of the justification.

In the 1 minute remaining I want to point this fact out to you. It was testified by the committee that while we have a channel 150 feet wide and 15 feet deep from the ocean to Hartford, less than 5 percent of the incoming and outgoing freight into the city of Hartford, with the exception of petroleum products, goes over the river. In 1931 the only boat line running between Hartford and New York went out of business because of lack of patronage and lack of freight to take to New York and the cities along the sound. Why should we believe that by extending navigation 22 miles up the river, the area painted blue on this map, the people in Springfield, Holyoke, and Chicopee would make use of this project while this area in the city of Hartford and on down that has the navigation is not using it now or is using it very, very little. [Applause.]

[Here the gavel fell.]

Mr. MANSFIELD. Mr. Chairman, I yield 5 minutes to the young gentleman from Oregon [Mr. PIERCE]. [Laughter and applause.]

Mr. PIERCE of Oregon. Mr. Chairman, I wish to pay my respects to the chairman of the Rivers and Harbors Committee. I remember how kind he was 2 years ago when we had up the Bonneville legislation. At that time I was taken to the hospital for a major operation, and I shall always remember that when I came back I found he had embodied in the bill, which became the law, practically all the ideas that were so dear to me. He and I have many things in common. He was one of the first men I became acquainted with when I came to the National Capital. He and I were born in the same year. He is 3 months older, and like an elder brother he claims the right to instruct me.

Mr. MANSFIELD. You are 3 months younger.

Mr. PIERCE of Oregon. And I often take those instructions and I am glad to appear before his committee, where I always receive most excellent treatment.

I am here on this particular occasion to defend Umatilla Dam. Our colleague from Michigan and I have had a few tilts in the past on the subject of power. He lives in the same building as I do, just across the hall and on the same floor. Affable and genial, I like our friend from Michigan very much personally, but on the question of power we are as far apart as the poles. I believe in public ownership of power cooperatively distributed and developed by State or Nation. I was in the power business for several years. I know the game and I shall take great pleasure in replying to his speech when I have had time to digest the figures and the statements he made. I shall read them carefully in the RECORD tomorrow morning. So I challenge him to a debate upon this subject. I want a few days to hunt up the answers to all the erroneous figures that I heard the genial gentleman, the defender of the Power Trust, give us a few minutes ago.

Mr. DONDERO. Mr. Chairman, will the gentleman yield at that point?

Mr. PIERCE of Oregon. Not now.

Umatilla Dam is not a power project, and it is not an irrigation project. It is for navigation only. Colonel Robins, when on the witness stand before the Rivers and Harbors Committee, did not know what an adroit, brilliant lawyer our friend from Michigan is.

He asked him directly this question, and it will be found in the hearings at page 14:

> To reduce it to percentages, navigation is about 20 percent of the project and power about 80 percent.
> Colonel ROBINS. On the economic side; yes.

That does not leave Colonel Robins in the proper light nor give the complete impression he intended to convey. You have to read his entire testimony before you can give Colonel Robins, of the Army Engineers, a fair hearing. He never intended to say that the project was 80 percent power. It is not for power at all: it is for navigation. The Umatilla Rapids Dam is halfway between Bonneville and Coulee and 150 miles above Bonneville. It is the key that unlocks the river.

The river there for 14,000 feet flows very swiftly, and it falls 24 feet in that distance. You cannot navigate it, and while there can be an immense amount of power developed at that point, it is not the intention now to develop it, but it is all for navigation. Why navigation? To open up that great inland empire, the same as we have opened up the Mississippi Valley, so that craft can go up the river. Seventy-five percent of all the traffic of the inland empire originates at Umatilla or above. The river is now dredged, or being dredged, from Vancouver to Bonneville for river traffic. The canals around the Celilo rapids, above The Dalles, have been building for years and in order to justify that we have to have the Umatilla dam.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. PIERCE of Oregon. Mr. Chairman, we of the Pacific Northwest have supported in Congress the great development projects of other sections of the country, rejoicing in every forward move. We have acquiesced in the demands of the South, the East, and the great Middle West. Our section is

thinly populated, giving us but few voices here in Congress. Our numbers are few in response to the call of the House roll. Our section is practically the last frontier where pioneering is not yet finished. We will appreciate more than words can tell the continuation of the friendly attitude which has been shown us by so many Members of this House. Our situation is briefly and clearly expressed in the oft-quoted saying of the under-privileged one: "If my cup won't hold but a pint, and your'n holds a quart, wouldn't ye be mean not to let me have my little half measure full?"

You will notice that there are 34 pages of projects in the river and harbor report before you, and just one of those pages is devoted to the four projects for Oregon and Washington, which have two each.

We of Oregon and Washington are vitally interested in the Umatilla Dam item in the river and harbor bill. This dam on the Columbia River is the key which will unlock the resources of the great inland empire. It is also the key to the utilization of the public works improvements already completed or under way on the Columbia River. It is needed in order to render most beneficial far into the future the investments in Bonneville and Grand Coulee Dams.

Umatilla Dam will result in submerging rapids which have proved insurmountable obstacles to efficient navigation. Its construction will make possible water navigation into the very center of the greatest irrigation project of the future now being built at Grand Coulee. There, in a wild, unprofitable stretch of desert, will bloom a new civilization. The thousands of farm families which will live on these irrigated tracts will add to the pay rolls of your factories, as they will demand buildings, utensils, machinery, and all the things for which farm earnings are always spent. On the Coulee project alone there will probably be built 30,000 houses, which will need lumber, plumbing, fixtures, pumps, garages, cars, fencing, paint, refrigerators, electric ranges. Other sections will furnish most of these necessities. This Coulee project has had the approval of Congress and is making unprecedented progress in construction. Its ultimate success is dependent upon this other smaller construction at Umatilla Rapids, which will release the river for human service.

The only objections which I have ever heard are economy and the fear of other transportation agencies that they may lose some business. Our colleague from Mississippi has brought to your attention the fact that railroad men have never lost jobs nor wages because of river and harbor developments. It is especially true in this case that the project will aid all forms of transportation, because the improvements will stimulate business, with the railroads profiting richly from the long hauls, the trucks sharing in the short hauls, and the waterway making it possible for agricultural producers to carry on their business, from which so many others will derive profit. Not only will there be trainloads of materials moving westward now, but long-haul westward freight traffic will continue through all the years to come.

The real economy of this authorization lies in the fact that it will make most useful other expenditures already made. It is the tie that will bind and strengthen developments between Bonneville and Grand Coulee, where Umatilla lies, closer than any other dam to the geographical center of the Pacific Northwest. Of first importance to us will be the immediate direct employment of at least 2,500 men with families and many more thousands indirectly. The project is all ready to go.

I am hoping and believing that we of the far Northwest will receive that same vote of confidence which has been so often extended to us since I have been a Member of this Congress. Help us to put the desert on the tax rolls. [Applause.]

Mr. SEGER. Mr. Chairman, I now yield to the gentleman from Ohio [Mr. JONES].

Mr. JONES of Ohio. Mr. Chairman, I rise to thank the committee for including a very meritorious item in this bill for the survey of the St. Marys River, Ohio and Ind. I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JONES of Ohio. Mr. Chairman, I think the committee has been very wise in including the survey of the St. Marys River, and I want the Members of the House to know our problem.

The St. Marys River rises near the town of St. Marys, Ohio, and flows northwest to Fort Wayne, Ind., where it unites with the St. Joseph River to form the Maumee River. It is about 100 miles long and drains an area of about 800 square miles in northwestern Ohio and northeastern Indiana. The total fall of the river is about 240 feet, but throughout the lower 40 miles the slope averages only about 6 inches to the mile. The old Miami and Erie Canal parallels the river for about 15 miles near St. Marys. This canal has been abandoned for many years.

The river is tortuous and its bed is full of very tough grass and contains numerous bars and islands, all of which serve to reduce the discharge capacity of the river at high stages. The surrounding country is practically barren of forests, and large areas of farm lands have been drained by tile and by county ditches, which tend to increase the rapidity of the run-off. As a result of these unfavorable conditions a continuous rainfall of 1 inch causes an overflow of the banks and a rainfall of 2 inches causes damaging floods.

Approximately 65,000 acres of bottom land is subject to floods. Of this acreage about half is flooded several times each year, the remaining half being affected only by the more severe floods, such as occur about once in 5 years. The basements of buildings near the river in St. Marys are flooded every year and an appreciable area in St. Marys is flooded once in 4 or 5 years.

It has been estimated that complete flood control of the St. Marys River would increase the value of agricultural lands, now intermittently flooded, by $70 an acre. I have confidence that the survey will show that these floods can be completely controlled.

It is estimated that approximately 65,000 acres extended over the entire length of the river are subject to floods. Of this acreage about 35,000 acres are flooded several times each year. The remaining 30,000 acres are affected when more severe floods occur approximately every 5 years.

Once in 4 or 5 years a sizeable area in St. Marys is flooded. Agriculture is principally affected by the floods; damage causes decrease in the value of lands and the annual destruction of crops, roads and buildings, and so forth.

The people of my district owning lands and living close to this river will deeply appreciate the action of this Congress in giving them a survey which will make it possible for the river to be cleaned out in the event the survey is favorable.

Mr. SEGER. Mr. Chairman, I now yield to the gentleman from Massachusetts [Mr. CLASON] the remainder of my time.

Mr. CLASON. Mr. Chairman, it is somewhat difficult to open up a large problem in the short time allotted to me, but I would be certainly remiss if I did not do justice to the kindness shown to me by the chairman and the members of the great Committee on Rivers and Harbors in connection with the hearings on the project from Hartford to Holyoke. Everyone, including the clerk, Mr. McCann, has been peculiarly kind to me, and I am glad to have this opportunity to tell them how much I appreciate it.

A few statements have been made which I do not feel should go without some answer. First of all, mention is made of the woman who came down with a petition of 600 names and appeared against this project. She was here solely—if not solely, practically so—on the ground that she was afraid that the two dams to be constructed on this project would increase the height of the flood waters. In connection with that, during the course of the hearings the Acting Chief of Engineers, Brigadier General Tyler, made a report by letter to the chairman of the committee in which he stated:

I can assure you that if the project as recommended is approved by Congress, the Hartford Dam, as well as the Enfield Dam, will be constructed with suitable and sufficient gates to pass flood waters without appreciable increase in the customary flood height.

This amendment provides for the construction of works necessary to secure navigation from Hartford, Conn., the present head of navigation on the Connecticut River, to Holyoke, Mass., and also provides for the generation of electricity at one of the two dams to be built. The project is recommended by the Army engineers in House Document No. 165 of this session of Congress. Full hearings have been held before the Rivers and Harbors Committee, which approved the project by a vote of 14 to 4. I believe that this overwhelming vote in favor of this amendment by the committee, who are fully cognizant of the facts in the case, should have great weight with all Members of this House. The project provides for the construction of one dam 1½ miles above Hartford for navigation only and another dam at Enfield Rapids, near the Massachusetts-Connecticut State line, and about equally distant from Springfield, Mass., and Hartford, Conn., for the dual purposes of navigation and power. The total Federal cost would be $12,410,900. Owners of five bridges will be required to modify them, at a total expense of $383,600, with annual carrying charges of $29,700. Two of these bridges are owned by the New Haven Railroad, one by the State of Connecticut, and two by the counties in which they are located. The cities of Holyoke, Chicopee, and Springfield have agreed to provide terminal facilities at a cost of $300,000, making the total cost of the entire project $13,094,500. This entire project is authorized at the present time by the Rivers and Harbors Act of July 3, 1930, modified by the act of August 30, 1935. Two important changes are made in the present law by this amendment. First, under the present law, the State of Connecticut, a municipality, or a private corporation is permitted to build the dam for the dual purposes of power and navigation at Enfield Rapids, but the Federal Government is not authorized to do so. On February 1, 1928, a license to construct a dam at Enfield Rapids was issued to the Northern Connecticut Power Co. and was terminated on September 30, 1931, because the licensee failed to start construction within a prescribed period of time. For at least 9 years since the passage of the present law the public-utility interests of Connecticut have failed to act under its terms, although they have expanded their power-generating facilities greatly. The Army engineers recommend that the project be carried out by the United States over a period of 3 years. As money would not be available to start work before 1940, power would not be generated until 1943 at the Enfield Dam. The power plant would have an installed capacity of 29,500 kilowatts, producing approximately 170,927,000 kilowatt-hours annually. Second, under the present law, changes in bridges are required at a cost of $3,263,000, with annual carrying charges of $286,600. This amendment will cut the cost of such charges by $2,879,400, with annual charges of $29,700. More than 80 percent of the traffic, which would be carried by water up to Holyoke, now comes to a New England port by ship and is transferred by truck or pipe line to Springfield, Chicopee, and Holyoke.

Four issues have been presented by this project. First, effect on flood control: The Army engineers have disposed of this issue by a statement in writing from the Chief of Engineers, Brigadier General Tyler, stating that both dams will be so constructed that neither will raise the heighth of waters in flood time appreciably. Witnesses who came to the hearing and raised this point have stated that they are satisfied that this problem will betaken care of. Second, navigation: The Army engineers show, on page 17 of their report that tonnage on the river below Hartford has been increasing steadily from 1927 to 1936 from 592,000 tons to 1,074,000 tons. They estimate the potential water-borne commerce from Hartford to Holyoke annually at 607,600 tons, with annual savings of $382,600—page 18 of the report. On the same page they refer to a navigation study made under a W. P. A. project, with trained personnel, who visited 2,002 merchants and manufacturers in Holyoke, Chicopee, Springfield, and West Springfield, and reported that an annual river tonnage of 1,147,000 should be expected, with annual savings of $1,467,000. The Army engineers have certainly been conservative by reducing that figure by more than $1,000,000 a year. Congress has already decided by its present law that the benefits from navigation warrant the construction of this project. This continuing increase in water-borne tonnage since the law was passed in 1930 makes the project even more advantageous at the present time. Third issue, power: Local interests have had more than 10 years in which to construct this dam. Therefore, there should not be further delay so far as they are concerned. The Army engineers estimate that the power will be sold for $593,900 annually. This amount is only a drop in the bucket of the power market which can be served from this dam. Within 100 miles of it more than 15,000,000 persons live. Within that distance lie the entire States of Connecticut and Rhode Island, together with most of Massachusetts, and a large part of New York. It includes the cities of New York, Boston, Albany, Providence, Worcester, Springfield, Hartford, New Haven, and many other leading industrial cities. Right now Springfield sells $275,000 worth of power annually from its water works to a public utility. That power is absorbed without difficulty. Likewise, the comparatively small amount of power to be generated at Enfield would be absorbed in the greatest consumers' market in the world, which exists about this dam. The consumption of electricity is higher than ever before this year. The Federal Power Commission has definitely shown that there will be a market for this power in the area immediately adjacent to the dam by the time the dam is built. Last year, during the depression, the Hartford Electric Light Co. found it necessary to install a larger steam plant than this proposed dam. New England, and for that matter the whole United States, is increasing its consumption of electricity per capita at a fast rate.

If no utility company in Connecticut wants this power, a ready market will be found for it somewhere in this area. No one is compelling any particular company to buy it. The Connecticut power companies are opposing this project. The reason perhaps lies in the tables prepared by the Federal Power Commission, where it indicates that in the 21 large cities of Massachusetts and Connecticut, Holyoke, at one end of this project, has the lowest rates to its smallest consumers, while Hartford has next to the highest. Holyoke charges $1 for the same service that Hartford requires $1.75. The utilities serving these two cities pay approximately the same percentage of income as taxes. If Hartford gave as much electricity for the same amount of money as Holyoke, it would use up all of the power generated at this dam without difficulty.

Fourth issue: Recreational advantages which will be derived from this project. Little stress has been paid to them because the power issue has been raised. We should not lose sight of the fact that the Connecticut Valley is one of the outstanding beauty spots of New England, a land much sought by tourists from all over the world. The Connecticut River is the largest river in New England. From Holyoke to Hartford, it carries much sewage and industrial waste. It is broad but shallow, and filled with many sand bars. At one time a steamboat made its way from the sound up into Vermont. Dams now prevent its continuous passage. The present lock near Enfield is so unsatisfactory as to prevent even pleasure craft from attempting to ascend the river above Hartford. At present Hartford, Springfield, Northampton, and other places on the river have built, or are contemplating the construction of, sewage-disposal plants, which will again make this river one of the outstanding features for recreation in western New England. This project would result in the furnishing of a deep yet broad river, suitable for all kinds of sports as well as for navigation. Undoubtedly many thousands of dollars would again be spent for pleasure along the river between Hartford and Holyoke if this project is carried out, while the advantages for the health of the large communities along its banks would be untold. This issue should not be overlooked in arriving at a decision on this project.

In conclusion, I would again call to your attention that the Connecticut River is the largest river in the United States not properly canalized at the present time. This is not an

attempt to develop new industries in a new country. The banks of this river are thickly populated the entire distance of 32 miles from Hartford to Holyoke with 450,000 persons. It is already one of the greatest industrial and munitions centers in our Nation. It needs navigation in order that its industries may furnish finished products at the lowest prices possible to the consuming public of the United States. It needs the power to be generated at the Enfield Dam because there is insufficient power used in western New England per person of population. Western Massachusetts needs the benefits to health which will come from the recreational facilities afforded by its completion. It will furnish another form of transportation in time of war—an important defense measure. Above all, the carrying out of this project will not cost the taxpayers of the United States a single dollar, as ultimately the Treasury will be reimbursed in cash more than 100 cents for each dollar expended. We are told that this is the outstanding project of its kind to be carried out in the United States. It should be enacted into law at the earliest possible moment.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the following works of improvement of rivers, harbors, and other waterways are hereby adopted and authorized, to be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers, in accordance with the plans recommended in the respective reports hereinafter designated and subject to the conditions set forth in such documents; and that hereafter all duties now performed by the Chief of Engineers under the direction of the Secretary of War shall be functions of the Engineer Corps, United States Army, and its head to be administered under the direction of the Secretary of War and the supervision of the Chief of Engineers, except as otherwise specifically provided by act of Congress:

Northeast Harbor, Maine; House Document No. 132, Seventy-sixth Congress;

Hendricks Harbor, Maine; Senate Document No. 40, Seventy-sixth Congress;

Josias River, Maine; House Document No. 227, Seventy-sixth Congress;

Boston Harbor, Mass.; House Document No. 225, Seventy-sixth Congress;

Clinton Harbor, Conn.; House Document No. 240, Seventy-sixth Congress;

Norwalk Harbor, Conn.; House Document No. 220, Seventy-sixth Congress;

Greenwich Harbor, Conn.; House Document No. 125, Seventy-sixth Congress;

Northport Harbor, N. Y.; House Document No. 109, Seventy-sixth Congress;

Orowoc Creek, N. Y.; House Document No. 126, Seventy-sixth Congress;

Peconic River, N. Y.; House Document No. 237, Seventy-sixth Congress;

Shark River, N. J.; House Document No. 102, Seventy-sixth Congress;

New Jersey Intracoastal Waterway; House Document No. 133, Seventy-sixth Congress;

Mill Creek, Md.; House Document No. 100, Seventy-sixth Congress;

Black Walnut Harbor, Md.; House Document No. 217, Seventy-sixth Congress;

Town Creek, Md.; House Document No. 219, Seventy-sixth Congress;

Lower Thoroughfare, Deals Island, Md.; House Document No. 238, Seventy-sixth Congress;

Duck Point Cove, Md.; House Document No. 241, Seventy-sixth Congress;

Channel to Island Creek, St. George Island, Md.; House Document No. 99, Seventy-sixth Congress;

St. Catherines Sound, Md.; House Document No. 242, Seventy-sixth Congress;

Susquehanna River, above and below Havre de Grace, Md.; Senate Document No. 67, Seventy-sixth Congress;

Waterway on the coast of Virginia; House Document No. 268, Seventy-sixth Congress;

Appomattox River, Va.; House Document No. 223, Seventy-sixth Congress;

Norfolk Harbor, Va.; House Document No. 224, Seventy-sixth Congress;

Inland Waterway from Norfolk, Va., to Beaufort Inlet, N. C.; House Document No. 117, Seventy-sixth Congress;

Chowan River, N. C., and Blackwater Creek, Va.; House Document No. 101, Seventy-sixth Congress;

Channel from Pamlico Sound to Rodanthe, N. C.; House Document No. 234, Seventy-sixth Congress;

Pembroke Creek, N. C.; House Document No. 235, Seventy-sixth Congress;

Rollinson Channel, N. C.; House Document No. 236, Seventy-sixth Congress;

Waterway connecting Swan Quarter Bay with Deep Bay, N. C.; House Document No. 239, Seventy-sixth Congress;

Cape Fear River, N. C., at and below Wilmington; House Document No. 131, Seventy-sixth Congress;

Abbapoola Creek, S. C.; House Document No. 97, Seventy-sixth Congress;

Russell Creek, S. C.; Senate Document No. 41, Seventy-sixth Congress;

Winyah Bay, S. C.; House Document No. 211, Seventy-sixth Congress;

Charleston Harbor, S. C.; House Document No. 259, Seventy-sixth Congress;

Channel from the Intracoastal Waterway to a point at or near Vero Beach, Fla.; House Document No. 261, Seventy-sixth Congress;

Channel from Apalachicola River to St. Andrews Bay, Fla.; House Document No. 257, Seventy-sixth Congress;

Anclote River, Fla.; House Document No. 243, Seventy-sixth Congress;

Warrior and Tombigbee Rivers, Ala. and Miss.; House Document No. 276, Seventy-sixth Congress;

Mobile Harbor, Ala.; House Document No. 221, Seventy-sixth Congress;

Waterway connecting the Tombigbee and Tennessee Rivers, in accordance with the recommendation of the Board of Engineers for Rivers and Harbors in the report submitted in House Document No. 269, Seventy-sixth Congress. The sum of $12,500,000 is hereby authorized to be appropriated for the prosecution of this project;

Bayou Galere, Miss.; House Document No. 112, Seventy-sixth Congress;

Biloxi Harbor, Miss.; House Document No. 258, Seventy-sixth Congress;

Mississippi River, Baton Rouge, La., to the Gulf of Mexico; House Document No. 215, Seventy-sixth Congress;

Louisiana and Texas Intracoastal Waterway from the Mississippi River at or near New Orleans, La., to Corpus Christi, Tex.; House Document No. 230, Seventy-sixth Congress;

Houston Ship Channel, Tex.; House Documents Nos. 226 and 256, Seventy-sixth Congress;

Guadalupe River, Tex.; House Document No. 247, Seventy-sixth Congress: *Provided*, That whenever any power project, not under Federal license, is benefited by the Canyon Reservoir project, the Federal Power Commission, after notice to the owner or owners of such unlicensed project and after opportunity for hearing, shall determine and fix a reasonable and equitable annual charge to be paid to the United States on account of such benefits by said owner or owners or other recipients of such benefits;

Ouachita and Black Rivers, Ark. and La.; House Document No. 104, Seventy-sixth Congress;

Mississippi River between the Ohio and Missouri Rivers; House Document No. 231, Seventy-sixth Congress;

Mississippi River between Missouri River and Minneapolis, Minn.; House Documents Nos. 103 and 137, Seventy-sixth Congress;

Illinois Waterway, Ill., and Indiana Harbor and Canal, Ind.; House Document No. 145, Seventy-sixth Congress;

Missouri River between Sioux City, Iowa, and the mouth; House Document No. 214, Seventy-sixth Congress;

Baudette Harbor, Minn.; House Document No. 216, Seventy-sixth Congress;

Menominee Harbor and River, Mich. and Wis.; House Document No. 228, Seventy-sixth Congress;

Green Bay Harbor, Wis.; House Document No. 95, Seventy-sixth Congress;

Milwaukee Harbor, Wis.; Senate Document No. 29, Seventy-sixth Congress;

Calumet Harbor and River, Ill. and Ind.; House Document No. 233, Seventy-sixth Congress;

St. Joseph Harbor, Mich.; House Document No. 129, Seventy-sixth Congress;

Cleveland Harbor, Ohio; House Document No. 232, Seventy-sixth Congress;

Erie Harbor, Pa.; House Document No. 116, Seventy-sixth Congress;

Rochester Harbor, N. Y.; House Document No. 139, Seventy-sixth Congress;

Oswego Harbor, N. Y.; House Document No. 96, Seventy-sixth Congress;

Monterey Harbor, Calif.; House Document No. 266, Seventy-sixth Congress;

Columbia River between Vancouver, Wash., and Bonneville, Oreg.; House Document No. 218, Seventy-sixth Congress;

Columbia River and tributaries above Celilo Falls to the mouth of Snake River, Oreg. and Wash.; Senate Document No. 28, Seventy-sixth Congress;

Columbia River, Oreg. and Wash.; the construction of the Umatilla Dam for purposes of navigation and irrigation in accordance with the plan submitted in House Document No. 704, Seventy-fifth Congress: *Provided*, That the amount hereby authorized to be expended upon this project shall not exceed the sum of $23,700,000;

Tacoma Harbor, Wash.; House Document No. 124, Seventy-sixth Congress;

Wrangell Narrows, Alaska; House Document No. 260, Seventy-sixth Congress;

Metlakatla Harbor, Alaska; House Document No. 138, Seventy-sixth Congress;
Meyers Chuck Harbor, Alaska; House Document No. 222, Seventy-sixth Congress.

Mr. DONDERO. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DONDERO: Page 8, strike out, beginning with line 17, down to and including line 22.

Mr. DONDERO. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DONDERO. Mr. Chairman, this amendment is offered to strike out of the bill the project known as the Umatilla Dam. It is shown in the bill seeking an initial authorization of $23,700,000. The entire project, as I said earlier in the day, means a commitment for an ultimate expenditure of $177,000,000. So that the Members of the House will understand what kind of an inland empire we are constructing in the Northwest—Oregon and Washington—may I just review briefly for you some facts: The Bonneville Dam will cost about $75,000,000, and $54,000,000 has already been expended. The Grand Coulee Dam will cost $394,000,000, on which $116,000,000 has already been expended, leaving $277,000,000 yet to come.

This proposal is nothing more nor less than a power proposal. Colonel Robins, of the engineers, stated over and over again that without power attached to this project it could not stand or be economically justified. It is located halfway between Grand Coulee and Bonneville. There is no reason in the world why power should be established at this dam when great blocks of power to be generated at Bonneville and Grand Coulee have not yet been sold. But that is not all of the picture. Above Umatilla Dam on the Snake River, a branch of the Columbia River, three more dams are contemplated, and, with this dam, total $933,000,000 more, with an average annual estimate for maintenance of $47,000,000.

That is the kind of picture presented here today. More than a billion and a half dollars involved in this inland empire of the Northwest, yet in all the history of this Republic we have spent only $2,300,000,000 on all river and harbor improvements in the United States. That is the kind of thing you are asked to vote on here today. It is for you to say whether or not, in face of the economic conditions existing in this country, you are willing to take this first step toward the Treasury and commit this Nation to another proposition involving $177,000,000.

The engineers plainly stated in their report to the Rivers and Harbors Committee, and Colonel Robins took the floor before our committee and said the same thing, that this project could not be justified at the present time as long as the power at Grand Coulee and Bonneville was not sold. It is to be generated there some day if people move into that territory, but now you want to build this additional dam when it is not needed. Frankly, this money is to build the foundations for a dam on which to develop power. Navigation is about 20 percent, but in reality it averages nearer 15 percent. If we vote for this project, all we are doing is driving the United States into a policy of producing power in a region where it is not needed or wanted at the present time, where there is no necessity for it, and at the expense of the taxpayers of the Nation, at a time when the Treasury is empty and we are in dire stress financially.

Perhaps the loose financial policy of other governments has caused their wreck and ruin. It may cause the wreck and ruin of our own country if we continue to authorize expenditures of money that involve huge and staggering sums, almost beyond the comprehension of the human mind, for things that are not necessary from the standpoint of navigation, irrigation, health, safety, or national defense. This ought to be laid aside until such time as it can be shown that people live there who need and can use this power. I hope this amendment will be adopted and that you will strike from this bill this enormous project—not $23,700,000, but $177,000,000. This is the first step. When once committed to it and you legalize this project, remember, you have to go through with it, because it seems to be the custom when the United States Government is committed to a folly it goes through and completes it, no matter what the cost may be to the taxpayers of the Nation. [Applause.]

[Here the gavel fell.]

Mr. PIERCE of Oregon. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I never heard in the same length of time so many misstatements, so many misinterpretations of the facts in my life. I would like the attention of the gentleman from Michigan [Mr. DONDERO]. I would like to talk straight to him.

To begin with, Bonneville is a navigation and power project. It is already built. Of its cost, one-half or more has been allocated by the Federal Power Commission to navigation. The power of Bonneville will all be taken in Portland and vicinity if the rates are kept where Administrator Ross had them; and then they will not use as much electric energy per installed meter per year as they are using at Winnipeg, Canada.

Much of the power at Grand Coulee will be used at the pumping plant. That project is for irrigation and power. Under it a million and a quarter acres are to be irrigated.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. PIERCE of Oregon. Not now, please.

Under that Coulee project practically all of the money is invested for irrigation. We are not arguing that case. There are no figures on earth from the engineers, or anywhere else, by which the gentleman from Michigan can substantiate a cost of $177,000,000 for Umatilla Rapids Dam—a clear misapprehension. The discussion in the Secretary of War's report is of "the coordinated improvement" for "navigation, irrigation, and power" covering a tremendous acreage for irrigation, and the production not now even being mentioned or contemplated in connection with this project. By adroit, shrewd questioning in the Committee on Rivers and Harbors the gentleman did get from Colonel Robins a statement that Robins never intended to make. [Laughter.] If you will read all of the hearings and honestly interpret them, you will find that Robins never intended to convey the impression that Umatilla was for power or irrigation. It is for navigation only. True, when they build the dam they are going to put in the foundations for power in case it is needed ultimately. Such construction is wisely a matter of routine at this time.

Forty percent of all the hydroelectric power in the United States is on this one river, the Columbia, and its tributaries. In time it will be developed, and there will be a big population there. In that inland empire of Grand Coulee and Snake River lands there will live half a million people. The only intention now is to give us some relief from the terrific freight rates that short-sightedly Wall Street insists upon imposing upon us. When my own boy went as a volunteer in the World War I could ship a bushel of wheat from my ranch to Tidewater for less than 10 cents a bushel. Today the rate has been jumped to over 20 cents a bushel. They have doubled our freight rates. This is to lower the freight rates on millions of bushels of wheat, 75 percent of which accumulates at Umatilla and above.

Umatilla Dam is a part of the great river improvement program, that is all; and there is no intention of developing power at this time. There is no justification for any such figures as quoted by the gentleman from Michigan as the cost of the dam at Umatilla Rapids. It is not to be found in any report if properly interpreted and understood. The larger figures he quotes were for an extensive navigation, irrigation, and power scheme not now requested nor even contemplated. The completed Umatilla Dam project now requested is estimated by Army engineers to cost $23,700,000, and this may be reduced by use of Bonneville power. The whole project of the Snake River is another question.

[Here the gavel fell.]

Mr. DONDERO. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes in order that I may ask him a question.

Mr. PIERCE of Oregon. If the gentleman will put his questions in the RECORD, I will answer them.

The CHAIRMAN. Does the gentleman desire 2 additional minutes to answer the gentleman from Michigan?

Mr. PIERCE of Oregon. Yes; I will try to answer whatever question he may ask.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. I call the gentleman's attention to the letter from the Secretary of War, found on page 10, House Document No. 704, Seventy-fifth Congress, third session, which states:

The Umatilla Dam will cost $177,000,000; annual cost, $9,000,000; annual navigation benefits, $955,000; annual cost chargeable to power, $7,835,000.

There is the source of my $177,000,000 figure.

Mr. PIERCE of Oregon. The gentleman misconstrued what they intended. Those tables apply to the Army engineers' report on an old bill and a plan of magnificent proportions long since abandoned. Those figures do not apply to the navigation project under discussion.

Mr. MICHENER. Does the gentleman contend that the gentleman who made the remarks did not intend to make them?

Mr. PIERCE of Oregon. No; he was referring to a different project. Navigation alone is now included.

Mr. DONDERO. But the four dams the gentleman refers to will amount to $933,000,000.

Mr. PIERCE of Oregon. No; they will not. But we are not asking for them. If they should ever be requested, there will be a very different estimate.

Mr. DONDERO. The figures are right before the gentleman. This dam alone at Umatilla will cost $177,000,000.

Mr. PIERCE of Oregon. That is not the fact. The dam at Umatilla will amount to $23,700,000.

Mr. DONDERO. That is for the foundation authorization.

Mr. PIERCE of Oregon. Yes.

[Here the gavel fell.]

Mr. ANGELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when I heard my distinguished friend from Michigan discussing this matter I thought we should examine the report of the Board of Army Engineers. I read what the report of the engineers on this project contains, with all due respect to my distinguished colleague. On page 37 of the report will be found all these projects listed separately and the amount they will cost and the amount of this authorization. For the Umatilla Dam—this is from page 37 of House Document No. 704, Seventy-fifth Congress, third session—the Umatilla Dam, the complete cost is $23,700,000.

The figures my friend from Michigan has in mind and is parading before you are not included in this bill. They are not included in the Umatilla Dam project; they are not before this body in any respect. The only thing you are asked to vote upon with reference to this particular item is the Umatilla Dam, and it is to be completed at this cost, $23,700,000. The other dams the gentleman spoke of are miles up the Snake River or down the Columbia, and this bill has nothing to do with those projects.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. ANGELL. I yield, gladly.

Mr. DONDERO. Is it not a fact that the total cost is $177,000,000? Will not that be the final cost?

Mr. ANGELL. No, that is not the fact.

Mr. DONDERO. Then the figures given by the Secretary of War are wrong.

Mr. ANGELL. The figures given by the Secretary of War are absolutely correct and are listed here, and I call the gentleman's attention to them. He will find the Umatilla project listed at $23,700,000. The other dams are other projects not included in this bill.

Mr. PIERCE of Oregon. Will the gentleman yield?

Mr. ANGELL. I yield to my esteemed colleague from Oregon.

Mr. PIERCE of Oregon. This is all for carrying on irrigation 50 years from now and he is trying to bring it in now.

Mr. ANGELL. I thank you, Governor, for your observation. Mr. Chairman, considerable has been said with reference to the alleged fact that this is a power project. The whole argument of the gentleman from Michigan is that this is a power project. He says he is for it if it is not a power project. So he is for this project, because it has no power in it, although he does not know it, and I will prove it by the testimony given before the committee.

Colonel Robins appeared and testified before our committee. He is a member of the Board of Army Engineers. He was the district engineer who made the survey and report and knows more about this project than anyone else.

The exact quotation I want to bring to your attention is on page 12 of the hearings before the committee. The gentleman from Michigan [Mr. DONDERO] asked this question:

How much of this $23,000,000 is allocated for the generation of power?

That is the question my colleague asked Mr. Robins. The gentleman states that this is a power proposition. He relies upon the Army engineers. He has great faith in them. So do I; so do all of us. That is the question he asked Colonel Robins, and here is Colonel Robin's answer as to how much of the $23,000,000 involved power. Colonel Robins said, "None."

Mr. DONDERO. Read the rest of that line.

Mr. ANGELL. He said:

There will be just the foundation for the powerhouse.

Here is his complete answer. I will read the question and answer which I was reading when interrupted:

Mr. DONDERO. How much of this $23,000,000 is allocated for the generation of power?

Colonel ROBINS. None. There will be just the foundation for the powerhouse.

Here is an answer given by Colonel Robins on page 16:

Colonel ROBINS. The great need for the project is for navigation and not for power.

Mr. ANGELL. There is no power involved in this proposal before the committee now, is there, Colonel Robins?

Colonel ROBINS. No, sir; not a bit.

Mr. ANGELL. It is purely navigation?

Colonel ROBINS. The estimate of $23,000,000 for constructing the Umatilla Dam is entirely aside from power facilities, except the foundation for the powerhouse, which really forms part of the dam.

As I understand it, a rule has been adopted by the Army engineers that they will not construct a dam on any river where there are power possibilities without putting in a foundation for future power development in the event it may be needed later.

[Here the gavel fell.]

Mr. ANGELL. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. DONDERO. Mr. Chairman, reserving the right to object—and I shall not object—I would like to know if the gentleman will yield to me in order to put one-half page of Colonel Robins' testimony in the RECORD, inasmuch as he has quoted some of it?

Mr. ANGELL. Certainly.

Mr. PIERCE of Oregon. I think all of it should go in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Chairman, in a nutshell the whole proposition is this: We have the great Columbia River, which, as I said a moment ago, is the second largest river in the United States. We have a very considerable development there for

water transportation which has been going on for a good many years. We have recently completed the Bonneville Dam, in which there are sea locks and this has opened up river transportation for seagoing vessels from the mouth of the Columbia River as far as The Dalles. This project has to do with navigation only, not power. The desire is to build only a dam at Umatilla Rapids, so that navigation on the Columbia River may be extended from The Dalles, its uppermost part of the present sea-wide transportation facility that has been provided by Bonneville, up to the mouth of the Snake or a short distance beyond, a distance of some 350 miles. This will bring it in contact with the development at Grand Coulee and furnish transportation for Idaho, Montana, eastern Oregon, and eastern Washington. It is purely and simply a navigation proposition.

My friend from Michigan could very well say that we are gong to spend $177,000,000 for some future authorization and include also the St. Lawrence River. He might as well include the project that we have under consideration down in Florida, or any other project.

The only thing before us and the only thing contemplated is the completion of one single dam, and there is nothing else to be done in connection with it to complete the project. It stands on its own feet. It will be absolutely complete if nothing further is done with the project when the $23,700,000 is spent on it. Then water transportation will be provided from the mouth of the Columbia River to the Snake River, which will open up that great inland empire out there. It is not in any sense of the word a power project.

Mr. THORKELSON. Will the gentleman yield?

Mr. ANGELL. I yield to the gentleman from Montana.

Mr. THORKELSON. Does the gentleman mean to say that the building of this one dam will provide a sufficient depth of water for 300 miles of navigation?

Mr. ANGELL. That is what the Army engineers say.

Mr. THORKELSON. For 300 miles?

Mr. ANGELL. For 350 miles. Of course, this includes the other dams that have been built and the dredging that has already taken place. This will complete the project, so there will be water transportation provided for 350 miles from Astoria at the mouth of the Columbia to the mouth of the Snake River.

Mr. THORKELSON. Does the gentleman believe the cost of this project justifies the navigation that may be had upon that river?

Mr. ANGELL. I consider it will.

Mr. THORKELSON. Does the gentleman think it will pay for itself.

Mr. ANGELL. In the long run I think it will pay for itself.

Mr. THORKELSON. Without any power development?

Mr. ANGELL. Without any power development.

I call your attention to the fact that this is only an authorization. It is also a 3-year project. This money will first have to be authorized by the Congress, and this will be done piecemeal.

It will take at least 3 years to complete this project under this authorization of $23,700,000, and none of it will be included in this year's Budget. It is a matter which has to be taken up under some future appropriation bill.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. ANGELL. I yield to the gentleman from Michigan.

Mr. DONDERO. I just want to read one question and the answer of Colonel Robins so everybody will understand:

In other words, Colonel Robins, we are faced in this committee with this proposition: The engineers think this is a good plan, that it will pay out if we can sell the power, but the Board of Army Engineers does not say that there is any market for power at the present time. Is not that the situation in a nutshell?

Colonel ROBINS. Yes, sir; that is it.

Mr. ANGELL. In answer to the gentleman's statement I read from page 8 of the hearings where Colonel Robins says this:

But the indirect benefits from those savings in transportation costs are very great.

He was referring just to the Umatilla Dam.

You cannot state it in dollars and cents, but it means everything to the development of that whole country, to get this navigation now without waiting until you can sell all the power. It is a question of whether Congress in its wisdom would authorize this development to get navigation going without waiting for the development of the power, which would absolutely make the project pay out.

That is Colonel Robins' answer. Colonel Robins said further on page 10 of the report:

Colonel ROBINS. This should be the next step in that program, unquestionably, building the Umatilla Dam. Umatilla is the key to the situation. You cannot get up in the Snake River by open-river methods. The Umatilla Rapids themselves are the biggest obstacle, and then above that there are the Homly Rapids, and it is impossible to improve those rapids by open-river methods at any reasonable cost, and the Umatilla Dam is absolutely essential to any navigation, any through navigation in the Snake River, and it should be the next dam constructed on the Columbia, unquestionably.

Mr. GREEN, If this is constructed, how far will that take navigation up the river?

Colonel ROBINS. It will take it up to Pasco, the mouth of the Snake River.

[Applause.]

[Here the gavel fell.]

Mr. MOTT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I am sure if all Members were acquainted with the Columbia River there would be little or no objection on the part of the House to this proposal. The Columbia River is perhaps the most unique river in the United States. In volume of water it is the second largest river in the United States. It is the only river on this continent which traverses two ranges of mountains. This river rises in the highlands of Canada, comes down through eastern Washington and Oregon, pierces the great Cascade range, then goes 100 miles farther west, pierces the coast range, and empties into the ocean. The Columbia River is the largest lumber port in the world, the second largest wool port in the United States, and the third largest wheat port in the United States. The Columbia is a very important river. All the products that are shipped out of that river in such great quantities are grown in the vicinity of the river. The wheat and the wool come from eastern Oregon and eastern Washington, where Umatilla Dam will be built.

I have never heard of this being a power project, and no one in Oregon considers it a power project. It is a navigation project exclusively. The purpose of it is to make the great Columbia River navigable for some 300 or 400 miles from its mouth. Already through the building of the Bonneville Dam we bring ocean-going vessels more than 150 miles from the ocean through two ranges of mountains, and there in eastern Oregon they actually load wool and wheat on these vessels. If the Umatilla Dam is built so the river will be navigable for some 350 miles from the ocean, that will bring our ocean-going vessels, or barges, at least, right into the heart of the wheat country and the wool country.

I believe this is one of the most meritorious river projects that has ever been brought before the House. The purpose of it is navigation, and not power. I can see little reason for any objection to this proposal, and I hope the amendment offered to strike out the Umatilla Dam provision will not prevail. [Applause.]

Mr. MILLER. Mr. Chairman, I rise in opposition to the pro forma amendment.

I fully realize that those of you who have not a project within your districts are eager to have this bill disposed of, but some of these items are of great concern to the respective districts of many of us.

The last several speakers have been emphasizing the fact that there is no power development in connection with the project now under discussion—in connection with the pending amendment. I wish to take this opportunity to point out that in connection with the Connecticut River project, to which we of Connecticut are unanimously opposed—or, at least, no one in the Connecticut delegation has spoken for it—there is no question as to whether or not power is involved.

To prove that, I submit from the testimony before the committee the questions asked by the gentleman from Michigan [Mr. DONDERO] and the answers of Colonel Wheeler, of the Army engineers:

Mr. DONDERO. It has been the policy, Colonel, in these projects, that, as far as power is concerned, it has been an incident to the project of navigation, has it not?

Colonel WHEELER. Well, it is a coordinate use in this plan that is before Congress now.

Mr. DONDERO. Now, this project rather reverses that? Power becomes the major factor and navigation the minor or incidental factor?

Colonel WHEELER. That is correct, in the relationship of 6 to 3.8.

So there can be no argument about power being involved in the Connecticut River project.

In that same connection I believe the Members of the House would be interested to know that the Hartford Electric Light Co., which furnishes a good deal of electricity in that area, last year added 40,000 kilowatts to its capacity. The 40,000 kilowatts were added at a cost of $80 per kilowatt, while in this project, again accepting the testimony of the Army engineers, the electricity to be developed, namely, 29,500 kilowatts, is to cost the taxpayers of the United States $262 a kilowatt.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. If the project on the Connecticut River is completed it will displace the use of 50,000 tons of bituminous coal?

Mr. MILLER. It will.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Texas.

Mr. RAYBURN. I have been intending to go along with Connecticut on this amendment, but some of the gentlemen from Connecticut are going to make too strong a case for the fear that some day there might be a little power generated on some river. I believe it would be wise for the gentlemen from Connecticut to leave off speaking on their amendment until other amendments are disposed of, to be frank about it.

Mr. MILLER. May I say to the majority leader that power is not the major factor. What I was emphasizing was the testimony in the hearings that the economic justification of the project necessitated the ownership and operation of a power plant. That is certainly not the major concern of the people of Connecticut, with only 29,000 kilowatts, not enough to provide electricty for the smallest town on the Connecticut River. What disturbs us is that this project as well as the dikes now being built in Hartford and East Hartford will increase flood crests. What we want is flood protection.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. SCHAFER of Wisconsin) there were—ayes 79, noes 58.

Mr. ANGELL and Mr. MOTT demanded tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. DONDERO and Mr. ANGELL.

The Committee again divided; and the tellers reported that there were—ayes 100, noes 78.

So the amendment was agreed to.

Mr. MANSFIELD. Mr. Chairman, we have some committee amendments, two of which are to this section, and I would suggest that we be permitted to offer them next.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. MANSFIELD: On page 6, between lines 13 and 14, insert the following paragraph:

"Buffalo Bayou and its tributaries, Texas: The project set forth in House Document No. 456, Seventy-fifth Congress, and authorized by Public, No. 685, Seventy-fifth Congress, is hereby modified in accordance with the provisions of section 2 of Public, No. 761, Seventy-fifth Congress, and all requirements of local cooperation inconsistent with said section 2 are hereby eliminated."

Mr. MANSFIELD. Mr. Chairman, this amendment is suggested by the Chief of Engineers for clarifying and modifying a provision in a former river and harbor act to make it comply with provisions since that time adopted in the flood-control bill.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. MANSFIELD: On page 2, between lines 13 and 14, insert the following item:

"Connecticut River above Hartford, Conn.; House Document No. 165, Seventy-sixth Congress;".

Mr. MANSFIELD. Mr. Chairman, this is the committee amendment with respect to the Connecticut River which, as you all understand, is controversial and contested, especially by gentlemen from New England. I was not present at the main hearings—I was in the hospital at the time—but when the committee first took the matter up I was present. The hearing was partially completed on that occasion and then postponed to a later date. While I was not present the committee completed the hearing and rejected the project by a close vote, as I understand it, the vote being 9 to 8, or something like that. Afterward a rehearing was granted, and on that occasion the committee adopted it as a committee amendment by a majority vote of the committee, some members of the committee still protesting against it.

This is now offered as a committee amendment, and as chairman of the committee I am carrying out the instructions imposed upon me by the committee.

Mr. PARSONS. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Illinois.

Mr. PARSONS. I wonder if the gentleman would explain to the House how much the amendment involves and how much of it is for power and what amount, if any, is for navigation.

Mr. MANSFIELD. The total cost will be $12,344,000. Approximately one-half of it, as I understand from a member of the Board of Engineers whom I heard, is for navigation and about one-half for power. It is for the construction of a dam at Enfield, with a view to carrying navigation from Hartford to Holyoke, Mass. The member of the Board of Engineers testified that from the standpoint of navigation alone it was not justified, but by a combination of navigation and power together, in the manner in which it was reported, it was justified and would be a paying proposition.

Mr. CARTER and Mr. MOTT rose.

Mr. MANSFIELD. I yield to the gentleman from California.

Mr. CARTER. Is it not a fact that the engineers, on several prior occasions when power was not taken into consideration, had reported adversely on this very project?

Mr. MANSFIELD. A project was adopted in the River and Harbor Act of 1930 which authorized the construction of a channel 12 feet deep between Hartford and Holyoke, subject to certain conditions. Local interests have not complied with those conditions and no work has been done under this authorization.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Oregon.

Mr. MOTT. It was stated several times on the floor this morning by Members from the New England States that the people in that part of the country do not want that project. If that is true, is there any reason why any one should vote for it.

Mr. MANSFIELD. The gentleman will have to answer that question for himself.

Mr. MOTT. In the gentleman's opinion, I mean.

Mr. MANSFIELD. So far as I know, every witness that appeared before the committee from Connecticut opposed it. Some of those from Massachusetts favored it, especially from Holyoke, Springfield, and Chicopee. They are on the river above Hartford. We have now a navigation project of 15 feet depth up to Hartford, and this is to carry it up to Holyoke, 30 miles farther, at a depth of 12 feet.

Mr. MOTT. In the gentleman's opinion as chairman of the committee, would it be a correct statement to say that most of the people in the vicinity of this river do not want this project?

Mr. MANSFIELD. It would be hard for me to answer that question. The gentleman might ask the gentlemen from Connecticut and Massachusetts.

Mr. MOTT. The gentleman from Massachusetts said that nobody up there wanted it.

Mr. TREADWAY. Oh, Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Yes.

Mr. TREADWAY. Of course the gentleman from Oregon wants to be fair. Navigation is already provided to Hartford.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MANSFIELD. Mr. Chairman, I ask unanimous consent to proceed for 2 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TREADWAY. Therefore, it does not seem to me that to reach as far as Hartford, the people should be considered. I agree with the gentleman from Connecticut [Mr. MILLER] that the people from Hartford to the Massachusetts line seem to be opposed to it. We are speaking in behalf of the Massachusetts people and they are practically solid for this project. That is where the navigation is actually going to be provided. Further, if I may be allowed in the gentleman's time, I refer to the statement made by the gentleman from California [Mr. CARTER]. This project has not been before Congress before as a combined project of power and navigation.

Mr. MANSFIELD. It has been up only for navigation heretofore.

Mr. TREADWAY. Yes.

Mr. MILLER. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Yes.

Mr. MILLER. Is it not a fact that there are six towns, two of them rather substantial, between Hartford and the Massachusetts line that do not have navigation at this time and apparently from the information sent down do not want it. They came from Windsor Locks and from Enfield, both substantial towns, on the river, and they have no navigation at those points.

Mr. MANSFIELD. I assume the gentleman is correct, though I do not know definitely.

Mr. DONDERO. Is it not a fact that this dam will be located in the State of Connecticut?

Mr. MANSFIELD. Yes.

Mr. DONDERO. I do not know whether the chairman was present or not at the time, but the statement was made by Dr. McNamara, representing the Public Utilities Commission of Connecticut, that the Commission has over 200,000 kilowatt-hours of electrical energy on hand for which there is no market.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. CLASON. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CLASON. Mr. Chairman, this project is a project which the Army engineers have been concerned with for many years. More than $370,000 has been expended by the Army engineers in surveying for this project. At the present time there is a law on the statute books, passed in 1930 under the river and harbor act, which provides for the carrying out of this project. This amendment in effect makes two changes. The present law provides for the construction of two dams, the first one and a half miles above Hartford, in Connecticut, which will be solely for navigation, and the second at Enfield Rapids, close to the Massachusetts-Connecticut State line, which will be for a combined navigation and power purpose. Under the present law the Government would build the dam above Hartford. It is left under the present law for the State of Connecticut, its municipalities or other subdivisions or for private capital, to build a combined power and navigation dam at Enfield Rapids. Since the time that law was passed, a public utility in the State of Connecticut held a franchise for the building of that dam, and after holding it and blocking construction of the dam for about 2 years its license was terminated because it did nothing and at that time the present depression was under way in 1931. This project has no hidden money in it. When it is completed, at a cost of $12,410,900 to the Federal Government, that is the end of the expense to the Government. In addition there will be an expense of $300,000 by the cities of Chicopee, Holyoke, and Springfield for terminals, and $383,600 by railroads to fix their bridges.

This project at Enfield Rapids calls for the installation of power generators to the capacity of 29,500 kilowatts. They will produce about 170,000,000 kilowatt-hours per year. As has been testified, that is a mere drop in the bucket so far as power is concerned in that area. This dam could not be started before 1940. It would not be completed before 1943 and by that time the full amount of the power generated at that dam would be needed in that area.

It has been testified that power can be carried within an area of 100 miles to great advantage. Within 100 miles of this dam is the most valuable consuming territory in the world. Within 100 miles of this dam is the whole State of Connecticut, the whole State of Rhode Island, practically all of Massachusetts, parts of New Hampshire and Vermont, and a large share of the State of New York. It includes the cities of New York, Boston, Albany, Schenectady, Troy, Springfield, Hartford, Worcester, Bridgeport, Pawtucket, New Bedford, and Cambridge—practically every large city in New England, and most of those in New York State.

Now, with this great consuming population within 100 miles of the particular dam, for any person to argue that there will not be a market for this power when the dam is completed is absolutely absurd. I think that the Army engineers, by their recommendation, the Federal Power Commission, by their recommendation, and by their statements, have shown beyond peradventure that this project is a good project.

As far as power is concerned, it is needed in those communities. The total sales price for the power at this dam will be only $600,000 a year. At the present time the city of Springfield, in which I live, sells for $275,000 a year to the Turners Falls Power Co. the power generated at its city waterworks. The city of Springfield is smaller than the city of Hartford. Nevertheless, we find that the city waterworks will generate about half the power that this dam at Enfield will produce.

When it comes to the question of opposition from a large part of Connecticut and some parts of Massachusetts, it is based upon flood control. One woman came down, as has been stated on the floor, with a petition of 600 names, stating that they were afraid on the flood-control issue; but the Army engineers in a letter of April 13, which is in the printed report, said that the Hartford and Enfield dams will be constructed with suitable and sufficient gates to pass the flood waters without an appreciable increase in the maximum flood heights. One of the witnesses who was opposed to the project stated to the committee that in view of that statement of the Army engineers he had no objection on the question of the effect on floods.

Those people who came down from Connecticut complained about a 15-inch increase in flood heights between Hartford and the State line at Massachusetts. If that is due to anything it is due to the big dikes now under construction at Hartford, and it was so testified by the engineers in connection with this project. Every bit of the increase in flood waters can be laid to those dikes at Hartford.

This opposition from Connecticut is very peculiar. General Wadhams comes down representing the Governor of Connecticut, and he tells the committee that they are very anxious

to have all the money to be expended in the Connecticut Valley spent on flood-control reservoirs and dams. None of those dams will be in Connecticut. Some of them will be in Massachusetts, two of them very near the city of Springfield. At Knightsville, on the Westfield River, the Federal Power Commission is calling for a dam at which power may be generated. In other words, Connecticut is very well satisfied to have a project with a dam connected with power if it is not in the State of Connecticut, and will be of benefit to Hartford; but a dam that has power connected with it in the State of Connecticut that will be helpful to Springfield, Chicopee, and Holyoke, they will not stand for it. They are unanimous on that proposition. That is a ridiculous position to take. When we come to navigation, it has been stated that not more than 5 percent of the traffic on the Connecticut River at Hartford is water-borne; but if we turn to the report of the Army engineers, Document No. 35, back in 1930, it shows that the total amount of tonnage in the city of Hartford, both rail and water, everything that comes in, was 1,725,000 net tons, of which 475,000 tons, or about 27½ percent, is water-borne.

Mr. MILLER. Mr. Chairman, will the gentleman yield for a question?

Mr. CLASON. Not until I have finished.

Since 1930 more than 400,000 additional tons are coming by water up to Hartford. Back in 1930, before they had this big increase, and the increase has been 65 percent in the last 7 years on the river up to Hartford on water-borne tonnage, they already had 27½ percent water-borne. Now you turn to Springfield, Chicopee, and Holyoke, and we do not get any of this water-borne traffic. Every bit of tonnage of this type, oil, coal, paper, and other heavy, bulky materials, is shipped to some New England port, New London, Providence, or Hartford; then it is taken over the road by truck or it is brought by pipe line from Providence, if it is oil. What is the result? Here we have a large industrial and munitions center in western Massachusetts in competition with exactly similar types of industry in Connecticut. Our industries in Massachusetts have to pay exactly the same rate that the Hartford people do as far as Hartford and we have to pay the additional cost of transshipment from Hartford or elsewhere into Springfield, Chicopee, or Holyoke. [Applause.]

[Here the gavel fell.]

Mr. CLASON. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CLASON. I believe I have taken care of the navigation issue, the flood-control issue, and the power issue. We come to another issue which is not evaluated in dollars and cents—the recreation issue. This is the largest river in New England. At the present time Northampton, Holyoke, Chicopee, Springfield, and Hartford are doing away with their sewerage systems so that the river will again be a means of large recreational facilities. It means a whole lot to the city of Springfield to have in front of the city a river 100 feet wide, with a channel of 12 feet, rather than the present river, which has sandbanks across it to such an extent that nothing can navigate it except motorboats.

When it comes to Hartford, the opposition to this project is power. I think the gentleman from Michigan [Mr. DONDERO] hit the nail on the head; it is power. So far as the testimony in the hearings is concerned, every utility company in western Massachusetts has indicated that it has no objection to this dam or to the power which may be generated at the dam. They say it is a mere drop in the bucket and amounts to nothing. It is significant that Hartford is at one end of this 32-mile project and Holyoke at the other. By the Federal Power Commission's own figures, it appears that there are 21 cities in Connecticut and Massachusetts with over 50,000 population. The small consumers represent at least 50 percent of the customers. For the same amount of electricity the people of Holyoke pay $1 a month, while the people of Hartford pay $1.75 a month. If the Hartford Electric Light Co. opposes this project—and I do not know that they do—but if they wanted to give their consumers the same rate Holyoke does it would take up all of this surplus electricity—and it will not be on the market for 3 years. The electric utility in Hartford is privately owned, whereas that in Holyoke is a city department, but they pay practically the same percentage of their income in the way of taxes and cash contributions to the taxing authorities.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. CLASON. I yield.

Mr. VOORHIS of California. On the question of whether there is too much electrical energy, is it not a fact that the utility at Hartford has just added about 48,000 kilowatts of capacity to their plant?

Mr. CLASON. They added 40,000 kilowatts last year; 1939 is starting out as the greatest year in electrical power history. The Hartford Electric Light Co. added 40,000 kilowatts to their steam plant last year, which is greater than the entire output of this dam.

[Here the gavel fell.]

Mr. MILLER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I trust that this 5-minute period will complete my presentation of this important problem. In previous times I have pointed out that the Governor of the State of Connecticut was opposed to this proposition. The chairman of the Committee on Rivers and Harbors, in his usual fair and generous way, stated that extensive hearings were held, but the committee rejected the project. On last Monday the committee reopened hearings and three witnesses appeared before the committee against the project, one witness appeared for the project, and one was more or less noncommital, although I believe in favor of the project. After that testimony, in an executive session lasting about 5 minutes, the committee reversed itself and the item is now before us as a committee amendment. I do not want to repeat any of the things I have said before. I have tried to point out that we had plenty of towns between Hartford and Holyoke that do not have navigation that are opposed to this project. I do want, however, to answer some of the questions raised in the statement of my friend and colleague the gentleman from Massachusetts [Mr. CLASON] and refer to his statement as to the great tonnage on the Connecticut River.

I stated this morning that, outside of petroleum, not 5 percent of the freight incoming and outgoing from Hartford came up and down this river. I refer to page 17 of the report. I read:

> In the last 7 years the total tonnage below Hartford increased about 426,000 tons, or 65 percent. This is due mainly to the enormous increase of 513,000 tons, or 148 percent, in petroleum products. On the other hand, bituminous-coal traffic has decreased about 82,000 tons, or 37 percent. Steamboat freight ceased after 1931, when the regular line to New York was discontinued. The increase under miscellaneous during the last 2 years it attributable to the large shipments of scrap iron which was placed in that class. In the last 11 years the miscellaneous tonnage of water-borne traffic other than coal and petroleum products below Hartford has averaged less than 10 percent of the total.

I refer you also to page 27 of this report of the Army engineers on this project on the question of its effect on flood control—and that is what we are concerned with. It is true that the Army engineers who are now spending money that has been appropriated by Congress to build dikes at Hartford and East Hartford state that these dikes would cause a slight increase in flood crest north of that point, but I read the following from their report:

> The discharge over Enfield Dam would not be reduced by submergence, even at maximum flood stages, as the depth of submergence is not sufficient to affect free overfall. Flood heights in the Enfield pool are governed now by the existing Enfield Dam. With the proposed Enfield Dam a slightly greater surcharge over the spillway crest than at the existing dam would be needed to pass some flood discharge, owing to the shorter spillway length of the proposed dam. Added to this increment would be the backwater effect of the proposed dam located downstream from the existing dam. The summated effect of these two factors is to increase maximum flood heights 0.7 foot at Springfield, 0.4 foot at Chicopee, and 0.3 foot at lower Holyoke.

That refers to the Enfield Dam. The figures are not given in the report covering the increase of the dam a mile and a half north of Hartford.

Mr. Chairman, I have in my possession a petition, previously referred to, signed by 673 residents of the Connecticut River Valley; another petition from West Springfield, Mass., signed by 255 residents of West Springfield, Mass., and Agawam, Mass.; and I have a letter, previously referred to, from a farmers' cooperative doing business with more than 50,000 farmers. I also have a sheaf of 18 telegrams from labor organizations, including three of the Big Four brotherhoods. I also have a letter from the Holyoke Taxpayers' Association, signed by the president of that association, Mr. Fowler. He states that his taxpayers represent more than 49 percent of the assessed valuation of the property in Holyoke and are opposed to this project. Holyoke is at the head of navigation.

[Here the gavel fell.]

Mr. SMITH of Connecticut. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to state my reasons for opposing the pending amendment. We have heard, and will hear in the arguments on this amendment, the usual pro-utility and anti-utility arguments. I do not credit a good many of them, such as the arguments that are put forward that there is no need for power in that area. It is a very heavily industrialized area and the need for power is steadily expanding. The amount of power generated by the dam would, as has been stated, be very small. The utilities, whether they have made any drive for it or not, would undoubtedly oppose Federal power in the area.

The railroads, the railroad brotherhoods, and the unions oppose navigation because they think it might compete with the railroad and hurt the railroad, which is now in receivership. But those are not the major considerations at this time.

In that valley we have been plagued by serious floods during the last 12 years. In that time we have had three major floods that have done many millions of dollars of damage. We have voted for flood-control projects, a dam farther up the river, and on the tributaries.

During the last week we added to the House bill several projects besides those the committee brought in to try to bring forward flood control of that river. There is no question but that these two dams provided in the pending amendment would raise the flood crest at Hartford. The amount of the rise is in dispute, but it would be raised. I have been requested by the water commission to state its opposition to going ahead with this project at least until the flood-control works above are completed.

We are, on the one hand, appropriating money to try to take care of floods and on the other hand we bring in a project to be started at the same time, which would offset these flood-control works. If these dams were completed before all the works which we now have contemplated and appropriated for are completed, we would be worse off than we are at the present time, as far as floods are concerned.

I think that is the major consideration. I do not think we can justify with our people voting for a project which would be, in the face of the history of those floods and the damage done by them, a project which would deliberately raise the flood crest at those towns along the river. For these reasons I ask that the amendment be defeated.

[Here the gavel fell.]

Mr. VAN ZANDT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, a number of times during the debate on the river and harbor bill, which embodies the Connecticut River amendment, it was mentioned that a lot of false propaganda concerning this measure had been placed in the hands of the Members of the House of Representatives. It was charged that this propaganda was disseminated by those who finance the railroad industry of our country.

As many of you know, I am a railroad man. I was an employee of a railroad from the time I started to work until I was elected to this House. I know little about the financing of the railroads, but I know the practical problems of the railroads and I know the problems of the railroad employees, the men who run the railroads.

I wish to state that I received no propaganda concerning this legislation from any Wall Street financiers. I did, however, receive some propaganda from two of my colleagues. I refer to letters I received from the gentleman from Oregon [Mr. PIERCE] and the gentleman from Mississippi [Mr. RANKIN].

In his letter the gentleman from Mississippi stated:

> It was also brought out before the committee that no railroad men had ever lost their jobs because of rivers and harbors development.

The gentleman from Mississippi continues:

> Certain railroad financiers are opposed to this kind of improvement because it sometimes compels them to improve traffic, give consideration to local interests, and provide reasonable transportation rates to the people to be served.

I do not speak for the moneyed interests who control the railroads of this country. I speak for the railroaders, 27,000 of them back in my congressional district, and for all the other people who depend indirectly on the railroads. I, too, speak for 10,000 soft-coal miners and their dependents. I would be false to the trust reposed in me by those good people who elected me to Congress if I allowed the statements of the gentleman from Mississippi to pass unchallenged.

In speaking for both of these groups, may I say we are opposed to the Government subsidizing waterway projects, hydroelectric power projects, coastwise shipping, river transport, busses, trucks, pipe lines, power lines, and airplanes, or any unregulated transportation facilities which compete with the railroads. I am opposed to these subsidized competitors for the simple reason that they are taking the bread and butter from the mouths of my people.

Let me tell you some of the reasons why we are opposed to these Government subsidies of chiefly unregulated competitors of the railroads. Let me cite some of the things which contribute to our unemployment problem. Let me tell you some of the factors which contribute to our national debt of more than $40,000,000,000. Let me tell you why our national economy grows more cockeyed every day with these unwise and short-sighted policies prevailing today.

The coal industry of this country represents an investment of $3,000,000,000. It is essential to the welfare of the Nation in both peace and war. It is a basic national industry and of equal rank in point of necessity with our food supply. The coal industry and the railroad industry are natural allies. Each is essential to the other. What affects one affects the other.

The coal industry is the largest employer of labor in the United States today, despite the tremendous drop due to the competition of subsidized industries. In 1923, the coal industry employed 704,793 men. Today, it only employs 484,000 men. That is where a part of our army of unemployed was recruited.

The coal industry pays the highest wages of any industry in the United States, 87 cents per hour. The railroads pay the next highest wages, 68 cents per hour. Twenty percent of all the revenue freight carried by the railroads is represented by coal. During the last 10 years, the coal industry has lost $400,000,000 in revenue, by reason of competition from other fuels and generators of power. In 1929, the railroads received $827,798,969 in revenue for hauling bituminous coal. In 1937, the last full year on which figures are available, the railroads received $634,292,743 in revenue for hauling bituminous coal. That represents a net loss of $193,506,226 in railroad revenues, when you compare the revenues of those 2 years.

Any man who is in business or who has any familiarity with business knows what happens when his revenues are cut by one-quarter and yet his overhead continues at virtually the same figure. That is a partial answer to the plight of the railroads. Coal represents 20 percent of the

revenue freight handled by the American railroads and it is the most profitable freight for the railroads.

In my district alone, coal represents an investment of $27,000,000. As I said a moment ago, 10,000 men depend upon the coal industry in my district and some 27,000 men depend on the railroads. When the coal industry is not working, as witnessed in the recent deadlock between the miners and operators, the railroaders do not work. That sort of thing was an economic tragedy in my district.

Let me give you some idea of the significance of that to my district. Take, for instance, the city of Du Bois, with a population of about 12,000. When the rail shops of that community, which is an important railroad division point, are forced to close down the whole community closes down because about 75 percent of the population depends on the railroad pay roll.

This unfortunate situation is even more pronounced in my home city of Altoona, where something like 90 percent of the population of nearly 90,000 is dependent on the railroad pay roll. In 1926 the railroad pay roll in Altoona was $2,207,372 a month, but today, as a result of all manner of unregulated and competing methods of transportation, as well as the slump in the coal industry, that pay roll has shrunk to $1,369,000 a month.

Another little city in my district, the city of Tyrone, an important railroad junction point, with a population of 9,000, has a monthly railroad pay roll of about $50,000, and about 50 percent of the population is dependent upon that pay roll.

Gentlemen, those of you who never lived in a railroad town have no conception of the distress and suffering that comes in the wake of an economic disturbance of any kind which affects the principal industry.

Now, I will give you the specific answer to why I am opposed to this proposal to appropriate $13,000,000 for this Connecticut River project. That power project would displace 50,000 tons of coal annually. It requires 1,000 railroad cars, or 100 coal trains, to haul that amount of coal. That means work for 5,000 railroaders and miners. Can you blame me for standing here today opposing this project which would result in more miners and more railroaders being thrown out of work? And when I say thrown out of work, I do not mean temporarily. I mean the jobs of those 5,000 men would be gone forever, gone the same way that thousands and thousands of other miners and railroaders' jobs have gone.

That is the starting point of a vicious circle of cockeyed economics, which are destroying jobs, destroying purchasing power, and destroying the morale of the American people. That is a part of the unjustifiable and uneconomic policies which are creating nothing but more and more need for relief and the need for more and more millions to pay for it. That sort of thing has to stop somewhere some time, and we might just as well start right now with this Connecticut River project. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from Texas [Mr. MANSFIELD].

The question was taken; and on a division (demanded by Mr. VOORHIS of California) there were—ayes 36, noes 98.

So the committee amendment was rejected.

Mr. DONDERO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DONDERO: On page 5, strike out lines 20 to 25, inclusive.

Mr. DONDERO. Mr. Chairman, this amendment is designed to strike out the Tombigbee project. In the bill the initial authorization calls for $12,500,000. The total project, with State contribution, amounts to about $73,000,000, and the Federal part of it is about $67,000,000.

As described to you by the gentleman from Mississippi, this project proposes to connect the Tennessee River with the Tombigbee River. Considerable study has been made of this project, and, as the gentleman from Mississippi has already said, there is no power in this bill; but the report that was filed by the engineers with the committee is not a very enthusiastic report and includes three items of a rather speculative nature. If these three items are deleted from the bill, this project is not economically justified.

In addition, I wish to make it known that this country has now expended about $400,000 on another survey to determine whether or not it is feasible or more economical to build a waterway to connect the Tennessee River with the Tombigbee River by way of the Warrior River in the State of Alabama instead of this proposal. I believe that just recently the chairman of our committee received a telegram from the Governor of Alabama asking that this matter be deferred until a full report has been filed and consideration given to whether or not the Warrior course is more feasible, more economical, and a better waterway than the proposal before the committee this afternoon, namely, the Tombigbee.

The three items which are rather speculative, and which, if deleted, would make the project economically unjustified, are these. In the report is a credit for $600,000 annually for national defense. I do not argue, and I do not mean to impose upon the time of the Committee to say that in time of war this project would or would not have that value. One Federal board thought that was a very speculative item. The next item is a $275,000 credit for increase in land values. The third item of $100,000 is credited to recreational purposes. These three total $975,000. The saving estimate is approximately $4,000,000. The maintenance and operation cost annually is $3,500,000. If you deduct from the savings as estimated by the engineers the $975,000 intangible benefits, the project does not come before you economically justified.

That it has some merit I believe will be conceded by everyone, but I think from a standpoint of policy and in the face of the economic condition of our country, it would be far better and wiser if this matter were delayed until such time as we could see daylight in our national finances.

That is all I care to say about it, Mr. Chairman, at this time.

Mr. BANKHEAD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as you all know, I am somewhat departing from my usual custom since I have been Speaker of the House of Representatives, because I have always had some doubt as to the wisdom and propriety of the presiding officer taking too liberal a part in the deliberations on the floor in the Committee of the Whole; but the matter involved here is one of considerable interest, of very great interest, indeed, not only to my congressional district, but also, as I conceive it, to the States of Mississippi and Alabama and that whole area which is involved in this program. I therefore rise in opposition to the amendment offered by the distinguished gentleman from Michigan to strike this item out of the committee bill.

I would not be justified, I think, in undertaking to offer or to support this proposal as an amendment to a bill when it had not been included in the bill reported by the House committee, but the case here presented is this: The Government of the United States has spent quite a large sum of money in a very exhaustive and complete survey of every feature of this project from the standpoint of the development of commerce, of flood control, and of opening up another great artery of commerce between the whole Tennessee River Valley system and the great port of Mobile and the Gulf of Mexico, and after the most full and elaborate and detailed investigation—and you know that the Board of Engineers of the United States Army is ordinarily a very hard-boiled body in making recommendations for a doubtful project—the engineers have recommended the inclusion of this project in this bill. The Committee on Rivers and Harbors, presided over by our beloved friend, Judge MANSFIELD, of Texas, after full consideration of the project has given it the approval of the committee. So it comes here in the ordinary form, after full and complete investigation, favorably recommended by a conservative, and, I think, very prudent committee of the House of Representatives, and my friend seeks to eliminate it from the bill.

The gentleman from Michigan undertook to infer that the report of the Board of Engineers was not very enthusiastic, but I want to say that I drew the impression from the remarks of the gentleman, especially his concluding remarks, that he was not very enthusiastic for his amendment to eliminate this item from the bill.

I will not have time to make any argument about the facts involved here. I will candidly admit there is some element of local embarrassment in my State about this whole situation, for the reasons that have been stated by the gentleman from Michigan. I do not know what the report of the Board of Engineers will be on an alternate route down there that is now being investigated by the Board, but here is a recommendation after a full and complete survey of this whole situation by the Board of Engineers that this is a feasible program, that it is a self-justifying program, and that it is a proposition for the ultimate development of a great and important artery of commerce in that whole section of the country. It is a project heartily endorsed by a great majority of the counties in my district. It is true that on the recommendations of the Board of Engineers in the long run it will cost a considerable sum of money, and we are all, of course, in these days of large public expenditures and in view of the amount of our present national debt, somewhat anxious and solicitous about authorizing additional appropriations.

Mr. RICH rose.

Mr. BANKHEAD. No; I will not yield to the gentleman from Pennsylvania at present. I might not be able to tell him "where we are going to get the money."

Mr. RICH. That is the question I would like to ask.

Mr. BANKHEAD. I have not yielded to the gentleman from Pennsylvania.

This is a program that will be extended over quite a number of years by the nature of the construction difficulties, and on the whole case, my friends, I feel justified in making an exception to my usual practice and ask you to follow your committee recommendations in this instance and retain this authorization in the bill and to defeat the amendment offered by the gentleman from Michigan. [Applause.]

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there is only one question I would like the Speaker to answer in regard to this proposal, as well as any other proposal that might come before this Congress and that question has not been answered, and does not seem to be able to be answered by any Member of the Congress, and that is, Where are we going to get the money? [Laughter and applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. GILCHRIST and Mr. TABER) there were—ayes 97, noes 75.

Mr. RANKIN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. DONDERO and Mr. RANKIN.

The Committee again divided; and there were—ayes 112, noes 87.

So the amendment was agreed to.

Mr. MOTT. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MOTT: Page 9, after line 6, insert a new paragraph, as follows:

"The sum of not to exceed $120,000 of appropriations available for river and harbor work shall be immediately available as an emergency fund to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers for repairing damage to and checking erosion on the Bayocean Peninsula in Oregon, caused by storm in January 1939, in order to provide adequate protection to property on such peninsula and in Tillamook, Oreg."

Mr. TABER. Mr. Chairman, I make the point of order against the amendment that it is an appropriation on a legislative bill.

The CHAIRMAN. Does the gentleman from Oregon desire to be heard on the point of order made by the gentleman from New York?

Mr. MOTT. Mr. Chairman, I think the gentleman from New York did not hear the amendment correctly, because it is not an appropriation but an authorization for the engineers to use river and harbor money.

Mr. Chairman, there is no language in this amendment which is appropriating language. The amendment authorizes the use by the Army engineers of money available for river and harbor work to be used in emergency work on this project.

The CHAIRMAN. Does the gentleman from New York insist on his point of order?

Mr. TABER. Mr. Chairman, I think I shall have to insist on the point of order. If we are to have an appropriation, it should come in an appropriation bill after a hearing, and then it would go through quicker, if the need were shown, than this bill.

The CHAIRMAN. The Chair is ready to rule.

The Chair is of the opinion that the amendment of the gentleman from Oregon contains language which proposes to divert an appropriation heretofore made to a new purpose and is therefore in violation of clause 4 of rule XXI of the House of Representatives. The Chair sustains the point of order.

Mr. MOTT. Then, Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. MOTT: Page 9, after line 6, insert a new paragraph, as follows:

"That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $120,000, to be immediately available as an emergency fund to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers for repairing damage to and checking erosion on the Bayocean Peninsula in Oregon caused by a storm in January 1939, in order to provide adequate protection to property on such peninsula and in Tillamook, Oreg."

Mr. MOTT. Mr. Chairman, I realize, of course, that the House today appears to be in no mood to accept amendments, but this little amendment I have offered is of such vital importance to many people in my State that I have decided to risk offering it, and I trust you will pay attention while I briefly explain it.

I have consulted the chairman of the committee and the ranking Republican member of the committee, and I have also consulted the gentleman from Michigan [Mr. DONDERO], who has been offering these motions to strike. So far as I know, no one on the committee has any objection to this amendment, and the chairman and the ranking member have given me permission to state that they have no objection.

Now, this is the situation. Last year a very disastrous storm broke out along the entire Oregon and southern Washington coast and the center of its fury was in the Tillamook Bay area. The ocean broke over the Tillamook Peninsula, which is called Bayocean, at four places. It almost destroyed the peninsula and destroyed a great deal of property. So great was the damage, and so important it was in the opinion of the Chief of Engineers that it be corrected, that they have ordered a detailed survey.

That survey will not be completed until next March. In the meantime and in order to prevent another disaster it is necessary, before the next winter storms come, to do some emergency work which will cost $120,000, according to the engineers, and that is the purpose of this amendment.

The Committee on Rivers and Harbors has received a report from the Board of Army Engineers on a separate bill which I introduced for this purpose. The letter was written on May 11, which was the day this bill was reported. Otherwise I am confident I would have been successful in including that bill in this pending river and harbor authorization bill.

After describing the storm and the damage, stating the fact that it will require 1 year to make the survey, this is what the engineers say about it:

The residents of Tillamook Bay area are firmly convinced that the rapid erosion in recent years of the Bayocean Spit is due to the construction by this department of the North Jetty at Tillamook Bay. Further study, however, will be necessary to verify such a conclusion.

The appropriation to be authorized by the bill is believed to be sufficient to provide the emergency protection contemplated, and this department is prepared to undertake the work when funds are made available for the purpose.

That, my colleagues, is the whole story. Unless this emergency work is done it is the belief of the people out in that region that the next storm will not only destroy all the property on this peninsula but will entirely destroy the peninsula itself and, further, will probably do great damage to Tillamook Bay. It amounts to only $120,000, and I sincerely hope the committee may approve this amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. MOTT].

The question was taken; and on a division (demanded by Mr. MOTT) there were ayes 61 and noes 30.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 2. Sacramento River flood control, California: The item for this project in the River and Harbor Act of August 26, 1937, is hereby amended by adding thereto a proviso reading as follows: "*Provided*, That there is also hereby authorized an additional contribution by the Federal Government of not to exceed $1,600,000 for completion of the project previously adopted."

SEC. 3. The second proviso in section 2 of the act of August 26, 1937 (50 Stat. 844, 850), authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, is hereby amended to read as follows: "*Provided further*, That the entire Central Valley project, California, heretofore authorized and established under the provisions of the Emergency Relief Appropriation Act of 1935 (49 Stat. 115) and the First Deficiency Appropriation Act, fiscal year 1936 (49 Stat. 1622), is hereby reauthorized and declared to be for the purpose of improving navigation, regulating the flow of the San Joaquin River and the Sacramento River, controlling floods, providing for storage and for the delivery of the stored waters thereof, for construction under the provisions of the Federal reclamation laws of such distribution systems as the Secretary of the Interior deems necessary in connection with lands for which said stored waters are to be delivered, for the reclamation of arid and semiarid lands and lands of Indian reservations, and other beneficial uses, and for the generation and sale of electric energy as a means of financially aiding and assisting such undertakings, and in order to permit the full utilization of the works constructed to accomplish the aforesaid purposes:"

SEC. 4. That the paragraph in section 1 of the River and Harbor Act, approved July 25, 1912, authorizing the removal of temporary obstructions from tributaries of waterways under Federal improvement (37 Stat. L. 722), as amended in section 3 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved July 3, 1930, is hereby amended to read as follows:

"The Chief of Engineers, in his discretion, and after approval by the Secretary of War, is hereby authorized to make preliminary examinations and minor surveys preliminary thereto and to remove snags and other temporary or readily removable obstructions from tributaries of waterways already under Federal improvement or in general use by navigation, to be paid from funds allotted to the adjoining waterways: *Provided*, That the cost of such work in any single year shall not exceed $3,000 per tributary."

Mr. MANSFIELD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Committee amendment offered by Mr. MANSFIELD: On page 11, between lines 5 and 6, insert the following as a new section:

"SEC. 5. That (a) the consent, permission, and authority granted to the Commissioners of Lincoln Park, now superseded by the Chicago Park District, a municipal corporation organized and existing under the laws of the State of Illinois to exercise jurisdiction over the navigable waters of Lake Michigan which lie within the following-described boundaries:

"Beginning at a point at the intersection of the existing bulkhead along Lake Shore Drive in Chicago, Ill., with the existing pier which is parallel to and north of Ohio Street extended and south of Ontario Street extended; thence easterly along said pier to a point in a line parallel to and 350 feet easterly of said bulkhead along the Lake Shore Drive; thence northwesterly along said last-described line to a point in a curve of 200 feet radius and tangent both to said last-described line and to a line 350 feet southerly from the southerly side of and parallel to the shore arm extension breakwater extending into Lake Michigan from a point near the intersection of Oak Street and Lake Shore Drive; thence along said curve to a point in said line last described; thence easterly along said line to a point in a line at right angles with said shore arm extension breakwater at the eastern extremity thereof; thence northward along said last-described line to said shore arm extension breakwater; thence westward along said shore arm extension breakwater to the shore line; and (b) the right granted to said the Commissioners of Lincoln Park, now superseded by the Chicago Park District, to destroy the navigability of the above-described waters altogether, and (c) the right granted to said the Commissioners of Lincoln Park, now superseded by the Chicago Park District, to erect an additional breakwater to connect the said shore arm extension breakwater near the intersection of Oak Street and Lake Shore Drive with the shore line, and (d) the transfer of possession of said shore arm extension breakwater to said the Commissioners of Lincoln Park, now superseded by the Chicago Park District, and the obligation for the permanent care, custody, and maintenance of said shore arm extension breakwater by the Commissioners of Lincoln Park, now superseded by the Chicago Park District, all as provided for by the act entitled 'An act granting to the Commissioners of Lincoln Park the right to erect a breakwater in the navigable waters of Lake Michigan, and transferring jurisdiction over certain navigable waters of Lake Michigan to the Commissioners of Lincoln Park,' approved March 3, 1931, be rescinded.

"The United States of America hereby resumes jurisdiction over the above-described waters and the above described shore arm extension breakwater, and hereby discharges the Chicago Park District, successor to the superseded the Commissioners of Lincoln Park, from its liability for the permanent care, custody, and maintenance of said shore arm extension breakwater.

"Said Chicago Park District shall signify its acceptance of this act by written notice to the Secretary of War within 60 days after the passage of this act, and this act shall become effective immediately upon its acceptance by said Chicago Park District. In the event of nonacceptance within 60 days this act shall become null and void."

Mr. MANSFIELD. Mr. Chairman, this was announced as a committee amendment. That is slightly erroneous, because the matter came up since the committee has had a meeting, but I have consulted several members of the committee on both sides of the aisle, and they offer no objection to it. The facts are that this property was conveyed by the War Department to the city of Chicago in the river and harbor bill of 1930. They no longer have use for it for that purpose, and the object of this amendment is to transfer it back to the War Department. It is recommended by the Secretary of War and I have his letter here which I ask unanimous consent to insert in the RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The letter is as follows:

WAR DEPARTMENT,
Washington, May 15, 1939.

HON. JOSEPH J. MANSFIELD,
Chairman, Committee on Rivers and Harbors,
House of Representatives, Washington, D. C.

DEAR MR. MANSFIELD: Reference is made to your letter dated April 18, 1939, requesting the views of the Department on the bill (H. R. 5800) entitled "A bill providing for the resumption of jurisdiction over certain navigable waters of Lake Michigan by the United States."

By act of Congress, approved March 3, 1931, the Commissioners of Lincoln Park, Chicago, Ill., upon their acceptance thereof were granted the right to exercise complete jurisdiction over certain navigable waters of Lake Michigan along the Chicago Lake Shore Drive, including the right to destroy the navigability of the described waters and to perform such acts as they might perform if said waters were nonnavigable. Said act also granted to the Commissioners the right to erect a breakwater so as to connect the existent shore arm extension breakwater with the shore line and transferred possession of the said shore-arm extension breakwater to the Commissioners charging them with liability for the care, custody, and proper maintenance thereof. The terms of the aforesaid act were accepted by the Commissioners of Lincoln Park by resolution adopted on April 28, 1931, and on April 10, 1934, the Chicago Park district was created to consolidate the various park districts and became the successor to the rights, duties, and liabilities of the Lincoln Park Commissioners.

Neither the Lincoln Park Commissioners nor the Chicago Park District has exercised the rights and privileges granted under the act approved March 3, 1931, or complied with the conditions in respect to maintenance of the shore arm extension breakwater. It appears that the objective of the Lincoln Park Commissioners in 1931 was to fill in a strip of the lake front along Lake Shore Drive so as to provide an ample roadway for traffic outside certain streetcar tracks then occupying a portion of the drive. However, said tracks have since been removed and the project is now unnecessary and impracticable. It is also understood that the Chicago Park District is unable to devote funds for the improvement and upkeep of the shore-arm breakwater and wishes to be relieved of that responsibility.

The purpose of the instant bill is to rescind the act approved March 3, 1931, and to provide for resumption of jurisdiction by the United States over the waters and shore-arm extension breakwater, and for the discharge of the Chicago Park District from its liability for the permanent care, custody, and maintenance of said shore-arm extension breakwater. It requires acceptance by the said Chicago Park District, to be signified by written notice to the Secretary of War within 60 days after passage, and provides that

upon failure of said Chicago Park District to so signify its acceptance the act shall become null and void.

The shore-arm extension breakwater was built by the United States in 1914–17 as part of the project authorized by Congress to provide an anchorage basin and protect the Navy pier. As the maintenance of this breakwater is still necessary for the protection of the harbor, and as it is no longer required or being maintained by the Chicago Park District, the Department recommends favorable consideration of H. R. 5800 by Congress.

This proposed report was submitted to the Bureau of the Budget which advises that there would be no objection to its submission to the committee.

Sincerely yours,

HARRY H. WOODRING,
Secretary of War.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. MANSFIELD].

The amendment was agreed to.

The Clerk read as follows:

SEC. 5. The Secretary of War is hereby authorized and directed to cause preliminary examinations and surveys to be made at the following-named localities, the cost thereof to be paid from appropriations heretofore or hereafter made for such purposes; and examinations and surveys heretofore or hereafter authorized shall include all related conservation subjects, such as abatement of pollution, recreation, the development of hydroelectric power and wildlife conservation: *Provided*, That no preliminary examination, survey, project, or estimate for new works other than those designated in this or some prior act or joint resolution shall be made: *Provided further*, That after the regular or formal reports made as required by law on any examination, survey, project, or work under way or proposed are submitted no supplemental or additional report or estimate shall be made unless authorized by law: *And provided further*, That the Government shall not be deemed to have entered upon any project for the improvement of any waterway or harbor mentioned in this act until the project for the proposed work shall have been adopted by law:

Waterway from Plum Island Sound to the Annisquam River, Essex County, Mass.
Provincetown Harbor, Mass.
Eightmile River, Conn.
Centerport Harbor, Long Island, N. Y.
Shinnecock Inlet, Long Island, N. Y.
Hudson River at the mouth of Endikill Creek, N. Y., with a view to constructing a small-boat anchorage basin.
Cheesequake Creek, N. J.
Ross Cove (Magothy River), Md.
Finneys Creek, Accomac County, Va., and the channel connecting said creek with Wachapreague Inlet and the Atlantic Ocean.
Browns Bay, Gloucester County, Va., and the channel connecting said bay with Mobjack Bay.
The Hague (Smith Creek), Va.
Southern Branch of Elizabeth River, Norfolk Harbor, Va.
Chuckatuck Creek, Middlesex County, Va.
Parrotts Creek, Middlesex County, Va.
Purviance Creek, New Hanover County, N. C.
Jeffers Creek, Florence County, S. C.
Channel from the Intracoastal Waterway to, and harbor at, Titusville, Fla.
Channel from the Intracoastal Waterway to, and harbor at, New Smyrna, Fla.
Savannah Harbor, Ga.
St. Lucie Inlet, Fla.
Channel leading from the Intracoastal Waterway across Indian River to the Lighthouse Service depot at Taylor Creek, adjacent to Fort Pierce Harbor, Fla.
Channel and harbor at Everglades, Collier County, Fla.
Jupiter Inlet, Fla.
Channel from the Intracoastal Waterway to, and a turning basin at, Fort Pierce, Fla.
Channel to Pahokee, on Lake Okeechobee, Fla.
Lake Okeechobee and its tributary streams, Florida, with a view to removing the water hyacinth.
Sarasota Bay, Fla.: Channel from Caseys Pass (Venice Inlet), through Dona Bay to the bridge on United States Highway No. 41, including a turning basin at the eastern terminus of the channel.
Oklawaha River, Fla., from Lake Apopka to Lake Eustis.
St. Marks River, Fla.
Waterway from the Escambia River to the Alabama River, Fla. and Ala.
Grand Bayou, connecting Bayou Boeuf and Bayou Chevreuil, La.
Bayou Boeuf, Lafourche Parish, La.
Lake Pontchartrain, La., with a view to the construction of a seaplane base in the vicinity of New Orleans.
Little Bay, Tex.
Cyprus Creek, Tex.
Waterway from the Neches River, by way of Pine Island Bayou and extension, to Trinity River, Tex.
Mississippi River: Davenport (Iowa) harbor of refuge.
Mississippi River at Cassville, Wis.
Mississippi River at Prairie du Chien, Wis.
Mississippi River at Alma, Wis.
Mississippi River at Maiden Rock, Wis.
Red River of the North Drainage Basin, Minn., S. Dak., and N. Dak., with a view to improvement for navigation, flood control, power development, irrigation, conservation of water, and increase of low-water flows for domestic and sanitary purposes.
Harbor at mouth of Au Train River, Mich.
Shelldrake Harbor, Mich.
Galien River, Mich.
Pinconning River, Mich.
Pine River, Mich.
St. Marys River, Ohio and Ind.
Little River (branch of Niagara River), at Cayuga Island, Niagara Falls, N. Y.
Chaumont River, N. Y.
At and in the vicinity of Henderson, N. Y., with a view to constructing a harbor.
Point Dume, Calif.
Moss Landing, Monterey Bay, Calif.
Pillar Point, Half Moon Bay, San Mateo County, Calif.
Grays Harbor, Wash., with a view to constructing a channel into Bay City.
Gastineau Channel, Alaska, with a view to its improvement for navigation, both water and air, and flood control, both tidal and run-off.
Neva Strait and Olga Strait, Alaska.
Kalaupapa Landing, Island of Molokai, Hawaii.
Kalepolepo Boat Harbor, Island of Maui, Hawaii.
Humacao Playa, Punta Santiago, P. R.

Mr. MANSFIELD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MANSFIELD: On page 11, line 6, strike out the figure "5" and insert the figure "6."

Mr. MANSFIELD. Mr. Chairman, that becomes necessary on account of the amendment we adopted a while ago.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MANSFIELD. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. MANSFIELD: At the bottom of page 11, insert the following items:
"Beals Harbor, Maine.
"Blue Hill Harbor, Maine."

Mr. MANSFIELD. Mr. Chairman, these are additional surveys that have been requested.

Mr. CARTER. We have no objection.

The amendment was agreed to.

Mr. MANSFIELD. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. MANSFIELD: Page 12, between lines 11 and 12, insert the following item: "Hellen's Creek, Calvert County, Md."

The amendment was agreed to.

Mr. MANSFIELD. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. MANSFIELD: Page 12, line 20, strike out "Middlesex County" and insert in lieu thereof "Nansemond and Isle of Wight Counties."

Mr. MANSFIELD. Mr. Chairman, this item was erroneously stated. They named the wrong counties. This amendment corrects it.

The amendment was agreed to.

Mr. MANSFIELD. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. MANSFIELD: Page 13, between lines 17 and 18, insert the following item:
"Channel from the deep water in St. Josephs Sound to, and turning basis at, Ozona, Fla."

The amendment was agreed to.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 14, after line 16, insert:
"Missouri River in South Dakota, with a view to improvement to make power available to develop deposits of manganese and other strategic minerals and for pumping and other uses."

Mr. CASE of South Dakota. Mr. Chairman, I explained this amendment to the chairman of the committee. It calls for a survey. I think there is no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota.

The amendment was agreed to.

Mr. MANSFIELD. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ZIMMERMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6264) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. MANSFIELD. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

Mr. RAYBURN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RAYBURN. Were the House to adjourn at this time, would the present bill be the pending business tomorrow?

The SPEAKER. Answering the parliamentary inquiry of the gentleman from Texas, the Chair will state that the previous question having been ordered on the bill and all amendments to final passage, it would be the unfinished and privileged order of business tomorrow morning.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. Can these individual amendments then be voted on?

The SPEAKER. A separate vote can be demanded on them when that question is reached.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HARTER of Ohio, for 5 days, on account of urgent official business.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 595. An act to increase further the efficiency of the Coast Guard by authorizing the retirement under certain conditions of enlisted personnel thereof with 20 or more years of service;

S. 965. An act to amend an act entitled "An act authorizing the Port Authority of Duluth, Minn., and the harbor commissioner of Superior, Wis., to construct a highway bridge across the St. Louis River from Rices Point in Duluth, Minn., to Superior, in Wisconsin," approved June 30, 1938; and

S. 1876. An act to readjust the commissioned personnel of the Coast Guard, and for other purposes.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.) the House adjourned until tomorrow, Thursday, May 18, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MILITARY AFFAIRS

There will be a meeting of the Committee on Military Affairs of the House in room 1310, New House Office Building, at 10 a. m. Thursday, May 18, 1939, for the consideration of H. R. 6069, to promote the efficiency of the national defense.

There will be a meeting of Subcommittee No. XI of the Committee on Military Affairs of the House in room 1310, New House Office Building, at 10 a. m. on Friday, May 19, 1939, for the consideration of S. 1796, to amend the Tennessee Valley Authority Act of 1933.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10:30 a. m. on Thursday, May 18, 1939, for the consideration of S. 1725, H. R. 6017, and H. R. 6020.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 a. m. on Thursday, May 18, 1939, for the public consideration of various private bills.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of Subcommittee No. X of the Committee on the Post Office and Post Roads, Tuesday, May 23, 1939, at 10 a. m., for the consideration of H. R. 3136, for the relief of postal employees, and H. R. 4050, to provide for the transportation and distribution of mails on motor vehicle routes.

The Committee on the Post Office and Post Roads will continue to hold public hearings on Wednesday, May 24, 1939, at 10 a. m., for the consideration of H. R. 3835, a bill to authorize the Post Office Department to cooperate with the several States in the collection of State taxes.

COMMITTEE ON LABOR

The Committee on Labor will hold a hearing at 10 a. m. Thursday, May 18, 1939, in the hearing room of the Committee on the Post Office and Post Roads, room 213 of the House Office Building. The hearing will be on proposed amendments to the National Labor Relations Act.

COMMITTEE ON NAVAL AFFAIRS

There will be a meeting of the Committee on Naval Affairs at 10:30 a. m. Thursday, May 18, 1939, for the consideration of H. R. 5131, to provide for the acquisition by the United States of the Grosse Ile and Curtiss-Reynolds Airports.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents will hold hearings in the committee room, 1015 House Office Building, on Tuesday, May 23, 1939, at 10:30 a. m., on H. R. 3605, a bill to provide a permanent force to classify patents, etc., in the Patent Office. Hon. JOHN M. COFFEE, of Washington, is chairman of the subcommittee.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. III of the Committee on the Judiciary on May 24, 1939, at 10 a. m., on the bill (H. R. 2318) to divorce the businesses of production, refining, and transporting of petroleum products from that of marketing petroleum products. Room 346, House Office Building.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Friday, May 19, 1939, on H. R. 4051, hiring of seamen on Government vessels.

On Thursday, May 25, 1939, on H. R. 4592 and H. R. 4593, relating to Fishery Educational Service in Bureau of Fisheries

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4985, relating to Fishery Educational Service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

767. A communication from the President of the United States, transmitting estimates of appropriations for the Department of Commerce, amounting to $255,000, as supplemental to the respective amounts contained under the same heads in the Budget for the fiscal year ending June 30, 1940 (H. Doc. No. 297); to the Committee on Appropriations and ordered to be printed.

768. A letter from the president, Board of Commissioners, District of Columbia, transmitting the draft of a proposed bill authorizing the sale of certain real estate no longer required for public purposes in the District of Columbia; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MILLS of Louisiana: Committee on the Territories. H. R. 161. A bill to amend section 73 of the Hawaiian organic act, approved April 30, 1900, as amended; without amendment (Rept. No. 641). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. S. 2154. An act to modify the provisions of section 10 of the act of June 30, 1834, and section 10 of the act of June 22, 1874, relating to the Indians; with amendment (Rept. No. 643). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEA: Committee on Interstate and Foreign Commerce. S. 2314. An act to establish the position of Under Secretary in the Department of Commerce; without amendment (Rept. No. 653). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ANDERSON of Missouri: Committee on Military Affairs. Senate Joint Resolution 2. Joint resolution providing for consideration of a recommendation for decoration of Sgt. Fred W. Stockham, deceased; without amendment (Rept. No. 642). Referred to the Committee of the Whole House.

Mr. FENTON: Committee on Claims. H. R. 543. A bill for the relief of Imogene Enley; with amendment (Rept. No. 644). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 3157. A bill for the relief of Franklin Lopez, administrator of the goods, chattels, and credits which were of Alice C. Lopez, deceased; with amendment (Rept. No. 645). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4725. A bill for the relief of William L. Rull; with amendment (Rept. No. 646). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 4762. A bill for the relief of William S. Huntley; with amendment (Rept. No. 647). Referred to the Committee of the Whole House.

Mr. ROCKEFELLER: Committee on Claims. H. R. 5743. A bill for the relief of Walter C. Holmes; with amendment (Rept. No. 648). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 12. An act for the relief of Dica Perkins; without amendment (Rept. No. 649). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 875. An act for the relief of Andrew J. Crockett and Walter Crockett; with amendment (Rept. No. 650). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 1517. An act for the relief of F. E. Perkins; without amendment (Rept. No. 651). Referred to the Committee of the Whole House.

Mr. HALL: Committee on Claims. S. 2167. An act to provide for the reimbursement of certain members or former members of the United States Coast Guard for the value of personal effects lost in the hurricane of September 21, 1938, at several Coast Guard stations on the coasts of New York, Connecticut, and Rhode Island; with amendment (Rept. No. 652). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McLAUGHLIN:

H. R. 6369. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplemental thereto; to create a Railroad Reorganization Court; and for other purposes; to the Committee on the Judiciary.

By Mr. MARTIN J. KENNEDY:

H. R. 6370. A bill making oppression by Federal officers a crime; to the Committee on the Judiciary.

By Mr. McLAUGHLIN:

H. R. 6371. A bill to amend the Interstate Commerce Act, as amended, to prohibit certain discriminatory practices with respect to the granting of transit privileges; to the Committee on Interstate and Foreign Commerce.

By Mr. O'CONNOR:

H. R. 6372. A bill relating to the development of farm units on public lands under Federal reclamation projects with funds furnished by the Farm Security Administration; to the Committee on the Public Lands.

By Mr. VOORHIS of California:

H. R. 6373. A bill to amend Veterans Regulation No. 1 (A), part III, paragraph 1 (e) and (f), as amended, to liberalize the definition of, and to increase the pension payable for, permanent total non-service-connected disability; to the Committee on World War Veterans' Legislation.

By Mr. CALDWELL:

H. R. 6374. A bill to provide for the appointment of an additional district judge for the northern and southern districts of Florida; to the Committee on the Judiciary.

By Mr. CROWE:

H. R. 6375. A bill authorizing a survey of the military route of Gen. Anthony Wayne; to the Committee on the Public Lands.

By Mr. FORD of Mississippi:

H. R. 6376. A bill to extend the Irrigation Act to the States of Louisiana, Mississippi, Arkansas, and Missouri; to the Committee on Irrigation and Reclamation.

By Mr. MUNDT:

H. R. 6377. A bill authorizing the construction of a new veterans' hospital and diagnostic center in the First Congressional District of the State of South Dakota; to the Committee on World War Veterans' Legislation.

By Mr. HENDRICKS:

H. R. 6378. A bill to provide for and promote the general welfare of the United States by supplying to the people a more liberal distribution and increase of purchasing power, retiring certain citizens from gainful employment, improving and stabilizing gainful employment for other citizens, stimulating agricultural and industrial production and general business, and alleviating the hazards and insecurity of old age and unemployment; to provide a method whereby citizens shall contribute to the purchase of and receive a retirement annuity; to provide for the raising of the necessary revenue to operate a continuing plan therefor; to provide for the appropriation and expenditure of such revenue; to provide for the proper administration of this act; to provide penalties for violation of the act, and for other purposes; to the Committee on Ways and Means.

By Mr. ROBINSON of Utah:

H. R. 6379. A bill to amend section 1 of the act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406); to the Committee on Irrigation and Reclamation.

By Mr. CASE of South Dakota:

H. R. 6380. A bill to cancel interest charges on crop, feed, and seed loans for 1937 and prior years, and to provide for the payment of the principal on such loans by December 31, 1945; to the Committee on Agriculture.

By Mr. LESINSKI:

H. R. 6381. A bill for the admission to citizenship of aliens who came into this country prior to February 5, 1917; to the Committee on Immigration and Naturalization.

By Mr. CASE of South Dakota:

H. J. Res. 299. Joint resolution proposing an amendment to the Constitution to provide that armies raised by conscription shall be used for purposes of defense only; to the Committee on the Judiciary.

By Mr. DOUGHTON:

H. Con. Res. 25. Concurrent resolution authorizing the printing of additional copies of the hearings held before the Committee on Ways and Means of the House on the bill entitled "Social Security Act Amendments of 1939"; to the Committee on Printing.

By Mr. FISH:

H. Res. 195. Resolution creating a select committee of the House to audit appropriations; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H. R. 6382. A bill for the relief of the parents of Leonard Bjork, deceased; to the Committee on Claims.

By Mr. ARENDS:

H. R. 6383. A bill granting an increase of pension to Eliza Frank; to the Committee on Invalid Pensions.

By Mr. FLAHERTY:

H. R. 6384. A bill for the relief of Roy L. Astin; to the Committee on Naval Affairs.

By Mr. GILLIE:

H. R. 6385. A bill granting an increase of pension to Tony C. Jones; to the Committee on Invalid Pensions.

By Mr. HEINKE:

H. R. 6386. A bill granting a pension to Bert R. Reynolds; to the Committee on Pensions.

By Mr. MACIEJEWSKI:

H. R. 6387. A bill granting an increase of pension to Lena Krieger; to the Committee on Invalid Pensions.

By Mr. MUNDT:

H. R. 6388. A bill granting a pension to Richard Emmett Wadden; to the Committee on Invalid Pensions.

By Mr. POWERS:

H. R. 6389. A bill granting an increase of pension to Mary A. Archer; to the Committee on Invalid Pensions.

By Mr. SMITH of Maine:

H. R. 6390. A bill for the relief of Ernest D. Caron; to the Committee on Claims.

By Mr. TENEROWICZ:

H. R. 6391. A bill for the relief of Walter Raczak; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3129. By Mr. ASHBROOK: Petition of 16 members of the Royal Neighbors of Shelby, Ohio, urging amendment to the Social Security Act to exempt fraternal organizations; to the Committee on Ways and Means.

3130. By Mr. CHIPERFIELD: Petition of Townsend Club, No. 1, Quincy, Ill., urging immediate action by Congress on House bill 2; to the Committee on Ways and Means.

3131. By Mr. ENGEL: Petition of Lewis Wald and Frank Liskovec, president and secretary, respectively, of Townsend Club, No. 1, Thompsonville, Mich., urging enactment of House bill 2, known as the general welfare bill; to the Committee on Ways and Means.

3132. By Mr. FLAHERTY: Petition of the Massachusetts Laundry Owners' Association, favoring certain amendments to the Social Security Act; to the Committee on Ways and Means.

3133. Also, petition supporting certain amendments to existing Federal income-tax laws; to the Committee on Ways and Means.

3134. By Mr. THOMAS F. FORD: Resolution passed by the Senate and Assembly of the State of California, endorsing the fullest development of the harbor at Crescent City by the Federal Government, and urging the War Department and the Congress of the United States to take all necessary steps for its early completion; to the Committee on Military Affairs.

3135. By Mr. HARTER of New York: Petition of the Buffalo Post Office Post, No. 412, Veterans of Foreign Wars, favoring Senate bill 1859 and House bill 5147; to the Committee on the Civil Service.

3136. By Mr. IZAC: Petition of sundry constituents of the Twentieth Congressional District of California, favoring the General Welfare Act and requesting its early approval this session of Congress; to the Committee on Ways and Means.

3137. By Mr. KEOGH: Petition of the Federated Garden Clubs of New York State, Inc., New York City, concerning section 2 of the reorganization plan which would transfer from the Biological Survey many conservation measures such as the Pittman-Robertson Act and the migratory-bird provisions to the Department of the Interior; to the Select Committee on Government Organization.

3138. By Mr. MERRITT: Resolution of the board of trustees of the village of Groton, N. Y., requesting that they be included in the flood-control project of the Owasco Lake watershed; to the Committee on Flood Control.

3139. By Mr. PFEIFER: Petition of Victor Metal Products Corporation, Brooklyn, N. Y., opposing a revision in the tariff law concerning the classification of brushes used in the application of fingernail polish; to the Committee on Foreign Affairs.

3140. Also, petition of Walter Damrosch, New York City, favoring the passage of Senate bill 1306 and House bill 3840; to the Committee on Military Affairs.

3141. Also, petition of the New York State Department of Health, Albany, N. Y., urging favorable consideration of the Mansfield and Barkley bills (S. 685) to create a Division of Water Pollution Control in the United States Public Health Service; to the Committee on Rivers and Harbors.

3142. By Mr. TENEROWICZ: Resolution of the Common Council of the City of Detroit, Mich., urging that no further reduction be made in Works Progress Administration appropriations, and that serious consideration be given to increasing such appropriations to avoid a complete breakdown of welfare relief; to the Committee on Appropriations.

3143. By the SPEAKER: Petition of the Defenders of America, Pittsburgh, Pa., petitioning consideration of their resolution with reference to House bill 4860, concerning immigration and naturalization; to the Committee on Immigration and Naturalization.

SENATE

THURSDAY, MAY 18, 1939

(Legislative day of Monday, May 8, 1939)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Dr. Raphael H. Miller, pastor of the National City Church, Washington, D. C., offered the following prayer:

O Lord, in whose hand our life is and whose are all our ways; Thou who hast made of one blood all men who dwell upon the face of the earth: Do Thou remind us this day that each of us is the child of Thy love and care. Bring to us the sense of our individual privilege and responsibility, and dignify the words of our mouths and the deeds of our hands with the acknowledgment before Thee of Thy sacred entrustments. Make us to be faithful stewards of Thy manifold bounty, for the earth is Thine and the fullness thereof. Through all the maddening maze of things which perplex do Thou keep within our hearts the token of Thy purpose for us and the haunting hope of Thy coming kingdom of righteousness and peace. Renew within us the noblest aspirations of our faith, and redeem us by the relentlessness of Thy demand upon us. Enlarge us by divine grace, and endue us with that power which is not of ourselves but of Thee. May the sense of Thy

nearness transfigure every duty and fill our hearts with the peace of welldoing. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, May 17, 1939, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Johnson, Colo.	Reed
Andrews	Downey	King	Russell
Ashurst	Ellender	La Follette	Schwartz
Austin	Frazier	Lee	Schwellenbach
Bailey	George	Lodge	Sheppard
Barbour	Gerry	Logan	Shipstead
Barkley	Gibson	Lucas	Slattery
Bone	Gillette	Lundeen	Smathers
Borah	Glass	McKellar	Stewart
Brown	Green	McNary	Taft
Bulow	Guffey	Mead	Thomas, Okla.
Burke	Gurney	Miller	Thomas, Utah
Byrd	Hale	Minton	Townsend
Byrnes	Harrison	Murray	Truman
Capper	Hatch	Neely	Tydings
Caraway	Hayden	Norris	Vandenberg
Chavez	Herring	Nye	Van Nuys
Clark, Idaho	Hill	O'Mahoney	Wagner
Clark, Mo.	Holman	Overton	Walsh
Connally	Holt	Pepper	Wheeler
Danaher	Hughes	Pittman	Wiley
Davis	Johnson, Calif.	Radcliffe	

Mr. MINTON. I announce that the Senator from South Carolina [Mr. SMITH] is detained from the Senate because of illness in his family.

The Senator from North Carolina [Mr. REYNOLDS], the Senator from Connecticut [Mr. MALONEY], the Senator from Alabama [Mr. BANKHEAD], and the Senator from Mississippi [Mr. BILBO] are absent on important public business.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business for the Committee on the Judiciary.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

AMENDMENT OF CIVILIAN CONSERVATION CORPS ACT—BLOOD TRANSFUSIONS, LIFESAVING, FIRE FIGHTING, ETC.

The VICE PRESIDENT laid before the Senate a letter from the Acting Director of the Civilian Conservation Corps, transmitting a draft of proposed legislation to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended, which, with the accompanying paper, was referred to the Committee on Education and Labor.

SESSION LAWS OF HAWAII, 1939

The VICE PRESIDENT laid before the Senate copies of the joint resolutions of the Legislature of Hawaii, House Joint Resolution 12, requesting Congress to ratify and confirm Act 58 of the Session Laws of Hawaii, 1939, further amending Act 174 of the Session Laws of Hawaii, 1935, as amended by Act 23 of the Session Laws of Hawaii, 1937, by extending the time within which revenue bonds may be issued and delivered; and Senate Joint Resolution 23, memorializing the Congress of the United States of America to provide the funds specifically designated by various acts of Congress to be appropriated for the more complete endowment and maintenance of the Agricultural Experiment Station of the Territory of Hawaii, which were referred to the Committee on Territories and Insular Affairs.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolution of the Legislature of Nebraska, which was referred to the Committee on Interstate Commerce:

Legislative Resolution 33

Resolution memorializing the Honorable Henry A. Wallace, Secretary of Agriculture of the United States, to cooperate with and assist the Nebraska State Railway Commission in securing reconsideration by the full Interstate Commerce Commission of their decision retaining present freight-rate discriminations against grain growers in western Nebraska

Whereas proof has been presented to the Nebraska Unicameral Legislature that the levels of freight rates on shipments by rail of grain between points in western Nebraska and the home market at Omaha, Nebr., are relatively much higher than the freight rates on grain shipments for equal distances between points in neighboring grain-producing States and their nearest market; and

Whereas a few odious examples of such discrimination are as follows:

	Rate (cents)	Distance (miles)
Kimball, Nebr., to Omaha	27	442
Weskan, Kans., to Kansas City	23	442
Ottman, Nebr., to Omaha	27	382
Modoc, Kans., to Kansas City	22	420
Sidney, Nebr., to Omaha	27	407
Deerfield, Kans., to Kansas City	23	403
Haigler, Nebr., to Omaha	24	356
Brewster, Kans., to Omaha	22	365

And

Whereas the Nebraska State Railway Commission has complained to the Interstate Commerce Commission on two occasions, setting out the facts and demanding relief; and

Whereas such complaints have been supplemented by petitions and letters from farmers' cooperative associations in such territory; and

Whereas relief has been denied in each case by the Interstate Commerce Commission; and

Whereas the Nebraska State Railway Commission has now made a final plea for an opportunity to be heard in oral argument before the Interstate Commerce Commission, sitting en banc; and

Whereas a conservative estimate of the minimum direct loss to the Nebraska producers in such territory is $200,000 per year; and

Whereas under the provisions of section 201 (a) of the Agricultural Adjustment Act the Secretary of Agriculture is authorized to make complaint and to cooperate with and assist cooperative associations of farmers making complaint to the Interstate Commerce Commission with respect to rates, charges, tariffs, and practices relating to the transportation of farm products: Now, therefore, be it

Resolved by the Legislature of the State of Nebraska in fifty-third regular session assembled:

1. That the Nebraska Unicameral Legislature respectfully requests the Honorable Henry A. Wallace, Secretary of Agriculture of the United States, to cooperate with and assist the Nebraska State Railway Commission, acting on behalf of the cooperative associations of farmers, in securing reconsideration by the Interstate Commerce Commission, sitting en banc, of the question presented in the preamble of this resolution and to cooperate and assist in every way possible to bring about a proper and fair adjustment of the freight rates on the shipment of grain from western Nebraska to Omaha, Nebr.

2. That this resolution be spread at large upon the journal of this legislature, and that the clerk of this legislature is hereby ordered and directed forthwith to forward a copy of this resolution, properly authenticated and suitably engrossed to the Honorable Henry A. Wallace, Secretary of Agriculture of the United States; to the President of the United States; to the Vice President of the United States, as presiding officer of the United States Senate; to the Speaker of the House of Representatives of the United States; to the Interstate Commerce Commission of the United States; and to each of the United States Senators and Congressmen representing the State of Nebraska in the Congress, to the end that representatives in the Government and in the Congress of the United States will be advised that this legislature considers as imperative the reconsideration by the Interstate Commerce Commission, sitting en banc, of their decision retaining present freight rate discriminations against grain growers in western Nebraska, as set forth in the preamble of this resolution.

The VICE PRESIDENT also laid before the Senate resolutions of the Arkansas Osteopathic Association, the South Dakota Osteopathic Association, and the Virginia Society of Osteopathic Physicians and Surgeons, favoring the amendment of Senate bill 1620, the so-called national health bill, so as to preserve the freedom of choice of the physician and school of practice to persons entitled to medical care, and providing osteopathic representation on Federal and State advisory councils, which were referred to the Committee on Education and Labor.

He also laid before the Senate the petition of members of Alameda Townsend Club, No. 3, of Alameda, Calif., praying for the adoption of the so-called Townsend general-welfare

plan to provide old-age assistance, which was referred to the Committee on Finance.

He also laid before the Senate a petition of sundry citizens of New York City and vicinity praying for the enactment of the so-called Wagner-Van Nuys-Capper antilynching bill and also praying for an immediate investigation of recent lynchings by the Federal Bureau of Investigation, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented the petition of Rev. H. C. Attwater, rector, and 92 members of St. John's Church, of Wichita, Kans., praying that Congress take action to save the Nation from being involved in foreign war; to strengthen, rather than weaken, the Neutrality Act; to follow the sound foreign policy laid down by Washington of avoiding foreign entanglements and alliances; to stop loans or credit advances to foreign governments at war; to enact effective legislation to take the profits out of war; to keep American battleships and soldiers out of foreign war zones; to stop all shipments of war supplies to Japan or any other nation engaged in war, and to provide for submission to the States for early ratification the proposed amendment to the Constitution authorizing a referendum on war, which was referred to the Committee on Foreign Relations.

Mr. WALSH presented a resolution adopted by a meeting of the council of the Bar Association of the City of Boston, Mass., favoring the adoption of amendments to the existing Federal income-tax laws so as to provide that where compensation received for services rendered covering a period of 2 years or more from beginning to completion of such services is payable only on completion of such services, it shall be deemed long-term capital gain, taxable the same as gain on the sale or exchange of capital assets held for more than 2 years, or alternatively, that such compensation, while treated as income of the year in which realized, shall not bear an aggregate tax greater than would have been payable thereon if the compensation had been ratably received over the period during which the services were rendered, which was referred to the Committee on Finance.

Mr. WALSH also presented the following resolutions of the General Court of Massachusetts, which were referred to the Committee on Foreign Relations:

RESOLUTIONS MEMORIALIZING CONGRESS RELATIVE TO THE JEWISH NATIONAL HOME IN PALESTINE

Whereas recognition has been given by the nations of the world to the historical connection of the Jewish people with Palestine and to the grounds for reconstituting their national home in that country; and

Whereas the United States of America has given its approval to the reestablishment of the Jewish National Home in Palestine, as embodied in a resolution adopted by the Congress of the United States known as "the Lodge resolution"; and

Whereas the General Court of Massachusetts deplores the persecution of peoples in any land based upon racial bigotry and religious intolerance and has on previous occasions expressed its sympathetic interest in the Jewish national aspirations: Therefore, be it

Resolved, That the General Court of Massachusetts expresses its concern in the welfare of the Jewish National Home and its admiration of the progress made in Palestine by the efforts of the Jewish pioneers;

That it is inspiring to behold an ancient people return to the land of its origin for the purpose of being able to live its own life, to develop their own culture and civilization, and to mold its national destiny; and

That it views with favor the achievements of the Jewish pioneers in Palestine where opportunities were created for tens of thousands of Jews to return to the land of their fathers as of right and not on sufferance; and be it further

Resolved, That the United States of America be and is respectfully solicited to use its good offices for the purpose of safeguarding the integrity of the Balfour Declaration and the interest of the Jewish National Home, in accordance with the terms of the Palestine mandate, and to the end that the doors of Palestine may be opened for the purpose of admitting the homeless Jewish victims of racial bigotry and religious intolerance, where they may find the opportunity of rebuilding their broken lives; and be it further

Resolved, That copies of these resolutions be forwarded by the secretary of the Commonwealth to the President of the United States, to the Vice President of the United States, to the Speaker of the House of Representatives, and to the Representatives in Congress from this Commonwealth.

RELIEF SITUATION IN MONTANA

Mr. WHEELER. Mr. President, I have been requested to have incorporated in the RECORD, if I may have consent to do so, a letter relating to conditions of unemployment, addressed to the Governor, the public welfare administrator, the attorney general, and the secretary of state of Montana by Chairman Basone, of a committee composed of public-spirited persons. I ask unanimous consent that the letter may be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BILLINGS, MONT., *May 5, 1939.*

To: Hon. ROY E. AYERS, *Governor.*
PUBLIC WELFARE ADMINISTRATOR.
ATTORNEY GENERAL.
SECRETARY OF STATE.

GENTLEMEN: A joint committee, representing all organized groups of Billings and Yellowstone County, has for some time discussed the relief situation in this city and county. This committee was selected by representative groups of the Congress of Industrial Organizations, American Federation of Labor, Workers' Alliance of America, Billings Ministerial Congregation, and fraternal organizations of Billings with authority to make an impartial survey of the needs of our people in Billings and Yellowstone County.

Those appointed to the committee are as follows: Joe Bosone, chairman, representative of the Congress of Industrial Organizations; H. I. Smith, secretary, representative of the Yellowstone Trades and Labor Assembly, American Federation of Labor; John Massey, representative of the Veterans of Foreign Wars; Dan Behan, representative of the Fraternal Order of Eagles; J. E. Johnson, Joe Stachlowsky, and Mac Whitten, representing the Workers' Alliance of America; Ed C. Backus and Albert Eichele, representing Industrial Local Union, No. 808; Rev. C. A. Wilson and Rev. George Jones, representing the Ministerial Association.

This committee made a complete survey of the situation existing in Billings and Yellowstone County. The investigation was free of partisanship and without bias. We contacted all responsible persons connected with the various relief agencies of Billings and Yellowstone County; namely, the Works Progress Administration, the Montana Reemployment Service, public welfare county administrator and field supervisor, and the Board of County Commissioners of Yellowstone County.

The work of this committee was performed fully within the law, and we are sure that all persons contacted are satisfied that a fair and impartial hearing was given them.

EXISTING CONDITIONS FOUND BY THE COMMITTEE

After an exhausting investigation of the relief situation we are of the opinion that an emergency exists in the city of Billings and Yellowstone County.

1. The Works Progress Administration will not improve now or in the future. The fact of the matter is that an order has been received for a further reduction in the W. P. A. quota to take effect May 8, 1939.

2. Reductions in the W. P. A. quota since March 1, 1939, have resulted in placing more people on the rolls of the public welfare department.

3. The Montana Reemployment Service did not and cannot take up the slack caused by reductions in W. P. A. quotas. There are 2,300 men and women who are awaiting assignment to work by the reemployment service—a staggering number of unemployed people, willing and able, but there is no work for them.

4. The relief organization in Billings cannot take care of those now on relief, except partially, to the extent that grants have been reduced 50 percent, single men and women receiving about $9 and families averaging $18.

5. Old-age assistance has also been reduced 50 percent, dependents receiving about $10 a month.

6. All officials contacted by the committee express the belief that present grants will not be increased and may be decreased because of W. P. A. quota reductions.

7. Officials of the public welfare board concurred in the opinion that an emergency exists which is beyond their control. Funds were not received upon application to the Montana State Welfare Board. Only one-third of the amount necessary to take care of relief in May is on hand, about $4,000, when $12,000 is needed.

8. Upon presentation of complaints to the board of county commissioners on May 4, 1939, in behalf of the unfortunates on relief, the board of commissioners emphatically told the committee that all their funds were exhausted and that the 6-mill levy was taxed to capacity. They admitted that an emergency existed, but they cited the fact that in March they requested an allocation of $12,000 from the State public welfare board and received only $8,000. For April they requested $6,000 and received only $4,000. The board of county commissioners further stated that they hope that the State public welfare board will be able to allocate more money to take care of the needy in Yellowstone County.

9. From the above facts gathered by the committee from all officers in charge of various relief agencies, we, your committee, strongly urge that a state of emergency be declared immediately by the officers representing the station of Montana, and that sufficient funds be appropriated and distributed to the county of Yellowstone and other counties in need.

We further request that the honorable Governor, the secretary of state, the attorney general, and the relief administrator take such action as deemed necessary to protect the people in need of food, clothing, and shelter. Unless this is done immediately, Montana will face a grave situation, for which the responsibility will be

placed on the shoulders of those in authority, who could have avoided such a serious condition.

We are not criticizing any individuals, officers, or groups, but we hold that the conditions existing in the relief situation warrant prompt action by our State officers to alleviate the misery that now exists in Yellowstone County.

The unemployed people of this county are willing to work, but the economic conditions in this part of the State are so bad that there is no work for them. There are 2,300 persons unemployed, according to the official record of the Montana Reemployment Service. That speaks for itself.

We place the above state of conditions in your hands, gentlemen. The responsibility rests on your shoulders. Words cannot feed starving families. Words will not remedy the conditions facing the unemployed of this county. Words will not alleviate the plight of these unfortunates. Action is necessary on your part, and action is hereby demanded by this committee representing the unemployed of Yellowstone County.

Respectfully submitted.

Joe Bosone, chairman, Congress of Industrial Organizations; H. I. Smith, secretary, American Federation of Labor; John Massey, Veterans of Foreign Wars; Dan Behan, Fraternal Order of Eagles; J. E. Johnson, Workers' Alliance; Joe Stachlowsky, Workers' Alliance; Mac A. Whitten, Workers' Alliance; Ed C. Backus, Industrial Local No. 808; Albert Eichele, Industrial Local No. 808; C. A. Wilson, Ministerial Association; Rev. George Jones, Ministerial Association.

REPORTS OF COMMITTEES

Mr. McNARY, from the Committee on Commerce, to which was referred the bill (H. R. 5501) authorizing the Secretary of Commerce to convey a certain tract of land to the State of Oregon for use as a public park and recreational site, reported it without amendment and submitted a report (No. 447) thereon.

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (S. 2390) to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes," reported it with amendments and submitted a report (No. 453) thereon.

Mr. CONNALLY. Mr. President, I desire to reserve all points of order on the so-called Philippine bill.

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (S. 1785) to amend the act authorizing the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, reported it without amendment and submitted a report (No. 448) thereon.

Mr. LOGAN, from the Committee on the Judiciary, to which was recommitted the bill (S. 1554) to provide that the district judge for the western district of Washington, authorized to be appointed under the act of May 31, 1938, shall be a district judge for the eastern and western districts of Washington, reported it without amendment and submitted an additional report (No. 449) thereon.

Mr. O'MAHONEY, from the Committee on Irrigation and Reclamation, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 1898. A bill to authorize further relief to water users on United States reclamation projects and on Indian reclamation projects (Rept. No. 450); and

H. R. 5076. A bill to authorize further relief to water users on United States reclamation projects and on Indian reclamation projects (Rept. No. 451).

Mr. CLARK of Missouri, from the Committee on Interoceanic Canals, to which was referred the bill (S. 2229) authorizing and providing for the construction of additional facilities on the Canal Zone for the purposes of more adequately providing for the defense of the Panama Canal and for increasing its capacity for the future needs of interoceanic shipping, reported it without amendment and submitted a report (No. 452) thereon.

Mr. WHEELER, from the Committee on Interstate Commerce, to which was referred the bill (S. 1869) to protect interstate commerce from the dangers of unsound financial structures and to establish improved procedures and standards for financial rehabilitation of railroads engaged in interstate commerce, and for other purposes, reported it with amendments and submitted a report (No. 454) thereon.

Mr. BYRNES, from the Select Committee on Government Organization, to which was referred the joint resolution (S. J. Res. 138) providing that reorganization plans Nos. I and II shall take effect on July 1, 1939, reported it without amendment.

EXPENSES INCIDENT TO HEARINGS BEFORE COMMITTEE ON FOREIGN RELATIONS

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate Resolution 132 (submitted by Mr. PITTMAN on the 16th instant), reported it without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Committee on Foreign Relations hereby is authorized to expend from the contingent fund of the Senate, during the first session of the Seventy-sixth Congress, not to exceed $250 for necessary expenses, including installation and operation of amplifying system, incident to hearings before said committee on the subject of proposed neutrality legislation.

SETTLEMENT OF DISPUTES WITH THE UNITED STATES

Mr. LOGAN. Mr. President, on yesterday I submitted a report from the Judiciary Committee on a bill which has been under consideration by the committee for several years. I refer to Senate bill 915, to provide for the more expeditious settlement of disputes with the United States, and for other purposes. The Treasury Department had indicated a desire to be heard sometime ago. I called the Treasury Department before submitting the report and was informed the Department would be satisfied to submit a statement. I then suggested that if the statement were sent to me I would ask that it be placed in the RECORD for the information of Senators. I now ask unanimous consent that it be included in the RECORD as a part of my remarks, although I do not agree with it.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TREASURY DEPARTMENT,
Washington, May 17, 1939.

DEAR MR. CHAIRMAN: Pursuant to a telephone conversation of May 16, 1939, from Senator LOGAN to Mr. E. H. Foley, Jr., general counsel of the Treasury Department, this Department is pleased to express its views on H. R. 6324, a bill to provide for the more expeditious settlement of disputes with the United States, and for other purposes, which it is understood Senator LOGAN intends to substitute for S. 915, a bill of the same title, introduced by him on January 24, 1939, and referred to your committee. The bill vitally affects the Treasury Department and after a careful study of its provisions, the Department feels it would be unfortunate if the bill were enacted in its present form.

Section 2 of the bill concerns administrative rules implementing statutes. The term "administrative rules" is defined by section 1 to include rules, regulations, orders, and amendments thereto of general application, issued by officers in the executive branch of the United States Government, interpreting the terms of statutes they are respectively charged with administering. Subsection (a) of section 2 provides that all administrative rules, and amendments thereto, which implement or fill in the details of any statute affecting personal or property rights shall be issued by the head of the agency (which is defined to include departments and independent establishments), and by each independent agency (which is defined to include boards, commissions, authorities, and other organizations) charged with the administration of the statute only after publication of notice and public hearings. Such rules and amendments are to be published in the Federal Register within 10 days after their approval by the head of the agency concerned, and are not to be effective until such publication, except when the President declares that a public emergency exists. Rules under all statutes hereafter enacted must be issued within 1 year after the enactment of such statutes, subject to the adoption thereafter of further rules and amendments.

The Treasury Department recognizes that formal hearings on proposed regulations are sometimes desirable and would have no objection to a requirement that public hearings be held in cases in which such action would facilitate the issuance of regulations. The proposed bill, however, would require that formal hearings be held not only in the case of new rules, but also where old rules are amended or repealed, regardless of whether any useful purpose would be served thereby. Moreover, section 2 (b) would seem to require the issuance of rules under all statutes hereafter enacted, whether or not such rules are necessary to efficient administration. No sound reason for such a requirement exists.

It is noted that all rules and regulations must be published in the Federal Register within 10 days after their approval and are

not to become effective until such publication except when the President declares that a public emergency exists. Since the regulation does not become effective under this provision until publication, it is believed that the time limitation is unnecessary and might result in the invalidation by a court of a regulation, merely because it was not published within 10 days after approval even though no one was adversely affected by the delay.

Section 2 (c) provides that any person substantially interested in the effects of an administrative rule in force on the date of approval of this act may petition the head of the agency concerned for a reconsideration of such rule and thus require the head of the agency, after publication of notice and public hearing, if requested, to determine whether such rule shall be continued in force, modified, or rescinded. Thus the bill not only provides for the review of administrative rules to be promulgated in the future but also permits any person affected by any rule theretofore promulgated to petition for its reconsideration. Such reconsideration would be required merely upon the petition of any party substantially interested in the effects of an administrative rule regardless of whether he has any justifiable grievance and regardless of the fact that the rule may have been adopted after the most careful consideration and may have operated satisfactorily over a long period of time. This would open for continuous review all of the innumerable rules and regulations promulgated by administrative agencies since the inception of the Government. Furthermore, under this provision there is no limitation upon the number of individuals who could require separate hearings upon a given rule. Obviously, such a provision would make possible a flood of unjustified petitions by persons with fancied grievances and would impose an undue burden upon the head of the agency administering the statute under which the rule was issued.

Section 3 of the bill confers jurisdiction upon the United States Court of Appeals for the District of Columbia, upon petition filed within 30 days from the date any administrative rule is published in the Federal Register, to determine the validity of such rule and provides that the court may render a declaratory judgment, holding a rule invalid for violation of the Constitution, for conflict with a statute, for lack of authority conferred upon the agency issuing it by the statute pursuant to which it was issued, or for failure of the agency to comply with the provisions of section 2 previously described. Under the section, a rule held to be invalid is to have no force or effect except to confer immunity. Section 3 further provides that nothing contained therein is to prevent the determination of the validity of any rule in any suit in a court of the United States as authorized by law.

Under this section, as now drafted, any person, regardless of whether he is affected by the rule, may petition the United States Court of Appeals for the District of Columbia to determine its validity. This is a radical departure from the Federal Declaratory Judgment Act (U. S. C., title 28, sec. 400), which is limited to "cases of actual controversy" in a constitutional sense (*Aetna Life Insurance Co. of Hartford, Conn.* v. *Haworth* (1937), 300 U. S. 227). It is recognized that the Circuit Court of Appeals for the District of Columbia has the status both of a constitutional and of a legislative court and that the Congress may impose nonjudicial functions upon it. However, the most significant fact with respect to the section under discussion is that even though provision were made for such review, the United States Supreme Court would have no constitutional power to review a declaratory judgment of the Circuit Court of Appeals for the District of Columbia holding an administrative rule invalid since this would involve an administrative proceeding and not a case or controversy within the meaning of the judiciary article of the Constitution (*Radio Comm.* v. *General Electric Co.* (1930), 281 U. S. 464). Thus, the effect of section 3 seems comparable to clothing the Circuit Court of Appeals for the District of Columbia with the absolute power to declare a statute unconstitutional without review by the United States Supreme Court.

While a decision of the Circuit Court of Appeals for the District of Columbia holding a rule invalid would be absolutely binding upon the Government, a rule sustained by that court may, under section 3, be subsequently attacked by an aggrieved party in an actual controversy and the rule found invalid by another court. Not only would this procedure be highly inequitable, but it would also be completely ineffectual as a means of securing prompt decision as to the validity of administrative rules.

Section 4 concerns the establishment of a system of administrative review. It provides that the head of each agency shall establish intra-agency boards consisting of three employees, one of whom shall be a lawyer and act as chairman, for the hearing of administrative appeals. Existing intra-agency boards are reestablished and are to function in accordance with the act. Upon the request of any person aggrieved by a decision (which is defined as "any affirmative or negative decision, order, or act in specific controversies which determines the issue therein involved") of an officer or employee of any agency within 20 days after the receipt of notice by registered mail of such act, failure to act, or decision, the head of the agency concerned is to refer the claim or controversy to an intra-agency board for review. The boards are to give a full and fair hearing, and they are authorized to subpena witnesses and documents and to hear examination and cross-examination of witnesses. There is to be a record of the proceedings as in a trial court. The board is to make written findings of fact and a separate decision or order thereon, which shall be subject to the written approval, disapproval, or modification of the head of the agency concerned. This section also seeks to provide for a uniform procedure of review before the independent boards and commissions.

In an article entitled "Prospectus for the Further Study of Federal Administrative Law," appearing in the February 1938 issue of the Yale Law Journal, Mr. A. H. Feller stated with reference to this provision:

"* * * A committee of the American Bar Association has recently recommended that all heads of departments be required to set up review boards, to which any person 'aggrieved by a decision, act, or failure to act' by any officer or employee of the Department may resort. Would this extend to the refusal of an officer of the Department of State to recommend to the Secretary that a reciprocal-trade agreement be negotiated, or to the rejection of a bid by a procurement officer? Would it not entail so much expense and delay, so many possibilities of confusion, that it would discredit the whole idea of intradepartmental review? It would be of greatest value to know to what extent review boards are necessary. I find it hard to believe that every 'decision, act, or failure to act' should be subject to this sort of review. Here, as in many other places, inquiry and experiment should precede general innovation."

The Department concurs in Mr. Feller's views with respect to this provision.

By multiplying opportunities for hearings, all of which must include, among other things, power of subpena, the right of cross-examination of witnesses, the filing of formal pleadings, and the making of written records, opportunity for delay is too clearly afforded. Numerous administrative and judicial hearings are provided for if a petitioner desires to take a rule or action under it through the court of ultimate resort. The holding of the number of hearings provided for would require months and perhaps years if the right were fully exercised by ingenious counsel. The bill, by overextending the opportunities for delay, affords an opportunity for the use of dilatory tactics which may result in completely paralyzing administrative authority.

To cite a specific example, a decision of the Procurement Division of the Treasury Department that a low bidder lacks the technical or financial qualifications necessary to undertake a contract, would be subject to appeal under section 4, and, pending consideration of the appeal, the time for acceptance of the bids would probably expire. Upon readvertisement the same bidder might again submit the low bid, and a repetition of the same procedure would be possible. Purchasing and construction work might be indefinitely held up under such circumstances. Again, after the award of contracts, the bill would make it possible for contractors to defer indefinitely the effectiveness of administrative decisions in much the same way. Questions as to the qualifications of sureties and a great number of questions as to contract requirements, except as prevented by specific contract provisions, might become the subject of long, frequent, and pointless argument before contractors would be obliged to proceed.

It should be noted that while the bill, in section 4 (d), provides that the Board may find that the petitioning party has been damaged by the inaction or delay of administrative officials and may set the amount of pecuniary damages suffered by the aggrieved person because of such inaction or delay (such amount of damages to be certified to Congress for an appropriation to be paid to the aggrieved party), no provision is made for damages which may well be suffered by the United States in the delay and inaction caused by the proposed statutory privileges exercised by the aggrieved person.

Under the provisions of section 5, any person aggrieved by a final decision or order of any agency may obtain a review of such decision or order by filing a petition with the circuit court of appeals, the United States Court of Appeals for the District of Columbia, or the Court of Claims. Any such decision or order is to be set aside if it appears (1) that the findings of fact are clearly erroneous, or (2) that the findings of fact are not supported by substantial evidence, or (3) that the decision or order is not supported by the findings of fact, or (4) that the decision or order was issued without due notice and a reasonable opportunity having been afforded the aggrieved party for a full and fair hearing, or (5) that the decision or order is beyond the jurisdiction of the agency or independent agency, as the case may be, or (6) that the decision or order infringes the Constitution or statutes of the United States, or (7) that the decision or order is otherwise contrary to law. The first ground for setting aside a decision or order, namely, "that the findings of fact are clearly erroneous," would, if adopted, require the courts to weigh the evidence in all cases and would in effect bring about trials de novo on the administrative record. This would result in the substitution of the judgment of the court for that of the administrative agency.

With reference to this problem, certain language in an article by the Honorable Robert M. Cooper, Special Assistant to the Attorney General of the United States, entitled "Administrative Justice and the Role of Discretion," which appeared in the February 1938 issue of the Yale Law Journal, is particularly relevant. In this article Mr. Cooper stated:

"It is hardly reasonable to assume that a judiciary, completely untrained in the problems of public administration, is more capable or more likely to reach proper results than experienced administrators selected primarily for their specialized knowledge, technical competence, and thorough familiarity with the intricacies of modern governmental policies. In recognition of this truth the tendency of legislative practice has been in the direction of according greater administrative finality to official action.

"* * * As a practical matter, the judiciary is no more fitted to enter the specialized fields of public administration nor endowed with the technical competence necessary to solve the intricate problems arising in connection with the enforcement of modern legislative policies than are the legislative bodies, which were forced to delegate such functions to specialized tribunals. Obviously, then, the courts are in no position to supervise the exercise of discretionary authority by these specialized tribunals except in those cases where there is a clear abuse of power or authority. In any event, it is difficult to justify the courts' position in attempting to substitute their own judgment in matters of discretion or legislative policy for that of an experienced administrative agency. Similarly, but to an even greater extent, the practice of permitting a complete trial de novo on certain fundamental issues which inevitably involve the exercise of discretion reaches beyond the outermost bound of sound governmental practice."

Section 6 provides for the assessment of damages when the court finds that there was no substantial basis for the petition for review. While it authorizes the courts to impose damages in any case where there was no substantial basis for the petition for review and the decision of the agency is affirmed, two practical considerations militate against an assessment of damages: First, it is extremely difficult to prove that any petition for appeal is filed merely for delay; and, second, sufficient opportunity for delay exists under the provisions of the bill prior to appeal to the courts. The provision of this section for allowance of "cost on review" seems inadequate. One of the most important elements of cost would be that of preparing and certifying the administrative record, and there should be specific provision for the cost of that record. Under the bill as now drafted it would probably be necessary for the Government to bear this expense, and groundless litigation would probably be encouraged.

Preliminary to consideration of section 7 of the bill, which concerns the continuance of existing judicial remedies and the exemption of certain governmental agencies from the terms of the bill, it should be stated that the bill makes no distinction between matters pertaining to the external relations of the agency and those pertaining to purely internal operations and affairs. The bill may well be construed to apply to matters concerning internal affairs, such as promotion of employees, regulations regarding leave, requirement of bonds, and a host of other matters relating solely to the internal government of the agency. Weight is given to such construction, in light of the doctrine of expressio unius exclusio alterius, by subsection (b) of section 7, which provides that the act shall not apply to any case where the aggrieved party "has failed to receive appointment or employment by an agency or independent agency." Under that doctrine the express exemption of matters relating to failure to receive appointment would seem to preclude a construction exempting other internal affairs. It is believed that the application of the provisions of the bill to purely internal operations could only serve to hamper the efficient operation of the agencies concerned.

In this connection it is noted that section 7 provides that nothing in the act shall apply to or affect any matter "concerning or relating to the internal revenue, customs, * * * laws." Since this language would not prevent the proposed bill from applying to internal matters of the Bureau of Internal Revenue or the Bureau of Customs, the Treasury Department recommends that (if your committee should determine to report the bill favorably) these two agencies be expressly exempted from the operation of the bill, as was done in the case of the Federal Reserve Board and other enumerated agencies. The Department further recommends that the Coast Guard be expressly exempted from the provisions of the bill, so that it will be made clear that matters concerning that organization fall within the exception of matters "concerning or relating to the conduct of military or naval operations."

While the Treasury Department is in sympathy with any efforts to improve administrative organization and procedure, it believes that any legislation designed to accomplish this purpose should be prepared only after careful study and consultation with those intimately aware of the problems faced by the various agencies of the Government.

Therefore the Treasury Department recommends that H. R. 6324, or any similar legislation, be not enacted until the comprehensive study of problems of administrative organization and procedure now being made by the Attorney General's committee on administrative procedure and an advisory interdepartmental committee thereof is completed.

I have been advised by the Director of the Bureau of the Budget that, in view of the study now being conducted, the proposed legislation would not be in accord with the program of the President.

Very truly yours,

STEPHEN B. GIBBONS,
Acting Secretary of the Treasury.

Hon. HENRY F. ASHURST,
Chairman, Committee on the Judiciary,
United States Senate.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on May 17, 1939, that committee presented to the President of the United States the following enrolled bills:

S. 90. An act to provide for the punishment of persons transporting stolen animals in interstate commerce, and for other purposes;

S. 198. An act to provide that records certified by the Court of Claims to the Supreme Court, in response to writs of certiorari, may include material portions of the evidence, and for other purposes;

S. 242. An act relating to the disposition of funds derived from the Coos Bay Wagon Road grant lands;

S. 542. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

S. 1281. An act to prohibit reproductions of official badges, identification cards, and other insignia;

S. 2050. An act to authorize a sale of the old Carson City (Nev.) Mint site and building notwithstanding the provisions of Joint Resolution No. 18 of February 23, 1865; and

S. 2244. An act to authorize the Secretary of the Treasury to accept real estate devised to the United States by the late Lizzie Beck, of Mena, Ark., and for other purposes.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MILLER:

S. 2450. A bill to amend the Fair Labor Standards Act of 1938; to the Committee on Education and Labor.

By Mr. HOLMAN:

S. 2451. A bill to prohibit the immigration of aliens into the United States during the present period of abnormal unemployment and the expenditure of public funds for the relief of the unemployed; to the Committee on Immigration.

By Mr. NEELY:

S. 2452. A bill granting an increase of pension to Isabell Postlethwait; to the Committee on Pensions.

By Mr. NYE:

S. 2453. A bill to provide for insurance by the Farm Credit Administration of loans made by financial institutions for the purpose of enabling borrowers to purchase livestock for restocking or herd-foundation purposes; to the Committee on Agriculture and Forestry.

By Mr. GEORGE:

S. 2454. A bill to relieve disbursing officers and certifying officers of the Veterans' Administration from liability for payment where recovery of such payment is waived under existing laws administered by the Veterans' Administration; to the Committee on Finance.

By Mr. BYRD:

S. 2455. A bill to confer jurisdiction on the Court of Claims to hear and determine the claim of Mount Vernon, Alexandria & Washington Railway Co., a corporation; to the Committee on Claims.

By Mr. DAVIS:

S. 2456. A bill for the relief of Mary Robinson; to the Committee on Claims.

By Mr. WHEELER:

S. 2457. A bill for the relief of Clayton W. Curtis; to the Committee on Claims.

AMENDMENT OF BONNEVILLE PROJECT ACT—AMENDMENT

Mr. McNARY submitted an amendment intended to be proposed by him to the bill (S. 2375) to amend the Bonneville Project Act, which was referred to the Committee on Commerce and ordered to be printed.

RELIEF OF NADINE SANDERS

The VICE PRESIDENT laid before the Senate the amendment of the House to the bill (S. 1164) for the relief of Nadine Sanders, which was, on page 1, line 6, to strike out "$1,096.40" and insert "$750."

Mr. HATCH. I move that the Senate disagree to the amendment of the House, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. LOGAN, Mr. BURKE, and Mr. CAPPER conferees on the part of the Senate.

PRESENTATION OF PORTRAIT OF SENATOR CONNALLY TO TEXAS SENATE

[Mr. McKELLAR asked and obtained leave to have printed in the RECORD the proceedings of the Texas State Senate of

Tuesday, May 2, 1939, on the occasion of the presentation of a portrait of Senator CONNALLY, which appears in the Appendix.]

NATIONAL LABOR RELATIONS BOARD—STATEMENT BY SENATOR WAGNER

[Mr. MINTON asked and obtained leave to have printed in the RECORD a statement by Senator WAGNER before the House Committee on Labor concerning the National Labor Relations Act and the activities of the National Labor Relations Board, which appears in the Appendix.]

ADDRESS BY SENATOR TOWNSEND BEFORE NATIONAL ECONOMY LEAGUE

[Mr. MCNARY asked and obtained leave to have printed in the RECORD the address delivered by Senator TOWNSEND at the seventh annual dinner of the National Economy League, held in New York City on May 16, 1939, which appears in the Appendix.]

ADDRESS BY THE POSTMASTER GENERAL AT ROCK ISLAND, ILL.

[Mr. SLATTERY asked and obtained leave to have printed in the RECORD the address delivered by Hon. James A. Farley, Postmaster General, at the annual convention of the Illinois Chapter of the National Association of Postmasters, held at Rock Island, Ill., May 13, 1939, which appears in the Appendix.]

ADMISSION OF GERMAN REFUGEE CHILDREN

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a telegram from the Ministerial Association of Raleigh and Wake County, N. C., regarding the admission of German refugee children into the United States, and also certain editorials on the same subject, which appear in the Appendix.]

NAVAL APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 6149) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1940, and for other purposes.

The VICE PRESIDENT. The clerk will proceed to state the amendments reported by the committee.

The first amendment of the Committee on Appropriations was, under the heading "Naval Establishment, office of the Secretary, care of lepers, etc., island of Guam", on page 4, line 16, after the word "maintenance", to strike out "$21,000" and insert "$22,000", and in line 17, after the words "in all", to strike out "$36,000" and insert "$37,000", so as to read:

Naval station, island of Guam: For maintenance and care of lepers, special patients, and for other purposes, including cost of transfer of lepers from Guam to the island of Culion, in the Philippines, and their maintenance, $22,000; for educational purposes, $15,000; in all, $37,000.

The amendment was agreed to.

The next amendment was, under the subhead "Operation and conservation of naval petroleum reserves", on page 5, line 19, after the word "reserves", to strike out "$64,500" and insert "$70,000", so as to read:

To enable the Secretary of the Navy to carry out the provisions contained in the act approved June 4, 1920 (34 U. S. C. 524), requiring him to conserve, develop, use, and operate the naval petroleum reserves, $70,000, of which amount not to exceed $20,000 shall be available for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department.

The amendment was agreed to.

Mr. MCNARY. Mr. President, it is not my purpose to oppose this bill or to delay its passage. I think, however, in fairness to the Members of the Senate who are not members of the committee, that a statement should be made by the able Senator from South Carolina [Mr. BYRNES] concerning the bill and why the bill carries the appropriations which it provides, and what are the general aims and purposes of the bill.

Mr. BYRNES. Mr. President, I shall be glad to conform to the request of the Senator from Oregon.

The Appropriations Committee, of course, does not attempt to establish a policy for the Government in naval matters. That policy is considered by another committee, the Naval Affairs Committee. The Appropriations Committee is interested only in determining the amount of money to be appropriated annually to carry out the legislative policy determined by the Congress. That policy having been determined, the House of Representatives has appropriated for the next fiscal year, beginning July 1, the sum of $773,000,000. The Senate committee has reduced the amount provided by the bill below the amount recommended for appropriation by the House, the reduction being due in great measure to the determination of the committee not to appropriate for the construction of the lighter-than-air ship heretofore authorized by the Congress.

In addition to the amount of $371,000, indicated in the report as the reduction below the total provided by the House, the Senate committee recommends that there be stricken from the bill the authorization carried by the House providing for carrying into the next fiscal year the $500,000 appropriated in the deficiency bill of last year. The amount of the appropriation this year is in excess of any amount heretofore appropriated by Congress in time of peace, but exceeds the appropriation for 1939 by $149,000,000. Sixty-three percent of the $149,000,000 is due to the shipbuilding program and the program for aviation. Fourteen percent of it is due to an increase in shore activities, which increase is due, of course, to the increased program. Twenty-three percent is due to the increase in personnel, the increase in maintenance, and such items as fuel.

The amount of money that must be appropriated for the Navy is necessarily dependent upon the shipbuilding program authorized by the Congress. When we increase the number of ships it follows that there must be an increase in the enlisted personnel, which goes up to 110,000 for the next fiscal year and at the end of that time will be increased to 116,000 as ships go into commission. It means an increase in fuel, it means an increase in armament, and in everything that is essential for a rounded and well-balanced Navy.

If Senators are interested in the matter, they might look in the record of the hearings, and they will find the number of ships that will be in commission during the next fiscal year. It is interesting to see that when the program authorized by the Congress is under construction, the United States will have a total of 199 ships in commission. The British Empire has 204. Japan will have in commission 223 ships. The tonnage figures I do not carry in my mind.

In addition to the amount of money which is carried for the construction of ships, which is the chief item, there is carried in the bill $88,298,000 for aviation. That is the amount that was requested by the Budget Bureau.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BYRNES. I yield to the Senator from Michigan.

Mr. VANDENBERG. Before the Senator leaves the item respecting the construction of ships, I desire to ask him a question for information. Does the contemplated construction of a 45,000-ton battleship appear specifically in the bill elsewhere than in the amendment on page 42 providing for certain shipbuilding facilities in Philadelphia? Is that item specifically in the bill somewhere else?

Mr. BYRNES. I think so. Any item of construction would appear in several places; but only $10,000,000 of this amount goes for the construction of new ships which are initiated by the bill. Not all of this amount is due to the 45,000-ton battleship, but the largely increased appropriation is due to the ships heretofore authorized, and begun last year. The Senator from Michigan knows that the designing of ships takes a very long time; and that accounts for the relatively small amount of appropriation which is carried for ships, the construction of which is to be initiated during the next fiscal year.

Mr. VANDENBERG. I have been searching the bill, trying to find any specific language which indicates the initial appropriation for 45,000-ton battleships.

Mr. BYRNES. The appropriation is under "Replacement of Navy." That is the title under which construction is

authorized and carried. That term is used, I suppose, on the theory that the new ship replaces a ship that goes out of commission. The determination of naval authorities is that a battleship becomes overage at 26 years; and under the limitation-of-armaments treaty, whenever a ship had been in commission for 26 years, the Navy was authorized to replace it. Consequently the bill carries the title "Replacement of Navy"; and that is the item under which the appropriation is carried for initiating the 45,000-ton battleship.

Mr. VANDENBERG. The replacement item is a lump-sum item?

Mr. BYRNES. Yes.

Mr. VANDENBERG. The distribution of the item, then, is at the discretion of the Department?

Mr. BYRNES. That is correct; over the various departments.

The VICE PRESIDENT. The clerk will state the next amendment reported by the committee.

The next amendment was, under the heading "Bureau of Navigation", on page 8, line 13, after the word "for", to strike out "$218,000" and insert "$222,290", so as to read:

Instruction: For postgraduate instruction of officers in other than civil government and literature, including such amounts as may be necessary to carry out the provisions of the act approved January 16, 1936 (34 U. S. C. 1073), and for special instruction, education, and individual training of officers and enlisted men at home and abroad, including maintenance of students abroad, except aviation training and submarine training otherwise appropriated for, $222,290.

The amendment was agreed to.

The next amendment was, on page 10, line 2, after the name "Navy", to strike out "$1,902,190" and insert "$1,906,480", so as to read:

In all, training, education, and welfare, Navy, $1,906,480.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Ordnance, ordnance and ordnance stores, Navy", on page 22, line 25, after the name "West Virginia", to strike out "$31,948,000" and insert "$32,548,000", so as to read:

For procuring, producing, preserving, and handling ordnance material for the armament of ships; for the purchase and manufacture of torpedoes and appliances; for the purchase and manufacture of smokeless powder; for fuel, material, and labor to be used in the general work under the cognizance of the Bureau of Ordnance; for furniture at naval ammunition depots, torpedo stations, naval ordnance plants, and proving grounds; for technical books; plant appliances as now defined by the "Navy Classification of Accounts"; for machinery and machine tools; for accident prevention; for experimental work in connection with the development of ordnance material for the Navy; for maintenance of proving grounds, powder factory, torpedo stations, gun factory, ammunition depots, and naval ordnance plants, and for target practice; not to exceed $20,000 for minor improvements to buildings, grounds, and appurtenances of a character which can be performed by regular station labor; for payment of part-time or intermittent employment in the District of Columbia, or elsewhere, of such scientists and technicists as may be contracted for by the Secretary of the Navy in his discretion at a rate of pay not exceeding $20 per diem for any person so employed, and payment of the travel expenses of such persons if they be members of the Naval Reserve ordered to active duty; for the maintenance, repair, and operation of horse-drawn and motor-propelled freight and passenger-carrying vehicles, to be used only for official purposes at naval ammunition depots, naval proving grounds, naval ordnance plants, and naval torpedo stations; for the pay of chemists, clerical, drafting, inspection, and messenger service in navy yards, naval stations, naval ordnance plants, and naval ammunition depots, and for care and operation of schools at ordnance stations at Indianhead, Md.; Dahlgren, Va.; and South Charleston, W. Va., $32,548,000.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Supplies and Accounts—pay, subsistence, and transportation of naval personnel", on page 25, line 14, after the word "list", to strike out "except eight for assignments filled on September 30, 1937, exclusive of the assignment at the Naval Mine Depot, Yorktown, Va., three for duty exclusively with the Maritime Commission, two for duty exclusively with the naval petroleum reserves, and one for duty at the Naval Gun Factory, Washington, D. C." and insert "except seven for assignments filled on September 30, 1937, exclusive of the assignments at the Naval Mine Depot, Yorktown, Va., and in the Treasury Department, three for duty exclusively with the Maritime Commission, two for duty exclusively in connection with the naval petroleum reserves, one for duty as curator of the Naval Academy Museum, and one for duty at the Naval Gun Factory, Washington, D. C.", so as to read:

Pay of naval personnel: For pay and allowances prescribed by law of officers on sea duty and other duty, and officers on waiting orders, pay $37,037,664, including not to exceed $1,887,045 for increased pay for making aerial flights, no part of which shall be available for increased pay for making aerial flights by more than five officers above the rank of captain, nor by nonflying officers or observers at rates in excess of those prescribed by law for the Army, which shall be the legal maximum rates as to such nonflying officers or observers; rental allowance, $7,698,476; subsistence allowance, $4,657,071; in all, $49,393,211; officers on the retired list, $9,801,590; for hire of quarters for officers serving with troops where there are no public quarters belonging to the Government, and where there are not sufficient quarters possessed by the United States to accommodate them, and hire of quarters for officers and enlisted men on sea duty at such times as they may be deprived of their quarters on board ship due to repairs or other conditions which may render them uninhabitable, $7,865; pay of enlisted men on the retired list, $9,452,619; interest on deposits by men, $8,400; pay of petty officers (not to exceed an average of 9,044 chief petty officers, of which number those with a permanent appointment as chief petty officer shall not exceed an average of 7,900), seamen, landsmen, and apprentice seamen, including men in the engineer's force and men detailed for duty with the Bureau of Fisheries, enlisted men, men in trade schools, pay of enlisted men of the Hospital Corps, extra pay for men as authorized by law, and cash prizes (not to exceed $113,050) for men for excellence in gunnery, target practice, communication, and engineering competitions, $96,252,950; outfits for all enlisted men and apprentice seamen of the Navy on first enlistment, civilian clothing not to exceed $15 per man to men given discharges for bad conduct or undesirability or inaptitude, reimbursement in kind of clothing to persons in the Navy for losses in cases of marine or aircraft disasters or in the operation of water- or air-borne craft, and the authorized issue of clothing and equipment to the members of the Nurse Corps, $2,195,222; pay of enlisted men undergoing sentence of court martial, $35,445, and as many machinists as the President may from time to time deem necessary to appoint; pay and allowances of the Nurse Corps, including assistant superintendents, directors, and assistant directors—pay, $545,740; rental allowance, $38,400; subsistence allowance, $24,156; pay retired list, $315,333; in all, $923,629; rent of quarters for members of the Nurse Corps; pay and allowances of transferred and assigned men of the Fleet Naval Reserve, $15,144,575; reimbursement for losses of property as provided in the act approved October 6, 1917 (34 U. S. C. 981, 982), as amended by the act of March 3, 1927 (34 U. S. C. 983), $10,000; payment of 6 months' death gratuity, $230,039; in all $183,455,545; and, except during war or national emergency declared by the President to exist, no part of such sum shall be available to pay active-duty pay and allowances to officers on the retired list, except seven for assignments filled on September 30, 1937, exclusive of the assignments at the Naval Mine Depot, Yorktown, Va., and in the Treasury Department, three for duty exclusively with the Maritime Commission, two for duty exclusively in connection with the naval petroleum reserves, one for duty as curator of the Naval Academy Museum, and one for duty at the Naval Gun Factory, Washington, D. C., and except retired officers temporarily ordered to active duty as members of retiring and selection boards as authorized by law:

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Yards and Docks—Public works, Bureau of Yards and Docks", on page 41, line 25, after the figures "$510,000", to insert a semicolon and "improvement of shipways No. 2 for the construction of a 45,000-ton battleship, $560,000", so as to read:

Navy Yard, Philadelphia, Pa.: Material assembly shop and accessories for new ship construction and power-service lines, $460,000; improvement of pier No. 2 and fitting-out pier No. 5 to facilitate new ship construction $510,000; improvement of shipways No. 2 for the construction of a 45,000-ton battleship, $560,000;

Mr. VANDENBERG. Mr. President, I wish to call attention to the record which precedes the appropriation for a 45,000-ton battleship. The pending amendment specifically relates to that subject.

When the super-supernavy authorization bill was passed 1 year ago, when it left the Senate it carried the following proviso:

Provided, That no vessel authorized by this subsection of a tonnage in excess of 35,000 tons shall be laid down until the President has determined that a capital ship of a tonnage in excess of 35,000 tons has been officially projected, appropriated for, or laid down by another power.

That happened to be my amendment. It was adopted by the Senate, suffered the usual fate of a Senate amendment in the conference with the House, and was lost. When the conference report came to the Senate, however, and the report was in charge of the able Senator from Massachusetts [Mr. WALSH], who was the chairman of the Naval Affairs Committee, I asked him what happened to the proviso, and I read from the subsequent dialog:

Mr. VANDENBERG. May I ask the Senator whether that indicates any change in the attitude of the Department as repeatedly expressed by the Senator from Massachusetts upon the floor, namely, that there is no purpose to go beyond 35,000 tons except as it is determined that there is such construction elsewhere?

Mr. WALSH. All my information is that there is no purpose, no intention, and no desire to go beyond capital ships of 35,000 tons unless some other nation builds a capital ship of a higher tonnage.

Then, skipping some language:

Mr. VANDENBERG. Would I, then, correctly understand the able Senator from Massachusetts, if I were to feel that the bill still means what the Senate undertook to say in words that it should mean?

Mr. WALSH. In my opinion, it does. I think the intention of the Senator from Michigan has been fully carried out.

That being so, Mr. President, I beg to inquire of either the Senator from South Carolina or the Senator from Massachusetts what definite, specific proof and showing has been made to either committee that some other major power is now actually constructing ships in excess of 35,000 tons, as a basis for this item in the bill.

Mr. WALSH. Mr. President——

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Massachusetts?

Mr. VANDENBERG. I yield.

Mr. WALSH. It is my information that the British Government have already contracted for ships in excess of 35,000 tons. I assume that the reason for that is that some other major power has actually engaged in the building of 45,000-ton ships.

Mr. VANDENBERG. Of course, at the time of the controversy on the floor of the Senate a year ago the implication was that something was being done by Japan which indicated the possibility that she might be building these larger ships. It was impossible at that time to get any specific information on the subject. A year has now gone by. Am I to understand that we still have no specific information regarding the Japanese situation, but that we are now asked to embark on a 45,000-ton battleship program, not on account of Japan, but because we find that the democracy of Great Britain is engaged in building such ships? Is that the rival ship against which we are now making our appropriation?

Mr. WALSH. I cannot positively state to the Senator that we have information that Japan is constructing a 45,000-ton ship. I have inferred that such information is in the possession of the Navy Department. In order that there may be no question about it, I will communicate with the Navy Department, and give whatever definite information they have to the Senator very shortly.

Mr. VANDENBERG. I thank the Senator.

Mr. BYRNES. Mr. President, before the Appropriations Committee of the House the positive statement was made by the Chief of Operations of the Navy that Great Britain was constructing a ship of greater tonnage than 35,000 tons, and there was discussion with reference to that matter by the able authorities of Great Britain and this country; and while Japan, following its policy of not disclosing information, has not definitely advised this Government as to what is being done, the best information our authorities have is that Japan is constructing a battleship in excess of 35,000 tons.

Mr. VANDENBERG. Mr. President, I understand the British battleships to which the Senator refers are 42,000-ton battleships. Is that correct?

Mr. BYRNES. That is my recollection of the information. The positive statement was made by a naval authority to the House committee that that was being done at this time by Great Britain.

Mr. BORAH. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield.

Mr. BORAH. I think we are entitled to the facts about this matter. My opinion is that when the facts are known it will be found that Japan is not building this sized battleship, that the building program started with Great Britain, and that it was started after an understanding with this Government. We are entitled to know the real facts, and if they have not been ascertained, they ought to be ascertained by the proper committee.

Mr. BYRNES. Mr. President, it was testified before the House committee that Great Britain was building ships in excess of 35,000 tons, and that up to that date it had not been possible to obtain positive information. The Senator states he has positive information. Of course that is more definite than our information. The information Congress has from the Navy Department is that they have not been able to obtain such information that they could say definitely that that is being done. Their best information is that it is true, but they did not make the positive statement.

Mr. VANDENBERG. Mr. President, that was precisely the situation we were in 1 year ago; it was all a matter of conjecture, and even the conjecture upon which the information was based proved to be more or less of a broken reed because, according to my recollection, the reliance was upon the publication of an item in an Italian newspaper, which subsequently repudiated the publication upon which we were basing our suspicions.

My whole feeling about the matter is precisely the same as it was 1 year ago. If we have to go into the 45,000-ton battleship business as a matter of rational national defense, well and good, but I do not want the United States to be in the position—and this is the same attitude I took 1 year ago—of leading the world in the construction of 45,000-ton battleships, because the moment we set the tempo at that speed in the construction of battleships we render ultimately obsolete all other battleships, and the first thing we know we will have precipitated the entire world upon this increased building tempo and size.

Mr. CONNALLY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Texas?

Mr. VANDENBERG. I yield.

Mr. CONNALLY. Let me ask the Senator from Michigan if a 45,000-ton battleship is a desirable weapon, and it will contribute toward the establishment of an adequate American Navy, why should we have to wait until some other nation builds it and follow their suit?

Mr. VANDENBERG. Let me answer the Senator immediately.

Mr. CONNALLY. I may say to the Senator, if he will permit——

Mr. VANDENBERG. I yield.

Mr. CONNALLY. The Senator from Texas believes that world affairs and the real cause of peace require the United States, not for war but in its own national interest, to have the best navy in the world.

Mr. VANDENBERG. I am not quarreling with that statement.

Mr. CONNALLY. If Japan should conquer China and organize 400,000,000 Chinamen, then what chance would we have to whip her on land? Our answer is that we must command the sea. If we purpose to command the sea, why should we sit around and wait until England builds a 45,000-ton battleship, or Japan builds one, and then build ours? If we are to have one at all, we ought to build it first.

I thank the Senator for yielding.

Mr. VANDENBERG. Let me answer the Senator. The first reason why we should not do what the Senator from Texas suggests is because the Senate of the United States and the Congress voted otherwise.

Mr. CONNALLY. It can vote differently whenever it gets ready, can it not?

Mr. VANDENBERG. Yes; but that is how the record stands today, and I know of no reason why we should not live up to the record as it has thus far been created.

I am opposed to competition in armaments. I subscribe to the Senator's theory that we must have 100 percent adequacy in our national defense. I decline to concede that we have to lead the world in the construction of larger battleships than any other power has ever built in order to have adequacy.

Mr. WALSH. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield.

Mr. WALSH. I have just communicated with Admiral Leahy, the Chief of Operations of the Navy, and he confirms what the Senator from South Carolina and I said about England building 40,000-ton battleships and two 42,000-ton battleships. He says that the only information they have with reference to Japan is that published in Italian newspapers, which he referred to as "Italian news reports"——

Mr. VANDENBERG. If the Senator will excuse me, may I ask him whether these are the same old Italian news reports of a year and a half ago, which we were discussing in the debate last January and February?

Mr. WALSH. I do not recall that.

Mr. VANDENBERG. If the Senator will permit, it is quite important, because those have been repudiated, and I put the repudiation in the RECORD myself 1 year ago.

Mr. WALSH. Admiral Leahy says these reports indicate that Japan is building two 45,000-ton battleships. He does say, however, that they know of their own knowledge that Japan is building battleships beyond the usual size of battleships. They have positive proof of that, but they can get no details and no further information.

Mr. VANDENBERG. Mr. President, let me ask the able Senator from Massachusetts this question——

Mr. WALSH. I am merely quoting what has just been reported.

Mr. VANDENBERG. I have a profound respect for the good faith of the Senator from Massachusetts, and his sound conscience, as every other Member of the Senate has——

Mr. WALSH. I can reciprocate that compliment.

Mr. VANDENBERG. The Senator stated to me in the debate 1 year ago that the authorization bill was left, as he understood it, on such a basis that we would not proceed to build larger than 35,000-ton battleships unless we were authentically advised that other powers were engaged in building larger battleships. I now ask the Senator from Massachusetts whether he is satisfied, upon the basis of the information which he has, that the conditions precedent have been met.

Mr. WALSH. Yes. I must concede to the Senator that I would prefer and would like to have more definite information with respect to Japan, but we simply cannot get it. Our committee has been trying to get some definite information as to what operations Japan is pursuing or what airplane bases she is locating, or what she is doing in the mandated islands south of Guam. We can get absolutely no accurate information. No one is allowed to land on those islands. No vessel is allowed to approach them. We know that Japan has opened up, or claims to be operating, or is about to operate, a commercial air line between Japan and those islands. Their purpose in establishing a commercial air line in islands which have practically no inhabitants and to which there is very little if any travel, is significant. I speak of that simply as illustrating how very difficult it is to obtain the slightest information from Japan in reference to her military movements.

As the Senator knows, and as appeared in the debate last year, actual communications were sent by the British Government and our own Government to the authorities in Japan in an effort to obtain this information, and it was denied them.

Mr. VANDENBERG. May I ask the Senator a further collateral question because of his large experience on the subject? If battle fleets hereafter are built around 45,000-ton battleships, will not that hasten the obsolescence of all battleships of lesser size than 45,000 tons, so far as utility is concerned?

Mr. WALSH. I do not think so. I may say that the information with respect to what Japan was building was to the effect that the battleship was of 46,000 tons, not 45,000 tons.

Mr. President, the sole fighting strength of the Navy is the fleet. The fleet includes battleships, heavy cruisers and light cruisers, destroyers, submarines, and airships. The men of the various units are trained to coordinate and to work together, and each unit has a separate and distinct function in carrying out an attack. The smaller cruiser has its function, as well as the larger cruiser, and the smaller battleship has its function in time of war, as well as the larger battleship. The difference between the smaller and the larger battleships, as I understand, and as the Senator knows, lies in capacity for a mass attack. All the other ships are operated with the idea of leading up to a mass attack by the battleships upon the enemy fleet. A battleship perhaps can be described for this purpose as a fortress in the middle of the sea, and when the opportune time comes the battleships are expected to thrust their heavy guns and their powerful weapons against the enemy. On that basis I cannot conceive that the smaller battleships would become obsolete.

Mr. VANDENBERG. I know the Senator shared my view a year ago that it would be quite a serious matter for us to step up the battleship tempo from 35,000 to 45,000 tons. It would be a serious matter if any responsibility rested upon us for initiating and pioneering in that tempo.

Mr. WALSH. I certainly agree with the Senator from Michigan. I should be reluctant to encourage our Government to build any larger battleships than we would be expected to meet in a naval attack at sea by warships of some other government.

Mr. VANDENBERG. Mr. President, there seems to be no conclusive information available, except that the British are building 40,000- and 42,000-ton battleships.

Mr. WALSH. And that Japan is building something beyond the usual type of battleships, about which we can obtain no definite information.

Mr. VANDENBERG. And that information is based upon something which appeared in an Italian newspaper.

Mr. WALSH. Part of the information is from the Italian newspapers, but part of the information is information which the Navy itself has been able to get, but not of a detailed, definite character.

Mr. VANDENBERG. Mr. President, so far as I am concerned, the basis has not been laid to justify the construction of 45,000-ton battleships.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. NORRIS. I share with the Senator from Michigan the belief that we ought not to take the lead in the world in enlarging battleships. But the Senator will remember, I am quite sure, that there appeared in the public press the statement now made by the Senator from Massachusetts [Mr. WALSH] that our Government, desiring to stay within the present limits of size of battleships built by other countries, sent an official communication to the Government of Japan asking for information as to whether she was building battleships larger than all existing battleships, and, as I remember, the Government of Japan has refused to give that information.

I should like to say, if the Senator will permit in his time——

Mr. VANDENBERG. I have concluded.

Mr. NORRIS. That I think he ought to go a little bit further in answering the Senator from Texas [Mr. CONNALLY], who said that we ought not to pay any attention to the size of battleships being built by foreign countries; that we ought to have larger battleships than those of any other country. Of course, that argument is always made. A great many persons believe in it and think it is sound.

However, the history of battleship construction and armaments on the sea is just the story of one country trying to

build a larger ship than any other country has built, and that is a program which has no limit to it whatever. I should hate to see my Government take the initiative in that kind of program. No one on earth can tell what the end of such a program will be.

It seems to me we must remember that there are peoples who think their countries are as great as ours, and it is all right for them to think so—countries which can build battleships as well as we can, and if we build a 45,000-ton battleship it will be an invitation to all the governments of the world to build battleships of 50,000 tons instead of 45,000 tons.

Mr. President, it seems to me, however, that logically we have a right to be moved in what we do by what other nations are doing. We cannot sit idly by and see other nations build larger vessels, and not do something ourselves. Other nations would naturally feel as we do. Therefore, it seems to me we should place ourselves on the same basis as other nations with respect to naval armament.

If Japan is building two battleships, as reports indicate, in excess even of 45,000 tons, or if Japan refuses to give information when our Government communicates officially with her, it seems to me that is a pretty good indication that she is building ships of greater tonnage than present battleship tonnage. It goes a great way with me as an argument for voting for a 45,000-ton battleship.

Mr. VANDENBERG. There are a good many "ifs" in the Senator's premises before he reaches his conclusion.

Mr. NORRIS. I admit that, but I do not see how we can reason otherwise. We are lacking in definite information.

Mr. VANDENBERG. If our Navy Department actually wants to ascertain whether or not a 45,000-ton battleship is building anywhere on this globe it is simply inconceivable to me that it cannot obtain the information.

Mr. NORRIS. It seems to me we should be able to do so.

Mr. VANDENBERG. I do not see how a 45,000-ton battleship can remain hidden.

Mr. NORRIS. Nor do I, Mr. President. But the United States cannot send spies to a foreign country to ascertain the situation. We do not want to do that. We are operating openly. If our Government asks another government whether it is violating the existing understanding concerning the size of battleships and is told it is none of our business, and will give us no information, I think we have a right to draw the conclusion that it is violating the understanding.

Mr. VANDENBERG. I wish to call the attention of the Sentor from Nebraska to a quotation from the hearings before the House committee. Representative SCRUGHAM is asking Admiral Leahy about the Japanese rumor:

> Mr. SCRUGHAM. And the Japanese program is entirely unknown? We have no accurate knowledge of it whatever?
>
> Admiral LEAHY. We have no knowledge of what the Japanese are doing other than the press reports.

Mr. President, it does not seem to me the press reports suffice to fill the requirements that were put into the naval authorization bill 1 year ago and justify an increase in the tonnage of battleships from 35,000 to 45,000 tons.

Mr. NYE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. NYE. That is directly in line with a thought I wanted to leave with the Senate. Surely since the press reports and the rumors have been so thoroughly discredited as they have been in this respect, it is well to remember now and for all time, that for a number of years we have been taught to believe, through the press and through channels more or less official, that the Japanese were fortifying the mandated islands in the Pacific, and that only in recent months, under pressure, was the Department of State required to state the facts, which were that they had no knoweldge of any fortifications of the mandated islands in the Pacific.

It seems to me we build too largely upon mere rumor in connection with military appropriations.

Mr. VANDENBERG. Mr. President, undoubtedly what the Senator says is true to a degree. In this particular instance I cannot help recalling that a year ago, when the same subject was under debate, we confronted precisely the same nebulous reply.

Mr. NYE. And from the same authorities.

Mr. VANDENBERG. There was the same kind of rumor and gossip. We seem to have progressed no further in the course of the year in respect to the Japanese attitude. Technically, I assume that the fact that it is known that the British are building 42,000-ton ships justifies the Navy Department in considering that the requirements of the last authorization act have been met; but it is rather shocking to think that our naval rivalry is now with Great Britain instead of with Japan.

Mr. NORRIS. Mr. President, will the Senator again yield?

Mr. VANDENBERG. I again yield to the Senator from Nebraska.

Mr. NORRIS. I should like to ask the Senator from Michigan, and also the Senator from North Dakota what, in their judgment, our Government should do to find out what sized battleships a foreign government is building. Do the Senators think we ought to send spies into foreign countries to spy out their business? Is there anything an honest government could do except what I understand our Government has done, and that is to ask a foreign government what it is doing? If that government refuses to tell what it is doing, then what would the Senator from Michigan or the Senator from North Dakota do in that regard? What further steps should be taken to find out what we want to know?

Mr. VANDENBERG. Mr. President, the word "spy" is a very invidious word. A question can be framed around the word "spy" to which no one cares to respond affirmatively. The fact remains that we have military attachés and naval attachés in every capital on earth. All other powers have similar attachés in the United States. I decline to believe that it is not possible, entirely within the ethics of the operation of consular attachés, to find out whether or not some other nation is building a 45,000-ton battleship.

Mr. NYE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. NYE. Our doubting, continuing to wonder, and basing our actions upon rumors are a terrible reflection upon our own naval intelligence service and general service abroad, are they not?

Mr. VANDENBERG. It seems so to me.

Mr. President, I do not want my position misunderstood. Throughout the 11 or 12 years I have been in the Senate I have voted for every naval appropriation bill, regular and extra, with a single exception. I am not a small-navy man. I am a big-navy man. However, I am not for a Navy any bigger than it has to be in order adequately to provide for the national defense. I am not willing to lead in the building tempo, or to start the competition in building super-super battleships. There is no end to it. Nobody ever catches up. It is always a stern chase, and sooner or later we shall all be bankrupt, including the United States.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BYRNES. In the first place, I wish to say——

Mr. NORRIS. Mr. President if the Senator will yield just a moment, I should like to say something with reference to what the Senator from Michigan and the Senator from North Dakota have said.

I think it is absolutely true that unless the various countries in the world stop the mad race to build the largest battleship of all, they will all eventually be bankrupt. The entire world will be bankrupt. However, I cannot help remembering that we may have to go into bankruptcy in order to compete in the mad race. Japan is bankrupt, and has been for many years. Italy is bankrupt, and has been for many years. Germany is likewise bankrupt, and yet she is able, in her bankruptcy, to build more armament and battleships than she could when she was not bankrupt. We may find ourselves in the same condition before we are through.

Mr. BORAH. Mr. President, I do not know how the Senator defines bankruptcy; but, as I understand, all the great naval nations are bankrupt in the sense in which we ordinarily use that term. We have already reached that stage. We are spending more money than we can collect, and more money than we can reasonably obligate ourselves to pay. We cannot balance the Budget; we cannot pay our expenses in government; we cannot do anything but overdraw, issue new notes, go deeper and deeper into debt; and that is bankruptcy.

Mr. BYRNES. Mr. President, I sympathize with the sentiments expressed by the Senator from Michigan [Mr. VANDENBERG] and the Senator from Idaho [Mr. BORAH]. Before coming to the Senate, in my service in the House I spent 12 years on the subcommittee having charge of naval appropriations. I remember that shortly after the World War, in 1919 or 1920, I offered an amendment to the naval appropriation bill calling upon the President to invite the naval powers of the world to a conference for the limitation of armaments. A point of order being raised, the amendment was eliminated. When the bill came to the Senate the Senator from Idaho [Mr. BORAH] offered a more comprehensive amendment to the naval bill seeking the same purpose, a conference for the limitation of armaments, which was agreed to by the Senate; and the House conferees agreed.

However, I am not closing my eyes to the situation which exists in the world. I have not discussed the policy to be followed by this country in naval matters, or our attitude with reference to the disturbed condition abroad, because, while I do not criticize others for doing so, I have thought that some of us could best promote the welfare of our country and help to preserve peace by refraining from talking about the affairs of European nations, and particularly about the tension existing in Europe.

Anyone who reads the hearings before the Appropriations Committees of the House upon the naval bill will find set forth a statement of treaties agreed to since last year. I know I was greatly interested in the statement. Reference is made to the Munich pact, and the pact concluded shortly thereafter, the Anglo-Italian nonaggression pact, and the nonaggression pact between France and Germany.

As I read of those pacts, I could not but think that if the people of those nations and the people of this Nation today had regard for the solemn pledges of governments, we should not have existing here and throughout the world the fear of war which exists. Notwithstanding those solemn pledges of nonaggression, we find the people of the world afraid that there will be aggression on the part of some one of the governments, parties to these solemn agreements.

So far as this Government is concerned, we must be frank and say that our attitude upon this bill is affected somewhat by the situation in the world. It is true that our naval program was entered upon as a result of the 1936 treaty, before conditions abroad became as tense as they now are. The program was determined upon by the General Board of the Navy as the program essential for the adequate defense of the United States; but the situation in Europe has caused this Government to accelerate its defense program.

I find that the language of the act of last year on the question which causes this discussion is slightly different from the statements contained in the CONGRESSIONAL RECORD. Regardless of the statements contained in the CONGRESSIONAL RECORD, we must look to the law. The law says:

> (a) Capital ships, 105,000 tons, making a total authorized underage tonnage of 630,000 tons: *Provided*, That vessels of tonnages in excess of 35,000 tons each may be laid down if the President determines with respect to the tonnage of capital ships being built by other nations that the interests of national defense so require, in which event the authorized composition of the United States Navy of capital ships is hereby increased by 135,000 tons, making a total authorized underage tonnage of 660,000 tons.

Pursuant to the discretion vested in him under that law, the President, upon the information he had, determined that the interests of national defense required the approval of the construction of vessels of 45,000 tons. If I am asked what information the President had, I am unable to answer; but I can answer that according to the hearings and the positive testimony of the Navy Department, Great Britain now has the *Hood*, which is 42,100 tons, and in addition has under construction other ships of 42,000 tons. I put into the RECORD for the benefit of the Senate the table furnished by the Navy Department as to the tonnage of Japan.

Senators say that it ought to be easy to ascertain the exact tonnage of ships under construction by Japan. Those charged with the duty of conducting our naval intelligence give us the best information they have; and I shall not stop today to ask them the source of that information. I have confidence in the statement that they have given to the Congress of the United States. That statement shows that Japan now has under construction three ships of from 42,000 to 46,000 tons. The information that is referred to in the hearings before the Committee on Appropriations is that 46,000 and not 42,000 is the tonnage of the last ship laid down by Japan.

What do we find as to speed? Everyone knows, because our Government has no secrets as to naval power, that the speed of our ships is much less than the speed of the ships of Japan or, for that matter, of Great Britain.

Mr. McNARY. Mr. President, will the Senator yield there?

Mr. BYRNES. I will yield in a moment, after I finish the statement. The speed of most of our smaller battleships ranges from 21 to 22 knots per hour; those that we now have under construction will have a speed of 27 knots per hour; the proposed 45,000-ton battleship will be a faster ship. It must be, because Germany has two ships with a speed of 30 knots; Great Britain has the *Repulse* and the *Renown* with a speed of 31½ knots. These figures are taken from the best information obtainable by the Navy Department. I now yield to the Senator from Oregon.

Mr. McNARY. Mr. President, I am curious to know what is the record from which the Senator has been reading?

Mr. BYRNES. The record is simply the testimony before the House Appropriations Committee by the representatives of the Navy Department.

Mr. McNARY. Who was it who testified?

Mr. BYRNES. Admiral Leahy, who furnished a detailed statement of the naval construction of various governments.

Mr. McNARY. The able Senator from Michigan stated or read into the RECORD that Admiral Leahy said all he knew about it was from press reports. I am just curious to know where the Senator gets his so-called "definite information."

Mr. BYRNES. I do not know about the statement to which the Senator refers but the information is in the House hearings, and the matter was discussed and referred to in more than one place. The information was secured through the naval intelligence. Where they got the information, I am unable to say. I would not attempt to say except as to British ships, concerning which there is public knowledge.

Mr. McNARY. I am not referring to ships which are being built by Great Britain but those that are supposed to be under construction by Japan.

Mr. BYRNES. As I have said, as to those ships the only information comes through the naval intelligence.

Mr. McNARY. While I am on my feet, let me ask the Senators concerning the ships of 35,000 tons for which contracts have been made. What is the contract cost to the Government for those ships?

Mr. BYRNES. We went into the question of the contract cost at some length. For contract ships my recollection is the cost is eighty-four-million-and-some-hundred-thousand dollars.

Mr. McNARY. I am speaking of the 35,000-ton ships, the largest we now are building.

Mr. BYRNES. I am advised that the *North Carolina* and *Washington* of 35,000 tons each cost $65,000,000. The last one under construction will cost eighty-some million dollars.

Mr. McNARY. That is a 35,000-ton ship?

Mr. BYRNES. Yes; a 35,000-ton ship.

Mr. McNARY. What will the 45,000-ton ship cost?

Mr. BYRNES. The Senator will be interested to know that the estimate submitted was $93,000,000; but, taking into consideration some deductions which should be allowed,

it would cost not to exceed $84,000,000. It was surprising to me that a 45,000-ton battleeship should not cost more than the 35,000-ton battleship under construction at this time.

Mr. McNARY. That presents a very curious situation. It is almost inconceivable that a 45,000-ton battleship costs no more than a 35,000-ton battleship.

Mr. BYRNES. So much so that the committee spent several hours inquiring as to the reasons. It is very difficult satisfactorily to explain the reason, but it comes about in this way: In the one case an estimate is secured for the construction of a ship under private contract, when, of course, there is a definite figure. In the other case the ship is constructed in Government yards, and when it comes to ascertaining the exact cost of the construction of a ship in a Government yard one is met with the information from the representatives of the Department that, not including the statistical costs, the construction will involve an expenditure of about $84,000,000. Then, when the question is asked, what are the "statistical costs" we are confronted with statements as to how much of the overhead should be apportioned to the construction of the ship in a Government yard. I cannot convey to the Senate the mental confusion encountered by the Senator from South Carolina as he endeavored to follow the representative of the Department through the "statistical" talk he made, but the impression made upon me finally was that there was a difference in cost of approximately $8,000,000 as between construction in a private yard and in a Government yard and that, even then, the figures could not be relied on at all, because it would be argued that the officers who are assigned to the yard in connection with construction work are on the pay roll in any event; that they would be used for other purposes, and that there could not be taken into consideration the comparable amount for taxes or for capital invested by the private builder. After some hours I think it was the unanimous decision of the subcommittee that we would surrender and agree that the 45,000-ton battleship would cost approximately $85,000,000.

Mr. McNARY. So that the net result is that a battleship of 35,000 tons costs just as much as a battleship of 45,000 tons?

Mr. BYRNES. That is the statement made to us, surprising as it may seem to the Senator from Oregon and surprising as it seems to me.

Mr. McNARY. I beg the Senator's pardon.

Mr. BYRNES. I say it is as surprising to me as it is to the Senator from Oregon, but it is based on the expense now being incurred by the Department for the construction of ships, and it is their best estimate of cost 12 months from now, for it takes between 3 and 4 years to build one of these ships. I must say, adverting to the question at issue, that is another reason why the Government cannot delay if it is desired to construct 45,000-ton battleships in view of the information as to what is being done by other navies. The question is what condition will we be in 3 or 4 years from now in naval strength if we do not take steps to construct ships that will be comparable in speed, armament, and in protection with the ships of other nations.

Mr. McNARY. I think it may be conceded that a 45,000-ton ship would be larger and better than a smaller ship.

Mr. BYRNES. There is no question about that; particularly, it would be faster.

Mr. McNARY. I am so converted that I think we should build all battleships 45,000 tons.

Mr. BYRNES. I must say that it pleases my economical soul to learn that it costs no more for the construction of a 45,000-ton battleship than it does for the construction of a 35,000-ton battleship, particularly when I am told that the larger vessel will be faster and better. So I do not see any objection to implementing the Navy with the best weapon that can be afforded.

Mr. McNARY. I am free to say that I am a convert.

Mr. KING. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. KING. I merely wish to make one observation relative to the statement made by the Senator that Germany had recently constructed battleships. The Senator will recall that those are what are called "pocket" battleships, of not more than perhaps from 10,000 to 15,000 tons.

Mr. BYRNES. I was referring only to the speed of those battleships.

Mr. KING. They are comparable to fast cruisers, but they are not at all comparable, so far as potentiality is concerned, with the 35,000-ton or the 45,000-ton battleship.

Mr. BYRNES. Oh, no.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. MINTON. The Senator from Michigan indicated a possible conflict between the authority cited by the Senator from South Carolina and the authority cited by the Senator from Michigan. As I understood, the Senator from South Carolina was talking about the speed of vessels, and the authority he cited went to the question of the speed of these vessels, whereas, as I understood, the Senator from Michigan was speaking about the tonnage of vessels, and his authority went to that point. So I do not think there is any conflict between the authorities cited by those Senators.

Mr. BYRNES. Mr. President, I ask to include in the RECORD, as part of my remarks, a statement furnished by the Navy Department as to the Navy building program of Japan, so that those who are interested may see it; and also a comparative statement as to the ships in commission of the United States Navy, the British Navy, and the Japanese Navy.

There being no objection, the statements referred to were ordered to be printed in the RECORD, as follows:

Number of combatant ships in full commission or fully manned on Jan. 1, 1939

Category	United States			British Empire			Japan		
	Under age [1]	Over age [1]	Total	Under age [1]	Over age [1]	Total	Under age [1]	Over age [1]	Total
Capital ships	12		12	12		[2] 12	10		10
Aircraft carriers	5		5	3	4	7	6		6
Cruisers, subcategory (a)	17		17	14		14	12	6	18
Cruisers, subcategory (b)	17		17	20	2	22	16	8	24
Destroyers over 1,500 tons	11		11	12	2	14	23		23
Destroyers not over 1,500 tons	39	[3] 44	[3] 83	77	16	93	57	26	83
Submarines	22	32	54	41	1	42	40	19	59
Total	123	76	199	179	25	204	164	59	223

[1] Age as of Jan. 1, 1939, under the 1936 London Treaty.
[2] 3 British capital ships are undergoing extensive modernization refits at the present time. The refit of the *Renown* is expected to be completed early in 1939 and those of the *Queen Elizabeth* and *Valiant* early in 1940.
[3] Include light mine layers.

Japan maintains a policy of extreme secrecy concerning her naval construction program. However, according to the best information available the following naval vessels are reported building or appropriated for:

Category	Number	Estimated total tonnage
Battleships (42,000 to 46,000 tons)	3	[1] 126,000
Aircraft carriers (about 10,000 tons each)	2	20,000
Seaplane carrier	1	9,000
Large mine layer	1	6,000
Cruisers (b) (8,500 tons to 10,000 tons each)	4	37,000
Destroyers (2 of 1,500 tons each, 4 of 2,000 tons each)	6	11,000
Submarines (2,000 tons each estimated)	3	6,000
Torpedo boats (595 tons each)	8	4,760
Submarine chasers (300 tons each estimated)	5	1,500
Mine sweepers (630 tons each estimated)	6	3,780
Repair ship	1	9,000
Total	40	234,040

[1] In addition the following ships are reported projected: 1 battleship, 5 destroyers, 3 submarines.

Mr. BORAH. Mr. President——

Mr. BYRNES. I yield to the Senator from Idaho.

Mr. BORAH. It has been difficult to hear all the statements which have been made by Senators, and perhaps the Senator from South Carolina has covered the point concerning which I desire to ask. As I understand, we are proposing to lay down two 45,000-ton battleships and they are supposed to cost $83,500,000 each?

Mr. BYRNES. That is the estimated cost.

Mr. BORAH. Is that the complete cost of the 45,000-ton battleships?

Mr. BYRNES. That was the statement I made in response to the Senator from Oregon. I told him we had gone into it fully, and that was the very best estimate I could present. I find that the cost complete is $88,000,000.

Mr. BORAH. I was unable to hear what the Senator then said.

Mr. BYRNES. That is the best estimate we were able to obtain.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. LUNDEEN. In that connection, the press has reported that the cost of one of these ships will be in excess of $93,000,000; and I wonder if that figure is correct.

Mr. BYRNES. I said that from the estimate of $93,000,000 there was a deduction which would bring the cost to approximately $88,000,000.

Mr. LUNDEEN. I should like to ask the Senator, if I am not interrupting the trend of his remarks, if we spend approximately $100,000,000 on such a battleship as is now proposed—and because of increased costs I think it will cost us $100,000,000 to build it—is it not a fact that we have to surround such a ship with auxiliary craft, which, in the aggregate will cost another $100,000,000, in order to save the battleship from being sunk in battle?

Mr. BYRNES. Oh, no.

Mr. LUNDEEN. We have naval authority for that statestatement in our hearings. That would make the cost of one ship approximately $200,000,000 and for two ships approximately $400,000,000. Where are we going to stop in this "saving the world"? How far are we going in this direction? Naval authorities tell us that our present Navy is sufficient to protect not only the United States, it is sufficient to protect the Monroe Doctrine—the defense of the Western Hemisphere. That is enough. There let us stop.

Mr. BYRNES. Mr. President, I am not sufficiently expert in naval strategy to determine whether or not it is necessary to surround an $88,000,000 battleship with $88,000,000 worth of tonnage in auxiliary ships. I yield to any information on that subject possessed by the Senator from Minnesota. I must say that I doubt the accuracy of the statement; but whatever the policy of the Government be, if the Navy, by direction of Congress, is forced to construct a battleship, the Appropriations Committee is interested only in appropriating the amount of money determined necessary to carry out the policy. So long as it is our policy to build these battleships, if it be necessary to have some auxiliaries they will have to be provided.

Mr. LUNDEEN. Mr. President, if the Senator will permit me at that point, the information I gave to the Senator is based on statements before our committees. I hope it is reliable.

In that connection, let me repeat the statement—and I have no intention of going into any long discussion—of Admiral Sims, the highest naval officer we had in the World War, and, in my opinion, the best naval officer we have had in some time. He said, "The best place for our battleships in the next world war will be as far up the Mississippi River as we can get them."

Mr. BYRNES. I hope the Senator will not press me on that subject, because I have had several debates on that question during the past 20 years, and I am not in accord with the views of the Senator in regard to Admiral Sims.

Mr. LUNDEEN. The Senator may differ, but if I may be permitted, I should like to have the RECORD show that it has been reported that the admiral said that the safest place for these great ships in the next war will be as far up the Mississippi River as we can get them. In the presence of submarines the great ships of the world were locked up behind mine barriers during a greater part of the World War; they only sallied forth at intervals, and then rapidly moving and zigzagging back to their various bases. Now, with the huge bomber and its 2,000-pound bombs, huge ships of the surface are too slow. They are out of date; they must be protected by the air forces, and without adequate air force they are helpless and will be put out of commission.

Mr. BYRNES. Mr. President, I should not want to enter into a discussion about the statements of Admiral Sims. Senator GLASS and I were told by the admiral about a week before the armistice that the armistice had to be agreed to because of the fact that the American Army had fallen down in service of supplies, and that we were responsible for the failure. The Senator from Virginia [Mr. GLASS] and I at that time came over to testify before a Senate committee as to his statements. The admiral also expressed the view, in which he was very urgent and forceful, that the United States Government had no business having a merchant marine; that we ought to depend on Great Britain to furnish delivery wagons to carry our goods to market. I did not agree with the distinguished admiral. I still think we should not rely upon Great Britain to furnish our merchant marine; and I found out, in the case of the statement made by the admiral that the armistice had to be agreed to because of the failure of the service of supplies, that again his information was wrong. I regretted it, because it caused me to get up at 5 o'clock in the morning to go down to the headquarters of Service of Supplies in order to get the facts about this great "failure" on the part of the American Army; and when I got there, I found a letter from the front congratulating the Service of Supplies on the wonderful service they had performed. Consequently, I cannot accept the statements of the distinguished admiral, who doubtless rendered efficient service to the Navy but was not always accurate in his statements or sound in his views.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee, on page 41, beginning in line 25. Without objection, the amendment is agreed to.

Mr. VANDENBERG. Mr. President, did the Chair say "without objection, the amendment is agreed to"?

The PRESIDENT pro tempore. That was the statement of the Chair.

Mr. VANDENBERG. There is objection. If the Chair wishes to submit the amendment, that is something else.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee. [Putting the question.] It appears to the Chair that the ayes have it. The ayes have it, and the amendment is agreed to.

The clerk will state the next amendment reported by the committee.

The next amendment was, on page 43, line 4, after the figures "$50,000", to insert "riggers and laborers shop building (to replace structure destroyed by fire on May 2, 1939), $150,000; two 15-ton shipbuilding cranes, $150,000", so as to read:

Navy Yard, Charleston, S. C.: Plate storage yard and pickling plant for new ship construction materials, $105,000; completion of shipbuilding facilities, $262,000; drydock crane, $135,000; improvement and rearrangement of existing shops, $123,000; labor-board building, $50,000; riggers and laborers shop building (to replace structure destroyed by fire on May 2, 1939), $150,000; two 15-ton shipbuilding cranes, $150,000.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Aeronautics—Aviation, Navy", on page 46, line 9, after the numerals "1939", to strike out "for continuing the construction of a rigid airship as provided in the act approved May 17, 1938 (52 Stat. 401, 403), $500,000, and the appropriation of $500,000 on account of such airship, contained in the Second Deficiency Appropriation Act, fiscal year 1938, is hereby continued available until June 30, 1940; in all, $83,298,000",

and in line 14, after the words "in all", to strike out "$83,298,000" and insert "$82,798,000", so as to read:

For aviation, as follows: For navigational, photographic, aerological, radio, and miscellaneous equipment, including repairs thereto, for use with aircraft built or building on June 30, 1939, $1,500,000; for maintenance, repair, and operation of aircraft factory, air stations, fleet air bases, fleet and all other aviation activities, accident prevention, testing laboratories, overhauling of planes, technical periodicals, and the purchase for aviation purposes only of special clothing, wearing apparel, and special equipment, $24,900,000, including not to exceed $50,000 for the procurement of helium, which sum of $50,000 shall be transferred to and made available to the Bureau of Mines on July 1, 1939, in addition to which sum the Bureau of Mines may use for helium-plant operation in the fiscal year 1940 the unexpended balance of funds transferred to it for such operation in the fiscal year 1939, and the Bureau may lease, after competition, surplus metal cylinders acquired for use as helium containers; for continuing experiments and development work on all types of aircraft, including the payment of part-time or intermittent employment in the District of Columbia or elsewhere of such scientists and technicists as may be contracted for by the Secretary of the Navy, in his discretion, at a rate of pay not exceeding $20 per diem for any person so employed and payment of the travel expenses of such persons if they be members of the Naval Reserve ordered to active duty, $9,500,000; for new construction and procurement of aircraft and equipment, spare parts and accessories, $46,898,000, of which amount not to exceed $15,000,000 shall be available for the payment of obligations incurred under the contract authorization carried in the Navy Appropriation Act for the fiscal year 1939; in all, $82,798,000, and the money herein specifically appropriated for "aviation" shall be disbursed and accounted for in accordance with existing law and shall constitute one fund.

The amendment was agreed to.

The next amendment was, under the heading "Marine Corps—General expenses, Marine Corps," on page 52, line 7, after the word "year", to strike out "$588,500" and insert "$690,000", so as to read:

For repairs and improvements to barracks, quarters, and other public buildings at posts and stations; for the renting, leasing, and improvement of buildings in the District of Columbia, and at such other places as the public exigencies require, and the erection of temporary buildings upon the approval of the Secretary of the Navy at a total cost of not to exceed $10,000 during the year, $690,000.

The amendment was agreed to.

The next amendment was, on page 53, after line 16, to insert:

Expenses, Marine Band, United Confederate Veterans' Reunion, Trinidad, Colo., and national encampment, Grand Army of the Republic, Pittsburgh, Pa.: For expenses of the United States Marine Band in attending the United Confederate Veterans' 1939 Reunion at Trinidad, Colo., August 22 to 25, 1939, and in attending the national encampment of the Grand Army of the Republic, Pittsburgh, Pa., August 27 to September 1, 1939, as authorized by the acts approved April 20, 1939, and April 24, 1939, $13,000.

The amendment was agreed to.

The next amendment was, on page 54, line 3, after the words "In all", to strike out "$9,117,755" and insert "$9,232,255", and in line 9, to strike out "$85,000" and insert "$115,000", so as to read:

In all, $9,232,255, to be accounted for as one fund: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed $155,000.

The amendment was agreed to.

The next amendment was, under the heading "Replacement of naval vessels", on page 56, line 8, before the words "to remain", to strike out "$46,611,000" and insert "$46,011,000", so as to read:

Armor, armament, and ammunition: Toward the armor, armament, and ammunition for vessels hereinbefore described under the head of "Construction and machinery", $46,011,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, under the heading "Navy Department—Salaries", on page 60, at the end of line 2, to increase the appropriation under the office of Judge Advocate General, from $125,000 to $126,620.

The amendment was agreed to.

The next amendment was, on page 60, at the end of line 8, to increase the appropriation for salaries under the Hydrographic Office from $415,000 to $417,000.

The amendment was agreed to.

The next amendment was, on page 60, line 20, after the word "of", to strike out the word "additional", and in line 25, after the word "exceed", to strike out "$60,000" and insert "$89,400", so as to read:

Bureau of Aeronautics, $360,400: *Provided*, That the services of technical and clerical personnel may be employed only in the Bureau of Aeronautics in connection with the design and construction of aircraft, to be paid from the appropriation "Aviation, Navy, 1940": *Provided further*, That the expenditures on this account for the fiscal year 1940 shall not exceed $89,400.

The amendment was agreed to.

Mr. CONNALLY. Mr. President, may I ask the Senator from South Carolina a question? I suppose the bill does not contain any provision regarding the improvement of Guam?

Mr. BYRNES. No; it does not.

Mr. CONNALLY. There is no authorization on the subject in the bill now, as I understand.

Mr. BYRNES. There is nothing on the subject in the bill.

Mr. KING. Mr. President, may I ask the Senator a question? Perhaps this is not the appropriate point in the bill; but what is the aggregate amount carried in the bill for the Bureau of Aeronautics, and particularly for the construction of airplanes?

Mr. BYRNES. Eighty-eight million and some-hundred-thousand dollars, which is the amount recommended by the Budget Bureau. The total amount was provided, except about $500,000, which was authorized by contract instead of the cash being appropriated. The full amount recommended by the Budget Bureau is carried in the bill.

Mr. KING. Does the Senator believe that the testimony before his committee justified this large appropriation?

Mr. BYRNES. Yes, Mr. President. The Congress heretofore, by its action, has established a program. This bill provides for carrying out only a small part of the program. If the Congress is wrong, it may reverse the program and save a great deal of money. If it does not do so, we have to make this appropriation and we shall have to appropriate next year a larger sum. The bill appropriates for about 500 new planes this year. The program has been fixed at 3,000, as the Senator knows, because he is on that committee. Therefore, we will have to make additional appropriations next year for this purpose.

Mr. KING. May I inquire of the Senator whether the larger part of the expenditure will be incurred in the construction by the Government of airplane factories or facilities, or whether the larger part will be expended in the acquisition of planes manufactured by private corporations?

Mr. BYRNES. Much the larger part is for the acquisition of planes manufactured by private corporations. There is in the bill an appropriation for the enlargement and expansion of the Government manufacturing plant at Philadelphia, but we have no plant in which we can manufacture all the planes provided in this program.

Mr. KING. Did the evidence show that there is competition among private manufacturers of airplanes?

Mr. BYRNES. The evidence is that there is very keen competition among the manufacturers of planes, and as the Senator knows, there is a limitation upon profits. I know the hearings will be very interesting to the Senator on the question of what is being done to check up on the question of profits. The Senate committee went into that question at some length to determine how actively the departments were seeking information on the subject, and I must say, to the comforting assurance of the Senator from South Carolina, that there has been a check-up which resulted in the payment to the Treasury of a considerable sum in a number of instances. The profits were in excess of those authorized by the Vinson-Trammell Act.

The PRESIDENT pro tempore. The clerk will state the next amendment reported by the committee.

The next amendment was, on page 61, line 1, after the name "Navy Department", to strike out "$4,159,039" and insert "$4,162,659", so as to read:

In all salaries, Navy Department, $4,162,659.

The amendment was agreed to.

The PRESIDENT pro tempore. That completes the committee amendments.

Mr. McNARY. Mr. President, I desire to ask the Senator in charge of the bill whether the Senate committee included in the bill prohibitory language in the matter of the importation of foreign canned foods, beefs, and so forth?

Mr. BYRNES. On page 27, language of that kind is in the bill, placed there by the House.

Mr. CONNALLY. Mr. President, the provision on page 27 does not prohibit the importation of such products. The provision is that the Navy shall not purchase articles of food produced elsewhere than in the United States or its possessions, unless they cannot be produced here in sufficient quantities, and so forth.

Mr. McNARY. It was my intention to limit my statement to the operation of this bill, of course.

Mr. CONNALLY. The language does operate in that way in the case of the Navy.

Mr. McNARY. I am merely making the inquiry. That, apparently, is language which was inserted by the House.

Mr. BYRNES. The Senator is correct.

Mr. McNARY. Was an effort made before the Senate committee to modify that language?

Mr. BYRNES. Such an effort was made.

Mr. McNARY. What was the result of the effort?

Mr. BYRNES. The Appropriations Committee, by a vote of 9 to 7, recommended the retention of the language as it appears in the bill.

The PRESIDENT pro tempore. The bill is still before the Senate and open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. KING. Mr. President, if this is the appropriate time, I desire to move to recommit the bill, with instructions to reduce by 10 percent the aggregate amount carried by it.

The PRESIDENT pro tempore. The motion is in order.

Mr. KING. Then I move that the bill be recommitted to the Committee on Appropriations, with instructions to reduce by 10 percent the aggregate amount carried by the bill.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Utah.

Mr. McNARY. Mr. President, I desire to inquire of the Senator from Utah if that motion does not conflict with the resolution which he has pending on the desk.

Mr. KING. No; the resolution which I have pending, which lies on the table—I have not sought to call it up because I am inclined to think it ought to go to the Committee on Appropriations—asks for an aggregate reduction of 10 percent.

Mr. McNARY. But the resolution would apply to all appropriation bills.

Mr. KING. Certainly.

Mr. McNARY. It would become applicable at the beginning of the fiscal year.

Mr. KING. Yes.

Mr. McNARY. This motion, standing by itself, of course, is in spirit rather in conflict with the Senator's resolution.

Mr. KING. I do not quite agree with the Senator. If we cannot get all—and I do not expect to get all asked for in the resolution—I hope to obtain a reduction in this particular bill.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. BYRNES. I wonder if the Senator from Utah understands what the Senator from Oregon has in mind. The Senator from Utah has submitted a resolution, which I think approaches the subject in the only way in which it should be approached; namely, that it should be offered as an amendment to the deficiency bill when all of the annual supply bills shall have been passed.

If the motion the Senator from Utah has now proposed should be adopted, a motion for a 10-percent reduction in the pending bill, and then the Senator's resolution now on the desk, providing for a 10-percent reduction in all bills hereafter, should be agreed to, there would be a 20-percent reduction in the items in the pending bill, and a 10-percent reduction in the other bills. It might militate against favorable action on the Senator's resolution, when he offers it, providing for a 10-percent reduction in all appropriation bills, outside of the fixed charges.

Mr. KING. Mr. President, I had that in mind, and if the motion which I have now offered shall prevail, and the resolution lying upon the table comes up for consideration, I shall be constrained to except from the resolution the provisions of the pending bill.

I am a realist, and I doubt whether, with the temper of the Congress, with its determination to spend more and more, there will be much chance of securing the adoption of the resolution which I offered several days ago, and which is lying upon the table. I had hoped, by presenting the motion with regard to the pending bill, to attract some little attention to the importance of economy in appropriations this year, and I had thought that if we secured a reduction of 10 percent in the items in the pending bill, it would be a powerful argument in favor of the adoption of the resolution which is lying upon the table, which I would modify for the purpose of excepting from its operations the provisions of the pending bill.

Mr. BYRNES. Mr. President, I never like to suggest to a Senator not to urge a motion, but I suggest to the Senator from Utah, from my experience with this subject, that the resolution which he has on the table will have much greater support than will a motion as to any one bill. I presume the Senator has considered whether or not he will hurt his resolution by the pending proposal. I shall vote against the Senator's motion in respect to the pending bill, but when any Senator offers such a motion to a deficiency bill, after the other appropriation bills have been passed, and eliminates fixed charges——

Mr. KING. As my resolution does.

Mr. BYRNES. And one other thing, which, from investigation in a former Congress, I think ought to be excluded, I will vote for it. That being my attitude, I merely suggest to the Senator whether it is wise to put Members of the Senate who are in sympathy with a cut in appropriations applying to all bills on record as voting against his motion.

Mr. KING. Mr. President, the Senator from South Carolina has been very fair in his discussion of the motion which I have submitted, as well as the resolution which I offered a few days ago which is lying upon the table for such action as may be taken with respect to it. I think, however, that if he is favorable to the resolution he should not oppose the motion which I have just submitted to reduce the pending bill 10 percent in the aggregate amount called for. In other words, if a resolution dealing with all appropriation bills and calling for a reduction in their total amount of 10 percent is meritorious, then a motion to reduce an appropriation bill which would be included in the resolution should receive support.

I have listened with interest to the observations made respecting the provisions in the pending bill. I am not satisfied with many of its provisions. I think the appropriation of more than $700,000,000 is not justified in the light of present conditions. This is not the only appropriation bill for the Navy which this Congress has passed and will be requested to pass. In other words, additional appropriations aggregating perhaps several hundred million dollars will be enacted into law during this session of Congress. There is every indication that the appropriations for so-called national defense

which will be made during this session of Congress will exceed the stupendous sum of $2,000,000,000. Indeed, from requests which are being submitted to Congress, it is quite likely the appropriations for the Army and for the Navy which will be made by this Congress will approximate two and one-half billion dollars.

Not only are the appropriations for the Army and the Navy greatly in excess of what the situation warrants, but from every quarter and in respect to every subject which the National Government deals with, the demands for increased appropriations have never been exceeded in any period of our Nation's history except during the World War. I believe that before Congress adjourns it will have appropriated at least $10,000,000,000 and made commitments calling for an additional three or four billion dollars. More and more the Federal Government is intruding itself into fields which under our form of government should be occupied by the States, their political subdivisions, and by individuals. Instead of retrenchment and reforms in the Federal Government, there is an unwarranted expansion and a multiplication of bureaus and Federal agencies.

There has been a legitimate demand for a reorganization of the Government which would result in economies and in greater efficiency. I think that a fair and impartial investigation of the activities of the Government, of its bureaus, agencies, and expenditures, will furnish convincing proof that there has been waste and inefficiency in many Federal departments and agencies. The personnel of the Government is entirely too large. The number of Federal agencies should be materially reduced, and the extension of Federal activities into areas which it is not authorized under the Constitution to enter should be interdicted. Congress has been too generous; indeed, too extravagant in its appropriations, and I fear has not limited them to the needs of the Government and in behalf of those purposes which fall within the purview and authority of the National Government. In my opinion the unwise and improper expenditures of the Federal Government and its unwarranted activities in many fields of private endeavor are largely responsible for the prolonged depression and for the unsatisfactory condition in our economic, industrial, and, for that matter, our political life.

It cannot be denied that the national economy is in a most unsatisfactory condition; nor can it be denied that such condition has been aggravated and accentuated because of unwise policies pursued by the Government, including its invasion of the fields of private endeavor and its impingement upon the States and the rights of individuals.

In my opinion, if appropriations were reduced, thereby evidencing the fact that the burden of taxation would be lightened, a long step would be taken toward economic and business recovery; and if, in addition, there was conclusive evidence that the causes which have contributed so much to the depression would be removed, there would be a revival in every field of business and the clouds which overhang our economic and industrial life would be removed.

As I have indicated, there is fear among the people arising largely from the uncertainty of policies of the Government. There have been, and still are, manifestations of a purpose upon the part of some to so weaken the capitalistic system, and so interfere with individual and States' rights, as to develop a situation which would be regarded as an excuse for further interposition by the Federal Government into private affairs, and the control by it of activities entirely beyond the functions of the Federal Government.

The situation does not warrant wishful thinking, but, indeed, it demands a realistic approach to economic and industrial conditions. That approach is not through the Federal Government but through the efforts of individuals, local communities, and States. In other words, the menace of State socialism must be removed and the confidence of the people renewed to the extent that they will earnestly and patriotically address themselves to the rectification of conditions which have been so depressing and which, if continued, will further add to the economic ills of our country.

Mr. President, I am in favor of appropriations to meet all reasonable and proper demands of the Federal Government. I am not in favor of appropriations which I believe to be excessive, improper, and which project the Federal Government into activities beyond its jurisdiction.

In seeking a reduction in the present bill, I am not unmindful of world conditions. I am willing to support appropriations for needed national defense, but I do not believe that under the cry of national defense we should be swept off our feet or become hysterical or adopt policies which will add to the burdens of the people and directly or indirectly affect the attitude of other nations toward this Republic. The people throughout the world understand that this Republic has large resources; that it is in many ways the most powerful nation in the world. It is in a position to lead the way to the reduction of military armaments. It is in a position to temper conditions throughout the world which increase the possibilities of international conflicts.

Much is being said about "moral rearmament." Our Nation is in a position to carry forward that great movement which the words "moral rearmament" signify. Those words have connotations that are being recognized by millions of people throughout the world. I repeat, notwithstanding the confusion in the world and the fear of war and the preparations for war, it is an opportune time to speak for peace and to raise the banner for limitation of armament and for "moral rearmament."

Reference has just been made by Senators to the importance of battleships, and it has been argued that we must construct at least two battleships with a tonnage of 45,000 tons each.

The view seems to prevail that if some nation constructs new battleships, our Government must build battleships of the same tonnage or even larger. The illusion prevails in many quarters that the day will come when competition will cease as a result of the operation of military competitive forces. That has not been the history of armaments and war preparations. If one nation builds fortifications, other nations spend as large and, if possible, larger sums for similar purposes; and if a nation builds a 20,000-ton battleship other nations will feel constrained to build naval vessels as large or indeed of greater tonnage. Competition does not restrain war preparations but invites larger appropriations and greater activity along the fields of military activities.

Sir Phillip Kerr, the great English statesman, who became Lord Lothian, and who will soon be with us as British Ambassador, stated:

> So long as war is tolerated as a method of settling international disputes, armaments are inevitable. * * * But armaments inevitably produce war. They may give security, but only at the price of war. Armaments, of course, are justified on the ground that they are merely legitimate instruments of national security, but no nation can make itself secure by armaments, except by having armaments which will give it victory in the event of war; that is, by making its neighbors insecure. Hence the perpetual repetition throughout history of competition in armaments, ending in periodic wars.

Undoubtedly Lord Lothian was correct. Many years ago, when it was announced that the United States intended to build larger battleships, Japan immediately, through fear or for some other reason, announced a program calling for six large battleships. Fortunately, that program which our Government contemplated and which provoked Japan's program for six huge battleships was arrested by the limitation of arms conference called by our Government.

There is justification for the view that battleships do not always determine naval conflicts. The submarines have introduced a powerful weapon, offensive and defensive, in naval warfare.

Several years ago, when I was a member of the Naval Affairs Committee, I contended that a Bureau of Aeronautics and a Bureau of Submarines should be established, believing that the lessons of the World War demonstrated the vulnerability of battleships and the importance of submarines and airplanes in naval contests. I recall that some of the officials of the Navy Department opposed the resolution; they

seemed to be wedded to the battleships and were not impressed with the importance of submarines and the airplanes. I recall that in the discussions before the committee reference was made to the naval battle between the British Grand Fleet and the German Fleet under Admiral Scheer. I think it is conceded that the German Fleet was victorious in that conquest. Certain it is that when the Grand Fleet discovered the presence of submarines it hastily departed from the field of action in the North Sea and sought refuge at Scapa Flow. I mention this merely for the purpose of indicating that the battleship, important though it may be, is not all controlling or all compelling.

I did not arise to discuss the relative merits of the ships in the various categories of the Navy. I am, however, earnestly appealing for a reasonable and, as I believe, realistic approach to this question of naval defense, or, if you will, naval preparation. Personally I do not perceive that the United States is in danger of attack from any single power or any group of nations. I have upon other occasions stated that the position of the United States was impregnable to any and all attacks from any one nation or any combination of nations.

I am concerned about our economic situation and have opposed some appropriations which have been made by the Federal Government, believing that they were impediments to economic rehabilitation. I believe we should reduce expenses, lift from the people the apprehensions of which they are possessed, caused by what they believe to be unwise and unsound governmental policies. We need economic and industrial rehabilitation and that will come not by enormous and profligate expenditures, not by huge deficits, not by reason of fiscal and other policies upon the part of the Government that are regarded by many as unsound and unwise, and which constitute deterrents to individual efforts, but by a revival of confidence, a removal of the fears and apprehensions in the minds of the people, by business expansion, and by a general attack on all fronts upon the depression through which we have passed and which is still with us.

Mr. CONNALLY. Mr. President, there was recently passed a naval authorization bill providing for a number of naval air bases throughout the country. In the debate on that item, and discussing, among other sites, one which is ultimately supposed to be located at Corpus Christi, Tex., I asked the junior Senator from Rhode Island a question about a location in his State at Quonset Point.

I wish to ask the Senator from Rhode Island whether he has any information on the matter I am about to mention. The acquisition of this site was to be dependent upon the State of Rhode Island conveying to the Federal Government what is called a National Guard camp at that point; but there was contemplated also the purchase of additional land. Has the Senator any information to the effect that the adjutant general of Rhode Island, anticipating that the Government will purchase this site, has made private purchases on his own account, with a view to making a profit out of the supposed location of this particular aviation base on the old National Guard property?

Mr. GREEN. Mr. President, replying to the question of the Senator from Texas, I may say that I have not sufficient information satisfactorily to reply to him. I know that the adjutant general of Rhode Island was helpful in getting the State of Rhode Island to deed the land to the Federal Government for the purpose described. If the adjutant general bought land recently I should be very much surprised to find that it was done with any unworthy purpose. I shall, however, be glad to look into the matter.

I appreciate the interest of the Senator from Texas. I remember the last time the matter came on the floor of the Senate the Senator from Texas, mindful of the fact that he represents the largest State in the Union, and that I represent the smallest, asked me whether, if this land were deeded to the Federal Government, there would be any land left in Rhode Island. I remember replying that, though there might not be sufficient land left, there would be left sufficient water to justify the perpetuation of Rhode Island as the oldest sovereign State in the Western Hemisphere.

Mindful of that honor, I shall be glad to look into the matter, but I think that neither the Senator from Texas, nor I, nor any other Senator, need worry about it, because the Navy Department, I feel sure, will not pay any more for any land than is justified, in view of the fact that it has power of condemnation.

Mr. CONNALLY. Mr. President, my reason for inquiring was that the pending bill carries an appropriation for the purchase of the land in question, and if there exists any information that things such as those alleged are taking place, there ought to be some investigation by the Navy Department. An adjutant general who is in touch with the fact that the old National Guard camp is going to be deeded to the Government, who has the inside information, ought not to be permitted to profit thereby by making a private purchase and then unloading the land on the Government of the United States.

Mr. GREEN. I agree with the Senator from Texas. I suggest the best way to handle the matter is to let the item be adopted, and then see that no profit is made on such land if such a transaction as that alleged has taken place.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Utah [Mr. KING] to recommit the bill with instructions.

The motion was rejected.

The PRESIDENT pro tempore. The bill is still before the Senate and open to amendment. If there be no further amendments, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. FRAZIER. Mr. President, it seems to me we should have a record vote on the Navy appropriation bill. The bill provides for the largest appropriation ever made in peacetime for naval purposes. I think a number of Senators would like to vote against the bill.

Mr. President, it seems to me the money which will be spent for constructing the large battleships which are being authorized is a useless waste of money, especially in these hard times, when we are trying to save as much money as possible, and get closer to balancing the Budget.

Mr. BYRNES. Mr. President, if the Senator will yield to me, I wish to say that I will join the Senator in asking for a yea-and-nay vote.

Mr. FRAZIER. I shall be glad to have it.

Furthermore, new bombs are being perfected at the present time. I think all Senators remember reading reports in the newspapers of German bombs being dropped from airplanes upon certain cities in Spain last winter. The claim was made that persons a quarter of a mile away from where a bomb fell were killed. The bombs were supposed to have contained liquid oxygen. Such bombs are also being developed in the United States. The claim is made that some of the large mining companies now use liquid oxygen bombs, and with such a bomb can blow away the whole side of a mountain. It is further stated that there is no question that the biggest battleship afloat, even of 45,000 tons, could be disabled, if not sunk, by one of these liquid oxygen bombs, if the bomb fell near it. So it would seem to me that some of these appropriations at least are absolutely useless, and a total loss, especially in times when we need so much money to take care of those who are unemployed, those who for one reason or another cannot take care of themselves under present conditions.

Mr. President, we are appropriating at this time $773,000,000, which is $149,000,000 above the appropriation for the Navy last year, and last year's appropriation was the largest we had in peacetime for the Navy.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Andrews	Davis	La Follette	Schwartz
Ashurst	Downey	Lee	Schwellenbach
Austin	Ellender	Lodge	Sheppard
Bailey	Frazier	Logan	Shipstead
Barbour	George	Lucas	Slattery
Barkley	Gerry	Lundeen	Smathers
Bone	Gibson	McKellar	Stewart
Borah	Gillette	McNary	Taft
Brown	Green	Mead	Thomas, Okla.
Bulow	Gurney	Miller	Thomas, Utah
Burke	Hale	Minton	Truman
Byrd	Hatch	Murray	Tydings
Byrnes	Hayden	Neely	Vandenberg
Capper	Herring	Norris	Van Nuys
Caraway	Hill	Nye	Wagner
Chavez	Holman	O'Mahoney	Walsh
Clark, Idaho	Holt	Overton	Wheeler
Clark, Mo.	Johnson, Calif.	Pepper	Wiley
Connally	Johnson, Colo.	Pittman	
Danaher	King	Russell	

The PRESIDENT pro tempore. Seventy-eight Senators have answered to their names. A quorum is present. The question is, Shall the bill pass?

Mr. FRAZIER. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS], and therefore withhold my vote. I am informed that if the Senator from Virginia were present he would vote "yea." If I were at liberty to vote, I should vote "nay."

Mr. TYDINGS (when Mr. RADCLIFFE's name was called). My colleague [Mr. RADCLIFFE] is absent on Government business. He is unable to obtain a pair, but I am informed that if he were present he would vote "yea."

The roll call was concluded.

Mr. MCNARY (after having voted in the affirmative). I recall that I have a pair with the senior Senator from Mississippi [Mr. HARRISON]. I am advised that if he were present he would vote as I have voted. I therefore permit my vote to stand.

Mr. HILL. My colleague the senior Senator from Alabama [Mr. BANKHEAD] is absent on important public business. If he were present and voting, he would vote "yea."

Mr. MCKELLAR. I have a general pair with the Senator from Delaware [Mr. TOWNSEND]. I transfer that pair to the Senator from North Carolina [Mr. REYNOLDS], and will vote. I vote "yea."

Mr. MINTON. I announce that the Senator from Colorado [Mr. ADAMS], the Senator from Mississippi [Mr. BILBO], the Senator from Virginia [Mr. GLASS], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Mississippi [Mr. HARRISON], the Senator from Delaware [Mr. HUGHES], the Senator from Connecticut [Mr. MALONEY], and the Senator from North Carolina [Mr. REYNOLDS] are detained on important public business.

The Senator from South Carolina [Mr. SMITH] is absent because of illness in his family.

I am advised that if present and voting, these Senators would vote "yea."

The Senator from Nevada [Mr. MCCARRAN] is absent on official business for the Committee on the Judiciary.

The Senator from Ohio [Mr. DONAHEY] and the Senator from South Dakota [Mr. BULOW] are detained on official business.

The Senator from Indiana [Mr. VAN NUYS] is unavoidably detained.

Mr. AUSTIN. The Senator from Kansas [Mr. REED] is detained in a committee meeting. If present, he would vote "nay."

I announce the following general pairs:

The Senator from Maine [Mr. WHITE] with the Senator from Nevada [Mr. MCCARRAN].

The Senator from New Hampshire [Mr. BRIDGES] with the Senator from South Dakota [Mr. BULOW].

The Senator from New Hampshire [Mr. TOBEY] with the Senator from Indiana [Mr. VAN NUYS].

I am not advised how these Senators would vote. They are necessarily absent.

The result was announced—yeas 61, nays 14, as follows:

YEAS—61

Andrews	Ellender	Logan	Schwellenbach
Ashurst	George	Lucas	Sheppard
Austin	Gerry	McKellar	Slattery
Bailey	Gibson	McNary	Smathers
Barbour	Gillette	Mead	Stewart
Barkley	Green	Miller	Taft
Bone	Gurney	Minton	Thomas, Okla.
Burke	Hale	Murray	Thomas, Utah
Byrd	Hatch	Neely	Truman
Byrnes	Hayden	Norris	Tydings
Caraway	Herring	O'Mahoney	Wagner
Chavez	Hill	Overton	Walsh
Clark, Idaho	Holman	Pepper	Wheeler
Connally	Johnson, Calif.	Pittman	
Davis	Lee	Russell	
Downey	Lodge	Schwartz	

NAYS—14

Borah	Danaher	King	Vandenberg
Brown	Frazier	La Follette	Wiley
Capper	Holt	Lundeen	
Clark, Mo.	Johnson, Colo	Nye	

NOT VOTING—21

Adams	Glass	Radcliffe	Townsend
Bankhead	Guffey	Reed	Van Nuys
Bilbo	Harrison	Reynolds	White
Bridges	Hughes	Shipstead	
Bulow	McCarran	Smith	
Donahey	Maloney	Tobey	

So the bill H. R. 6149 was passed.

NAVAL AIR BASE IN RHODE ISLAND

Mr. WALSH. Mr. President, the Senator from Texas [Mr. CONNALLY] this afternoon called attention to rumors or evidence which had been brought to his attention seeming to indicate that an official in Rhode Island had taken options upon land which the United States Navy might need or might purchase in view of a bill which was passed authorizing the location of a naval air base at Narragansett Bay.

I wish to say that I personally feel obligated, in view of what has been said by the Senator from Texas, to have the Navy Department investigate the matter; and if they fail to do so, the Committee on Naval Affairs will investigate it thoroughly, for I shall not permit any graft or any manipulation or any land deals by private individuals in connection with locations of naval air bases or any other property in which the Navy is interested.

PROTECTION OF AMERICAN MARKET FOR AMERICAN PRODUCERS

Mr. O'MAHONEY. Mr. President, the measure which has just received the approval of this body contains a provision which I regard as probably one of the most significant enactments at this session of Congress. I refer to the amendment to the appropriation bill which was offered in the House by Representative SCRUGHAM, requiring that when the funds appropriated in the bill are expended for the purchase of food products, they shall be expended for the purchase of products which are produced in the United States or its possessions. This amendment, drafted by Representative SCRUGHAM and myself, is a recognition of a feeling which is growing in this country, that the domestic market should be preserved for the American farmer and the American rancher.

Mr. BARKLEY. Mr. President, will the Senator yield to me for a moment?

Mr. O'MAHONEY. I am glad to yield to the Senator from Kentucky.

Mr. BARKLEY. I wish to say to Senators that as soon as this discussion shall have ended, it is my purpose to move that the calendar be called, so that Senators may remain here, if they are interested in the calendar, without having to be called back.

SENTIMENT STRONG FOR PROTECTING DOMESTIC GROWERS

Mr. O'MAHONEY. Let me say, Mr. President, it is not my intention to occupy a great deal of time, and I shall be very happy to get out of the way of the calendar so soon as it is possible to do so. However, I wish to call to the attention of the Members of this body the significance of the

growing sentiment among the people of the United States that the farm products which are produced in such abundance in the United States should be consumed here without dangerous competition from other countries.

The amendment to which I refer was adopted by the House without discussion; it has been adopted upon the floor of the Senate without discussion, though every Member of the body knew exactly what was proposed to be done, though the matter had been discussed far and wide from one end of the country to the other in the newspapers, and had been discussed in the Senate Committee on Appropriations as the result of evidence presented by Admiral Spear of the Navy Department, and by myself.

The question of Argentine beef, however small though it may have been so far as the Navy is concerned, is only one phase of the question of agricultural products and their use in the United States. This afternoon, for just a moment, I desire to call the attention of the body to another commodity, namely, sugar, the market for which in this country is the greatest market in the world; in fact, practically the only world market in which profits may be obtained.

UNITED STATES CONSUMES MORE SUGAR THAN IT PRODUCES

The United States and its possessions do not produce all the sugar consumed in the United States, particularly when one disregards the production of the Philippines which are now in the process of obtaining their freedom. Several years ago it was the practice of the people of the United States, through their representatives in Congress, to try to build up the local sugar industry by raising the tariff wall, particularly against Cuba, and, though the tariff wall was raised higher and higher and higher sugar continued to come in.

Then the tariff-free sugar produced in the Philippine Islands also began to flood the American market. Our own producers in continental United States, in Hawaii, and in Puerto Rico, have never been able to produce all the sugar that our people purchase and consume. So the tariff was lowered and we undertook to establish a quota system, by which the consumption requirements of continental United States were to be allocated among the various sugar-producing areas.

Those areas, briefly, are the beet-sugar area in continental United States, the cane-sugar area in Florida, the cane-sugar area in Louisiana, the cane-sugar area in Hawaii and in Puerto Rico, and then, upon the other side, the Philippines, Cuba, and certain other small nations which produce only a very infinitesimal amount of the entire importations into the United States.

QUOTA SYSTEM BETTER THAN TARIFF

The quota system was more successful than the tariff system because it definitely fixed the amount of sugar that could be imported into the United States. A quota was placed upon domestic production and also upon foreign production. Sugar, unlike many other agricultural products, however, is a deficit crop; we do not produce sufficient of it. All the other crops which give us so much concern and require so much attention are surplus crops, and we have been trying one expedient after another in the effort to dispose of those surplus crops abroad.

Only a few days ago the Senate was considering a proposal to subsidize the exportation of cotton, for example, although it was definitely indicated by the testimony before the Senate Appropriations Committee in the consideration of the agricultural appropriation bill that American families, some 9,000,000 in number, who receive an annual income of less than $1,500 each, would be able to double the consumption of cotton, as they would be able to double the consumption of wheat and other agricultural crops, if their purchasing capacity were raised.

Mr. LEE. Mr. President, will the Senator yield there?

The PRESIDING OFFICER (Mr. CLARK of Missouri in the chair). Does the Senator from Wyoming yield to the Senator from Oklahoma?

Mr. O'MAHONEY. I am glad to yield to the Senator from Oklahoma.

Mr. LEE. Then does the Senator believe that we should guarantee the American market to the American farmer at American price levels?

Mr. O'MAHONEY. That suggestion has a very favorable sound to my ear, I will say to the Senator.

Mr. LEE. The only market of which we can be absolutely assured is the American market. Is not that true?

Mr. O'MAHONEY. That is correct.

Mr. LEE. Then, in writing legislation in the effort to solve farm problems, that is the only market we can consider. Therefore, it seems to me that the Senator is striking a note today that is essential for us to keep in mind if we are ever to solve the farm problem. We should keep in mind the only market of which we are assured, and should deal with that market for the American farmer in such manner as to guarantee him his fair share of it at a price level commensurate with the price levels in America generally.

Mr. O'MAHONEY. I have not the slightest doubt that the supreme obligation of statesmanship in the United States today is to provide the means whereby the American market can be reserved to the American farmer. The question of how that guaranty may be made effective is altogether a different question from the one which I propose to discuss this afternoon.

Mr. LEE. That may be so, but the fundamental principle just announced by the Senator is one in which I heartily concur. Following that thought, we cannot allot to the American farmer his share of the American market if we allow to be shipped into this country farm products of which we already have a surplus. I have in mind cattle, not only in cans but on the hoof; I have in mind corn that is shipped into this country in the raw form; I have in mind some 266,000 bales of cotton that are shipped into this country, when we are trying to dispose of a surplus, under the thin guise of an argument that a certain staple or length is needed in order to manufacture certain types of goods. I subscribe to the thought offered by the Senator, and I hope other Senators will join with us in the effort to guarantee the American market to the American farmer at a price level on which he may live.

Mr. O'MAHONEY. I thank the Senator for his contribution.

Mr. HATCH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from New Mexico?

Mr. O'MAHONEY. I am glad to yield to the Senator from New Mexico.

Mr. HATCH. There is no disagreement between the Senator from Wyoming and myself, especially as to what he said about the beef and cattle situation; but I cannot sit here, Mr. President, and hear words uttered on the floor of the United States Senate which would apparently attribute the present distressed agricultural situation of this country entirely to the importations of foreign agricultural commodities, for, with the permission of the Senator from Wyoming, I should like to say that farm commodities which have been imported into the country and which have been referred to here have little to do with the present distressed situation of agriculture.

Mr. O'MAHONEY. Mr. President, I do not want the Senator from Oklahoma and the Senator from New Mexico to get into a debate about the responsibility, and the placing of the responsibility. I am not particularly concerned about fixing responsibility for any of the ills from which we are suffering. All I know is that we are suffering from these ills, and I am seeking to cure them.

Mr. LEE. Mr. President, will the Senator yield at that point for a question?

Mr. O'MAHONEY. Certainly.

Mr. LEE. But the fact still remains, does it not, that we have an importation into this country every year of corn, cattle, and cotton? Is not that true?

Mr. O'MAHONEY. There is no question about the correctness of the facts as stated by the Senator.

Mr. ANDREWS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Florida?

Mr. O'MAHONEY. I yield to the Senator.

Mr. ANDREWS. In reply to the Senator from New Mexico, I should like to say that the present plan for the importation of sugar into the United States has practically ruined southern Florida. We cannot do anything. We have there a great area which has been developed for raising sugarcane, and we are not allowed to use it; but the Government is willing to send $400,000 a year down there to pay us not to use it. We do not want it.

Mr. O'MAHONEY. I think the Senator from New Mexico merely means that this problem is a great deal broader than the importation of some agricultural products.

Mr. HATCH. Mr. President, if the Senator from Wyoming will yield, I beg his pardon for interrupting his discourse.

Mr. O'MAHONEY. I am always happy to yield to the Senator from New Mexico, because the Senator always makes a contribution.

Mr. HATCH. I thank the Senator. I want to say, however, that I am very, very sorry to learn of the distressed, poverty-stricken conditions in southern Florida.

SUGAR POLICY MUST BE CHANGED

Mr. O'MAHONEY. Mr. President, my purpose in drawing attention to the amendment contained in the Navy bill, and to these other circumstances which have aroused the interest of Senators, was to submit to the Secretary of Agriculture—wise, able, frank citizen that he is, great public servant as I regard him to be—consideration of the fact that the practically unanimous support—indeed, the unanimous support, so far as the House and Senate in their formal sessions are concerned—which was given to this proposal is an indication that the policy with respect to sugar should be changed.

SENATE UNANIMOUSLY APPROVED NEW SUGAR BILL

On the 23d of March this body passed an amendment to the Sugar Act, and that measure went to the House. There can be no question about the fact that the measure was hastily passed in this body. The original bill was introduced by the junior Senator from Louisiana [Mr. ELLENDER], was considered in the Committee on Agriculture and Forestry, and was favorably reported out on the floor of the Senate before the Secretary of Agriculture had made a report upon the bill. It dealt only with one phase of the problem, namely, the plantings of sugarcane in the State of Louisiana in excess of the allotments to that State, which, unless the bill had been passed, would have had to be plowed up.

There can be no question that the sentiment of the people of America is absolutely against plowing up agricultural crops. We must find another way to solve this problem; but the bill was before the Senate. Members from many other States are interested in the production of sugar beets. The Senators from Florida and Louisiana were interested in the production of sugarcane there. Certain Members of this body are interested in Hawaii and Puerto Rico because one of them is a Territory and the other a possession of the United States to which we certainly owe a moral obligation.

So, upon the floor of the Senate amendments were offered and unanimously adopted to that bill by Senators ADAMS, NORRIS, WHEELER, and myself in the belief that when the bill reached the House of Representatives it would be given consideration by the great Committee on Agriculture of that body, the chairman of which is the very distinguished Representative MARVIN JONES, of Texas, whose name was attached to the first sugar bill passed in 1934, the Jones-Costigan Act.

ACTION THIS SESSION IMPERATIVE

The original bill at this session was considered in the Senate Committee on Agriculture and Forestry. The Jones-Costigan Act and the Sugar Act of 1937 were considered in the Committee on Finance, because in each instance the bill dealt with a problem of taxation; but the bill to which our amendments were attached had been considered in the Senate Committee on Agriculture and Forestry. So, instead of having it returned to the Committee on Finance, it was our belief and our hope that the Committee on Agriculture in the House, which had been thoroughly familiar with the problem, would give friendly consideration to the proposal, and then promptly bring to the floor of the House a measure which would take into consideration the needs of all the sugar-producing areas.

This demand for action arose from the fact that somehow or other, for some reason or other, in the administration of the Sugar Act the returns to the producer had been constantly going down; and when prices to the domestic producers were going down they were also going down to the producer of Cuban sugar. I have no question at all in my mind that the economy of Cuba would be immeasurably improved by the enactment of at least one portion of the bill as it passed the Senate, which had to do with the manner in which the consumption requirements and the quotas were to be established.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Massachusetts?

Mr. O'MAHONEY. I yield to the Senator from Massachusetts.

Mr. WALSH. I do not want to interrupt or divert the Senator from his discussion of the sugar question; but when he rose he discussed briefly the provision of the bill which has just been passed dealing with canned corned beef. I wonder if this would be an opportune time for him to permit me to present a resolution which I should like to have read dealing with that subject. I should like to have his views upon it.

As I have studied that question, I have come to two conclusions:

First, that leaving aside now the question whether or not it is good policy to import canned corned beef—and on that subject my views are in accord with those of the Senator from Wyoming—we are at the mercy of the packers. They have a grip on the situation; and, since prices have advanced so rapidly, we ought to find some way of dealing with the situation, or, at least, studying it.

The second difficulty which presented itself to me is the fact that the Army, the Navy, the Coast Guard, and the C. C. C. buy meat products in such large quantities that we have to go to the great domestic packers to supply them. The resolution which I am presenting provides, first, that a study shall be made by all the departments of the Government which buy meat products—and we buy millions of pounds of them; the Navy alone purchases 600,000 pounds—first to see if some of the independent packers all over this country who make sausage and other canned meat foods would go into the business of making canned corned beef, and whether the necessary supply could be obtained by dealing with a large number of independent producers; and secondly, to report at the next session of the Congress on the feasibility of some Government agency itself supplying these meat products.

Those are the two points in the resolution which I submit, and which I ask unanimous consent to have read at the desk.

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Massachusetts for the purpose of having the resolution read?

Mr. O'MAHONEY. I shall be very happy to yield for that purpose.

Mr. WALSH. The resolution will certainly have the effect of letting it be known that Congress is not going to allow the packers to continue to increase prices; that Congress is going to find some means of doing business with other people, the small independent producers, or, as a final step, that we ourselves will go into the business in competition with the great packers rather than pay these high prices.

Mr. O'MAHONEY. It is my understanding that the Senator is not asking for action upon the resolution at this time.

Mr. WALSH. No; simply that it be read.

Mr. O'MAHONEY. The Senator merely asks that it be read.

The PRESIDING OFFICER. That is the understanding of the Chair. The resolution will be read.

The resolution (S. Res. 134) was read and referred to the Committee on Naval Affairs, as follows:

Whereas meat and meat products purchased for consumption by the Army, Navy, Marine Corps, Civilian Conservation Corps, and Coast Guard represent expenditures of millions of dollars; and

Whereas such meat and meat products are purchased pursuant to requests for large quantity bids; and

Whereas several million pounds of meat products are purchased annually by the Government and between five and six hundred thousand pounds of canned corned beef are consumed annually by the Navy alone; and

Whereas the cost of canned corned beef purchased pursuant to bids submitted by domestic packers has increased since 1932 from 11.6 cents to 23.6 cents; and

Whereas the most recent bids submitted by domestic packers on canned corned beef vary from approximately 24 cents to 29 cents: Therefore be it

Resolved, That the Secretary of War, the Secretary of the Navy, the Secretary of the Treasury, and the Secretary of Agriculture are each requested to appoint two members of a committee, to consist of two officers in the Army, two officers in the Navy, two officers in the Coast Guard, and two employees of the Bureau of Animal Industry, Department of Agriculture, to make a study and investigation of the methods and means used in purchasing meat and meat products for consumption by the Army, Navy, Marine Corps, Civilian Conservation Corps, and Coast Guard, with a view to (1) providing that such purchases shall be made in smaller quantities, in order to permit small independent packers to submit bids, and (2) determining the feasibility of the Government operating packing plants to supply meat and meat products to the Army, Navy, Marine Corps, Civilian Conservation Corps, and Coast Guard. It is requested that the members of such committee be appointed as soon as practicable and that such committee transmit to the Senate not later than January 3, 1940, a report of its findings and recommendations.

Mr. WALSH. Mr. President, I ask that the resolution be submitted first to the Committee on Naval Affairs, and, of course, after it is considered by that committee, I shall request that it be referred to the Committee on Military Affairs, and then to the Committee on Commerce.

QUOTES STATEMENT ON CANNED BEEF

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that there be printed in the RECORD following the reading of the resolution presented by the Senator from Massachusetts my statement of yesterday before the Committee on Appropriations on this subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. JOSEPH C. O'MAHONEY, UNITED STATES SENATOR FROM THE STATE OF WYOMING

PURCHASE OF ARGENTINE CANNED CORNED BEEF

Senator O'MAHONEY. Mr. Chairman, this question arose as long ago as February 14, when, having learned that the Navy Department was considering a bid from Argentina, I wrote a letter to Admiral Conard, Paymaster General of the Navy, calling attention to the situation.

Let me read the letter:

"DEAR SIR: Recent publication of press dispatches indicating that the Navy Department has under consideration the award of a contract for corned beef to an Argentine packers' group has raised a storm of protest from my constituents and other cattlemen in the West.

"Although the actual amount of the contract may be negligible in comparison with the total stores purchased by the Navy Department, my people, many of whom have been seriously pressed during the past few years, feel that it would be very unfair for them to have to compete with foreign products.

"It is my understanding that a differential of 25 percent has been arbitrarily set as the measure for your guidance in determining whether American products are offered for a reasonable price."

"Reasonable price" being the phrase used in the Buy American Act.

"Stockmen who are in many instances being assisted by the Government in purchasing cattle and in protecting their ranches cannot justify other agencies of the Government making purchases which are contrary to their interests.

"I would like to request, before final action is taken, should you be inclined to favor the purchase of the Argentine beef, that I be given an opportunity to present a brief in protection of the interests of American cattle producers."

LETTER TO THE SECRETARY OF THE NAVY

Beginning with that, there was a long series of correspondence and representations of one kind or another, which finally concluded with a telegram which I sent on March 31 to the Secretary of the Navy, having learned that the Bureau of Supplies was handing the matter up to the Secretary of the Navy for decison.

I called his attention in this telegram first to the Buy American Act and second to the fact that there was then pending before the Senate the so-called strategic minerals bill, which also contained a buy American provision; and I pointed out that the buy American provision in the strategic minerals bill had been endorsed by the Navy Department, the War Department, the Treasury Department, and the Interior Department at least, and, I think, some others. In other words, it was apparently a practically unanimous declaration upon the part of the executive departments in favor of the buy American provision. The State Department also had endorsed the strategic minerals buy American provision.

The result of all this was delay for weeks in acting upon the Argentine contract. Finally, the State Department was called in, as I understand, and then instructions were given to award the contract to Argentina.

QUALITY OF AMERICAN CANNED CORNED BEEF

It must be borne in mind, from the testimony you have already had from Admiral Spear, that this is the first time the Navy has purchased canned corned beef from Argentina. If there is anything wrong with the quality of American canned corned beef, then up to this hour the Navy Department has not been feeding the boys the sort of meat that it is now represented they ought to have.

Senator BURKE. Have you the figure as to the amount of corned beef that is canned in America?

Senator O'MAHONEY. I have not that figure. It is very small, I think, without any question.

Senator HALE. They have not been feeding the Navy canned corned beef packed in this country, except in very small quantities.

FEDERAL SPECIFICATIONS WITH RESPECT TO PURCHASE OF CANNED BEEF

Senator O'MAHONEY. That is true.

There are certain Federal specifications with respect to the purchase of canned beef. I have before me the specifications which are now in effect.

This document is entitled "Federal Standard Stock Catalog PP–B–201."

"A. Applicable Federal specifications.

"A–1. There are no other Federal specifications applicable to this specification.

* * * * * * *

"B. Grade.

"B–1. Corned beef shall be of but one grade, as specified herein.

"C. Material and workmanship.

"C–1. Shall be cut from best quality canner carcasses. Head meat, scrap meat, and meat from shanks, flanks, skirts, and navel end of plates to be excluded.

"D. General requirements.

"D–1. Unless specifically otherwise stated in the invitation for bids, the subject commodity shall be prepared only in a plant which is regularly operated under the supervision of the Bureau of Animal Industry, United States Department of Agriculture, and shall be inspected, passed, and marked in accordance with regulations governing meat inspection of the United States Department of Agriculture, 'United States inspected and passed by Department of Agriculture,' or the proper abbreviation thereof."

I am advised that the Bureau of Agricultural Economics has one man in Argentina.

INSPECTORS OF THE BUREAU OF ANIMAL INDUSTRY

"H–1b. (1) The following shall apply as to purchases for the Navy:

"Inspectors of the Bureau of Animal Industry shall supervise the preparation of this product for the purpose of seeing that these specifications are complied with and shall see that the special Navy brand, bearing the date of inspection, is placed on each container of the product, or the product itself, or both, as applicable. Before beginning the preparation of the product the contractor shall notify the inspector of the Bureau of Animal Industry and shall afford every opportunity and facility for determining that the product is in accordance with these specifications. Upon final delivery the product will not be accepted by the Navy if it does not bear the special Navy brand.

"Final inspection shall be made at point of delivery."

TELEGRAM TO LOWEST DOMESTIC BIDDER

I telegraphed to the United Packers, Inc., who made the lowest domestic bid. This telegram was sent out on May 16, addressed to the United Packers, Inc., at Chicago, Ill.:

"Re canned corned beef contract, do you know if your samples were tested for specification? Are you prepared to meet specification? Would appreciate information as to experience of domestic firms in letting of canned corned beef contracts in past, as understand this is first time foreign bid accepted. Your early response will be appreciated, as matter is under immediate consideration in committee."

This is the response:

CHICAGO, ILL., *May 16*.

Answering your telegram just received, Navy does not request samples for test. However, all previous Navy purchases were made basis Federal specifications. Federal Standard Stock Catalog PP–B–201, section 4, part 5, paragraph H–1b, subject Bureau of Animal Industry inspection during production, and Navy inspection upon delivery. We are absolutely prepared to meet Federal specifications. We have canned beef on many contracts for Government

agencies based on these Federal specifications, and have never received any quality complaints. Libby, McNeill & Libby, Armour & Co., Wilson & Co., and other domestic packers have competed with us for this business.

Respectfully,

UNITED PACKERS, INC.

DIFFERENCE IN DOMESTIC AND ARGENTINE BIDS

Now, the representation is made that the difference in price between the bid of the lowest Argentinean, fifteen-odd cents, against twenty-three- or twenty-four-odd cents, was sufficiently great that that should be the deciding factor in awarding this contract.

ORDER OF PROCUREMENT DIVISION ESTABLISHING TWO CLASSES OF REASONABLENESS

Admiral Spear yesterday presented to you the order from the Procurement Division which establishes two classes of reasonableness. In purchase under $100, the differential is 100 percent. In purchases over $100, the differential is 25 percent. To me, the significant thing is that according to the testimony of Admiral Spear yesterday, the difference between the low Argentine bid and the lowest domestic bid was 54 percent.

Senator BURKE. That is, disregarding the tariff duty?

Senator O'MAHONEY. No; I think including the tariff duty.

Senator BURKE. No.

Senator O'MAHONEY. All right.

Senator HALE. No; that included the 6 cents tariff duty.

Senator BYRNES. The answer to your statement, Senator, is that the difference in the bid to the Government is 149 percent. That is the answer Admiral Spear put in the record in response to your statement.

Senator O'MAHONEY. Yes; when you include the duty.

EXPLANATION OF DIFFERENCE IN BIDS

Senator BYRNES. What we were asking was the cost to the Government, to the taxpayers. His answer was that there was a difference of 149 percent.

Senator O'MAHONEY. All right. Accepting it, the answer to those figures is this:

In Argentina, the workers in the packing plants receive a wage of 12 cents an hour. In the United States, packing plants in competition with them, the workers receive 68.8 cents an hour. The differential of 25 percent arbitrarily fixed by the Procurement Division does not harmonize with the differential which the American workers receive over and above that which is paid to the packing employees in Argentina. That is why I have made the statement that I do not believe the United States Navy should be used for the purpose of exporting American jobs to South America. That is precisely what happens under a situation of this kind.

LOW BIDDER A GOVERNMENT COOPERATIVE IN ARGENTINA

The low bidder in this case is a Government cooperative in Argentina. I took up this matter with the Pan American Union, and I have here the Commercial Pan American, a Monthly Review of Commerce and Finance, No. 73, issued in June 1938, on Argentina's meat industry and trade.

I am not going to take the time to read all of this paper. I will incorporate it in the record. Let me read just the significant point:

"In October 1934 a law was enacted providing for the Corporacion Argentina de Productores de Carnes, or Argentine Meat Producers' Corporation. The principal objective of the organization as stated in the law was the promotion of the manufacture and trade in cattle products and byproducts in domestic and foreign markets, and the assuring of reasonable returns to cattle raisers.

* * * * * * *

"In an address given before the Senate July 4, 1934—"

That is, the Argentine Senate—

"the then Argentine Minister of Agriculture, Señor don Luis Duhau, in explaining the position of meat-producing companies in which the Government had an interest, quoted from Dr. Roca's report made in June 1933 relative to the Roca-Runciman Pact as follows:"

The pact which he quotes is the trade agreement between Argentina and Great Britain, which was not to the advantage of the United States, as I know.

Then there is this statement:

"The quota allocated to the Corporacion Argentina de Productores de Carnes by the British Government was 11 percent of meat shipments from Argentina. The 15-percent quota included shipments from the frigorificos Grondona and Gualeguaychu, companies owned by Argentine interests in which the Government had no participation."

But this particular one is a cooperative in which the Government does have an interest.

QUESTION AS TO SUCCESSFUL BIDDER RECEIVING A SUBSIDY

Senator HOLMAN. In other words, am I to understand that in a measure it is subsidized?

Senator O'MAHONEY. Whether you can actually use the word "subsidized" in connection with it, I doubt, frankly; but it was formed for the purpose of establishing a cooperative among the cattle raisers of Argentina to enable them to export their meat at a lower price than operators could do who did not have the cooperative advantage.

Senator BYRNES. But the purpose of the tax was to enable them, out of the tax, to build a slaughterhouse which should be used for all producers.

Senator O'MAHONEY. Then, in a speech by Señor Duhau, outlining the purposes and objectives of the corporation, he said:

"It is clear that the advantages of the corporation for the livestock producers as a whole will not consist solely of the dividend distributed to the associated members, but also in the effect which the prices paid by the corporation will exercise on the general level of livestock prices."

ENCOURAGEMENT OF CATTLE BUSINESS IN ARGENTINA

In other words, we have here an organization that was formed by the Argentine Government for the express purpose of encouraging the cattle business in Argentina; and now, for the first time, although our Government heretofore has bought only American canned beef, it is undertaking to extend its patronage to this Government-formed and encouraged organization in Argentina.

INVITATION TO ARGENTINE PACKERS TO BID

Admiral Spear testified to you yesterday that the invitation to Argentine packers to bid was actually extended at the request of American packers who have plants in Argentina; and that brings me to what I conceive to be one of the most significant features of the whole matter. Forty-eight thousand pounds of meat are perhaps insignificant. The difference between an expenditure of $7,000 and an expenditure of $11,000 or $12,000 is apparently one of no very great concern. The importance of this expenditure, however, is the index it gives to the policy which we are to follow—the exportation of American capital to countries where there is a cheap labor market in order to produce products which can be produced in the United States of America, and then bringing those products back into the United States to compete with products manufactured under the high standard in this country.

ENCOURAGEMENT OF CATTLE INDUSTRY IN ARGENTINA BY A COOPERATIVE INSTITUTION

The Government of Argentina is trying to build up its cattle industry by a cooperative institution; and we now, for the first time, are extending our cooperation to this institution as a government, even though we have ourselves passed laws—the wage and hour law, among others—which makes it impossible for our people to produce meat at the low price at which it can be offered by the Argentinian.

Senator HALE. Our law makes it impossible even for the Americans who put up corned beef in Argentina to compete, because the Argentinians went below their price.

Senator O'MAHONEY. The situation is simply this: We are permitting American capital to export our jobs, and now we are permitting the American Navy to export our jobs.

PURCHASE OF AMERICAN PRODUCTS

Senator HOLMAN. May I add something to that? The same thing is true of timber. American operators in the Pacific Northwest are going up and operating in British Columbia.

Senator O'MAHONEY. This is not a question solely of canned corned beef. The amendment which is before the committee, and which was inserted in the House—and I am very happy that Representative SCRUGHAM was able to secure the support of the House for this amendment—is directed toward the purchase of all American products. If there is one point upon which everybody can agree, it is that the agricultural problem in the United States has not been settled. This amendment provides that at least the Government of the United States, which has endeavored to solve the agricultural problem, shall purchase domestic food products; and it seems to me there can be no two ways of thinking about the subject.

Thank you very much, gentlemen.

Senator GREEN. May I ask you a question?

Senator O'MAHONEY. Certainly.

Senator GREEN. That amendment calls for the purchase of American products, regardless of price?

Senator O'MAHONEY. Yes.

Senator GREEN. Is that your position?

Senator O'MAHONEY. Yes; I believe we should buy them in America as long as we are trying to raise the standards all the way up.

Senator GREEN. Regardless of price, even if the American producer charges 200 percent more?

Senator HOLMAN. Correct, as long as the Government is shoving up his labor costs and his operating cost, unless we want to destroy industry in the United States.

Senator GREEN. Suppose the difference is 1,000 percent?

Senator BYRNES. We shall have plenty of time to argue that matter before the full committee.

(Thereupon, at 11 a. m., the subcommittee adjourned.)

Mr. BORAH. Mr. President, I do not desire to interrupt the Senator from Wyoming in his general discussion, but I should like to ask whether there are any independent packers in the United States?

Mr. WALSH. There are innumerable producers of meat products all over the country.

Mr. LUNDEEN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield; and if so, to whom?

Mr. O'MAHONEY. I have yielded to the Senator from Idaho.

Mr. BORAH. I asked a question which, I presume, the Senator from Minnesota desires to answer.

Mr. LUNDEEN. Mr. President, I should like to say a word in answer to the Senator, if the Senator from Wyoming will permit.

Mr. O'MAHONEY. The Senator may proceed.

Mr. LUNDEEN. There is in Minnesota the Hormel plant, which is a great independent packing plant located at Austin, Minn. Mr. Hormel is a most progressive and liberal man and so is the senior Mr. Hormel, his father. There are no finer packed goods produced anywhere in the world than are produced in that plant, and I resent the idea that foreign packers produce better goods than are produced by American packers. In addition to that, these plants employ American workmen. Let us not forget that, even if a cent or two more is paid for their goods than the price some foreign plant will charge. Remember our American standard of wages. We want no foreign products—produced by sweatshop labor—in competition with our own American products and goods. Are we American- or are we European-minded, foreign-minded? American products for an American Navy.

Mr. BORAH. I venture to say that, with all the eulogium which has been pronounced on these people, in the end it will be found they are controlled by the big packers of this country in the vital matters.

Mr. O'MAHONEY. Mr. President, in connection with the resolution of the distinguished Senator from Massachusetts, I may say that when the provision restricting expenditures for food by the Navy Department to domestic products was before the Senate Committee on Appropriations I took occasion to call to the attention of the committee the fact that Admiral Spear, in testifying with respect to the Argentine beef contracts, stated that the request to Argentine packers to submit bids was made by the Navy Department this year at the request of domestic packers in the United States.

AMERICAN JOBS TO ARGENTINA

In all previous years the Navy's requirements for canned corned beef were obtained from domestic packers, but at the request of certain domestic packers who maintain packing plants in South America—in Argentina, in Brazil, and in Uruguay—the request was made to the Navy Department to invite the South American bids, because the domestic packer in the United States knew that it would be possible for it to produce corned beef cheaper in South America than it could produce it in the United States, because lower wages are paid to the packers in South America than are paid to the domestic workers in the domestic plants. In other words, the policy in which the Navy Department was engaging at the behest of the domestic packers was one of exporting jobs for American workers to South America.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. NORRIS. I would not interrupt the Senator in the able speech he is making about sugar if it were not that he has already been interrupted, and, with his consent, the resolution has been read.

Listening to the resolution of the Senator from Massachusetts, I think he has omitted some things which he should have included. He has the Navy, and the Army, and the Coast Guard, and so on, but just today I learned that Senators, United States Senators, at the restaurant in the Capitol, are eating corned beef packed in Brazil. I think we ought to include the United States Senate in the resolution, as well as the Coast Guard, and the Navy, and the Army.

Mr. WALSH. Mr. President, I had intended to include all the heavy consumers of canned corned beef in the Government, and I had not realized that the Senate was such a heavy consumer.

Mr. NORRIS. I hope that when the resolution comes before the Senate—and I trust it will come before the Senate, and I should like to support it—the Senate will be included with the other activities of the Government.

If I may still trespass upon the good nature of the Senator from Wyoming, I should like to include as a part of my remarks an editorial appearing in the Lincoln Star, of Lincoln, Nebr., on Monday, May 15, 1939, under the headline "Dedicated to Jiggs." The editorial goes into the question which is now under debate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nebraska?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Lincoln (Nebr.) Star of May 15, 1939]

DEDICATED TO JIGGS

That which has stirred Congress to its boot tips is of relatively small consequence. It involves the purchase of 28 tons of Argentine corned beef for the Navy. That would represent not to exceed 75 prime Nebraska steers at the most, which could become separated from the herds which graze the hills of some of these panhandle counties in Nebraska without anyone noticing it.

But over this Congress is about to launch into spirited battle.

And, again unfortunately, the President gave his bloodthirsty critics an opening to appeal to the prejudices and the pride of the American people. He said Argentine beef was superior to American produced beef. That will be good for more flag raising and flag waving by the Republican National Committee, by Republican Congressmen, and by the Democratic bloc which resents Mr. Roosevelt even more than the Republicans do, than the Fourth of July possibly could inspire.

The facts are comparatively simple. The amount of corned beef consumed in America is negligible compared to the market for appetizing steaks, tantalizing roasts, and steaming stews. True, there are those who say corned beef and cabbage is a tasty dish. Jiggs and his buddies have immortalized it in "Bringing up Father." And without reservation we can recommend it for hardy men who now and then invite epicurean adventure. But why waste a prime fed Nebraska steer on corned beef? The thick, juicy steak of a corn-fed Nebraska steer is one of life's great delights. It is one of life's anticipations filled and fulfilled with the eating. Why waste corn-fed Nebraska steers on corned beef when from out of the oven can emerge a delicately browned roast, with potatoes and gravy? And why offend the nostrils and insult the palate with stringy beef when a Nebraska corn-fed steer holds promise of a fragrant stew?

Why, why indeed?

All but the Congressmen, Republicans and embittered Democrats, know that the beef sold in cans is that which cannot be sold as steaks, roasts, stew, or even for the humble soup bowl.

The Nebraska steer, raised to glory on alfalfa and corn, offers up meat where the lesions have been closed by carefully prepared rations. No gristle belittles this noble creature. No stringiness and toughness detracts from the contributions which he makes to the tables of America. If people only knew it, the beef that goes into the can generally is grass-run—sometimes on the pampas of the Argentine—sometimes in the hills and the snug little valleys of Mexico.

Indirectly, the President was paying a high tribute to American beef. He was dignifying it with the acknowledgment that it had been brought to market under the most careful conditions. It has been brought to market after years of experiment, research, and study relating to proper rationing in order to produce the finest beef to be found in the world.

There may come a time when Argentina tightens quarantine regulations to make beef produced there admissible on the hoof, or through careful breeding and attention to the herds. And Argentina is giving careful attention to that. Within recent years the Argentine livestock interests have had representatives in Nebraska to purchase the choicest blooded stock from nationally and internationally known breeders to serve as foundation herds for the future Argentine cattle industry. Within the last 10 years Argentina has made purchases of the finest bulls and cows in Nebraska blooded herds, where years of endeavor and of careful methods have produced splendid cattle. Of course, the American breeder has enjoyed a lucrative business through these Argentine purchases. But again an intelligent people must realize they cannot expect always to be on the selling end and never in the buying field. Trade between nations never rested upon that foundation. Trade is an exchange of goods and services, and there has to be two parties to it.

We get all heated up and run our fingers through our hair over trifles. One day we moan and cry about the markets which have disappeared for the products of the farm and the factories, and the next day we shout that we do not intend to permit a single article of foreign production to come in.

We could do that when we were a debtor nation and were paying principal and interest with goods from the farms and the factories. But today Uncle Sam is a creditor nation; the greatest creditor nation in the world. More nations owe us money, and the obligations which they owe America are greater than have been due any country in the world. Now, if markets are to be recovered, we must be prepared to accept the goods and services of other countries. If we are not ready for that, then we shall have to produce only as much here as can be paid for and consumed here at the prices that can be maintained.

That is a tough spot, and one which an eager, enterprising, and ambitious nation could hope devoutly did not exist. But it does exist, and it is real; one of the most real economic factors against which we struggle.

But in Congress they will make the welkin ring, and they will get a lot of joy in debating for weeks over 56,000 pounds of corned beef, which is corned beef because it could not be roast beef, beef stew, or a thick steak.

Mr. CLARK of Idaho. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CLARK of Idaho. I should like to ask the Senator from Wyoming whether he knows how much corned beef is actually produced and manufactured in the United States?

Mr. O'MAHONEY. No; I cannot say that I know the figures as to actual amount.

Mr. CLARK of Idaho. My information is that practically no corned beef is manufactured in the United States.

Mr. O'MAHONEY. That is not a fact.

Mr. CLARK of Idaho. A negligible quantity is manufactured here; and I am informed that the corned beef which is manufactured here is of very poor quality, because all of the good cuts are used for fresh meat. Is that true?

CITES UNITED STATES SPECIFICATIONS

Mr. O'MAHONEY. That question was answered before the Committee on Appropriations. I presented to the committee the Federal specifications with respect to the quality of canned corned beef. These specifications were adopted on November 10, 1931. They govern the quality of canned corned beef purchased on behalf of Government agencies. I read from the specifications:

B. Grade.
B–1. Corned beef shall be of but one grade, as specified herein.
C. Material and workmanship.
C–1. Shall be cut from best quality canner carcasses. Head meat, scrap meat, and meat from shanks, flanks, skirts, and navel end of plates to be excluded.
D. General requirements.
D–1. Unless specifically otherwise stated in the invitation for bids, the subject commodity shall be prepared only in a plant which is regularly operated under the supervision of the Bureau of Animal Industry, United States Department of Agriculture, and shall be inspected, passed, and marked in accordance with regulations governing meat inspection of the United States Department of Agriculture, "United States inspected and passed by Department of Agriculture," or the proper abbreviation thereof.

Mr. President, I have no doubt that if the Navy Department or the War Department or the Civilian Conservation Corps desired to require a domestic factory to pack tenderloin steak and turn it into corned beef the packer would comply with the specifications, because I have received a telegraphic response to an inquiry of mine from the low domestic bidder saying that it was always ready to meet the specifications, and that it had sold quantities of canned corned beef to the Government, to the Navy, in the past, and that never had there been any question raised as to its quality.

Mr. CLARK of Idaho. My information is that 90 percent of all of the reasonably good corned beef which we get in the United States under the labels of Libby, and Swift, and Armour is actually produced in the Argentine, and Brazil, and Uruguay from beef of those countries.

Mr. O'MAHONEY. My understanding is that last year there were imported into the United States about 79,000,000 pounds of just such corned beef, or other canned beef.

Mr. CLARK of Idaho. My interest, Mr. President, is precisely like that of the Senator from Wyoming.

Mr. O'MAHONEY. I know that, and I know the Senator has been very much interested in securing the adoption of the amendment which was approved by the Senate today.

Mr. CLARK of Idaho. I am becoming a little alarmed at the apparent intent to make our livestock industry a front for the packing industry. If the packers go down to Argentina and produce their beef there, and then, when a situation of the kind now being discussed occurs, raise a tempest about the purchase of $7,500 worth of beef from Argentina, and use the sentiment in the livestock States to further their interest, that is something I resent, and I am sure that if the Senator from Wyoming were convinced of those facts, he would resent it also.

DOMESTIC POLICY IMPORTANT

Mr. O'MAHONEY. The statement of the Senator from Idaho makes it necessary for me to say that the tempest was not raised by the packers. It was raised by Representative JAMES SCRUGHAM, of Nevada, and by myself as long ago as February 14. I took the matter up with the Navy Department, and I urged the purchase of domestic canned beef, not as a service particularly to the packers, but as a part of the program which I am discussing here this afternoon, the holding of the domestic market for the American farmer and the American rancher. We cannot solve the agricultural program so long as we are content to invite the importation into the United States of agricultural commodities produced in other countries under conditions and standards which are much lower than those which we are wisely trying to establish in the United States.

I have made the contention that the expenditures which our Government is wisely making for the purpose of soil conservation, the expenditures which we are requiring American manufacturers to make in the payment of better wages to workmen, are all inevitable steps which we cannot avoid taking in the effort to preserve the consuming market of America for the producers of America.

So the tempest was not raised by the packers, Mr. President. It was raised by elected representatives of producers, who are convinced that the salvation for agriculture in America is to prevent the invasion of our domestic market by agricultural products from abroad. In saying that, let me in fairness add that I know it is the contention of the very distinguished Secretary of State, Mr. Cordell Hull, formerly a Member of the Senate, that the reciprocal-trade agreements which he has initiated are in many instances of benefit to agriculture. With that contention I differ; I do not believe that that can be proven, but I know that is the motive. The motive throughout the Government is to encourage and promote agriculture, and I am pointing out one way in which I think it can be done.

Mr. CLARK of Idaho. Mr. President, will the Senator yield a moment further?

Mr. O'MAHONEY. I yield.

Mr. CLARK of Idaho. Of course, my ideas are in rather close agreement with those just expressed by the Senator from Wyoming, though he expressed them much more eloquently than I could hope to do. Let me ask the Senator, Is it true that in past years when contracts for canned corned beef have been awarded by the Navy to domestic packers the domestic packers have furnished such corned beef to the Navy from Argentine plants?

Mr. O'MAHONEY. No; it is not.

Mr. CLARK of Idaho. That is not true?

Mr. O'MAHONEY. That is not my understanding. It was domestic corned beef.

Mr. CLARK of Idaho. I may say to the Senator from Wyoming that I have had contrary information, but he is unquestionably better informed upon the subject than am I. Of course, I do not mean to imply that anything is improper in raising this so-called tempest; but I think there may be some merit in the President's thought on the matter.

Mr. BARKLEY and Mr. LUCAS addressed the Chair.

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Wyoming yield; and if so, to whom?

Mr. O'MAHONEY. I yield, first, to the Senator from Kentucky.

Mr. BARKLEY. In connection with what the Senator from Idaho [Mr. CLARK] has suggested, I will ask the Senator from Wyoming if it is not true that in recent years American packers have not manufactured and had in stock quantities of canned corned beef sufficient to supply any considerable order from the Navy or any other Government agency, but that whenever they have ordered this particular food from American packers the packers have had to fill it by special order. They have been compelled to fill the order not out of their supply on hand, but they have been compelled to manufacture it as a special order in order to supply the Navy or any other governmental agency.

Mr. O'MAHONEY. That may have been true, and the provision which is now carried in the naval appropriation bill will have the effect of compelling the production in the United States.

Mr. BARKLEY. Of course, the Senator realizes also, I assume, that the American people as a whole are not very

large consumers of canned corned beef. The Senator is correct in the statement he made a moment ago that about 79,000,000 pounds of canned corned beef were imported into this country last year. Ever since the Spanish-American War, when there was a scandal with respect to the quality of beef supplied by the packers to the Army of the United States, canned corned beef rather descended in the estimation of the people as a food, and there were substituted for it other forms of meat products more palatable and more generally and universally consumed than corned beef. The American packers, we may say, got out of the habit very largely of producing canned corned beef, and they have produced such a comparatively small quantity in recent years, as I understand, that they have not been able to supply the demand of the Government, if its demands were to be completely supplied by American producers.

Mr. O'MAHONEY. When domestic producers can manufacture a commodity in any other country more cheaply than they can manufacture it in the United States, of course it is perfectly obvious that they would naturally like to see such a condition develop that they could ship it in from the outside.

AMERICAN JOBS EXPORTED

The point I am making is that that contributes to the exportation of jobs for American workmen, which should not be permitted, and, as the first step in placing a ban, in the midst of unemployment, on the exportation of jobs, I asked the Navy Department to make sure that the corned beef that it bought was corned beef produced in the United States. Small though the amount involved was, it was important as an index of the policy of encouraging domestic production, of encouraging and protecting the domestic producer, which I am now urging, not only upon the Senate but upon the administration, because I have no hesitation whatsoever in saying that the agricultural problem in the United States cannot be solved until we throw ourselves into the effort to protect and defend the American farmers and producers.

How many pounds of this or how many pounds of that, or whether it was produced here or whether it was produced there, are questions which are utterly and completely irrelevant to the point at issue, which is the American market for the American producer.

Mr. BARKLEY. I do not dispute the general correctness of that position, although I think it is bound to be conceded that we cannot entirely close the door of the American market to any agricultural product of any other country and expect them to open up their doors to any agricultural products of which we produce a surplus. I now wish to get back to corned beef, which seems to be the subject which occasioned the present furor. I do not care what caused the furor; all I am seeking is to get at the facts. Does not the fact that the American producers do not manufacture this particular article in quantity, and that they have had to produce it on special order, contribute to the vast difference between the cost of producing the particular article in the United States, which was twenty-three and a fraction cents a pound in the instance which caused the present discussion, and the nine and a fraction cents a pound at which the Government bought it, after deducting the 6 cents a pound tariff, which goes into the Treasury, and of course is taken out of one pocket and put into another? If the American packers produced this food in quantities sufficient to supply not only the Navy but the Army, or any other Government agency, and sufficient to supply the demand for private consumption among the people of the United States, would there not be a vast difference between the twenty-three and a fraction cents a pound which they undertook to charge the Navy, and what they could produce it for?

Mr. O'MAHONEY. Of course, the answer to the Senator's question is "yes," that undoubtedly would be the result. But again I say it is irrelevant.

In answer to the question which was propounded by the junior Senator from Idaho and the question asked by the Senator from Kentucky, I have before me a quotation from the hearings when Admiral Spear appeared before the Appropriations Committee of the Senate. Senator BYRNES, chairman of the subcommittee in charge of the bill, asked the admiral:

> Is that the first time the Navy has bought Argentine beef?

The admiral responded:

> In over a period of 10 years. And we would not have bought it at this time—perhaps it would not have occurred to us to ask for foreign bids if it had not been represented by domestic packers that they would like to furnish some meat or have an opportunity to furnish good corned beef from Argentine.

And then listen to this:

> And that they could save money.

There is the point exactly. The domestic packers who have exported American capital to South America to build packing plants there to produce beef or canned meat which is in competition with that produced by American producers would want this change in order that they might make some money, and it was against that that I was protesting.

Mr. BARKLEY. If the Senator will yield further for a moment, if in 10 years the Navy has bought only 48,000 pounds of this particular commodity——

Mr. O'MAHONEY. The contract which was signed the other day was for 48,000 pounds.

Mr. BARKLEY. I understood the admiral to testify that that was all the Navy had bought in 10 years. If in 10 years the Navy has bought only 48,000 pounds, and we are bringing into this country 79,000,000 pounds a year, certainly the consumption of somebody besides the Navy is infinitely more important than what the Navy may buy.

Mr. O'MAHONEY. There is no question about that.

Mr. BARKLEY. Forty-eight thousand pounds of foreign beef would not represent more than 30 or 40 head of cattle. It might represent more head of cattle than that in consequence of the fact that the corned beef in this country is very largely made from certain portions of the animal which are not particularly relishable as steak, roast, or other products. However, in countries like Argentina, Uruguay, Paraguay, or Brazil, because the better qualities and better cuts of beef are not consumed domestically, some of them are used in the manufacture of corned beef. The point is that it seems to me that our complaint, if we have one, is not against the Navy, which has bought only 48,000 pounds in a year——

Mr. O'MAHONEY. I am not complaining against the Navy. This is the first error the Navy has made in 10 years; and we are trying to correct it before the error becomes habitual, that is all.

Mr. BARKLEY. If the American people are to be induced to reduce their own private consumption of imported corned beef, the result will have to be brought about by some method other than requiring the Navy alone to buy only American corned beef.

Mr. O'MAHONEY. The Senator is a member of the Committee on Finance, and he could contribute mightily to the accomplishment of that object by one or two little provisions dealing with this very subject. At the last session of Congress I introduced an amendment providing for an excise tax, which went to the Committee on Finance. The effect of the amendment would have been to cut down the 79,000,000 pounds and to divert the market from Argentine beef to American beef. The amendment would have been very, very salutary. Upon that occasion the Senator could have contributed to the solution of the very question he now raises.

Mr. BARKLEY. If the Senator has in mind the tariff, there is already a tariff of 6 cents a pound on corned beef, which is about two-thirds of the price paid for it by the Navy, and would represent, in proportion to domestic prices, about 25 percent. I wish to say to the Senator that I hope I shall always be ready and willing to do whatever is essential and reasonable for the protection and advancement of American agriculture. However, we are required to find a foreign market for a large quantity of our surplus agricultural products. I do not refer to corned beef, because we do not have any surplus of corned beef. We do not even make enough for our own use. In order to sell our surplus

of cotton, tobacco, wheat, and other agricultural products which I might mention—I mention those only as samples—it is necessary for us to find a foreign market. I do not see the wisdom of any political economy which undertakes to embargo, or even in effect to embargo, the importation of other agricultural products from countries which might consume much of our surpluses of commodities which they do not have, in order to give an advantage to one particular group of agricultural products. Wherever we can level off in a fair and reasonable way, in order that we may find markets for our own commodities, and at the same time not let down the bars to the importation of other products, we can afford to do so. In the absence of further information, I believe that a tariff of 6 cents a pound on imported corned beef is fairly reasonable protection.

GOVERNMENT SHOULD BUY AMERICAN

Mr. O'MAHONEY. I think the Senator is embarking upon very dangerous ground. For example, it was pointed out in the discussion in the committee that it would be very simple indeed to clothe the Army and Navy with Japanese garments, at a very much lower price than that at which those garments could be purchased from domestic producers. The significant point which I think the Senator overlooks is that when the Government of the United States enters the market to make purchases, it should confine its purchases to products produced domestically. The people of America are free. They have their individual rights. If American citizens want to buy foreign products, well and good; but the principle for which I am contending is that the Government of the people, in all its purchases, should adopt the principle of encouraging domestic production.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. On the third day of March 1933, there was signed and approved an act known as the Buy American Act. Section 2 of that act contains this provision:

> Notwithstanding any other provision of law, and unless the head of the department or independent establishment concerned shall determine it to be inconsistent with the public interest, or the cost to be unreasonable, only such unmanufactured articles, materials, and supplies as have been mined or produced in the United States, and only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States, shall be acquired for public use. This section shall not apply with respect to articles, materials, or supplies for use outside the United States—

And so forth. In other words, the law which we passed some 6 years ago, which undertook to confine the purchase of supplies among all the departments of the Government to American-produced articles, except when such purchase would be inconsistent with the public interest or when the cost was unreasonable, undoubtedly gives to any department the right to consider whether or not the comparative costs are unreasonable.

Mr. O'MAHONEY. Certainly.

Mr. BARKLEY. In this particular case, in view of the limitations of our own domestic product, in view of the difference between 9 and a fraction cents and 23 and a fraction cents, and in view of the small quantity purchased by the Navy compared with the large quantity which is imported into the United States, I do not think the President is subject to any criticism whatever in the purchase of 48,000 pounds of this particular food when the difference was the difference between 9 cents and 23 cents. While the saving did not amount to very much in that particular case, the law authorized him, in determining whether he should purchase domestic products or foreign products, to take into consideration the comparative cost. In the present case the difference between the domestic and the foreign article was more than 250 percent.

Mr. O'MAHONEY. The difference was 149 percent when one computes the tariff.

Mr. BARKLEY. If we consider the 6-cent tariff——

Mr. O'MAHONEY. The difference is 149 percent; otherwise it is 54 percent.

Mr. BARKLEY. The money goes out of one pocket into another. The tariff is collected into the Treasury, and paid out by somebody in the Treasury in the 6-cent tariff on the article. However, considering the net cost, regardless of tariff, the difference was about 250 percent.

Mr. O'MAHONEY. No; the Senator is mistaken in those figures. As I recall, the testimony of Addmiral Spear was that the difference was 149 percent when the tariff was computed, and 54 percent when the tariff was not computed. However, that is beside the point. It is true that the contract was for 48,000 pounds, but the Navy consumes 600,000 pounds annually, and the principle which is involved is the principle of encouragement of domestic production.

Now, Mr. President, returning to the subject of sugar, after the bill which had been passed by the Senate went to the House it was in regular order referred to the Committee on Agriculture.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Illinois?

Mr. O'MAHONEY. I shall be very glad to yield to the Senator from Illinois.

Mr. LUCAS. Before the Senator returns to the sugar question, I should like——

Mr. O'MAHONEY. Mr. President, I shall be worn out talking about corned beef, and I shall not be able to finish my speech on sugar.

Mr. NORRIS. The Senator can be revived by eating some Brazilian corned beef in the Senate restaurant.

Mr. LUCAS. I was about to discuss that subject. I thought the Senator rose primarily to discuss corned beef rather than sugar.

Mr. O'MAHONEY. No, Mr. President. I shall be very glad to yield to the Senator, but I cited the particular amendment which arose out of the controversy on corned beef merely to indicate to the Department of Agriculture that when the Congress of the United States, without a dissenting vote, except in the committee, puts itself on record in favor of the purchase by the Government of domestic food products, the time has come for the Department of Agriculture to reconsider the policy by which it has permitted the price of sugar to go so low that the domestic producers are in danger of not being able to produce at a profit.

Mr. LUCAS. Mr. President, I appreciate the very serious argument which the Senator is making. It is a very good one. However, the Senator from Nebraska, in asking a question a moment ago, rather intrigued me, and I should like to know whether or not the Senator from Wyoming has any information or knowledge as to who is responsible for the purchase of the corned beef we eat in the Senate restaurant, and which I understand comes from South America.

Mr. O'MAHONEY. Of course, the answer to that question is that the restaurant and all the other services which we have in the Senate are under the direction of the Committee on Rules. It is my recollection that the Senator from Illinois is a member of that committee. If he is, I suggest that he raise that question in the Committee on Rules and see if he also cannot contribute to the building up of a market for domestic canned corned beef.

Mr. BARKLEY. Mr. President, will the Senator yield in that connection?

Mr. LUCAS. Mr. President, if the Senator will further yield, if I may answer, the Senator from Illinois is a new member of the Committee on Rules. So far the committee has never had a meeting since I have been a member of it. That may be the reason that I know nothing about the duties of the members of the Rules Committee as yet; but I was thinking of the corned beef which I ate at luncheon in the restaurant at noon. I am frank to say that it was a choice cut, whether it was produced in this country or produced in the Argentine.

Mr. O'MAHONEY. Since we are going into the Senator's diet, let me ask him whether it was a cold cut or a warm cut that he ate?

Mr. LUCAS. I will say, for the information of the Senator, that it was a warm cut.

Mr. O'MAHONEY. Then it was not canned corned beef.

Mr. LUCAS. Then the Senator from Nebraska is in error in what he said a moment ago.

Mr. NORRIS. No.

Mr. O'MAHONEY. There is foreign canned beef in the restaurant below, but it is the cold-cut variety; no uncanned Argentine meat is allowed to enter the United States.

Mr. BARKLEY. Mr. President, even canned corned beef can be warmed so that it will be warm when it is eaten.

Mr. O'MAHONEY. Not the Argentine canned beef; I do not believe anything can warm that.

Mr. BARKLEY. It seems to be pretty hot at the moment.

Mr. NORRIS. A good many Senators seem to be warming it.

Mr. LUCAS. Mr. President, irrespective of whether it was a cold cut or a warm cut, nevertheless there is some corned beef in the Senate restaurant at the present time which came from the Argentine. The Senate of the United States is responsible for that beef being in its restaurant, and I am just wondering whether or not the President may, perhaps, have felt that if corned beef coming from the Argentine was good enough for Senators it might be good enough for the Navy.

Mr. O'MAHONEY. Mr. President, that question answers itself. Now, if I may be permitted to do so, I will resume my brief discussion with regard to sugar.

Mr. ANDREWS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Florida?

Mr. O'MAHONEY. I yield.

Mr. ANDREWS. Since the Senator from Wyoming is returning to his original subject—a sweeter subject—I should like to ask him a question. Does the Senator think it is ever proper policy under any consideration for this Government to restrict production of an American product which is a nonsurplus product? For example, as I understand, on the mainland we produce only about 30 percent of the sugar we consume.

Mr. O'MAHONEY. That is exactly the statement I made a few moments ago.

Mr. ANDREWS. We import from Cuba 2,000,000 tons, which is nearly one-third of the sugar we use in this country. We are not allowed to produce here at home sufficient sugar to supply our own needs; yet we are supposed to be peddling importations under a trade agreement, when, as a matter of fact, we sell to Cuba about a little over 50 percent of what we buy from Cuba. So, that it is a bad bargain anyway it may be considered. But coming down, now, to the question of to whom the benefits go, we understand that, for instance, the laborers in Cuba are paid about 56 cents per day, whereas in Florida we pay those who raise the sugar nearly $2 a day, and every cent of that money is spent here at home.

The main question that I want to ask the Senator is, Can it ever be a proper policy for us to restrict the production of a farm commodity that is a nonsurplus product?

SHOULD BE NO RESTRICTION OF SUGAR PRODUCTION IN UNITED STATES

Mr. O'MAHONEY. It is my conviction that the American market should be reserved first to American producers and that there should be no restriction upon domestic production of any agricultural commodity, sugar included.

For practical reasons, because it was necessary in order to reach a solution, many of us representing the sugar-producing States of the Union submitted to a limitation, but we were careful to see that that limitation was so fixed as not to be below the production at the time it was fixed. That is why on the passage of the bill I voted for the measure brought in by the Senator from Louisiana [Mr. ELLENDER] which would prevent the destruction of crops already planted in the State of Louisiana. Now, I want to bring about a condition which will permit the expansion of the sugar-producing area in continental United States and in its possessions.

AMENDMENT NECESSARY AND URGENT

Mr. President, when the measure, having passed the Senate, reached the House of Representatives, it was referred to the Committee on Agriculture. As I have said, I was hopeful that, under the leadership of the distinguished and able chairman of that committee, who knows this problem backward and forward, a serious study would be undertaken to determine all the factors which should be taken into consideration and then to report a bill at the present session of Congress which would raise the price for the domestic producer and which would prevent the price of sugar in the United States reaching the low level that has already been reached in cotton and other products.

SHOULD ACT NOW

When the price of sugar is going down, I feel that, with an instrumentality upon the statute books which can be used to stabilize that price with a slight amendment, that amendment should be made, and that effort should be undertaken by the executive branch of the Government of the United States. But when the bill reached the committee, representations were made on behalf of the State Department, the Interior Department, and the Department of Agriculture, as a result of which the bill not only has not come out of that committee but no hearings have been held, the word is going out around the country now that there is to be no legislation upon the subject of sugar this year, and that, perhaps, in 1940, when the Sugar Act of 1937 expires, there may not even then be legislation.

I wish to make it just as clear as words can make it that the domestic producers of the United States do not believe in any such program; they will use every power at their command to protect, encourage, and develop the industry; and that can be done, Mr. President, without the slightest burden or injury upon any other element of our population.

MEASURE NOT UNJUST

Representation was made to the committee that this measure was unjust to the consumers; that it was unjust to Hawaii and Puerto Rico; and that, furthermore, it was a violation of our trade treaty with Cuba—I cannot fail to call a trade agreement a treaty because we all know that such agreements are treaties, though not ratified by the Senate of the United States—and of another sugar treaty which was ratified by the Senate. I am undertaking this afternoon to show that all these charges are without the slightest foundation, and this bill is not unjust to the consumers of the United States.

Mr. ANDREWS. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Florida.

Mr. ANDREWS. A few nights ago while I was in Florida the radio station at Habana could be heard very clearly in Florida. Someone speaking over the radio at the Habana station, someone who seemed to speak with authority, then stated that he did not look for any change in the quota of Cuban sugar to be exported to the United States because the Cuban sugar interests were owned by two large banks in the city of New York—owned by Americans. So they did not look for any reduction or any change at all.

Mr. O'MAHONEY. The Senator has put his finger upon one of the sore spots in our present-day economy. As another illustration of the point which I mentioned a little while ago of the exportation of American jobs and American markets—a short-sighted, a self-defeating movement—though I mention it with a great deal of hesitation because it may again open up the Argentine beef discussion, let me say that when this question was before the committee it was stated by one member of the committee that we must buy beef from Argentina because Argentina, in turn, is purchasing automobiles made in the United States.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I will ask the Senator to pardon me for just a moment. The statement was made that General Motors Corporation is exporting automobiles to Argentina and that, therefore, we should be willing to make an exchange of agricultural products in order to get that Argentine market for our automobiles. At the time that testimony

was given, I had not had the opportunity of reading the report which appeared yesterday in the New York Times, and which was called to my attention by the senior Senator from Colorado [Mr. ADAMS]. There we had the interesting and, indeed, amazing information, that payment is being received by the General Motors Corporation in the bonds of the Argentine Government, for the automobiles which are being exported.

Certainly we have had enough experience in exporting American jobs in return for written pieces of paper executed by foreign governments or foreign agencies of any kind.

Experience should teach us the fundamental economic fact we are overlooking is that there is no way of paying for commodities except in commodities. When we are dealing with commodities which a great country like the United States can produce, in most cases more than it can consume, and in the case of some commodities less than it can consume, it seems to me to be perfectly obvious that it is no help to our economy either to export capital to other countries to take advantage of lower standards of living to manufacture products to be shipped back in competition with our own, or to receive in payment for such commodities which are shipped out written promises to pay which do not represent a thing in the world except commitments. Our experience after the World War was that commitments of that kind are not honored. Having exported many soldiers to fight the war, when the war was concluded we sent commodities to Europe, and received in return the bonds of European governments which have since been repudiated. I should not be a bit surprised to find that American corporations which export commodities to foreign countries, and receive bonds in payment, are piling up for themselves the same experience that the people of the United States had following the World War.

Mr. HATCH. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from New Mexico.

Mr. HATCH. In the course of the Senator's remarks he has just mentioned certain commodities which we produce in the United States less than we consume. I wondered what commodities, aside from sugar, the Senator had in mind.

Mr. O'MAHONEY. Sugar is the one I am talking about. Rubber and tin are among the commodities of which we produce less than we can consume.

My contention now is that the sugar bill which passed the Senate and went to the House is not adverse to the interests of the domestic consumer. In proof of that assertion, I have before me a table compiled from the figures of the Bureau of Labor Statistics in the Department of Labor, showing the monthly variations in the average retail sugar prices from 1930 down to and including February 1939.

LOW SUGAR PRICES

What danger was incurred by domestic consumers of the sugar crop? The average retail price of sugar in the United States in 1933, before the Jones-Costigan Act was passed, was 5.3 cents per pound. In 1934 it was 5.5 cents. In 1935 it was 5.7 cents. In 1936 it was 5.6 cents. In 1937 it was 5.6 cents. In 1938 it was 5.3 cents. Now it is 5.1 cents. So, obviously, there has been such a slight variation in the price of sugar to the domestic consumer since before the bill was passed that there seems to be no foundation whatsoever for any fear that this legislation will be injurious to the interests of the consumer. The Jones-Costigan Act did not so operate. This act has not so operated; but it is said that the bill which passed the Senate eliminated the provision which was inserted in the act of 1937 for the protection of the American consumer. That provision, however, was not in the Jones-Costigan Act.

If the Jones-Costigan Act without this provision did not raise the price of sugar to the consumer, how, then, can it be argued that the elimination of the provision which was written into the act of 1937 would raise the price? The fact of the matter is that this particular provision which was eliminated in the House is exactly the provision which brought about the reduction of the returns which domestic producers are receiving for their sugar crop, because it resulted in the Secretary of Agriculture's making an estimate of consumption in the United States which was greatly in excess of the actual consumption.

INTENT OF CONGRESS TO PROTECT UNITED STATES SUGAR INDUSTRY

Let us bear in mind that the purpose of the Sugar Control Act was primarily to protect the domestic sugar industry. It was a substitute for the tariff policy, which admittedly had failed, because it could not keep out the great quantity of Philippine sugar which was pouring into the United States. The primary purpose of that act was to protect the domestic producer, while at the same time not causing such great increase of price to the consumer as to throw the economy out of balance. So in the Jones-Costigan Act a formula, which I shall insert in the RECORD as part of my remarks, was developed and enacted into law, which authorized the Secretary to fix the consumption requirements of sugar for continental United States.

The language of the act was:

> The consumption requirements of sugar for continental United States, for the calendar year 1934, and for each succeeding calendar year, shall be determined by the Secretary of Agriculture from available statistics of the Department of Agriculture.

Into the hands of the Secretary of Agriculture was given the power, the responsibility, and the duty of estimating the consumption requirements, and then it was provided:

> The consumption requirements so determined shall, at such intervals as the Secretary finds necessary to effectuate the declared policy and the purposes of this act, be adjusted by him to meet the actual requirements of the consumer as determined by the Secretary.

In other words, the proposal clearly was, "Find out what the consumption requirements are and, if the estimates are wrong, adjust the estimates so that they may meet the actual requirements for consumption."

The language of that act very clearly illustrates the point which we must all remember—that continental United States is the great market of the world for sugar, and all of the sugar producers of the world would like to pour their quantities of sugar into the United States. There was a time when that was going on and when we were so dependent upon sugar from areas outside of continental United States, and principally upon sugar from Cuba in the 1920's, that the price of sugar to the consumer went higher than 20 cents a pound. The production and expansion of the domestic sugar industry is the surest guaranty to the American consumer that he will receive sugar at a fair price.

So far as I know, there never was any request upon the part of the producers of sugar beets and sugar cane in the United States to exploit the consumer. Certainly that is not the policy of the producers of sugar beets. Those producers have complied with every single regulation that has been laid down by the Department of Agriculture. We have submitted to every provision that was written into the act. Indeed, we ourselves wrote the provisions in the act to raise the standard of labor in America.

Mr. ANDREWS. Many of us can remember the price of sugar during the war and immediately following the war. In the event that the situation in the Far East shall develop to the point where the Philippine Islands may not be longer available to us—and that is not beyond the realm of possibility—the commerce with the Philippines can be cut off from the United States by a war with Japan. Inasmuch as 17 or 18 percent of the sugar consumed by the people of the United States comes from the Philippine Islands, in the event those islands should be cut off, would we not have a sugar famine in the United States which would take 4, 5, or 6 years to overcome, and might not sugar possibly go back to 20 or 25 cents a pound?

Mr. O'MAHONEY. I think there is good ground for the fears expressed by the Senator from Florida.

Mr. ANDREWS. And there is the further fact that we have plenty of land here on which we can raise the sugar which we need.

Mr. O'MAHONEY. Exactly. When it became necessary to pass new legislation, and the Sugar Act of 1937 was under

consideration in the House of Representatives, the Committee on Agriculture adopted a formula with respect to consumer prices and the declared policy of the act not very different from that in the Jones-Costigan Act, but containing one provision which the members of the Committee on Finance, and Senators representing the sugar-producing States, were unwilling to accept. That provision was one which tied the price of sugar to the other basic commodities.

SUGAR ACT NOT TIED TO OTHER LAWS

It was the belief of those of us who were representing the sugar-producing States that it would be unwise to tie sugar to cotton, to wheat, or to these other commodities, because we feared that, if those commodities suffered a depressed price, and they have, it would be inevitable that sugar also would suffer a depressed price. We felt that, since sugar was to be a self-financing program, it was not necessary to bind all of these agricultural commodities together so as to prevent improvement in the one. And the Sugar Act was to be an independent law. Therefore we insisted upon separating sugar from the formula which came over from the House of Representatives.

This provision was section 201 of the House bill 7667. Again it authorized the Secretary to determine the amount of sugar needed to meet the requirements of consumers, and it also instructed him that he "shall make allowances for a deficiency or surplus in inventories of sugar." And observe this, "and changes in consumption." In other words, provision was carefully drafted giving to the Secretary of Agriculture himself the complete power, first to fix the estimate and then to change it in order to adjust it to the needs of consumption.

Then the provision to which we took exception was this:

> And in order that the regulation of commerce provided for under this act shall not result in excessive prices to consumers, the Secretary shall make such additional allowances as he may deem necessary in the amount of sugar determined to be needed to meet the requirements of consumers, so that the supply of sugar made available under this act shall not result in average prices to consumers in excess of those necessary to make the production of sugar beets and sugar cane as profitable on the average per dollar of total gross income as the production of the five principal agricultural cash crops in the United States.

It was that tying of sugar to these other crops to which we raised objection, not to the provisions which guaranteed protection to the consumer against excessive prices. The producer does not want excessive prices.

When the bill finally passed the Senate that provision was eliminated, but in conference between the two Houses another formula was developed, to the effect that the additional allowances might be made "so that the supply of sugar made available under this act shall not result in average prices to consumers in excess of those necessary to maintain the domestic-sugar industry as a whole, and the amounts of such additional allowances shall be such that in no event will the amount of the total supply be less than the quantity of sugar required to give consumers of sugar in the continental United States a per capita consumption equal to that of the average of the 2-year period 1935–36."

INTERPRETATION OF SUGAR ACT

This provision, which was interpreted as requiring the estimate to be such as to provide a certain definite per capita consumption, had the effect of making it necessary, according to the interpretation of the Department of Agriculture, to make an estimate in excess of the consumptive requirements in the United States.

So all in the world that was asked by the producers of beet sugar was that this provision of the law which made necessary, by the Secretary of Agriculture, according to the interpretation of the sugar section, an excessive estimate, an estimate of more than could be consumed, should be eliminated so that we could go back to the principle of the Jones-Costigan Act, which did not result in excessive prices to consumers.

Mr. President, the purpose and effect of the bill passed by the Senate, so far as it affects consumers in the United States, has not been understood, and has not been correctly represented to the Committee on Agriculture in the House of Representatives.

Mr. CLARK of Idaho. Mr. President——

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Wyoming yield to the Senator from Idaho?

Mr. O'MAHONEY. I yield.

Mr. CLARK of Idaho. Of course, I subscribe most heartily to everything the Senator has stated, and will subscribe, I am sure, to everything he will say. He mentions consumers, and I wonder whether the administration realizes that the sugar program is the only agricultural program which does not cost the consumer or the taxpayer a dime, and that it is the only agricultural program which will return to the Treasury a surplus in excess of $13,000,000 next year. So that not only does it not cost the consumer anything by virtue of an increased price of sugar, but it actually costs the consumer nothing by way of taxes, and this year returns to the Treasury a surplus. We pay out of the Treasury hundreds of millions of dollars every year, and rightly so, for the benefit of the cotton farmer, and the wheat farmer, and the corn farmer. That does constitute a tax on the consumer. But the sugar program is self-financing, self-liquidating. Not only does it not raise the price of the product, but it actually returns a surplus to the Treasury. Am I correct in that statement?

Mr. O'MAHONEY. The Senator is quite correct. The appropriation which was made in the agricultural appropriation bill this year for the administration of the Sugar Act of 1937, which includes the benefit payments and all expenses, was, as I recall the figures, $47,950,000. The estimates of the Treasury are to the effect that the revenue to be derived from the tax paid by the sugar processors will be $62,200,000 in the fiscal year 1940.

Mr. CLARK of Idaho. I thank the Senator.

Mr. O'MAHONEY. This is a self-supporting program, and all in the world it needs so far as serving the interests of the producers is concerned is a correct formula for the determination of the estimates of consumption and raising restrictive production limitations for farmers.

Curiously enough, from the very beginning there has been a tendency to overestimate the consumption requirements. Let us bear in mind, when the consumption estimate is made, that that is the basis upon which the allocation of sugar is made to the various sugar-producing areas. The quotas depend upon the amount to be consumed.

In 1934 the estimate of consumption under the Jones-Costigan Act was 144,415 tons more than the actual consumption, and we went into that season under that act with an estimated surplus from the year before of stocks on hand of something like 500,000 tons.

In 1935 the picture changed a little. In that year the estimate was 373,255 tons less than the actual consumption, but that was the only year during the administration of the act when the estimate was less than the consumptive requirements.

EXCESSIVE ESTIMATES OF CONSUMPTION

In 1936 the estimate exceeded consumption by 106,000 tons. In 1937 it exceeded consumption by 382,000 tons. In 1939 it exceeded consumption by 113,872 tons. And it exceeds consumption now, although it is impossible, of course, to know what the final consumption for 1939 will be. But this we do know, that consumption is not keeping pace with that of the previous year.

The estimated consumption for 1939 was 6,755,386 tons. The consumption in 1938 was only 6,666,694 tons. With a consumption last year of 6,666,000 tons, the estimate for this year was almost 100,000 tons in excess.

It is perfectly obvious that when consumption does not meet the estimate, and production and imports are made upon the basis of the estimate, and quotas are distributed on the basis of the estimate, there is a surplus which remains on hand to depress the market in the succeeding year; and that is precisely what happened; and it is precisely against that, Mr. President, that Senators from the sugar-producing States have made their protest.

Mr. President, I ask unanimous consent that there may be printed in the RECORD at this point in connection with my

remarks the consumer formula of the Jones-Costigan Act, the consumer formula in the sugar bill of 1937 as it came from the House, the consumer formula in the Sugar Act of 1937, and the consumer formula as contained in the amendatory measure which is now reposing in the files of the Committee on Agriculture in the House of Representatives.

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

CONSUMER FORMULA IN JONES-COSTIGAN ACT

(2) (A) The consumption requirements of sugar for continental United States for the calendar year 1934 and for each succeeding calendar year shall be determined by the Secretary of Agriculture from available statistics of the Department of Agriculture. The consumption requirements so determined shall, at such intervals as the Secretary finds necessary to effectuate the declared policy and the purposes of this act, be adjusted by him to meet the actual requirements of the consumer as determined by the Secretary.

(B) In the event that available statistics of the Department of Agriculture during the course of any calendar year indicate that the consumption requirements of sugar for continental United States for such calendar year will exceed the amount of the consumption requirements determined for that year, the Secretary of Agriculture may prorate such estimated excess amount on the basis of the respective quotas determined by and pursuant to subsection (1) of this section: *Provided, however,* That for each calendar year there shall be allotted to continental United States not less than 30 percent of any amount of consumption requirements therefor above 6,452,000 short tons raw value.

(C) In the event that available statistics of the Department of Agriculture during the course of any calendar year indicate that the consumption requirements of sugar for continental United States for such year will be less than the amount of the consumption requirements determined for that year, the amount of such deficiency may be proportionately deducted from the respective quotas determined by and pursuant to paragraph (A) of subsection (1) of this section.

(D) If, during any calendar year, any producing area is unable to produce and deliver its full quota of sugar, the Secretary of Agriculture may prorate this deficiency among the other areas on the basis of their respective quotas and ability to supply the deficiency.

(E) Notwithstanding the provisions of paragraphs (A) to (C), inclusive, of subsection (1) of this section, the Secretary of Agriculture may, in order to effectuate the declared policy of this act, from time to time, by orders or regulations, deduct from the quotas for production, importing, receiving, and/or marketing, and/or from the allotments thereof, established pursuant to said paragraphs, in any given year, an amount for each year, respectively, representing the surplus stocks of sugar produced in that area, or a portion of the total surplus stocks of sugar produced in that area, in whole or in part, which may have accumulated in the year next preceding, over and above the quotas established for such year.

CONSUMER FORMULA IN SUGAR ACT OF 1937 AS PASSED BY THE HOUSE

[From H. R. 7667]

TITLE II. QUOTA PROVISIONS

SEC. 201. The Secretary shall determine for each calendar year the amount of sugar needed to meet the requirements of consumers in the continental United States; such determinations shall be made during the month of December in each year for the succeeding calendar year and at such other times during such calendar year as the Secretary may deem necessary to meet such requirements. In making such determinations the Secretary shall use as a basis the quantity of direct-consumption sugar distributed for consumption, as indicated by official statistics of the Department of Agriculture, during the 12-month period ending October 31 next preceding the calendar year for which the determination is being made, and shall make allowances for a deficiency or surplus in inventories of sugar and changes in consumption as computed from statistics published by agencies of the Federal Government with respect to inventories of sugar, population, and demand conditions; and in order that the regulation of commerce provided for under this act shall not result in excessive prices to consumers, the Secretary shall make such additional allowances as he may deem necessary in the amount of sugar determined to be needed to meet the requirements of consumers, so that the supply of sugar made available under this act shall not result in average prices to consumers in excess of those necessary to make the production of sugar beets and sugarcane as profitable on the average per dollar of total gross income as the production of the five principal (measured on the basis of acreage) agricultural cash crops in the United States.

CONSUMER FORMULA IN SUGAR ACT OF 1937

[Public, 414, 75th Cong.]

TITLE II. QUOTA PROVISIONS

SEC. 201. The Secretary shall determine for each calendar year the amount of sugar needed to meet the requirements of consumers in the continental United States; such determinations shall be made during the month of December in each year for the succeeding calendar year and at such other times during such calendar year as the Secretary may deem necessary to meet such requirements. In making such determinations the Secretary shall use as a basis the quantity of direct-consumption sugar distributed for consumption, as indicated by official statistics of the Department of Agriculture, during the 12-month period ending October 31 next preceding the calendar year for which the determination is being made, and shall make allowances for a deficiency or surplus in inventories of sugar and changes in consumption as computed from statistics published by agencies of the Federal Government with respect to inventories of sugar, population, and demand conditions; and in order that the regulation of commerce provided for under this act shall not result in excessive prices to consumers, the Secretary may make such additional allowances as he may deem necessary in the amount of sugar determined to be needed to meet the requirements of consumers, so that the supply of sugar made available under this act shall not result in average prices to consumers in excess of those necessary to maintain the domestic-sugar industry as a whole, and the amounts of such additional allowances shall be such that in no event will the amount of the total supply be less than the quantity of sugar required to give consumers of sugar in the continental United States a per capita consumption equal to that of the average of the 2-year period 1935–36.

CONSUMER FORMULA OF AMENDATORY ACT

[S. 69]

SEC. 201. The Secretary shall determine for each calendar year the amount of sugar needed to meet the requirements of consumers in the continental United States; such determinations shall be made during the month of December in each year for the succeeding calendar year and at such other times during such calendar year as the Secretary may deem necessary to meet such requirements. In making such determinations the Secretary shall use as a basis the quantity of direct-consumption sugar distributed for consumption, as indicated by official statistics of the Department of Agriculture, during the 12-month period ending October 31 next preceding the calendar year for which the determination is being made, and shall make allowances for a deficiency or surplus in inventories of sugar, and changes in consumption, as computed from statistics published by agencies of the Federal Government with respect to inventories of sugar, population, and demand conditions.

Mr. O'MAHONEY. I also ask unanimous consent to have incorporated in the RECORD at this point, the table from which I have read giving the average prices of sugar to the consumer, and also the table which I have compiled dealing with estimates and consumptions, showing the difference between the two.

The PRESIDING OFFICER. Without objection, it is so ordered.

The tables are as follows:

Monthly variations in average retail sugar prices

[Cents per pound]

	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939
January	6.5	5.8	5.3	5.0	5.4	5.4	5.6	5.6	5.5	5.2
February	6.4	5.8	5.3	4.9	5.4	5.4	5.5	5.7	5.5	5.1
March	6.3	5.7	5.2	5.0	5.4	5.4	5.5	5.7	5.5	(1)
April	6.2	5.6	5.0	5.0	5.4	5.4	5.5	5.7	5.5	------
May	6.2	5.5	4.9	5.2	5.3	5.6	5.5	5.7	5.4	------
June	6.0	5.4	4.8	5.3	5.3	5.6	5.6	5.6	5.3	------
July	6.0	5.5	4.9	5.4	5.5	5.7	5.7	5.5	5.3	------
August	5.9	5.6	5.0	5.6	5.7	5.8	5.7	5.5	5.2	------
September	5.8	5.6	5.0	5.6	5.7	5.8	5.6	5.7	5.1	------
October	5.7	5.5	5.1	5.6	5.7	5.8	5.6	5.7	5.2	------
November	5.8	5.5	5.0	5.6	5.6	5.9	5.5	5.6	5.2	------
December	5.8	5.4	5.0	5.5	5.5	5.8	5.5	5.6	5.2	------
Average	6.1	5.6	5.0	5.3	5.5	5.7	5.6	5.6	5.3	------

[1] Later months not yet reported.

Source: Retail Food Prices, Bureau of Labor Statistics.

Estimated consumption of sugar and deliveries for consumption, 1934–39

[Short tons, raw value]

	Estimated consumption	Deliveries for consumption	Difference
1934	6,476,000	6,331,585	+144,415
1935	6,359,261	6,632,516	−373,255
1936	6,812,687	6,706,218	+106,469
1937	7,042,733	6,669,992	+382,741
1938	6,780,566	6,666,694	+113,872
1939	6,755,386	----------	----------

ANSWERS OBJECTIONS

Mr. O'MAHONEY. Mr. President, I shall have to hurry through, and cannot take as much time as I had intended to take to discuss the subject. However, let me briefly summarize the other principal objections which have been made to the measure. The measure is not adverse to the interests of the producers of sugar in Hawaii and Puerto Rico. I say it is not adverse because every sponsor of the measure agreed over his own signature, and agreed with the chairman of the Committee on Finance, that the slight arithmetical error which was made in the computation of the allocations to Hawaii and Puerto Rico would be corrected. We are quite willing to make the correction in order that there shall be no reduction in the production of raw sugar in Hawaii and Puerto Rico.

It should be called to the attention of the Senate and of the public that in the Sugar Act of 1937 it was provided that 55.59 percent would be the quota for domestic sugar-producing areas and 44.41 to foreign countries. The provision is that "whenever a determination is made pursuant to section 201," which is the section which prescribes the formula by which the consumption requirement shall be found, the amount of sugar needed to meet the requirements of consumers, the Secretary shall establish quotas or revise existing quotas for the domestic sugar-producing areas of 55.59 percent, and for foreign countries and the Commonwealth of the Philippines 44.41 percent.

The amendment which we proposed, and which passed the Senate, had the effect of increasing the proportion for domestic producers from 55.59 percent to 60 percent and decreasing the proportion for foreign countries, including the Commonwealth of the Philippine Islands, from 44.41 to 40 percent. Even here there was not a proposal to grant unlimited expansion to the domestic producing industry, but only the provision that a certain addition should be made sufficient to allow vitally necessary expansion in the United States.

If there were any errors in the formula there, the sponsors of the bill were then ready, and stand ready now, to make such alterations as may be necessary.

It was not a real violation of the international treaty. It may have been a technical violation, but the difference in the allocation to foreign countries provided for in the bill passed by the Senate and the allocation under the old bill was only twenty-two one-thousandths of 1 percent—certainly not a figure that would require very much labor and energy to amend.

As for the provision with regard to Louisiana, the only effect of that was that it would prevent the plowing up of planted sugarcane, and I doubt very much whether there is any Member of the House or the Senate who will say that sugarcane once planted should be plowed up and that the producer should not be permitted to dispose of it to advantage.

There remains only one subject for me to discuss in the time that is available to me, and that has to do with the urgent need for expansion, particularly in the beet-producing areas.

OPPORTUNITIES CITED

Early in January I addressed a letter to the Bureau of Reclamation asking for a statement with respect to the areas in the West now under reclamation which need but cannot receive an allocation for the planting of sugar beets. I ask unanimous consent that the response which I received from the Commissioner of Reclamation may be printed in the RECORD at this point as part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, January 10, 1939.

Hon. JOSEPH C. O'MAHONEY,
United States Senate.

MY DEAR SENATOR O'MAHONEY: Complying with your request for information relating to the possibilities of an expansion of the sugar-beet acreage on the projects that have been or are now being constructed with Government funds, the following statement is submitted:

MONTANA

Sugar factories have been constructed on or in the immediate vicinity of the Huntley (Billings), Lowey Yellowstone (Sidney), Milk River (Chinook), and Bitter Root (Missoula) projects. For the past 10 or 15 years sugar beets have been grown on the Sun River project directly west of Great Falls, and the private projects of Conrad and Valier, north of Sun River, and the beets shipped to the Chinook factory. Reports have been received that about 5,000 acres were planted in 1938. Sugar-beet associations on these three projects, representing about 1,100 growers, have obtained written contracts covering over 10,000 acres of land, to be planted to beets if and when the limitation on acreage is removed and a factory erected in the immediate vicinity. If the beets from the 5,000 acres now be ng sent to the Chinook factory are taken over by the Sun River factory, there will be requirement for an equal expansion in the sugar-beet area on the Milk River project.

NEBRASKA

There are now six factories serving the North Platte project in Nebraska, to which there has been allocated 59,675 acres for 1939. No statement has as yet been received in this office as to the need of an expansion in the acreage, but for this discussion it will be assumed that an increase of about 10 percent, or 6,000 acres, will be required in the immediate future.

At the present time there is one factory serving the lower valley at Grand Island, which has been allotted an acreage of 13,750 acres for 1939. With the development of the irrigation projects in the North Platte Valley below the Government project, which comprise the Tricounty project, with an area of approximately 400,000 acres, the Sutherland project, where supplemental water is to be supplied to an irrigated area of about 100,000 acres, the North Loup district, with 48,000 acres of land susceptible of irrigation, and the Middle Loup district, with an additional area of 30,000 acres, making a total of 578,000 acres, there will be requirement for at least three sugar factories, or an initial development of about 24,000 acres. The necessity of expanding this area could be left to future developments.

NEVADA

No area has been allotted to Nevada for 1939. In 1938 the Spreckels Sugar Co. planted about 400 acres on the Humboldt project near Lovelock and made plans to expand this area to between 2,000 and 3,000 acres for 1939, but were advised that if this were to be done it would be necessary to make a corresponding reduction in sugar-beet acreage allotted to California. It is now understood that the company will limit its area in the vicinity of Lovelock to about 1,250 acres. This district could well support a factory which would require an initial development of about 7,000 acres.

On the Newlands project, Nevada, a sugar factory was erected in 1910 and operated until 1928, when the factory was abandoned because of the damage to sugar beets caused by the white fly. A blight-resistant seed has been developed and the Newlands project now desires to resume the production of sugar beets and has made a request that it be allotted an area of 10,000 acres.

OREGON

On the Owyhee project a factory has recently been constructed at Nyssa and the allotment for 1939 is 16,322 acres. The irrigable area of this project will be approximately 100,000, and, with the adjoining Vale project, brings the total to 130,000, which could well support two additional factories with an initial development of 7,000 acres each, or 14,000 acres.

WASHINGTON

The production of sugar beets was started several years ago on the Yakima project in Washington, but had to be abandoned because of blight resulting from the white fly. This difficulty has now been overcome and a factory is now operating to Toppenish, on the Wapato (Indian) division of the project, with an allotment of 14,310 acres in 1939. The success of sugar-beet production on the Yakima project warrants further expansion of the area, which could well support a second factory with an initial allotment of 10,000 acres.

WYOMING

The Goshen division of the North Platte project supplies beets to the factory at Torrington, which has been allotted 20,935 acres for 1939. Thus far no statement has been received as to the necessity of expanding this area, and until definite information has been received it will be assumed that this covers the immediate requirements, or that if there is need of some expansion to the area it could be taken care of out of the 6,000 acres of additional area estimated for the North Platte project in Nebraska.

Sugar beets on the Shoshone project are processed at Lovell, which has been allotted an acreage of 11,566 for 1939, which comprises an area on the Government project as well as the private projects lower down the valley. About 20 years ago the Great Western Sugar Co. purchased a factory site adjacent to the town of Powell but has never erected a factory. Sugar beets have been successfully grown on the Garland and Frannie divisions for the past 20 years or more. With the development of the Willwood division, which is making a good start in sugar-beet production, and the Heart Mountain division now under construction, this area could easily produce sufficient beets to warrant the construction of the factory at Powell, where an allotment of 12,000 acres should be made.

The Riverton project has made a good start in sugar-beet production and now ships beets to Worland, with a freight charge of 50 cents per ton to the grower. The Riverton area, comprising Government and private development, was allotted approximately 4,000 acres for 1938. It should be allotted an area of about 8,000 acres to justify the construction of a factory which would call for an additional acreage of 4,000 acres.

The Kendrick project is rapidly nearing completion; and if it is to be successfully developed, provision should be made for the production of sugar beets and the erection of a factory on the project which would mean an allotment of about 8,000 acres.

In this discussion it has been assumed that the areas allotted for the sugar-beet districts in Colorado, Idaho, and Utah, where sugar beets have been produced for a long period of years, are sufficient to cover immediate future needs. On the projects in these three States the Government either has or is now constructing storage works to furnish additional water to areas that have been developed largely by private capital. With this supplemental water available there will undoubtedly be some requirement for additional beet acreage, but just what this may amount to cannot be stated with any certainty at this time.

Based upon the above discussion the increased acreage herein suggested is as follows:

	Acres
Montana	15,000
Nebraska	30,000
Nevada	17,000
Oregon	14,000
Washington	10,000
Wyoming	24,000
Total	110,000

Very truly yours,

JOHN C. PAGE, *Commissioner.*

Mr. NORRIS. Is that response lengthy?

Mr. O'MAHONEY. I was going to summarize it.

Mr. NORRIS. Very well. I think the matter is so important that the letter ought to be read.

Mr. O'MAHONEY. It is one of the most important phases of the problem.

In this letter Mr. Page indicated that 15,000 additional acres could be profitably employed in the growing of sugar beets in the State of Montana; 30,000 acres in the State of Nebraska, for which the senior Senator from Nebraska very ably spoke on the 23d of March when the bill was under consideration in this body; and 17,000 acres in the State of Nevada, on a reclamation project already under water, ready and capable of producing sugar beets for an American market which the American producer does not fill. And yet because of the lack of the amendments contained in this measure no allocation can be made to the State of Nevada or to the other States I am now referring to.

In Oregon profitable use could be made of 14,000 acres of land which was made ready for the production of sugar beets by the expenditures authorized by Congress in the development of reclamation projects. In the State of Washington, 10,000 acres. In the State of Wyoming, 24,000 acres.

Mr. President, in the State of Wyoming there is a project known as the Riverton project, the original appropriations for which were made on the motion of my distinguished predecessor, former Senator John B. Kendrick. While he was serving in this body arrangements were being made to bring about a condition which would enable the construction of a sugar factory upon that project. The representatives of Wyoming in this body and in the House ever since have been eager to bring about a condition that would make possible the construction of that factory. The land is there; the water is there; the Government put the water on the land; the farmers are ready to produce the sugar beets, and the consuming market in the United States is ready to purchase the product, and yet, because of the lack of these amendments, the allocation will not be made.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Michigan?

Mr. O'MAHONEY. I yield to the Senator from Michigan.

Mr. VANDENBERG. Thus far the Senator has confined his inventory to the western area. I know he will not disagree with me, but on the contrary will welcome the additional testimony that we have an eastern sugar-beet area in which precisely the same opportunities for expansion exist, and in which we find ourselves limited, handicapped, and frequently almost ruined by the attitude of the Department of Agriculture in respect to the administration of the law. One of the great sugar-beet factories of Michigan announced that it could not open this year because of the regulations promulgated by the Secretary of Agriculture. Subsequently it announced that it would undertake to negotiate an arrangement under which it might open. We confront precisely the same situation in the East which the Senator describes in the West; and I hope the Senator will feel, as he proceeds, that he has our hearty accord in the observations he has submitted.

Mr. O'MAHONEY. Mr. President, I am very happy that the Senator from Michigan has made this contribution, because I have not gathered the figures with respect to the expansion in the eastern beet area. I do know that not only in Michigan, but in Ohio and in other States, there is the same need for allocations which cannot be made because under the law, unless it is amended, so large a proportion of our market will be given to Cuba.

SUGAR PRODUCERS OF UNITED STATES NOT CALLED ON TO FURTHER CONTRIBUTE TO REHABILITATION OF CUBA

The contention is made that the allocation to Cuba, to the detriment of the domestic producer, is a proper one in order to prevent disaster in Cuba. Mr. President, I think it can be said without fear of denial by any person that the representatives of the cane- and beet-sugar producing areas of continental United States have made their contributions toward the stabilization of Cuba. We submitted to the arrangement in the Jones-Costigan Act. We submitted to the arrangement in the act of 1937. We are now asking only for a modification in order that the definite progressive decline of the return to producers may be halted. We have not undertaken to lay an embargo upon the production of Cuban sugar; but there is a circumstance which has not been considered by any of those who are attacking the proposed amendments to the bill passed by the Senate. That consideration is that the beet-producing areas of the United States—the eastern area for which the distinguished Senator from Michigan speaks, and the western area, for which the distinguished Senator from Colorado, the distinguished Senator from Nebraska, the distinguished Senator from Montana, and others have been speaking—are upon an individual human economy, because the sugar beets are produced for the most part by individual farmers on family-sized farms. As the Senator from Florida pointed out earlier in the afternoon, the sugar economy in Cuba is a corporate economy. It is not the individual citizen of Cuba who receives the benefit from the protection which is being extended to the Cuban area.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Nebraska.

Mr. NORRIS. I think the Senator ought to add that while Cuba is on a corporate economy, the corporations are in the United States.

Mr. O'MAHONEY. The Senator is quite correct.

Mr. NORRIS. Will the Senator state the aggregate of the acreages submitted by Mr. Page for the various States?

Mr. O'MAHONEY. Mr. President, as I understand the Senator's question, I am just now proceeding to answer it. I have in my hand a complete catalog of the corporations organized in the United States to raise sugarcane in Cuba.

Mr. NORRIS. That was not the question I last propounded. The Senator's statement answers the first suggestion I made. I want to hear it, of course. The Senator gave a synopsis of the letter of Mr. Page, from the Bureau of Reclamation. In that letter Mr. Page gave the acreages in various States not now devoted to the raising of sugar beets, but which are being prepared for that purpose. He did not give the aggregate acreage.

Mr. O'MAHONEY. No. That information was not in the letter. I did not ask him for those figures, but they are available.

Mr. NORRIS. To obtain the aggregate for the States mentioned, all we have to do is to add up the figures which the Senator has given. I did not take down the figures. I was wondering whether or not the Senator had added them. My recollection is that the figures totaled about 110,000 acres.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. JOHNSON of Colorado. The Senator from Nebraska does not contend that that is the total of all the acreage in the West?

Mr. NORRIS. Oh, no.

Mr. JOHNSON of Colorado. It is only the acreage on the reclamation projects.

Mr. O'MAHONEY. Not even that.

Mr. JOHNSQN of Colorado. We have many, many acres in Colorado, especially in the San Luis Valley, which farmers would like to devote to raising sugar beets.

Mr. NORRIS. If the same situation exists in the other States mentioned as exists in my own State, with which I am familiar, the figures of acreages given by Mr. Page, in my judgment, are very much too low. I do not mean that the acreages I have in mind could be prepared in 1 year. However, preparations are being made on the various projects in my State which, when completed, will eventually double the acreage given by Mr. Page.

Mr. O'MAHONEY. The total acreage on the reclamation projects now ready for beets, but for which no allocation is made, is 110,000 acres. There are many more acres outside the reclamation projects in the United States which are adapted to growing sugar beets.

Mr. JOHNSON of Colorado. And the farmers want to grow them.

Mr. O'MAHONEY. They emphatically desire to grow them, as the Senator from Colorado suggests.

SOME UNITED STATES CAPITAL INVESTMENTS IN CUBAN SUGAR

Mr. President, the Department of Commerce, in a publication entitled "American Direct Investments in Foreign Countries for 1936" makes the statement:

> Dominant among American investments in the West Indies were those in Cuba, with $666,000,000 out of a total of $753,000,000. * * * Sugar plantations and centrals, of which one always thinks when investments are mentioned, accounted for only $240,000,000 of the total and were second to public utility and transportation enterprises.

Two hundred and forty million dollars of American capital exported to Cuba to be invested in the raising of sugarcane to make sugar to be sold in the United States. As I pointed out a moment ago, practically all the production is carried on by corporations, and the benefits do not pass to the workers, but to those who have invested in companies.

The distinction I am making is that the great need in America today is such an arrangement of our economic system that the family-sized farm and the individual human worker shall receive primary consideration. The consideration which we are extending when we take into consideration what is happening in Cuba goes primarily to the corporations which exploit the workers on the Cuban plantations.

I shall not take the time of the Senate to read all of the statement to which I have referred, but here are some of the corporations:

Cuban Atlantic Sugar Co., a Delaware corporation.
Francisco Sugar Co., a New Jersey corporation.
Central Cuba Sugar Co., a New York corporation.
The Cuba Co., a New Jersey corporation.
The New Niquero Sugar Co., a New York corporation.
The Punta Alegre Sugar Co., a Delaware corporation—
And so on, through the list.

Mr. President, I ask unanimous consent that the statement to which I have referred be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

Exactly what portion of the Cuban production of sugar is owned or controlled by Americans is difficult to establish. However, it is ordinarily understood in the sugar trade that at least 70 percent of the output is controlled by Americans.

The United States Department of Commerce in its publication American Direct Investments in Foreign Countries—1936, makes the following statement:

"Dominant among American investments in the West Indies were those in Cuba, with $666,000,000 out of a total of $753,000,000. Even that total, which gave Cuba second rank among the countries of the world in the total direct investments, was $253,000,000 below the 1929 estimate. Sugar plantations and centrals, of which one always thinks when investments in Cuba are mentioned, accounted for only $240,000,000 of the total and were second to public-utility and transportation enterprises.

"As late as 1928 American interests in Cuban sugar were privately estimated, after careful study, at $600,000,000 (Jenks, Leland H., Our Cuban Colony, p. 284. New York, 1928). The Commerce Department's 1929 estimate of $544,000,000 included $55,000,000 of preferred stock and $125,000,000 of bonds, debentures, and notes. In the process of reorganizing, which started about 1930, preferred stock was reduced to about $25,000,000 and bonds to $55,000,000. Furthermore, that process involved the loss of a large part of the previous equity interests. Most of the sugar companies had been reorganized by the end of 1936, and further drastic reductions in the stated value of their securities are not to be anticipated in the near future. Other investments in agriculture did not change greatly."

A partial list of American sugar companies operating in Cuba follows, together with a statement of capitalization:

Cuban Atlantic Sugar Co., a Delaware corporation, operates centrals Alava, Conchito, Mercedes, Soledad, Jaqueyal, Lugareno, Moron, Stewart, and Perseverancia.

Capital stock, par $7.50:	
Authorized	$5,467,500
Outstanding	5,355,000

Francisco Sugar Co., a New Jersey corporation, operates two centrals, Francisco and Elia.

Capital stock, no par:	*Shares*
Authorized	400,000
Outstanding	350,800

Central Cuba Sugar Co., a New York corporation, operates centrals Cuba and Santa Domingo.

Preferred, par $100:	
Authorized	$500,000
Outstanding	500,000
Common, par $100:	
Authorized	4,500,000
Outstanding	4,500,000

The Cuba Co., incorporated in New Jersey, through a wholly owned subsidiary, Compania Cubana, which is incorporated in Cuba, operates centrals Jatibonico and Jobabo.

Preferred, par $100:	*Shares*
Authorized	80,000
Outstanding	25,000
Common, no par:	
Authorized	1,000,000
Outstanding	640,000

The New Niquero Sugar Co., a New York corporation, operates central Niquero.

Common, par $100:	
Authorized	$4,500,000
Outstanding	4,500,000

The Punta Alegre Sugar Co., incorporated in Delaware, operates centrals Florida and Baragua.

Common, no par:	*Shares*
Authorized	100,000
Outstanding	81,901

Guantanamo Sugar Co., incorporated in New Jersey, operates centrals Soledad, Ysabel, and Los Canos.

Preferred, par $100:	
Authorized	$2,025,000
Outstanding	1,728,700
Common, no par:	*Shares*
Authorized	405,000
Outstanding	404,835

The Manati Sugar Co., incorporated in New York, operates central Manati.

Common, par $1:	
Authorized	$700,000
Outstanding	430,045

The West Indies Sugar Corporation, a Delaware corporation, operates centrals Altagracia, Alto Cedro, Cupey, Hatillo, Palma, and Santa Ana.

Capital stock, par $1:	
Authorized	$1,227,135
Outstanding	822,944
Subsidiary stock, Barahona Sugar Co., preferred par $100:	
Outstanding	4,000,000

Vertientes-Camaguey Sugar Co., a Delaware corporation, operates centrals Camaguey, Pilar, Estrella, Agramonte, and Vertientes.

Common, par $5:	
Authorized	$8,215,875
Outstanding	4,817,500

The Hershey Sugar Co. operates central Hershey.

Cuban-American Sugar Co., incorporated in New Jersey, operates centrals Chaparra, Constancio, Delicias, Mercedita, Tinguaro, and Unidad.

Preferred, par $100:	
Authorized	$10,000,000
Outstanding	7,893,800
Common, par $10:	
Authorized	10,000,000
Outstanding	10,000,000

The foregoing information concerning American Sugar companies operating in Cuba is derived from Farr & Co.'s Manual of Sugar Companies—1938.

Mr. O'MAHONEY. When the bill was under consideration in 1937 it was my feeling that there was a very serious defect in the measure, in that it did not recognize the distinction between the corporate economy and the individual economy.

ENCOURAGE FAMILY-SIZED FARM

Corporations, of course, are necessary in order to develop the resources of the United States and of the world; they should be encouraged; but when 11,000,000 people are out of employment and when farm areas are in danger of great disaster by reason of inability to produce at a profit, the primary need of statesmanship is to do what can be done to encourage the domestic economy which is based upon the family-sized farm.

Believing as I did that the benefit payments in large sums going to huge corporations constituted a great danger, I offered an amendment which would have provided that no benefits should be paid in excess of $50,000 to any one grower of sugar in a single year. It was impossible to secure consideration for that amendment; circumstances were such that it was not adopted; but the need was there, because the purpose of the act in question was to encourage the producer who was making a home for a family and for children; it was for the farmer who was developing citizens of the United States. Sometimes I think we are inclined to pay too much heed to developing resources for the sake of developing the resources alone without regard to the effect upon the human beings whose lives are in the balance as the result of it. That is the chief cause of our unemployment problem.

Mr. ANDREWS. Mr. President, will the Senator permit a question there?

Mr. O'MAHONEY. I yield.

Mr. ANDREWS. To illustrate the point which the Senator is making, we are allowed to produce 50,000 tons of sugar in the Everglades region of Florida. We could produce 150,000 tons and perhaps 500,000 tons. To produce the 50,000 tons now allowed requires the labor of 3,000 persons who are paid about $2 a day, every cent of which is spent in the United States for articles made in the United States. If we were allocated to produce, say, 150,000 tons—and remember that Florida alone consumes that much—we could take 6,000 more American citizens off the relief rolls and give them jobs for life. That is the problem with which we are confronted there. On the other hand, the laborers in Cuba, I believe, get 56 cents a day, or perhaps 62 cents a day, for their labor. They spend none of it in the United States, but it all goes to American capital.

Mr. O'MAHONEY. That is the reason why I am urging upon the Department of Agriculture and upon Members of Congress in the House and in the Senate that they devote their energies to the enactment of the legislation to which I have referred at the present session.

I was talking about payments in excess of $10,000 to producers of sugar. Let me say that the growing of sugarcane often lends itself to large establishments; there can be no doubt about that. It is not always possible to grow sugarcane upon a family-sized farm. The problem of cultivation is such that large tracts of land may be operated. But that is not the case with sugar beets. Sugar beets are usually grown upon areas as small as 40 acres or 80 acres or 160 acres. The significance of the point I am making now will be understood when I say to the Senate that conditional payments of $10,000 or more in the beet-sugar area constitute only 6 percent of all the benefit payments which were made to the producers of sugar beets.

BENEFIT PAYMENTS, 1934 CROPS, ACCORDING TO REPORT OF SECRETARY OF AGRICULTURE, JULY 25, 1938

In Louisiana 48.3 percent of the payments were in excess of $10,000.

In Florida payments in excess of $10,000 constituted 99.3 percent of all the benefit payments which were made.

In Hawaii 100 percent of all the benefit payments were in excess of $10,000.

In Puerto Rico 74.6 percent of all payments were in excess of $10,000; and the curious fact about Puerto Rico is that there has been a law upon the statute books for years prohibiting a corporation from owning more than 500 acres of land. That law has not been enforced, though the Department of the Interior is endeavoring to enforce it, and a suit is now pending in the court to bring that about. However, the effect is that the corporate economy is the economy in Puerto Rico and that corporations benefit principally from the allocation of sugar-producing areas to that island.

Mr. Gruening, who is the head of the Territorial Division of the Department of the Interior, was testifying before the Appropriations Committee when the second deficiency bill was under consideration, and there was a short colloquy between himself and the senior Senator from Colorado [Mr. ADAMS], when the subject under discussion was the benefit which Puerto Rico derived from the Sugar Act. Senator ADAMS then said:

And the $10,000,000 which goes to Puerto Rico for benefit payments to sugar has benefited the people there.

Mr. GRUENING. I doubt if it helps the people very much.

Senator ADAMS. I beg your pardon.

Mr. GRUENING. That was paid out in the form of dividends; it did not help the Puerto Rican people very much.

Senator ADAMS. Well, I am merely citing that as amounts of money that went to Puerto Rico, and $10,000,000 did go in the form of benefit payments on sugar.

Senator TOWNSEND. How is the $10,000,000 disposed of; who gets the money?

Mr. GRUENING. I recall that 2 years ago the largest benefit payment went to the Royal Bank in Canada, and the next largest benefit payment went to the National City Bank in New York.

That, Mr. President, is the reason I say that we must bear in mind that we are dealing with two different economies, not only in the United States but in the whole world.

THIS GOVERNMENT FOR MEN AND THEIR FAMILIES

Governments were created by men to protect the rights of men. This Government was established by men who believe that a democratic government could be brought into existence which would serve the popular welfare, a government which would "secure the blessings of liberty to ourselves and our posterity," as the preamble of the Constitution recites. But here we have such a situation that individual farmers living upon individual farms are deprived of the opportunity to develop their farms and dispose of their product to the American market which is waiting to buy the product because, we are told, that to do so would result in disaster in Cuba, although the benefits of our policy go not to the people of Cuba nor to the people of Puerto Rico but to the private economy which is exploiting those insular areas.

Mr. President, it seems to me to be perfectly clear, with these facts and circumstances before us, that there can be no escape from the consideration of this proposal at the present session of Congress.

Again, Mr. President, I say, as I said at the outset, I hope that the executive departments of the Government will pay heed to the expression of the people of America made here today when the naval appropriations bill was under consideration, that it is their desire that the Government shall exercise its greatest effort, all its power, to see that the American market is protected for the American producer. There can be no escape from this policy. I say, Mr. President, if it is not done now, it will be done some time. It should be done now, because the need is great and only

along this line can we make progress toward the solution of the problem of unemployment and toward the solution of the problem of agriculture which now, after 6 years, we all acknowledge has not been solved.

Mr. President, I ask unanimous consent that there may be printed in the RECORD, as a part of my remarks, certain tables and a list of benefit payments which I have compiled.

There being no objection, the tables and list were ordered to be printed in the RECORD, as follows:

Proportion of total payments under sugar program made to $10,000 producers and proportion of total production of sugar grown on farms of such producers

	1934 proportion of—		1935 proportion of—	
	Payments	Production	Payments	Production
Beet sugar	6.00	4.44	4.92	3.95
Cane sugar, Louisiana	48.3	48.0	29.56	27.45
Sugarcane, Florida	99.3	100.0	98.57	88.8
Hawaiian sugar	100.0	100.0	100.0	100.0
Puerto Rican sugar	74.6	77.0	57.36	(1)

[1] Total production adjustment not tabulated

Source: Report of the Acting Secretary of Agriculture to the Secretary of the Senate, July 25, 1938.

Total by areas of 1937 conditional payments in excess of $10,000, and number and percentage of such payments within certain brackets

	Totals
Continental beet	$907,645.67
Continental cane	1,660,633.86
Hawaii	3,934,077.53
Puerto Rico	5,720,414.86

	Number	Continental beet, percent	Number	Continental cane, percent	Number	Hawaii, percent	Number	Puerto Rico, percent	Total number
$10,000 to $15,000	30	39.44	7	5.50	0	...	39	8.12	76
$15,000 to $25,000	12	23.13	9	10.18	3	1.34	12	4.19	36
$25,000 to $50,000	7	27.50	7	11.74	9	7.92	14	8.99	37
$50,000 to $100,000	1	9.93	5	19.28	11	20.01	6	8.34	23
$100,000 to $200,000	0	.....	3	27.38	11	41.75	10	21.10	24
$200,000 to $500,000	0	.....	1	25.92	4	28.98	4	24.74	9
$500,000 to $1,000,000	0	.....	0	.....	0	.....	2	21.52	2
More than $1,000,000	0	.....	0	.....	0	.....	0	...	0
Total	50	100.00	32	100.00	38	100.00	87	100.00	207

Conditional payments in excess of $10,000 under 1937 sugar program

PAYMENTS OF $10,000 TO $15,000

Continental sugar-beet area:	
J. E. O'Neill	$13,575.39
McFadden Bros	10,246.24
The Lester Sterling Co	10,817.66
Leedy & Leedy	11,306.68
A. S. Nyland	11,564.86
California Delta Farms, Inc	12,717.51
D. F. French	10,500.10
J. Fujita	12,083.44
Island Farm Co	10,094.59
Clifford Totman	13,088.84
Stanley W. Tutton	10,381.10
Central Produce Co	11,291.74
N. Hiramatsu	11,180.55
George Nishimura	10,221.67
C. T. Oeste and George Knaggs	11,105.27
Jose Vieira	10,499.24
Arnold E. Christensen	13,295.90
Lavis, Carlson & Ziegler	11,832.13
T. H. Richards	12,500.26
A. J. Greer	13,396.02
F. J. Greer & Sons	14,865.72
Kunze, Dewey & Everett	10,962.14
C. Parella	13,147.63
Paul Reiff & Burger Bros	14,730.02
C. C. Studarns	11,849.78
Stuhlmuller Bros	10,657.29
George H. Wilson	11,698.01
F. P. Wray	12,483.53
Utah-Idaho Sugar Co	11,147.75
The Garden City Co	14,715.94
	357,957.00

Conditional payments in excess of $10,000 under 1937 sugar program—Continued

PAYMENTS OF $10,000 TO $15,000—continued

Continental sugarcane area:	
Orange Grove Planting	$12,653.14
M. A. Patout & Son, Ltd	10,690.21
C. J. Savole	14,444.69
Slack Bros., Inc	14,687.35
N. J. Kahao	12,448.75
Waguespack Planting Co	11,967.94
Haas Investment Co., Inc	14,500.96
	91,393.04
Hawaii: None.	
Puerto Rico:	
Geronomo Vallecillo	14,240.10
William R. Garzot	11,302.00
Faustine Fernandez	10,755.30
Rafael Torrech Rios	10,538.60
Clara E. Livingston	10,067.70
Felix E. Tio	12,173.20
Pinero Hermanos	13,356.80
Nicolas Iturregui	11,072.10
Nicolas Cartagena	10,338.40
Antonio Longo	10,555.10
Miguel Figuerola	13,975.00
Cipreano Manrigue	14,847.30
Mariona Arroyo	11,560.50
Efren Rotger Santiago	12,180.90
Antonio Mendez	14,455.70
Rafael Gonzales	13,615.30
Ramon L. Berrios	10,142.60
Francisco Gardona	10,574.90
Juan Avalo Garcia	13,961.80
Domingo Quintana Colon	12,314.00
Luis Toro Perez	10,148.10
Luis Vila La Santana	10,626.60
Diego G. Gonzales	10,811.40
Miguel A. Garcia Mendez	14,486.50
Delfin Rodriquez Carlo	10,756.40
Jose J. Fas	12,431.70
J. Otilio Milan	13,080.70
Santiago Sambolin Becchi	10,772.90
Ernesto Quinoes Salazar	11,650.70
Juan Lugo Ramirez	13,613.10
Carlos Padorani Georgetty	11,948.80
Felix Gonzales Perez	10,880.70
Jesue Stella	11,630.90
Rafael Surie	11,795.90
Nido & Co	11,760.70
Aldea Agricultural Corporation	14,517.30
Rafael Capo	10,055.70
Antonio Valdes Rios	10,533.60
Angel Quintero	11,054.50
	464,588.50

PAYMENTS OF $15,000 TO $25,000

Continental sugar-beet area:	
J. L. Browning	18,237.31
Russell Griffin	16,841.67
Henry Amen	15,976.55
McDonald Islands Farms, Inc	17,714.51
O. H. Morgan	15,190.05
G. F. Scheckler	15,793.16
Weyl-Zuckerman & Co	18,300.87
California Packing Co	18,596.42
Morris and R. E. Carden	21,871.13
C. O. Thomas and W. C. Harris	16,520.02
Yelland & Merwin	16,061.30
Poplar Land Co	18,844.72
	209,947.71
Continental sugarcane area:	
San Francisco Plt. & Mfg. Co., Ltd	19,283.46
Delgado Albania Plt. Commission	15,099.61
John M. Caffery	23,938.27
Catherine Sugar Co., Inc	17,299.94
Alma Plantation Co., Ltd	23,881.20
Laurel Valley Sugars, Inc	17,479.83
T. Lanaux Sons	17,302.44
Valentine Sugars, Inc	19,561.96
St. Paul Bourgeois & Co	15,271.40
	169,118.11
Hawaii:	
Wailea Milling Co., Ltd	17,272.32
Waimea Sugar Mill Co., Ltd	19,414.67
Wm. Hyde Rice, Ltd	16,055.18
	52,742.17

Conditional payments in excess of $10,000 under 1937 sugar program—Continued

PAYMENTS OF $15,000 TO $25,000—continued

Puerto Rico:	
Buena Vista Agricultural & Dairy Co	$20,717.00
Nevares Hermanos	20,961.65
Luis Cerra Becerrie	19,821.35
Behn Bros. Association	22,235.30
Faustino Fernandez	22,046.30
Rafael H. Lopez	18,142.40
Ubaldino Ramirez de Arellano	17,346.50
J. L. D. Valdivieso	15,595.30
Eduardo Mendez, Jr	18,892.66
Jayuya Development Co	22,549.25
A. Guillemard, as trustee	20,833.55
Juan Angel Tio	20,619.35
	239,760.61

PAYMENTS OF $25,000 TO $50,000

Continental sugar-beet area:	
H. D. Garin Co	42,848.17
Empire Farms, Inc	36,879.04
American Crystal Sugar Co	28,317.42
John Heringer, et al	30,073.87
Lacy Bros	42,780.34
Newhall Land & Farming Co	31,780.27
Central Sugar Co	36,965.99
	249,645.00
Continental sugarcane area:	
B. & D. Thibaut	26,170.86
Harry L. Laws & Co., Inc	34,793.45
Triangle Farms, Inc	25,836.43
Caire & Graugnard	25,022.13
Westover Planting Co., Ltd	26,086.53
Edward J. Gay P. & M. Co., Ltd	30,197.03
Levert St. John, Inc	26,887.47
	194,993.90
Hawaii:	
Waiakea Mill Co	37,407.81
Peepeekeo Sugar Co	39,456.92
Honomu Sugar Co	29,592.90
Grove Farm Co., Ltd	42,989.51
Gay & Robinson	25,506.21
Kilauea Sugar Plantation	35,541.05
Koloa Sugar Co	38,260.58
Kaeleku Sugar Co., Ltd	28,733.15
Waianae Co	34,020.95
	311,549.08
Puerto Rico:	
Asociacion de Bayamon	46,908.20
Jaime Fonalledas Cordova	43,068.35
Rafael Calderon	30,484.10
Leoncio Velazquez	30,084.05
Alberto Esteves	28,208.75
Alfredo Ramirez de Arellano	36,270.65
Plata Sugar Co., Inc	49,608.80
Antonio Marques Arbona	42,271.40
Jacobo L. Cabassa	47,333.45
Godreau & Co. S. en C	29,436.20
Sucs. de Elias Godreau & Co	34,642.10
Genar Cautino	30,210.05
Central Alianza, Inc	26,458.40
Quintero & Davila	39,302.00
	514,286.50

PAYMENTS OF $50,000 TO $100,000

Continental sugar beet area: Grand Junction Sugar Co	90,095.86
Continental sugarcane area:	
Milliken & Farwell, Inc	67,193.41
Sterling Sugars, Inc	62,679.41
W. Prescott Foster	52,956.42
Louisiana State Penitentiary	62,566.59
A. Wilbert's Sons	74,714.00
	320,109.83
Hawaii:	
Hilo Sugar Co	70,337.13
Hamakua Mill Co	71,980.49
Hakalau Plantation Co	67,821.99
Onomea Sugar Co	91,422.34
Laupahoehoe Sugar Co	68,791.12
Kaiwiki Sugar Co	55,595.60
Hutchinson Sugar Plantation Co	78,496.73
Paauhau Sugar Plantation Co	55,029.31

Conditional payments in excess of $10,000 under 1937 sugar program—Continued

PAYMENTS OF $50,000 TO $100,000—continued

Hawaii—Continued.	
McBryde Sugar Co., Ltd	$79,753.70
Kahuku Plantation Co	86,984.50
Waimanalo Sugar Co	61,150.05
	787,362.96
Puerto Rico:	
Central Victoria, Inc	71,135.00
A. Guillemard	81,169.00
Alfredo Ramirez Rosell	96,549.00
Mayaguez Sugar Co., Inc	73,313.00
Sucesores de Jose Gonzalez Co. S. en C	95,619.00
Cooperativas Agricolas	59,257.25
	477,042.25

PAYMENTS OF $100,000 TO $200,000

Continental sugar-beet area: None.	
Continental sugarcane area:	
Godchaux Sugar Co., Inc	112,722.89
Realty Operators, Inc	146,176.06
The South Coast Corporation	195,698.76
	454,597.71
Hawaii:	
Olaa Sugar Co., Ltd	161,756.18
Kohala Sugar Co	155,776.80
Hawaiian Agriculture Co	134,484.12
Honokaa Sugar Co	117,555.60
Lihue Plantation Co., Ltd	184,678.32
Hawaiian Sugar Co	106,982.45
Maui Agriculture Co., Ltd	149,400.59
Pioneer Mill Co	164,858.38
Wailuku Sugar Co	146,535.73
Honolulu Plantation Co	141,321.53
Kekaha Sugar Co., Ltd	179,020.68
	1,642,370.38
Puerto Rico:	
Finlay Bros. & Waymouth Trading Co	105,039.00
Compania Azuearera Del Toa	124,234.00
Rubert Hermanos, Inc	163,147.75
Central Vannina, Inc	102,927.00
Central Coloso	149,222.65
Mario Mercado E. Hijos	103,752.00
Manuel Gonzalez Martinez	149,548.30
Wirshing & Co. S. en C	116,367.81
Central Cambalache, Inc	169,166.00
Compania Giogetti S. Enc	195,319.50
	1,378,724.01

PAYMENTS OF $200,000 TO $500,000

Continental sugar-beet area: None.	
Continental sugarcane area: United States Sugar Corporation	430,420.97
Hawaii:	
Hawaiian Commercial & Sugar Co., Ltd	340,525.58
Ewa Plantation Co	283,888.97
Oahu Sugar Co., Ltd	262,357.45
Waialua Agricultural Co., Ltd	253,320.94
	1,140,092.94
Puerto Rico:	
Eastern Sugar Associates	469,796.00
J. B. Carrion, as trustee	332,885.00
Russell & Co., sucesores	365,228.60
Sucesion J. Serrallas	247,281.59
	1,415,191.19

PAYMENTS OF $500,000 TO $1,000,000

Continental sugar-beet area: None.	
Continental sugarcane area: None.	
Hawaii: None.	
Puerto Rico:	
Fajardo Sugar Growers' Association	565,610.60
Luce & Co., S. en C	665,211.20
	1,230,821.80

PAYMENTS OF MORE THAN $1,000,000

Continental sugar-beet area: None.
Continental sugarcane area: None.
Hawaii: None.
Puerto Rico: None.

Average of the initial payments of five of the principal beet-sugar processors to sugar-beet growers in 1936 (when there was no tax and conditional payment program), 1937, and 1938, also 1934 and 1935—Average payment

1936	5.25
1937	4.96
1938	4.39
1934	4.17
1935	4.70

Mr. BARKLEY. Mr. President, I had not intended to consume any of the time of the Senate in discussing the subjects which were the basis of the address of the Senator from Wyoming [Mr. O'MAHONEY]; but, inasmuch as it is too late in the day to call the calendar or to do anything else, I wish very briefly to put in the RECORD some facts with reference to the two subjects discussed by the Senator. In one case the discussion may be purely academic; in fact, in both cases it may be, because the first subject to which the Senator from Wyoming referred has already been disposed of.

I think the discussion in the newspapers and on the floor of the Senate growing out of the purchase by the President of a small quantity of corned beef for the Navy is out of all proportion to its importance.

Last year there were 65,000,000 head of cattle in the United States; and it would not have required more than 30 head of the 65,000,000 to produce the amount of corned beef that constituted the small purchase of 48,000 pounds bought by the President for the Navy. Seventy-nine million pounds of this article per year are shipped into this country from Argentina; 48,000 pounds is a very insignificant proportion of 79,000,000 pounds. There was nothing in this purchase which violated either the spirit or the letter of the so-called "Buy American" Act passed in 1933.

Mr. JOHNSON of Colorado. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Colorado?

Mr. BARKLEY. I yield.

Mr. JOHNSON of Colorado. I should like to inquire as to the size of the 30 cattle. It seems to me they would have to be pretty good-sized cattle. A beef will butcher out about 50 percent, and then it is necessary to take out the bone, which would be another 50 percent. Forty-eight thousand pounds divided by 30 would make the cattle weigh 1,600 pounds apiece.

Mr. BARKLEY. Of course, the Senator from Colorado realizes that I was not undertaking to be precise and exact as to the number of cattle. What I was trying to indicate was the insignificant number. Earlier in the day I said "30 or 40." If each cow weighed a thousand pounds, it would not take more than 48 cattle to produce 48,000 pounds of corned beef.

Mr. JOHNSON of Colorado. Mr. President——

Mr. BARKLEY. I yield.

Mr. JOHNSON of Colorado. If a cow weighs a thousand pounds, not all of it can be put into the can.

Mr. BARKLEY. No. How many cattle would it take to make 48,000 pounds of corned beef?

Mr. JOHNSON of Colorado. I should estimate that it would take about 200.

Mr. BARKLEY. What proportion of 65,000,000 is 200? So, regardless of the exact number of cows it would take, the illustration I was attempting to make is still, I think, apt. The number of cattle required to produce this amount of corned beef compared to the total number of cattle in the United States is insignificant and inconsequential.

Mr. HATCH rose.

Mr. BARKLEY. Does the Senator from New Mexico wish to interrupt me?

Mr. HATCH. Mr. President, the discussion has gotten into such big figures that the Senator from New Mexico thinks he had better proceed a little later.

Mr. BARKLEY. I know how accurate and expert the Senator from New Mexico is on figures. The point is that this whole thing, whether it is a tempest in a teapot or in a can, is out of all proportion to its importance so far as the cattle industry of the country is concerned.

There is nothing in the purchase of this particular quantity of corned beef which violates either the spirit or the letter of the law. The truth is that this product is not produced in this country in sufficient quantities to supply any appreciable demand. The Senator from Nebraska [Mr. NORRIS] today called attention to the fact that this product from Brazil is consumed in the Senate Restaurant. I have been informed that a search was made in Washington for some domestically produced corned beef, and in the entire city of Washington only one can could be found; and it was a sort of exhibit, I think, in a museum.

I have here a copy of a telegram sent to the President on day before yesterday by Mr. B. R. Albin, president of the Independent Merchants' Association of Montana, which is a cattle-raising section of the country:

President FRANKLIN D. ROOSEVELT,
Washington, D.C.:

We have just made an investigation among many retailers and wholesale distributors regarding canned beef, and our findings are that the canned beef offered to the public is all from South America. Also found it practically impossible to purchase any United States canned beef in our territory. Am giving you this information because of the controversy that has arisen over the small purchase you have made of canned beef from South America. It is particularly interesting to note that even in this western cattle-producing country we are only able to buy South American canned beef.

B. R. ALBIN,
President, Independent Merchants' Association of Montana.

Mr. President, I have here a brief connotation of facts and figures with respect to this subject. I am not going to take the time of the Senate to give them. I ask unanimous consent at this point in my address to insert in the RECORD a statement with reference to canned corned beef for the Navy which deals with the question of price, with the question of the Buy American Act, with the production of canned corned beef in the United States, and also with other facts pertinent to the controversy which has arisen over the purchase of this small quantity of canned corned beef.

The PRESIDING OFFICER. Without objection, the statement will be printed in the RECORD.

The statement is as follows:

CANNED CORNED BEEF FOR THE NAVY

PRICE

1. South American canned corned beef is available to the Navy at a much lower cost than canned corned beef made on a special-order basis in the United States.

2. The low bid of the Argentine Meat Producers' Cooperative to supply 48,000 pounds of such canned meat to the Navy was only 9.73 cents per pound, ex-duty, as compared with the lowest domestic bid of 23.61 cents.

3. Award of the contract to the lowest domestic bidder would have cost the taxpayers more than two and one-half times the expenditure for the Argentine product.

THE BUY AMERICAN ACT

1. This act never was intended to force the Government to purchase domestic products regardless of cost.

2. The letter and spirit of that act have been carried out faithfully by providing a differential of 100 percent in favor of domestic products on purchases under $100 and a differential of at least 25 percent on purchases in excess of $100 as a guide in making Government purchases.

3. Even with the customs duty (which goes into the Treasury) added to the low Argentine bid to supply a small quantity of canned corned beef to the Navy, making the price 15.73 cents per pound, the differential amounts to more than 50 percent, twice as much as the differential used as a guide under the Buy American Act for purchases over $100.

4. The proposed amendment to the Navy appropriation bill is in substance a proposal to amend the Buy American Act and should be considered as such, rather than in connection with a particular appropriation bill.

QUALITY

1. It is no reflection upon the quality of our cattle that we cannot afford to use them for canned corned beef.

2. In the United States all the higher grades of beef are sold at relatively high prices in the fresh-meat market; other grades are used principally in ground-meat products, except that occasionally they are used to fill Government orders for canned corned beef.

3. In South America, on the other hand, good cuts of beef, as well as trimmings, are used for corning and canning, since the demand for South American fresh, chilled, or frozen beef does not use up available supplies.

4. The use of higher-grade American cuts to produce corned beef of a quality equal to that offered by the South American packers would result in a further substantial increase in price.

OTHER CONSIDERATIONS

1. Since there is no commercial production of canned corned beef in the United States, any such beef supplied by domestic packers to the Government from plants in this country must be made at relatively high cost on the special-order basis.
2. Without helping American cattle producers, the proposed amendment would harm our trade relations with Argentina and other countries.
3. Government purchases of canned corned beef will help to provide South American countries with purchasing power for American products needed or desired in those countries, without detriment to American cattle producers or the meat-packing industry.

Mr. BARKLEY. I also desire to call attention to the fact that the exports to the Republic of Argentina of American products, made up of agricultural as well as industrial products, have materially increased since 1931.

In 1931 we shipped to Argentina $52,000,000 worth of American products.

In 1932 we shipped only $31,000,000 worth.

From 1932 the amount of our exports gradually increased until last year we shipped $86,000,000 worth, and the year before $94,000,000 worth. In fact, from 1934 to 1937, inclusive, the amount of imports from Argentina exceeded our exports in the following figures: 1935, $16,000,000; 1936, $8,000,000; 1937, $44,000,000.

But in 1938 our exports of American products over and above all imports from Argentina amounted to forty-six-million-and-odd dollars.

Having read these figures, I ask that the entire table be inserted in the RECORD at this point, giving the figures from 1924 down to 1938, both inclusive.

The PRESIDING OFFICER. Without objection, the table will be printed in the RECORD.

The table is as follows:

United States-Argentine trade

[United States official statistics in dollars, United States currency]

	United States exports to Argentina	United States imports from Argentina	United States balance of trade with Argentina
1924	$117,093,000	$75,298,000	+$44,795,000
1925	148,759,000	80,170,000	+68,589,000
1926	143,575,000	88,058,000	+55,517,000
1927	163,485,000	97,240,000	+66,245,000
1928	178,899,000	99,438,000	+79,461,000
1929	210,288,000	117,581,000	+92,707,000
1930	129,862,000	71,891,000	+57,971,000
1931	52,652,000	35,980,000	+16,672,000
1932	31,133,000	15,779,000	+15,354,000
1933	36,927,000	33,841,000	+3,686,000
1934	42,688,000	29,487,000	+13,201,000
1935	49,374,000	65,408,000	−16,034,000
1936	56,910,000	65,882,000	−8,972,000
1937	94,183,000	138,940,000	−44,757,000
1938	86,772,000	40,707,000	+46,065,000

Mr. BARKLEY. I put those figures in the RECORD to show that we cannot look at our trade relations with Argentina or any other nation purely from the standpoint of corned beef. We must take into consideration our entire agricultural and industrial situation. When we have in Argentina a market for a large quantity of our agricultural and industrial products, employment is provided for American labor. Without such export markets we certainly should have no employment for those who are engaged in the production of the exportable merchandise or the exportable agricultural products; without those markets men would be either on relief or seeking employment which is enjoyed by other American citizens.

The truth of the matter is, as I said a while ago in interrupting the Senator from Wyoming [Mr. O'MAHONEY]—for whose sincerity and ability I have the profoundest respect—that for a number of years, practically since the Spanish-American War, American beef producers have not engaged to any degree whatever in the commercial production of this particular product. The cuts of beef that are ordinarily used in the production of corned beef are sold in this country more advantageously and at a greater profit for use in the manufacture of other beef products. It may be descending from the sublime to the ridiculous, but the truth is that out of this particular part of the carcass of a beef in this country the packers do not make corned beef, but they make hamburgers and "hot dogs," which is a misnomer, I will say, because it is no longer "hot dog," if it ever was; it is "hot cow." [Laughter.] The type of beef product which in Argentina and other countries goes into corned beef, in this country goes into the manufacture of hamburgers and "hot dogs," and they are sold more advantageously; the demand for them is infinitely larger and the profits are greater. Therefore there is no inducement for the American producer to use this particular cut of the beef in the manufacture of corned beef.

The Senator from Nebraska had brought to the floor of the Senate awhile ago a can of this corned beef which he obtained in the restaurant, and the label on the can shows that it was produced in Brazil for Armour & Co., whose home is Chicago. It is manufactured in Brazil; it says on the can that it is manufactured in Brazil; it is a product of Brazil, not made in Brazil by a branch of Armour & Co., as I understand, but made in Brazil by some Argentine manufacturer for Armour & Co., just as a hat manufacturer in Bridgeport, Conn., or somewhere else in New England may make a certain brand of hats for B. Weille & Sons, in Paducah, or for the Rodes-Rapier Co., in Louisville, or for any other clothing merchant in the United States.

Mr. President, I merely wish to reiterate that the President did not violate either the spirit or the letter of the law which is in effect. By the way, there has been established in all the departments a regulation that whenever any articles purchased which the "Buy American" law says must be produced in this country amount to less than $100, they will not be purchased from any foreign producer unless the difference in price is more than 100 percent, and in quantities over $100, the standard by which they will decide is a minimum of 25 percent. So the difference would have to be not less than 25 and ranging up to 100 percent, and even above 100, before the department purchasing a quantity of goods would decide to buy an imported article instead of a domestically manufactured article.

Mr. President, sugar has also been the subject of discussion by the Senator from Wyoming.

Mr. McKELLAR. Mr. President, before the Senator from Kentucky leaves the question of beef, I desire to ask whether he had seen two articles in the New York Times, one under date of May 16, and the other under date of May 15, one by Arthur Krock, on this subject.

Mr. BARKLEY. I read the article by Mr. Krock, and the Senator from Pennsylvania [Mr. GUFFEY] yesterday inserted it in the RECORD.

Mr. McKELLAR. Very well.

Mr. BARKLEY. Before I leave that subject, and in that connection, I wish also to insert in the RECORD a copy of a letter written yesterday by Mr. Sumner Welles, Under Secretary of State, to the President, in which he incorporates a telegram received by the Argentine Ambassador to the United States from his Government, in which it is stated that the publication in some of the newspapers that this particular product was subsidized in Argentina is incorrect, showing that there is no governmental subsidy in connection with the production of the article. I ask that a copy of the letter be inserted in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 17, 1939.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: With reference to the canned-beef question, I have received this morning from the Argentine Ambassador the text of the telegram he has just received from his Government, which I believe may be of interest to you and which I quote in translation as follows:

"With reference to Your Excellency's telegram, the Buenos Aires newspapers have today published an official statement of the Argentine Ministry of Agriculture denying the allegations of Senator O'MAHONEY.

"The department of agriculture believes it desirable that notwithstanding the statements in this regard already made by your embassy, Your Excellency, referring to the said official statement, should explain to the Government of the United States that the Argentine Corporation of Meat Producers, although initiated by the state, is not an institution which receives any subsidy from the Government and is solely an organization formed exclusively by

meat producers without interference of any kind on the part of the State and with a capital contributed solely by the stock raisers themselves and that in the activities of the corporation there take part only the stock raisers classified by locality and category.

"The Ministry of Agriculture believes, a belief which is shared by the Ministry of Foreign Affairs, that this clarification should terminate the discussion of this question definitively."

Believe me,

Faithfully yours,

SUMNER WELLES.

Mr. BARKLEY. Mr. President, I shall not take up time discussing the able address of the Senator from Wyoming on the subject of sugar, because I am not from a sugar-producing State, and except as I have gathered information as a member of the Committee on Finance in connection with sugar legislation which has come before the committee, I would not in any way pose here as an expert on the subject of sugar.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. O'MAHONEY. The statement I made to the Committee on Appropriations with respect to the Argentine low bidder was not that the company was subsidized, but that it was a Government-encouraged cooperative, sponsored by the Government, and the facts with respect to that are already in the RECORD.

Mr. BARKLEY. I was not alluding to any statement of the Senator.

Mr. O'MAHONEY. That statement became very current.

Mr. BARKLEY. There was a statement in the press that the company in question was subsidized by the Argentine Government, and it is that statement which the letter of the Under Secretary refutes.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WALSH. I think it fair to say that, in my opinion, the preponderance of the evidence shows that the quality of the corned beef canned in Argentina is superior to that canned in this country; that there is no canned corned beef produced in this country except on special orders. When the packers have a surplus of that which they have produced on special orders, then it is purchaseable in retail stores.

That there is a wide divergence of price, it seems to me, also must be admitted. Further, the Navy Department and the President, in agreeing to this purchase—I understand the President was consulted—acted within the departmental regulations to which the Senator from Kentucky has referred, permitting foreign purchases when the difference in price is in excess of 25 percent.

It seems to me the sole and only question is whether we ought to adopt in this country a policy of purchasing domestically produced products, particularly food products, as in this instance, in our own country, regardless of price. That seems to be the sole and only issue which can be raised, in view of the facts which the Senator has presented, and which I thought ought to be corroborated by me, since I heard the testimony.

Mr. BARKLEY. Mr. President, I appreciate the contribution of the Senator. There are two or three elements which enter into this matter. In the first place, the product is not produced in this country. The question whether we want to pay a sufficiently high price to induce its production here, regardless of how high the price may be, is one of considerable importance.

In the next place, the difference between the domestic price and the price at which this particular consignment was purchased was 250 percent—not 100 percent but 250 percent, or practically so.

The purchase of this commodity, not only by the Navy Department but by our people, if they desire to purchase it and use it—and they use it to the extent of 79,000,000 pounds—affords to the people of Argentine that much purchasing power with which to buy American exports whose production gives employment to American labor.

Mr. WALSH. The facts have been presented; but I think I ought to say that personally I feel very strongly that the Government, when it makes purchases, should give every possible benefit to the domestic producer.

Mr. BARKLEY. I agree entirely with that statement. In connection with the remarks of the Senator that Argentine corned beef is superior to ours——

Mr. WALSH. I think the evidence is overwhelming in that direction.

Mr. BARKLEY. I think it should be stated that that is no reflection upon the American cattle grower, or the American packer, or the American merchandiser.

Mr. WALSH. Unquestionably that is true.

Mr. BARKLEY. It comes about because of the fact that all the better cuts of American beef are sold in the fresh meat market at fairly high prices, and it would not be economically sound to use those better cuts of American beef in the production of corned beef. The beef of inferior quality which otherwise would go into production of corned beef, is used in the manufacture of other things, which bring higher prices.

In Argentina exactly the reverse is true. They do not consume domestically all of their better cuts of beef, and therefore they use some of them in the manufacture of corned beef, mixing them with the inferior cuts, and on the average a better quality of beef is produced.

Mr. WALSH. The evidence confirms all the Senator has said, and it is detailed in the record.

Mr. BARKLEY. Mr. President, I have a memorandum confirming the sugar program which has been in effect by the administration now in office, and I shall take but a moment to give some of the figures connected with the production, and the compensation which has come to American sugar producers.

In the 5-year period from 1909 to 1914, 485,000 acres were cultivated in sugar-producing beets and cane.

The average for the 5 years from 1929 to 1933 was 785,000 acres.

The average for the 5 years following the adoption of the sugar program, which has been in force under this administration, was 798,000 acres.

In 1938 there were 931,000 acres cultivated in beets and cane producing sugar in the United States.

The farm value of the sugar produced in the first 5-year period was $26,000,000 plus. In the next period from 1929 to 1933 it was $54,000,000 plus. In the next 5-year period from 1934 to 1938 it was $60,000,000 plus. In 1938 it was $72,000,000 plus. In other words, the farm value has increased nearly 300 percent from 1914 to 1938.

The average income per ton on this sugar in the first period was $5.50. In the next period, from 1929 to 1933, it was $6.09. In the next period, from 1934 to 1938, it was $6.79; and in 1938 it was $6.30 per ton.

I now wish to show the increase in acreage harvested and farm value of sugar beets under the sugar program as compared with the principal farm crops—corn, wheat, and cotton. There was an increase of 485,000 acres in sugar beets, 101,000,000 acres in corn, 48,000,000 acres in wheat, and 32,000,000 acres in cotton.

As I said a while ago, the farm value of the increased production of sugar was $26,000,000. The value of the increased production of corn in that same period was $1,533,000,000; of wheat, $593,000,000; and of cotton, $783,000,000.

In 1938, in the case of sugar, the farm value had gone up from $26,000,000 to $70,000,000. In the case of corn it had gone down from $1,533,000,000, notwithstanding the period which it covered, to $1,287,000,000.

The farm value of wheat, although the acreage had increased from 48,000,000 to 70,000,000, had declined in that period from $593,000,000 to $573,000,000.

Although the acreage in cotton had declined from 1932 to 1935, the value of cotton remained almost stationary. In the first period, from 1909 to 1913, the value was $783,000,000, and in 1938 it was approximately $786,000,000.

I mention these figures in order to show that the policy of the administration as affecting sugar was intended gradually to stimulate and help the domestic-sugar producer.

The amount of income per acre, and the total income, and the percentage of income for sugar under the program which has been in progress under this administration were greater than for wheat or corn or cotton.

So what the administration has tried to do, and what it is trying to do, is to work out and to administer the act which Congress adopted in a way that will inure to the benefit of the producers of domestic sugar, having in consideration the fact that we do not produce sufficient to supply our domestic demands, and having in view the fact that our entire trade program has been related and coordinated in an attempt to bring about the sale of our products in other countries, while we are at the same time undertaking in a fair and reasonable way to limit their importations into the United States.

Mr. NORRIS. Mr. President, the figures given by the Senator from Kentucky are, of course, correct. I think they speak volumes. They show what the Senator says they do; they show that progress has been made, and that the Department of Agriculture has acted in a sympathetic way toward the producers of sugar. That is all true. Nevertheless, mainly because of the laws passed by Congress, it seems to me, there has been discrimination, rather violent discrimination, against the producers of sugar, so far as beets are concerned at least, that being the only part of the industry with which I am familiar.

Notwithstanding the figures the fact is that there are thousands of American citizens occupying farms, not corporations such as those which produce sugar in Cuba, but American farmers who have the land, with the best of soil, and water which has been put on the land in many cases by irrigation projects established by funds which came from the Federal Government, and those farmers are prohibited from raising sugar beets. They have been clamoring for the last year or two for the right to do so, in view of the fact that they are so well equipped to produce sugar beets. But they are denied that privilege.

I do not say that the Department of Agriculture could help in that situation, but I think Congress could. I think we could pass a law which would help the situation materially. In other words, there are thousands of acres adapted to produce sugar beets, and the farmers are ready to produce them. But they are denied the privilege of doing so on their own property because of the quota system. They are denied that privilege because we are going to take so much sugar here and there from foreign countries, which seems to me to be absolutely unjust, illogical, and contrary to the best human instincts.

Mr. BARKLEY. Whether the Department of Agriculture or Congress is responsible for that situation I am not going to attempt to say at the moment. Of course I sympathize, as we all do, with the desire of any farmer to produce the things that his land will produce most advantageously. Yet it is true that while there are 6,000,000 farms in the United States there are only 100,000 of them on which sugar beets and sugarcane are grown. The combined number of farms on which sugar beets and sugarcane are grown is 100,000, compared with a total of 6,000,000 farms in the United States.

Mr. NORRIS. That is what I am complaining about.

Mr. BARKLEY. Assuming that we have to find a market also for our wheat, corn, and cotton for every additional acre that is cultivated for sugar beets or cane, 3 acres of cotton, 3 acres of corn, and 6 acres of wheat must be denied the right to produce those commodities because we have no market in foreign countries, by reason of lack of purchasing power for our corn and cotton and wheat.

Mr. NORRIS. We are trying to reduce the production of wheat and corn and cotton, and if those who want to raise sugar beets and who are capable of doing so are permitted to raise them, it would have that very effect.

Mr. BARKLEY. Not altogether, because you cannot substitute 6 acres of wheat and 3 acres of corn and 3 acres of cotton.

Mr. NORRIS. No; but we could assist in the very program that Congress and the Department of Agriculture are trying to carry out under the existing law.

Mr. BARKLEY. Of course, we all realize how difficult and delicate a problem it is to adjust the balance not only between sugar of all kinds but between the production of cane sugar and beet sugar. That is one of the most difficult matters with which the Finance Committee has to deal. I can say that from my own experience as a member of the committee. It took us weeks to try to work out the balance between the production of beet and cane sugar, and when we had finished it was more or less of an arbitrary balance which could not be exact, which could not be precise. The same thing applies to the various other crops when reduction of unsalable production is undertaken.

Mr. NORRIS. We are trying to reduce unsalable production; that is, we are trying to reduce production on the farm by offering various sorts of remedies to the farmer who will indulge in certain soil-conserving practices, to pay him by reason of loss occasioned by not planting on those acres which he would otherwise put into wheat or corn or cotton. We are engaged in that program. I think we are doing the very best we can. I am in favor of the program. If we were to permit every farmer who wants to, and who is properly equipped, to raise sugar beets, that would necessarily take a great deal of land out of production of corn and wheat and perhaps cotton. It would do more than that. It would have the effect of reducing the overproduction that we are trying to reduce, and at the same time increase the production of a necessary article of human diet, of which we do not and cannot produce sufficient to supply our own demand. That is admitted.

Mr. BARKLEY. That is true.

Mr. President, I ask that the various tables and memoranda to which I have referred be inserted in the RECORD at this point; also a copy of a letter written by the President on the 18th of April 1939 to Representative MARVIN JONES, chairman of the House Committee on Agriculture; also a letter from the Secretary of Agriculture to Representative JONES, dated January 24, 1939.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the matter referred to may be printed in the RECORD.

The matter referred to is as follows:

MEMORANDUM RE SUGAR PROGRAM

Recently the following basic questions have been asked with regard to the sugar program:

1. How much further shall we go in making sugar beets and sugarcane more profitable than other agricultural crops?

As the result of the protection given to producers under New Deal legislation, the acreage and average returns of mainland sugar-beet producers have been increased as follows:

	Acreage	Average income per ton	Farm value
Average, 1909-14	485,000	$5.50	$26,697,000
Average, 5 years preceding sugar program (1929-33)	785,000	6.09	54,948,000
Average 5 years following sugar program (1934-38)	798,000	6.79	60,428,000
1938 (estimated)	931,000	6.30	72,000,000

2. How much further shall we go in reducing our badly needed export markets for our surplus crops in order to expand the domestic sugar industry?

At the present time the act provides that in the administration of the quota system the supply of sugar made available to consumers shall not result in average prices to consumers in excess of those necessary to maintain the domestic sugar industry as a whole. If the act were to be amended to remove this limitation on the Secretary's power, our export market for agricultural crops would be curtailed. It has been calculated that each additional planted acre of sugar beets or sugarcane impairs our export market in an amount equal to the normal product of either 3 acres of corn, or cotton, or 6 acres of wheat. The Bureau of Agricultural Economics has estimated that the decline of our imports of Cuban sugar from 1928 to 1932 was accompanied by a reduction in the Cuban market for American farm products for more than 800,000 acres of land.

The astounding increase in acreage harvested and farm value of sugar beets, under the sugar program, as compared with the principal farm crops is shown in the following table:

	Acres harvested		Farm value		Percentage change 1909–13 to 1938	
	1909–13	1938	1909–13	1938	Acreage	Farm value
	1,000 acres	*1,000 acres*			*Per cent*	*Per cent*
Sugar beets	485	931	$26,697,000	$70,814,000	+92	+165
Corn	101,103	91,792	1,533,961,000	1,287,746,000	−9	−16
Wheat	48,075	70,221	593,482,000	573,802,000	+46	−3
Cotton (lint)	32,948	25,346	783,011,000	786,344,000	−23	0

3. The necessity of providing sugar-beet acreage for reclamation and irrigation projects of the Federal Government has been raised. However, in only 2 years in its history has the sugar beet producing area produced its present quota. In 1 year the deficit was as much as 375,000 tons of sugar. This deficit took place despite a protection to the domestic sugar industry equivalent to an ad valorem tariff of over 200 percent. Consequently serious economic problems would be created in the other areas of sugar production supplying the United States market and our export markets would be further curtailed if our present sugar policy were to be changed merely because the sugar-beet area has been able to fill its quota in 1 year out of 5.

As the President has recently pointed out, the total burden of sugar legislation on consumers, if measured by the full difference between the unprotected price of sugar in world markets and the protected price in the United States, has been equivalent to the purchasing power of approximately 50 quarts of milk and 50 loaves of bread per annum for each family in the United States.

The protection accorded the sugar industry is primarily for the benefit of only about 100,000 farms in the United States on which sugar beets and sugarcane are grown, as compared with the 6,000,000 farms in the country.

Income of sugar-beet processors [1]

Year in which fiscal period ended:	[Net income a percentage of average stated net worth]
1931	6.29
1932	5.84
1933	1.85
1934	11.08
1935	11.11
1936	[2] 12.91
1937	[2] 12.43
1938	[2] 8.56

[1] Data represents from 76 to 98 percent of the total sugar-beet production in the United States in the various years.
[2] Preliminary.

Source: Farr's Manual of Sugar Companies, Moody's Manual, and other sources.

Returns to growers

Year	Average price of sugar beets (per ton)	Government payments [1] (per ton)	Income received by producers (per ton)
1932	$5.26	----------	$5.25
1933	5.13	$0.25	5.38
1934	5.16	1.75	6.91
1935	5.76	1.13	6.89
1936	6.05	----------	6.05
1937	[2] 5.25	[2] 1.95	7.20
1938	----------	----------	[2] 6.30–6.50

[1] Does not include abandonment and deficiency payments or payments under the Soil Conservation and Domestic Allotment Act.
[2] Preliminary.

LETTER FROM THE PRESIDENT TO HON. MARVIN JONES, HOUSE OF REPRESENTATIVES

[Reproduced from the Appendix of the CONGRESSIONAL RECORD, vol. 84, pp. 1566–1567, for use by the staff of the Sugar Division]

THE WHITE HOUSE,
Washington, April 18, 1939.

Hon. MARVIN JONES,
House of Representatives.

DEAR MR. CONGRESSMAN: The three departments of the Government primarily concerned with the problems involved in the pending amendments to the Sugar Act have advised me of your courteous reference to them of S. 69 for expression of their views thereon. Since the proposed amendments raise grave governmental problems which transcend the specialized interests and functions of the individual departments concerned, I have been requested by them to set forth the basic position of the administration on the proposed amendments.

Prior to 1934 the sugar industry was suffering from unsatisfactory returns, and our exports to Cuba had declined to a disastrously low level. The legislation pertaining to sugar enacted by Congress in 1934, and revised and extended in 1937, and the reciprocal-trade agreement negotiated with Cuba in 1934 resulted not only in a substantial increase in the income of domestic sugar-beet and sugarcane growers and processors, but also in a gratifying increase in our export trade with Cuba. Between 1933 and 1937 our exports to Cuba of rice, wheat flour, lard, and other agricultural products were trebled and exports of manufactured articles were increased fourfold.

I am advised, however, that only a year and a half after exhaustive consideration by the Congress and the administration of the 1937 legislation, the sugar lobbyists, who, in order to justify their employment, must be professionally dissastisfied under any conditions, are pressing for drastic amendments to the act which would disrupt the balance established in the existing legislation as between the opposing interests of the various groups concerned; they would further burden consumers for the additional benefit of producers, seriously impair one of the principal markets for our export crops, and establish discriminations among various parts of the United States. Moreover, the proposed amendments would undermine the basis upon which the trade agreement with Cuba was negotiated and violate our treaty obligations under the International Sugar Agreement, approved by the Senate on December 20, 1937.

The first paragraph of the bill contains special exemptions from the acreage adjustments now required as a condition for payments under the act, that would operate primarily for the benefit of the large plantation companies in the mainland sugarcane area. Such exemptions would not only constitute a serious discrimination against the domestic insular areas, particularly the island of Puerto Rico, in which area a substantial adjustment of production this year is well under way, in compliance with the provisions of the act, but is also extremely unfair and unjust to the producers in all areas whose great sacrifices in prior years under former sugar programs are directly responsible for the favorable position enjoyed by sugar producers in the mainland cane area in recent years. It is unthinkable that plantation producers in the mainland sugarcane area should be relieved of any responsibility for their appropriate share of crop adjustment as a condition for payments.

The second amendment in S. 69 would unfortunately delete the present provision in the Sugar Act designed to protect the housewives of the Nation against sugar prices in excess of those necessary to maintain the domestic industry. In recent years the total burden of sugar legislation on consumers, if measured by the full difference between the unprotected price of sugar in world markets and the protected price in the United States, has been equivalent to the purchasing power of approximately 50 quarts of milk and 50 loaves of bread per annum for each family in the United States.

The third amendment of S. 69 discriminates against two sections of the United States, Puerto Rico and Hawaii, by reducing their present shares of the total domestic quota and by denying those areas their proportionate shares of the large increase provided for in the bill for all domestic areas. The bill would thus create a colonialism of the Old World type in the form of an underprivileged American citizen living in these particular insular parts of the United States. The imperialistic nature of such discriminations against some of our own citizens becomes clear when it is realized that although the Congress could legally destroy the economy of its insular possessions through such discriminatory trade restrictions, the American citizens in those areas would possess no legal right to defend themselves against such actions by erecting trade barriers against products produced in the mainland.

The third amendment also proposes a severe reduction in the Cuban quota which would further curtail our shrunken markets for American agricultural exports at a time when Congress and the administration are struggling with measures to expand such markets.

Furthermore, our principal benefit to Cuba in our reciprocal-trade agreement of August 24, 1934, in return for over 400 duty concessions to American goods, was a duty reduction on Cuban sugar negotiated against the background of the quotas provided in the Jones-Costigan Act, upon the assumption on the part of the contracting parties that the quota basis would not be changed to Cuba's detriment. The reduction which this bill proposes to make in the Cuban quota is so inconsistent with the purposes of the trade agreement and the basis on which it was entered into that it seems at variance with our fundamental principles of fair play and fair dealing which we have been urging as essential to world economic recovery and world peace.

Under article 9 (a) of the international sugar agreement, we agreed to accept from the full-duty countries every year a quantity of sugar directly proportionate to the small share allotted on a historic basis to these countries under the Jones-Costigan Act in 1937. Under the proposed bill this proportion would be decreased. In addition to losing part of their basic quotas, the full-duty countries would lose under S. 69 the important reallocation of the Philippine dutiable sugar deficiency now provided for. The purpose of this provision in the Sugar Act of 1937 is to enlarge the foreign market for American exports.

Thus, the enactment of the bill S. 69 would be a serious threat to the future of the policy of improved relationships among the American republics, which has become so important and favorable a factor in our international relations in the past few years. We have been bending every effort to develop a vital program of inter-American cooperation. This program is becoming increasingly advantageous. It is earnestly believed that the Congress will not wish to impede its progress.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

LETTER TO CHAIRMAN JONES MADE PUBLIC BY AGRICULTURE

The Department of Agriculture today made public the following letter to Chairman JONES, of the House Agriculture Committee:

JANUARY 24, 1939.

Hon. MARVIN JONES,
House of Representatives.

DEAR MR. JONES: In response to your request of January 19 for certain data with respect to some of the questions raised in a recent congressional discussion about the program under the Sugar Act of 1937, we are pleased to submit the following information:

Briefly summarized, criticism of the sugar program in recent congressional discussion relates almost entirely to an assumed inadequacy of income for sugar-beet producers under the sugar program and the fear that the small reduction in the duty on Cuban sugar from 0.90 to 0.75 cent per pound, raw value, now under consideration in connection with the pending trade-agreement revision, may further curtail such income. It may, therefore, be useful to summarize the elements of protection and benefits for the sugar industry provided by the Congress in the Sugar Act of 1937. The prior sugar legislation of 1934 was of a similar nature. The four outstanding elements in the sugar program are as follows:

1. Limitation through quotas on the admission of foreign and insular sugars, which limitations have been fully effective and restrictive each year since 1934, and limitations on marketings of the mainland sugar-cane and sugar-beet industries which have been nominal since 1935 because production was generally below the quotas for such areas established in the legislation.

2. Limitation through quotas on the imports of liquid sugars from Cuba and Santo Domingo and outright prohibition or embargo on the importations of such sugars from other foreign countries in excess of 10 short tons.

The effect of these quota limitations has been to maintain a differential in the price of sugar in the United States above the price of unprotected sugars (seaboard basis) and in favor of domestic production of 2.17 cents per pound in 1937 and 1.80 cents in 1938, equal to an ad valorem protection of 168 percent and 159 percent, respectively, not including the Federal payments to growers.

3. Federal conditional payments to producers of 60 cents per 100 pounds of recoverable sugar, pursuant to title III of the act, which, on the basis of average yields of beets in the United States, equal about $24 per acre. For the 1937 and 1938 crops of sugar beets, payments were made under the act on the total production of the growers without any limitation of acreage or production. For the 1937 crop $16,966,000 has been paid out to date, covering 46,700 applications for payment, comprising practically all producers of sugar beets, an average of $362 per farm; and for the 1938 record crop of approximately 1,700,000 tons of refined sugar it is estimated that the Government payments will aggregate $20,300,000. These payments are, of course, supplementary to the payments made to growers by the processors.

4. Special payments to producers in the event of abandonment of acreage or deficiency in production under certain conditions as the result of natural causes beyond control of producers, such as freeze, drought, insect pests, etc. Producers are not required to pay premiums in money or in kind for this form of crop insurance.

As the result of the above measures and similar legislation in 1934, the acreage and average returns of mainland sugar-beet producers under the administration by this department have been increased as follows:

	Acreage	Average income per ton	Farm value
Average 1909–14	485,000	$5.50	$26,697,000
Average, 5 years preceding sugar program (1920–33)	785,000	6.09	54,249,000
Average, 5 years following sugar program (1934–38)[1]	798,000	6.79	60,428,000
1938 (estimated)	931,000	[1]6.30	70,814,000

[1] 1938 estimated.

The income per ton of cane for mainland cane growers increased from an average of $3.39 in the 1929–33 period to an average of $3.98 per ton in the 1934–38 period, while the farm value of the sugarcane crop increased from $10,134,000 to $20,624,000.

The net income of the five major sugar-beet processing companies, representing about 75 percent of the total sugar-beet production of the United States, expressed as a percentage of their net worth averaged over 9 percent for the 5-year period of the sugar program 1934–38, as compared with a loss of 4.2 percent in 1932 and 1.9 percent in 1933. (These figures are for the fiscal years ending in the spring of each year.) For the year 1937, primarily as a result of the invalidation of the sugar-processing tax, the net income reached 12.47 percent.

Under the somewhat adverse conditions of decreased general purchasing power of consumers in 1938 and greatly increased sugar-beet and sugar-cane production during the years between invalidation of crop adjustment in January 1936 and resumption thereof under the new sugar act, a reduction in net income for the fiscal year ended in the spring of 1939 may be anticipated.

Statements have been made in recent congressional discussion which would indicate that the share of the domestic industry in supplying the United States market has been decreased under the sugar program. The fact is that the domestic share has increased markedly while the proportion of the United States consumption supplied by Cuba and other foreign countries has practically been cut in half under the sugar legislation, as compared with the late twenties. In 1938 Cuba contributed about 28.8 percent of the total United States requirements as compared with 43 to 53 percent in the period 1925–30.

The 1937 sugar-beet crop, the first to be marketed under the new law, gave the growers an income per ton equal on the average to parity prices. The increase in the income to growers from the 1937 crop will average close to $10 an acre over that of the preceding year. Independent growers of sugarcane will benefit similarly. The margin of the processors has been reduced somewhat but they have benefited from increased volume of tonnage, which has resulted in part from the assurance of a more equitable division of total returns. It is significant that the first sugar-beet plantings after the enactment of the sugar act have been large enough for the first time since 1934 to justify the expectation that the industry will be able to fill the sugar-marketing quota established for the sugar-beet area.

The income of sugar-beet and sugar-cane growers was increased and the total income of the sugar industry was maintained despite a decline in the general purchasing power of consumers. Moreover, this was accomplished without the evils of a rigid price structure. It is particularly significant that consumer requirements for sugar were adequately met at varying prices as industrial recession and recovery caused variations in consumer incomes.

It will be noted from the foregoing that the references in the congressional discussion to the "record low prices for sugar" have been misleading since the Federal payments of 60 cents per hundred pounds of sugar paid directly to the producers under the sugar program were not taken into consideration.

The second marketing year under the Sugar Act (which is the current crop) began in September 1938 and will terminate in September 1939. It is too early to forecast the outcome for sugar-beet producers since only a portion of the sugar from that crop has been marketed and under their participating contracts with processors, growers ordinarily receive about half of the net sales value of the sugar processed from the cane or beets sold.

It is to be noted that because the sugar processing season is a short one, there are considerable stocks of sugar throughout the year in the hands of processors, refiners, importers, speculators, and dealers. The Department is subject, therefore, to continuous pressure, in direct and indirect form, to utilize whatever power these interested parties believe it to possess to enhance the inventory value of such stocks. As of January 1, the total value of the visible supply of sugar alone is about $170,000,000, and a quarter of a cent increase would mean $10,000,000 additional to the owners of such sugars. The Congress, however, embodied in the Sugar Act certain standards limiting the discretion of the Secretary in fixing consumers' requirements.

It has been the policy of the Department to administer the provisions of the act in accordance with such standards and for the benefit of domestic producers and with protection to the conflicting interests of other groups affected by the act.

Sincerely yours,

H. A. WALLACE, *Secretary.*

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. PEPPER. Does the Senator recall whether or not, in the data which he has submitted, there are figures to indicate the amount of the subsidies which the Government has paid to the various sugar producers?

Mr. BARKLEY. In one of the tables there is a statement of the amount of benefits paid to the sugar producers in the years when they were paid.

Mr. PEPPER. Mr. President, does the Senator intend to move a recess or adjournment at this time?

Mr. BARKLEY. As soon as we have an executive session.

Mr. PEPPER. Will the Senator yield for just a moment for a very brief statement?

Mr. McNARY. Mr. President, I must recall that all the discussion on this subject has been by unanimous consent. I have made no objection. Nothing is before the Senate. I should like to conclude today's session. Most of the discussion this afternoon has been by unanimous consent. There has been nothing before the Senate.

Mr. PEPPER. Mr. President, I ask unanimous consent——

Mr. McNARY. We have other important things to do. I have been patient. I want the session to close. How long would the Senator take?

Mr. BARKLEY. Of course, if the Senator from Oregon wishes to take me off my feet at the conclusion of my remarks because I have yielded to the Senator from Florida, he may do so.

Mr. McNARY. I have no intention to do that.

Mr. BARKLEY. I am sure the Senator from Florida would not take more than 5 minutes to say what he wishes

to say. I realize that all the discussion since we finished the naval bill has been by unanimous consent. However, we do such things when we have nothing else to do.

Mr. McNARY. But there is something else to do. I have some important things to do in my office. I ask the Senator from Florida how long he wishes to discuss the question.

Mr. PEPPER. Probably for 2 minutes; perhaps only 1¾ minutes.

Mr. McNARY. Two minutes will be all right.

Mr. PEPPER. We have been discussing two subjects which are as vital to the State of Florida as to any State in the Union. I believe the State of Florida produces more cattle than does the State of Wyoming. Therefore, we are somewhat interested, at least, in the matter concerning the purchase of beef and beef products. Florida is also one of the great sugar-producing areas of the country.

In response to the comments made by the Senator from Kentucky [Mr. BARKLEY], I merely wish to say that the unfortunate thing about the present sugar program is that the American farmers who are not able to grow as much sugar as physical conditions would permit, because of the restrictions of the present law, are not the ones who profit by the increased purchasing power which the offshore areas develop as a result of being allowed to grow more sugar than they would otherwise be able to grow without our sugar program. So, to a degree, there is involved the question of our industrial interests which sell into the markets which are developed in foreign countries by the sugar program being aided at the expense of American agriculture or the question of one part of our agriculture being held back to promote the interest of another segment of our agriculture.

As I have stated, the State of Florida is a large producer of beef. I may say that the quality of beef produced in Florida has constantly been improving and to a very great degree under experimentation which has been carried on by the United States Department of Agriculture, until we think the quality of our beef is at least equal if not superior to that of beef produced in any other State in the Union.

I am glad to know that the controversy is not over fresh beef but canned beef, which is put up by the large packing houses, which perhaps pay a rather small price to the farmer from whom they obtain the beef which they put into the cans.

I simply wanted to say that I urge that the Government protect the legitimate cattle industry and especially the real cattle growers of the country in every possible way.

Mr. BARKLEY. Mr. President, I can testify to the high quality of Florida beef, because I have eaten it, as well as many other Florida products.

Mr. HATCH. Mr. President, in view of the objection which has been made, I dislike very much to ask the Senator from Kentucky to yield.

Mr. BARKLEY. I yield.

Mr. HATCH. I have been rather patient all afternoon. I desire to make some general remarks concerning the effect of the importation of corned beef into this country.

I am not ready to agree with the Senator from Kentucky that this controversy is altogether a "tempest in a teapot," or that the whole subject has by any means been covered this afternoon. However, inasmuch as the amendment has been adopted and is in the naval bill, I do not see how further discussion at this time would be profitable. Nevertheless, there are many things in behalf of the cattle industry which have not been touched upon, and many reasons why this is not a "tempest in a teapot."

Mr. BARKLEY. I only rose to discuss or mention the question because so much had appeared in the newspapers about it, and because the Senator from Wyoming [Mr. O'MAHONEY], in discussing sugar, diverted from his remarks on sugar to discuss corned beef. I felt that the RECORD should contain certain facts which the President took into consideration when he authorized the purchase.

Mr. HATCH. I will say to the Senator from Kentucky that I was not censuring him for doing that.

Mr. BARKLEY. I understand.

Mr. HATCH. My only regret is that many of the facts put into the RECORD would bear considerable explanation.

Mr. BARKLEY. That may be.

Mr. HATCH. I regret that the hour is so late that we have not time to discuss them at length.

Mr. McKELLAR. Mr. President, I should like to ask the majority leader whether or not it is intended to have an executive session this afternoon. The reason why I ask is that the nomination of Dr. Harcourt A. Morgan to be a member of the Board of Directors of the Tennessee Valley Authority was confirmed on May 8, but the President has not as yet been notified.

Mr. BARKLEY. As soon as we can get to it, I shall move an executive session, and we can then take up that matter.

Mr. McKELLAR. I thank the Senator.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nomination of Capt. Harry A. Stuart, an additional number in grade, to be a rear admiral in the Navy.

Mr. BURKE, from the Committee on the Judiciary, reported favorably the nomination of John K. Valentine, of Iowa, to be United States attorney for the southern district of Iowa, vice Edwin G. Moon, deceased.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

NATIONAL LABOR RELATIONS BOARD

The legislative clerk read the nomination of William M. Leiserson to be a member of the National Labor Relations Board.

Mr. TAFT. Mr. President, I ask, if possible, that this nomination go over until tomorrow. I have a few remarks to make on it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Ohio?

Mr. BARKLEY. Will the Senator be ready tomorrow?

Mr. TAFT. Yes.

Mr. BARKLEY. The Senator realizes that this appointment has been pending for some time. There is a vacancy, and it is important that it be filled.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

DORTHA MAE ROBERTS

The legislative clerk read the nomination of Dortha Mae Roberts to be postmaster at Wilmington, Calif., which had been adversely reported from the Committee on Post Offices and Post Roads.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

The nomination was rejected.

POSTMASTERS

The legislative clerk proceeded to read sundry additional nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the remainder of the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the remaining nominations of postmasters are confirmed en bloc.

That concludes the calendar.

UNITED STATES ATTORNEY—JOHN K. VALENTINE

Mr. BARKLEY. Mr. President, from the Committee on the Judiciary the nomination of John K. Valentine to be United States attorney for the southern district of Iowa has been favorably reported. The term of court in that district begins next Monday, and the grand jury will be in session. It is important that Mr. Valentine's nomination be confirmed and that the President be notified. I therefore ask unanimous consent that the nomination be now considered.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask unanimous consent that the President be notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be notified.

DR. HARCOURT A. MORGAN—NOTIFICATION TO THE PRESIDENT

Mr. McKELLAR. Mr. President, out of an abundance of caution I ask unanimous consent that the President be notified of the confirmation on May 8 of the nomination of Dr. Harcourt A. Morgan to be a member of the Board of Directors of the Tennessee Valley Authority.

The PRESIDING OFFICER. Without objection, the President will be notified.

ADJOURNMENT

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 57 minutes p. m.) the Senate adjourned until tomorrow, Friday, May 19, 1939, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 18 (legislative day of May 8), 1939

COAST GUARD OF THE UNITED STATES

TO BE ENSIGNS, TO RANK AS SUCH FROM MAY 29, 1939

Robert Donald Brodie, IV	Robert Henry Prause, Jr.
Robert William Goehring	James Newton Schrader
Harry Lewis Morgan	Harry Franklin Frazer
John Delmond McCubbin	Julian James Shingler
Ross Pharo Bullard	Warner Keith Thompson, Jr
Orvan Ronald Smeder	William Robert Riedel
Victor Pfeiffer	Louis Boyd Kendall
William Llewelyn Morrison	Ralph McMurray West
David William Sinclair	Charles Edward Sharp
Robert Raymond Russell	Charles William Schuh
Charles Electus Masters, Jr.	Lynn Parker

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO JUDGE ADVOCATE GENERAL'S DEPARTMENT

Capt. Irving Arthur Duffy, Field Artillery, with rank from June 12, 1936.

Capt. Damon Mott Gunn, Infantry, with rank from August 1, 1935.

TO QUARTERMASTER CORPS

Maj. Daniel Bernard Cullinane, Cavalry, with rank from August 1, 1935.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 18 (legislative day of May 8), 1939

UNITED STATES ATTORNEY

John K. Valentine to be United States Attorney for the southern district of Iowa.

POSTMASTERS

ARIZONA

Ida N. Holt, Buckeye.
Harold B. Collins, Tucson.

ARKANSAS

Thomas M. Coker, Glenwood.
Ella B. Mitchell, Havana.

CALIFORNIA

Charles E. Hogancamp, Alta Loma.
Franklin M. Whiting, Berkeley.
Edwin E. Carpenter, Clearlake Highlands.
Paul H. Jarrett, Culver City.
Thomas J. Conway, Fontana.
William E. Weiper, Lower Lake.
Charles E. Fox, Manteca.
Wilma L. Price, Midway City.
Randolph H. Moultrie, Santa Paula.
Rose H. O'Brien, Taft.

CONNECTICUT

James R. May, New London.
Thomas P. Loughlin, Sharon.

GEORGIA

Jonas R. Myers, Athens.
Benjamin E. Lester, Augusta.
John W. Hammond, Griffin.
Mary H. Martin, Helena.
J. Cline Puett, Hiawassee.
Robert B. Whitworth, Jr., Lawrenceville.
Harry L. Wingate, Pelham.

MISSISSIPPI

Ida A. Lacey, Bolton.
Ola L. Stubblefield, Brandon.
Aaron B. Johnston, Enid.
Ulabelle Lehmann, Fayette.
John I. Smith, Mathiston.
Joseph A. Jones, Summit.

NEW MEXICO

Helen M. Sears, Capitan.

NEW YORK

Helen E. Kane, Averill Park.
Mamie B. Crabtree, Central Square.
Arnold W. Rollins, Edmeston.
Viola B. Hawk, Hadley.

NORTH CAROLINA

Bascombe N. Allen, Blue Ridge.
Stella M. Blue, Bolton.
Willie B. Jennings, Fairmont.
John L. Williams, Kenansville.
Charles R. Evans, Manteo.

PENNSYLVANIA

Samuel M. Rathman, Adamstown.
Earl E. Carey, Biglerville.
Percival W. Lukens, Bryn Mawr.
Ella C. Rineer, Conestoga.
Charles M. Clancy, Devon.
W. Vernon Mertz, Honey Brook.
Frances E. MacKenzie, Ivyland.
Marion E. Devon, Moylan.
Ada L. Newton, West Elizabeth.

SOUTH CAROLINA

Dollie M. Carr, Goldville.
Arthur J. Ham, Olanta.
Annie B. Stephen, Pacolet.
Andrew L. Smoak, Smoaks.
Benjamin M. Robertson, Taylors.

UTAH

Willam Z. Black, Blanding.

WISCONSIN

Archie A. Veness, Exeland.
William B. Ackerman, Gays Mills.
Clarence H. Bodden, Theresa.

REJECTION

Executive nomination rejected by the Senate May 18 (legislative day of May 8), 1939

POSTMASTER

CALIFORNIA

Dortha Mae Roberts to be postmaster at Wilmington in the State of California.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 18, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Unto Thee, O God, do we lift up our hearts in prayer. Hear Thou us from Thy dwelling place, and when Thou hearest, forgive. Thy mercies are before us, and we wonder at Thy care. We pray Thee to take us into sacred nearness with Thyself. Do Thou lead our leaders and teach our teachers and direct us all out from social bondage and from the burdens which unrighteous ambitions may have laid upon us. Inspire us to unselfish endeavor, so may this new day bring good cheer to our country. O Sunlight of peace and power, illumine our spiritual natures that we may understand clearly Thy will, and incline our hearts to do it. Be with any who may have wandered far and bring them back to a holy faith. In our Saviour's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

PERMISSION TO ADDRESS THE HOUSE

Mr. MAPES. Mr. Speaker, I ask unanimous consent that my colleague from Michigan [Mr. HOFFMAN] may have unanimous consent to address the House for 30 minutes today at the close of the legislative business in order for the day and any other special orders that may have been entered.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. MAPES]?

Mr. RANKIN. Mr. Speaker, reserving the right to object, what is the request?

Mr. MAPES. That the gentleman from Michigan [Mr. HOFFMAN] may be permitted to address the House at the close of the legislative business in order for the day.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. MAPES]?

There was no objection.

WARRANT AND COMMISSIONED WARRANT OFFICERS IN THE MARINE CORPS

Mr. DELANEY, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 654), which was referred to the House Calendar and ordered to be printed:

House Resolution 184

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 6044, a bill regulating the number of warrant and commissioned warrant officers in the Marine Corps. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendments under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

MAJOR OVERHAULING OF CERTAIN NAVAL VESSELS

Mr. DELANEY, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 655), which was referred to the House Calendar and ordered to be printed:

House Resolution 185

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 6065, a bill authorizing major overhauls for certain naval vessels, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendments under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a report of the Debt Policy Committee.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. REED]?

There was no objection.

Mr. DARDEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an address delivered by Hon. DAVE E. SATTERFIELD, Jr., at Jamestown, Va.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. DARDEN]?

There was no objection.

COMMISSIONING OF "THE AMERICAN SEAMAN"

Mr. BLAND. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to make a statement.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. BLAND]?

There was no objection.

Mr. BLAND. Mr. Speaker, *The American Seaman*, the best and most completely equipped ship in the world today for training merchant marine personnel, will be commissioned at the National Maritime Day ceremonies in Washington on Monday, May 22.

With the sailing vessel *Joseph Conrad* and the State school ships *Nantucket* and *Annapolis, The American Seaman* will be in Washington for celebration of National Maritime Day.

These four vessels will be open to the public from 2 p. m. to 7 p. m. on Monday, May 22, and from 9 a. m. to 7 p. m. Tuesday, May 23. The United States Coast Guard Academy Band of New London, Conn., will play for the guests on both days, and a hearty invitation is extended to all Members to visit these ships.

The American Seaman is equipped with classrooms, two complete machine shops, general workshops, galleys, bake shops, refrigerators, and all facilities for giving comprehensive training to deck and engine crews and members of the steward's department.

With the sailing vessel *Joseph Conrad* and the State school ships *Nantucket* and *Annapolis, The American Seaman* will be in Washington for celebration of National Maritime Day. Members of the Senate Commerce and the Senate Education and Labor and of the House Merchant Marine and Fisheries and House Labor Committees, the four congressional committees which are particularly concerned in the Maritime Commission's training program, will inspect the four ships.

As stated above, the four vessels will be open to the public from 2 p. m. to 7 p. m., on Monday, May 22, and from 9 a. m. to 7 p. m. Tuesday, May 23. The United States Coast Guard Academy Band from New London, Conn., will play for the guests on both days.

Following the inspection *The American Seaman* will return to New York to begin her first training cruise to Gulf ports. On this cruise, which will last the month of June, she will pick up trainees at Pensacola, Mobile, New Orleans, Gulfport, and Galveston.

Until the commissioning of *The American Seaman* the training work of the United States Maritime Service, which was created by the Maritime Commission as part of its training program, has been conducted at shore stations or on smaller vessels, which do not make the long cruises such as a merchant ship makes. Addition of this vessel will aid in development of a balanced training program, including

service at sea. Short trips are taken on the *Joseph Conrad* to give the trainees experience under sail. The Maritime Service also uses three Coast Guard vessels—the 125-foot boats *Yeaton* and *Kimball* on the east coast and the cutter *Northland* on the west coast.

The *Nantucket* and *Annapolis* are the school ships for Massachusetts and Pennsylvania, respectively. These, with the two other State school ships, constituted the principal educational facilities for training merchant marine officers prior to establishment of the Maritime Service. They are now cooperating with the Federal Government.

In command of *The American Seaman* is Lt. Comdr. Charles Elzweiler, United States Coast Guard; of the *Joseph Conrad*, Lt. M. T. Braswell, United States Coast Guard; of the *Nantucket*, Capt. C. A. Abele, United States Navy, retired, superintendent of the Massachusetts State Nautical School; and of the *Annapolis*, Capt. Martin K. Metcalf, United States Navy, retired, superintendent of the Pennsylvania State Nautical School.

On its return trip to New York *The American Seaman* will try out one of its most important features—a distillation system for supplying fresh water while at sea. This system has a capacity of 104,000 gallons of fresh water every 24 hours and will make the vessel a highly valuable naval auxiliary in time of war.

The American Seaman was recently converted at the Baltimore, Md., plant of Bethlehem Steel Co. She is the old *Edgemoor*, but retains little but her hull and engines. Of 7,038 gross tons, she is 409.6 feet long, 54.2 feet wide, and 27.1 feet deep. As now loaded she will draw 20 feet. She will be one of the largest vessels ever to come up the Potomac to Washington.

One of the most romantic square riggers still under sail, the *Joseph Conrad* now gives to American sailors an understanding and appreciation of the traditions and practices of the sea. The former *Georg Stage*, she trained the sailors of Denmark as a school ship for nearly 30 years before being bought by Alan Villiers for his 2-year round-the-world trip. She was transferred to the United States Maritime Service by Huntington Hartford, of New York and Newport, R. I. She is 147 feet 6 inches overall, 212 gross tons, and has an auxiliary Diesel motor of 160 horsepower.

It is hoped that every Member of Congress will visit these ships, see the splendid work that is being done, and that each Member of Congress may become an ardent advocate of an American merchant marine, urging all Americans to ship and haul on American ships. In this way subsidies may be reduced, and I hope the merchant marine may be made self-supporting.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement I made to the Senate Committee on the Judiciary.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. LUDLOW]?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two letters that I have received concerning the next W. P. A. appropriation.

The SPEAKER. Is there objection to the request of the gentleman from Arizona [Mr. MURDOCK]?

There was no objection.

APPROPRIATION FOR RIVERS AND HARBORS AND FLOOD CONTROL

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. SNYDER]?

There was no objection.

Mr. SNYDER. Mr. Speaker, when the appropriation bill for rivers, harbors, and flood control was up there were estimates, taken from the hearings, of $110,000,000 and $30,000,000 for flood control and rivers and harbors, respectively. I now have the estimate from the Army engineers, $50,000,000—$25,000,000 for rivers and harbors and $25,000,000 for flood control.

I ask unanimous consent to extend my remarks and to include those estimates at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. SNYDER]?

There was no objection.

PROJECTS INCLUDED IN INCREASED AMOUNTS FOR RIVER AND HARBOR AND FLOOD-CONTROL PROJECTS

Mr. SNYDER. Mr. Speaker, the House voted on Wednesday, May 10, to appropriate $25,000,000 above the amount proposed by the Budget for river and harbor projects for the fiscal year 1940, and to appropriate $25,000,000 above the amount proposed by the Budget for flood-control projects for the fiscal year 1940, of which $2,000,000 was allotted to the lower Mississippi River.

I am submitting herewith for the information of Members of the House tables prepared by the Chief of Engineers, United States Army, indicating the amounts which may be allotted from these increases to various projects.

Additional allocations for rivers and harbors, based on increase of $25,000,000

North Atlantic division:		
Mystic River, Mass		$50,000
Boston Harbor, Mass		804,000
Westport River, Mass		28,000
Connecticut River below Hartford, Conn		75,000
Stamford Harbor, Conn		344,000
Bronx River, N. Y		950,000
Hudson River, N. Y		1,081,000
Great Lakes to Hudson River waterway		1,000,000
New York and New Jersey Channels		2,000,000
Total, North Atlantic division		6,332,000
South Atlantic division:		
Channel connecting Plain Dealing Creek and Oak Creek, Md	$74,000	
Twitch Cove and Big Thoroughfare River, Md	131,000	
Herring Bay and Rockhold Creek, Md	43,000	
Annapolis Harbor, Md	29,500	
Waterway from Winyah Bay to Charleston, S. C	295,000	
Waterway between Beaufort, S. C., and St. Johns River, Fla.:		
Beaufort to Cumberland Sound section	550,000	
Cumberland Sound to St. Johns River section	160,000	
Congaree River, S. C	149,000	
Hollywood Harbor (Port Everglades), Fla	459,000	
Tampa Harbor, Fla	125,500	
Total, South Atlantic division		2,016,000
Gulf of Mexico division:		
Calcasieu River and Pass, La	$1,500,000	
Louisiana-Texas intracoastal waterway, Sabine River to Corpus Christi section	330,000	
Buffalo Bayou, Tex	345,000	
Houston Ship Channel, Tex	450,000	
Dickinson Bayou, Tex	35,000	
Total, Gulf of Mexico division		2,660,000
Upper Mississippi Valley division:		
Mississippi River between Ohio and Missouri Rivers	$200,000	
Mississippi River between Missouri River and Minneapolis	1,210,000	
Illinois waterway, Ill	475,000	
Total, upper Mississippi Valley division		1,885,000
Missouri River division:		
Missouri River, mouth to Kansas City	$750,000	
Missouri River, Kansas City to Sioux City	2,000,000	
Missouri River at Fort Peck, Mont	1,429,200	
Total, Missouri River division		4,179,200
Ohio River division:		
Ohio River locks and dams	$600,000	
Ohio River open channel work	500,000	
Total, Ohio River division		1,100,000

Additional allocations for rivers and harbors, based on increase of $25,000,000—Continued

Great Lakes division:		
Keweenaw waterway, Mich	$152,000	
Charlevoix Harbor, Mich	15,000	
Indiana Harbor, Ind	100,000	
Erie Harbor, Pa	210,000	
Buffalo Harbor, N. Y	529,300	
Total, Great Lakes division		$1,006,300
South Pacific division:		
San Diego Harbor, Calif	$500,000	
Sacramento River debris dams	280,000	
Total South Pacific division		780,000
North Pacific division:		
Umpqua River, Oreg	$273,000	
Columbia River between Vancouver, Wash., and Bonneville, Oreg	700,000	
Valdez Harbor, Alaska	68,500	
Total, North Pacific division		1,041,500
Maintenance, all divisions		4,000,000
Grand total		25,000,000

Additional allocations for flood control, based on increase of $25,000,000

Examinations and surveys, War Department		$3,000,000
North Atlantic division:		
Northampton, Connecticut River Basin, Mass	$276,000	
Chicopee, Connecticut River Basin, Mass	707,000	
Binghamton, N. Y	400,000	
Tully Reservoir, Connecticut River Basin, Mass	310,000	
Victory Reservoir, Connecticut River Basin, Vt	100,000	
Lower Naukeag Reservoir, Connecticut River Basin, Mass	100,000	
Lisle, N. Y	300,000	
Corning, N. Y	248,400	
Total, North Atlantic division		2,441,400
South Atlantic division:		
Wilkes-Barre and Hanover Township, Pa	$250,000	
Plymouth, Susquehanna River, Pa	250,000	
Federalsburg, Marshy Hope Creek, Md	220,000	
Williamsport, Susquehanna River, Pa	450,000	
Total, South Atlantic division		1,170,000
Lower Mississippi Valley division:		
Homochitto River, Miss	$50,000	
Total, lower Mississippi Valley division		50,000
Southwestern division:		
Canton Reservoir, Okla	$300,000	
Norfork Reservoir, Ark	650,000	
Blue Mountain Reservoir, Ark	300,000	
Denison Reservoir, Tex. and Okla	700,000	
Caddoa Reservoir, Colo	216,100	
Lugert-Altus Dam, Okla	500,000	
Fall River Reservoir, Kans	200,000	
Total, southwestern division		2,866,100
Upper Mississippi Valley division:		
Lac Qui Parle Reservoir, Minn	$82,350	
Fort Chartres and Ivy Landing drainage and levee district, Illinois	120,000	
Coralville Reservoir, Iowa	450,000	
Big Lake drainage and levee district, Ill	113,500	
Crane Creek levee, Ill	52,000	
Meredosia Lake and Willow Creek levee district, Ill	50,000	
Swiger, Whitney and Young-Holbit levee district, Ill	10,200	
Watts levee, Ill	34,400	
Union Township drainage district, Mo	41,600	
Kaskaskia Island drainage and levee district, Ill	50,000	
Levee east of Hubley Bridge, Ill	20,300	
Donavon levee, Ill	28,400	
Clear Lake levee, Sangamon River, Ill	69,250	
Levee east of Chandlerville, Sangamon River, Ill	128,000	
Salt Creek in vicinity of Middletown, Ill	53,700	
East Peoria drainage and levee district, Ill	14,050	
Ste. Genevieve levee district No. 1, Mo	40,000	
Total, upper Mississippi Valley division		1,357,750

Additional allocations for flood control, based on increase of $25,000,000—Continued

Missouri River division:		
Kanopolis Reservoir, Kans	$350,000	
Kansas City, Kans. and Mo., Missouri River	50,000	
Total, Missouri River division		$400,000
Ohio River division:		
Evansville, Ind	$450,000	
Newark, Ohio	275,000	
Muncie, Ind	200,000	
Bluestone Reservoir, W. Va	312,000	
Huntington, W. Va., section 1	450,000	
Conemaugh River Reservoir, Pa	400,000	
French Creek Reservoir, Pa	300,000	
Covington, Ky	200,000	
Frazeysburg Reservoir, Ohio	200,000	
Pineville, Ky	385,000	
Cave Run Reservoir, Ohio River Basin, Ky	100,000	
Youghiogheny Reservoir, Ohio River Basin, Pa	100,000	
Wolf Creek Reservoir, Ohio River Basin, Ill	50,000	
Dewey Reservoir, Ohio River Basin, Ky	50,000	
Muskingum conservancy district	1,500,000	
Total, Ohio River division		4,972,000
South Pacific division:		
Los Angeles County drainage area, Calif.:		
Los Angeles River Channel	$438,000	
Sepulveda retarding basin	200,000	
Santa Fe retarding basin	250,000	
Hansen retarding basin	637,000	
Reimbursement to local interests	1,000,000	
Santa Ana River Basin, Calif.:		
Brea Dam	406,000	
San Antonio Dam	706,000	
Fullerton Dam	392,500	
Prado Dam (reimbursement to local interests)	750,000	
Total, South Pacific division		4,779,500
North Pacific division:		
Dorena Reservoir, Willamette River Basin, Oreg	$250,000	
Detroit Reservoir, Willamette River Basin, Oreg. (highway relocation)	500,000	
Open river improvement, Willamette River Basin, Oreg	100,000	
Columbia River Basin:		
Upper Grays area, Wahkiakum County, Wash	93,000	
Deer Island area, Columbia County, Oreg	153,000	
Skamokawa Creek area, Wahkiakum County, Wash	135,000	
Prescott area, Columbia County, Oreg	33,000	
Peninsular drainage district No. 1, Multnomah County, Oreg	127,000	
Westport district, Columbia and Clatsop Counties, Oreg	34,000	
North Pacific division:		
Willamette River Basin:		
Tualatin River	78,250	
Santiam River	60,000	
Willamette River	200,000	
Tacoma, Puyallup River, Wash	200,000	
Total North Pacific division		1,963,250
Total, flood control, general		23,000,000
Flood control, lower Mississippi River and tributaries		2,000,000
Grand total		25,000,000

EXTENSION OF REMARKS

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement of Col. Thomas M. Robins, a member of the Board of Army Engineers, on rivers and harbors.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. SMITH]?

There was no objection.

Mr. BUCKLER of Minnesota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address by former Congressman Binderup on the money question.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. BUCKLER]?

There was no objection.

Mr. GRISWOLD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a table on farm subsidies.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a table from the Department of the Interior on the movement of oil by the different methods of transportation in this country.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CORBETT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement by the administrator of the Pittsburgh Housing Authority.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. OSMERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects.

The SPEAKER. Is there objection?

There was no objection.

Mr. GARTNER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement by the Honorable Arthur H. James, Governor of Pennsylvania, as to Mothers' Day.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief article by George Peek on the result of the reciprocal-trade agreement with Cuba.

Mr. SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. OLIVER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a copy of a radio address delivered by me, recently.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter and resolutions of the Marathon Local, No. 319, of the International Brotherhood of Papermakers.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address I delivered on Sunday night before the Corporation des Membres de l'Association Catholique.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

RIVERS AND HARBORS

The SPEAKER. The unfinished business this morning is the further consideration of the bill (H. R. 6264) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes. The previous question was ordered on yesterday on the bill and all amendments to final passage.

Is a separate vote demanded on any amendment?

Mr. MANSFIELD. Mr. Speaker, I am requested to ask for a separate vote on two amendments, one pertaining to the Tennessee and Tombigbee Rivers and the other to the Umatilla Dam.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote is demanded.

The Clerk read as follows:

Amendment offered by Mr. DONDERO: On page 5, beginning in line 20, strike out lines 20 to 25, inclusive.

Mr. RANKIN. Mr. Speaker, that is not the first amendment. The first amendment is with reference to the Umatilla Dam.

The SPEAKER. The amendment which has just been reported is the first amendment in the bill on which a separate vote was demanded.

The Clerk will report the language proposed to be stricken out by the amendment.

The Clerk read as follows:

Strike out "Waterway connecting the Tombigbee and Tennessee Rivers, in accordance with the recommendation of the Board of Engineers for Rivers and Harbors in the report submitted in House Document No. 269, Seventy-sixth Congress. The sum of $12,500,000 is hereby authorized to be appropriated for the prosecution of this project."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and the Chair being in doubt, the House divided, and there were—ayes 82, noes 45.

Mr. RANKIN. Mr. Speaker, I object to the vote on the ground that there is no quorum present, and make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 204, nays 160, answered "present" 2, not voting 64, as follows:

[Roll No. 75]

YEAS—204

Alexander	Englebright	Knutson	Rockefeller
Allen, Ill.	Fenton	Kocialkowski	Rodgers, Pa.
Andersen, H. Carl	Fries	Kunkel	Rogers, Mass.
Anderson, Calif.	Fulmer	Lambertson	Routzohn
Andresen, A. H.	Gamble	Landis	Rutherford
Andrews	Garrett	Lanham	Sandager
Arends	Gartner	LeCompte	Sasscer
Ashbrook	Gehrmann	Lewis, Ohio	Satterfield
Austin	Gerlach	Luce	Schaefer, Ill.
Ball	Gibbs	Ludlow	Schafer, Wis.
Barnes	Gifford	McDowell	Schiffler
Barton	Gilchrist	McGehee	Seccombe
Bates, Ky.	Gillie	McLaughlin	Seger
Bates, Mass.	Gore	McLean	Shafer, Mich.
Beckworth	Gossett	McLeod	Short
Bender	Graham	McMillan, John L.	Simpson
Blackney	Grant, Ind.	Maas	Smith, Maine
Boehne	Griffith	Maciejewski	Smith, Ohio
Bolles	Griswold	Mahon	Smith, Va.
Bradley, Mich.	Gross	Mapes	Smith, W. Va.
Bulwinkle	Guyer, Kans.	Marcantonio	Spence
Burch	Gwynne	Marshall	Springer
Burgin	Hall	Martin, Ill.	Stearns, N. H.
Byrns, Tenn.	Halleck	Martin, Iowa	Stefan
Carlson	Hancock	Martin, Mass.	Sumner, Ill.
Carter	Harter, N. Y.	Mason	Sutphin
Case, S. Dak.	Hawks	May	Sweeney
Chapman	Heinke	Miller	Taber
Chiperfield	Hess	Monkiewicz	Talle
Church	Hinshaw	Moser	Tarver
Clevenger	Hoffman	Mundt	Taylor, Tenn.
Cluett	Holmes	Murray	Terry
Coffee, Nebr.	Hope	O'Brien	Thill
Cole, N. Y.	Horton	O'Neal	Thomas, N. J.
Corbett	Hull	Osmers	Tibbott
Creal	Jarrett	Owen	Tinkham
Crosser	Jenkins, Ohio	Pearson	Treadway
Crowther	Jenks, N. H.	Pierce, N. Y.	Van Zandt
Curtis	Johns	Polk	Vincent, Ky.
D'Alesandro	Johnson, Ill.	Powers	Vorys, Ohio
Darrow	Johnson, Ind.	Rabaut	Vreeland
Dies	Johnson, Okla.	Ramspeck	Wheat
Dirksen	Johnson, W. Va.	Reece, Tenn.	White, Ohio
Ditter	Jones, Ohio	Reed, Ill.	Wigglesworth
Dowell	Kean	Reed, N. Y.	Williams, Del.
Durham	Keefe	Rees, Kans.	Wolcott
Dworshak	Keller	Rich	Wolfenden, Pa.
Eaton, Calif.	Keogh	Richards	Wolverton, N. J.
Edmiston	Kilday	Risk	Woodruff, Mich.
Elston	Kinzer	Robertson	Woodrum, Va.
Engel	Kitchens	Robsion, Ky.	Youngdahl

NAYS—160

Allen, La.	Delaney	Kennedy, Md.	Pierce, Oreg.
Anderson, Mo.	Dempsey	Kennedy, Michael	Pittenger
Angell	DeRouen	Kerr	Poage
Beam	Dingell	Kirwan	Randolph
Bell	Doughton	Kleberg	Rankin
Bland	Doxey	Kramer	Rayburn
Bloom	Drewry	Larrabee	Rogers, Okla.
Boland	Duncan	Lea	Ryan
Boykin	Dunn	Leavy	Sabath
Bradley, Pa.	Elliott	Lemke	Sacks
Brewster	Ellis	Lesinski	Schulte
Brooks	Ferguson	Lewis, Colo.	Schwert
Brown, Ga.	Fitzpatrick	McAndrews	Scrugham
Buck	Flaherty	McCormack	Secrest
Buckler, Minn.	Flannagan	McGranery	Shanley
Burdick	Folger	McKeough	Shannon
Caldwell	Ford, Miss.	Mansfield	Sheppard
Cannon, Fla.	Ford, Thomas F.	Martin, Colo.	Sirovich
Cannon, Mo.	Gathings	Massingale	Smith, Conn.
Cartwright	Gavagan	Merritt	Smith, Ill.
Celler	Gearhart	Mills, Ark.	Smith, Wash.
Chandler	Geyer, Calif.	Mills, La.	Snyder
Clark	Grant, Ala.	Mitchell	Somers, N. Y.
Clason	Green	Monroney	South
Claypool	Gregory	Mott	Sparkman
Cochran	Harrington	Murdock, Ariz.	Steagall
Coffee, Wash.	Hart	Murdock, Utah	Tenerowicz
Cole, Md.	Hendricks	Nelson	Thomas, Tex.
Collins	Hennings	Norrell	Thomason
Colmer	Hill	Norton	Tolan
Connery	Hobbs	O'Connor	Vinson, Ga.
Cooley	Hook	O'Day	Voorhis, Calif.
Cooper	Houston	Oliver	Wallgren
Costello	Hunter	O'Toole	Walter
Cox	Izac	Pace	Warren
Crowe	Jarman	Parsons	Weaver
Culkin	Johnson, Lyndon	Patman	West
Cullen	Jones, Tex.	Patrick	Whelchel
Cummings	Kelly	Patton	Williams, Mo.
Darden	Kennedy, Martin	Peterson, Ga.	Zimmerman

ANSWERED "PRESENT"—2

Dondero	Thorkelson

NOT VOTING—64

Allen, Pa.	Douglas	Jacobsen	Peterson, Fla.
Arnold	Eaton, N. J.	Jeffries	Pfeifer
Barden	Eberharter	Jensen	Plumley
Barry	Evans	Johnson, Luther A.	Robinson, Utah
Bolton	Faddis	Kee	Romjue
Boren	Fay	Lord	Schuetz
Brown, Ohio	Fernandez	McArdle	Starnes, Ala.
Bryson	Fish	McMillan, Thos. S.	Sullivan
Buckley, N. Y.	Flannery	McReynolds	Sumners, Tex.
Byrne, N. Y.	Ford, Leland M.	Magnuson	Taylor, Colo.
Byron	Hare	Maloney	Wadsworth
Casey, Mass.	Harness	Michener	Welch
Crawford	Harter, Ohio	Mouton	White, Idaho
Curley	Hartley	Myers	Whittington
Dickstein	Havenner	Nichols	Winter
Disney	Healey	O'Leary	Wood

So the amendment was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. Dondero (for) with Mr. Whittington (against).
Mr. Thorkelson (for) with Mr. White of Idaho (against).
Mr. Wadsworth (for) with Mr. Sullivan (against).
Mr. Eaton of New Jersey (for) with Mr. Magnuson (against).
Mr. Fish (for) with Mr. O'Leary (against).
Mr. Brown of Ohio (for) with Mr. Havenner (against).
Mr. Jensen (for) with Mr. Fay (against).
Mr. Crawford (for) with Mr. Pfeifer (against).
Mr. Michener (for) with Mr. Healey (against).
Mr. Winter (for) with Mr. Byrne of New York (against).
Mr. Douglas (for) with Mr. Buckley of New York (against).

General pairs until further notice:

Mr. Luther A. Johnson with Mr. Plumley.
Mr. Barden with Mr. Hartley.
Mr. Disney with Mr. Welch.
Mr. Fernandez with Mr. Jeffries.
Mr. Maloney with Mr. Harness.
Mr. Schuetz with Mr. Lord.
Mr. Starnes of Alabama with Mr. Leland M. Ford.
Mr. Eberharter with Mr. Wood.
Mr. Allen of Pennsylvania with Mr. Romjue.
Mr. Byron with Mr. Flannery.
Mr. Mouton with Mr. Jacobsen.
Mr. Boren with Mr. Harter of Ohio.
Mr. Hare with Mr. Myers.
Mr. Casey of Massachusetts with Mr. Evans.
Mr. McReynolds with Mr. Arnold.
Mr. Sumners of Texas with Mr. Kee.
Mr. Faddis with Mr. Nichols.
Mr. McArdle with Mr. Barry.
Mr. Taylor of Colorado with Mr. Bryson.
Mr. Thomas S. McMillan with Mr. Robinson of Utah.
Mr. Peterson of Florida with Mr. Curley.
Mr. Dickstein with Mr. Bolton.

Mr. GEARHART, Mr. O'CONNOR, Mr. HENNINGS, Mr. SCRUGHAM, and Mr. ANDERSON of Missouri changed their votes from "yea" to "nay."

Mr. BENDER and Mr. GRIFFITH changed their votes from "nay" to "yea."

Mr. THORKELSON. Mr. Speaker, I am paired with the gentleman from Ohio, Mr. WHITE, who is unavoidably detained. If he were here he would vote "nay." I voted "yea." I withdraw my vote and answer "Present."

Mr. DONDERO. Mr. Speaker, I have a pair with the gentleman from Mississippi, Mr. WHITTINGTON. If he were present, he would vote "nay." I voted "yea." I withdraw my vote and answer "Present."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the next amendment on which a separate vote is demanded.

The Clerk read as follows:

Amendment offered by Mr. DONDERO: On page 8, beginning in line 17, strike out lines 17 to 22, inclusive.

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and the Chair announced that the ayes seemed to have it.

Mr. ANGELL. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BUCK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a table from Government statistics.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND DEPARTMENT OF COMMERCE APPROPRIATION BILL, 1940

Mr. THOMAS S. McMILLAN, from the Committee on Appropriations, reported the bill (H. R. 6392) making appropriations for the Departments of State and Justice and for the Judiciary, and for the Department of Commerce, for the fiscal year ending June 30, 1940, and for other purposes (Rept. No. 658), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. TABER reserved all points of order on the bill.

THE COAST GUARD

Mr. CLARK, from the Committee on Rules, submitted the following privileged resolution for printing in the RECORD under the rules, which was referred to the House calendar and ordered to be printed:

House Resolution 180

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 1369, an act to authorize necessary facilities for the Coast Guard in the interest of national defense and the performance of its maritime police functions. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled between the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. CLARK, from the Committee on Rules, submitted the following privileged resolution (H. Res. 162), which was referred to the House Calendar and ordered to be printed:

House Resolution 162

Resolved, That the House Committee on Merchant Marine and Fisheries, or a duly authorized subcommittee thereof, be, and is hereby, authorized and directed to make an investigation of the fisheries of Alaska with special reference to (a) the use of traps in the catching and taking of salmon in the waters of Alaska, whether or not the use of traps should be prohibited for that purpose, and if prohibited the mode and manner and time thereof; (b) the advisability of maintaining or changing the season prescribed at the present time for the catching and taking of salmon in the several fishing areas or regions in Alaska; (c) the effect of fishing for and taking of herring, as at present operated, upon the salmon fishery and particularly that part carried on by trolling, and whether or not the taking of herring for conversion into oil and meal in any part of Alaska should be further restricted or entirely prohibited; (d) the offshore fishing by foreign nationals for both crabs and salmon; and (e) any other matters concerning the fisheries of Alaska which the committee or the subcommittee may think it desirable to investigate with a view to the conservation and preservation of the fishery and a reasonable development of the Alaska fishing industry.

For the purposes of this resolution, the said committee or any subcommittee thereof is hereby authorized to sit and act at such times and places within the Territory of Alaska and the United States, whether the House is sitting or has recessed or has adjourned, to hold such hearings, to require the attendance of such witnesses, and the production of such books or papers or documents or vouchers by subpena or otherwise, and to take such testimony and records as it deems necessary. Subpenas shall be issued by the chairman of the committee or subcommittee, or by any person designated by him and shall be served by such person or persons as the chairman of the committee or subcommittee may designate. The chairman of the committee or subcommittee, or any member thereof, may administer oaths to witnesses. Every person who, having been summoned as a witness by authority of said committee or subcommittee, or having been required to produce necessary books or papers or documents or vouchers by authority of said committee or subcommittee, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the study and investigation heretofore authorized, or who fails to produce such books or papers or documents or vouchers as required by subpenas, shall be held to the penalties provided in section 102 of the Revised Statutes of the United States (U. S. C., title 2, sec. 192), as amended.

That the said committee shall report to the House of Representatives at the earliest practicable date the result of its investigation, together with its recommendations for the enactment of desirable or necessary legislation.

With the following amendments:

Page 1, line 4, insert before the word "an" the figure "1" in parentheses.

Page 2, line 10, strike out the period, insert a semicolon and the following:

"(2) to make such inquiry as said House Committee on Merchant Marine and Fisheries or a duly authorized subcommittee thereof may consider in relation to the merchant marine in Alaska; and (3) such inquiry as said committee or said subcommittee may consider important or pertinent to the merchant marine or fisheries of the United States."

THE LATE JOHN J. DOUGLAS

Mr. FLAHERTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FLAHERTY. Mr. Speaker, it is with a definite knowledge of my own limitations in that capacity that I rise in this place and in this House to pay tribute to the memory of one whose eloquent voice was often heard in this Chamber. John J. Douglas, to whose memory I have the honor today of paying this small measure of tribute, was a Member of the Sixty-ninth through the Seventy-fourth Congresses—from March 4, 1925, to January 3, 1935. A man of broad and deep scholarly attainments, an eloquent master of the spoken word, keen in discernment and debate, there are Members here who remember his cadenced and rolling periods, his vivid and vigorous imagery and his consummate artistry in the oratory of an older day.

He left here after 10 years of service for public service in his native city and gave to it all that was in him of idealism and devotion. As one who has the honor and the privilege of representing the district he served so capably and so well, I rejoice in this opportunity to spread upon the records of this body this meager and all too inadequate tribute to his memory:

In faith and in truth
Here was a man.

EXTENSION OF REMARKS

Mr. BLAND. Mr. Speaker, I ask unanimous consent that the consent given me this morning may be to extend my remarks at the point at which I extended the invitation, because the remarks refer to that particular invitation.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ENGEL. Mr. Speaker, I renew my request to extend my remarks in the RECORD and to include therein a speech delivered by the Honorable John C. Beukema, chairman of the executive committee of the National Seaway Council, before a joint meeting of the Harbor Commission, Kiwanis Club, and Rotary Club of Manistee, Mich. The speech exceeds the page limit, and I have here an estimate from the Public Printer.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DEPARTMENTS OF STATE, JUSTICE, THE JUDICIARY, AND DEPARTMENT OF COMMERCE APPROPRIATION BILL, 1940

Mr. THOMAS S. McMILLAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union, for the consideration of the bill (H. R. 6392) making appropriations for the Departments of State and Justice and for the judiciary, and for the Department of Commerce, for the fiscal year ending June 30, 1940, and for other purposes; and pending that, Mr. Speaker, may I inquire of the gentleman from California as to the amount of time for general debate? I would suggest we run along today on general debate.

Mr. CARTER. That would be satisfactory, I am sure, Mr. Speaker, and, perhaps, late in the afternoon we could fix a closing time for general debate.

Mr. THOMAS S. McMILLAN. Mr. Speaker, I then ask unanimous consent that the time for general debate be equally divided between the gentleman from California and myself, the debate to run along until later in the afternoon.

The SPEAKER. The gentleman from South Carolina moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6392; and pending that motion, asks unanimous consent that the time for general debate be divided equally between himself and the gentleman from California. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The SPEAKER. The question is on the motion to go into the Committee of the Whole House on the state of the Union for the consideration of the bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6392, with Mr. COOLEY in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. THOMAS S. McMILLAN. Mr. Chairman, I yield myself 30 minutes.

The bill pending before the House today is one making appropriations for the State, Justice, and Commerce Departments for the fiscal year 1940. Heretofore appropriations for the Labor Department were made a part of this measure but, because of the growing complexity of the work and the burdens that were imposed in endeavoring to arrive at a fair appraisal of the operating needs of all these Departments, it was decided by the chairman to eliminate the appropriations for the Labor Department, and in turn to combine them with the appropriations for the Social Security Board.

The report accompanying the bill gives, I think, a very detailed explanation of the action taken by the committee on the various paragraphs appearing in the bill. I am sure the membership of the House would not desire me to give a laborious recitation of all of the reductions which we have made, so I shall confine myself to those items I am confident will be of general interest to the entire membership.

The bill carries a total appropriation of $121,400,000, an increase of approximately $26,700,000 over the appropriations for this year, but a reduction of nearly $3,000,000 under the Budget estimates. With reference to this total increase, amounting to more than $26,000,000, it should be pointed out that approximately $20,000,000 of this sum is made necessary by the taking of the Sixteenth Decennial Census. The total cost of the census field work and the statistical compilation will amount in all to $45,200,000. The amount contained in the bill for this year will be used almost exclusively for the expense involved in enumerating population and the filling out of the questionnaires. Aside from this increase of $20,000,000, we have felt of necessity to provide approximately $3,000,000 additional for the Bureau of Prisons, the necessity for which I shall advert to later in my remarks.

Before taking up any of the appropriations for the individual bureaus or units within the three departments, I do want to make reference to the subject of detailing employees from one division to another within a department or from one division in one department to another department. Two years ago our subcommittee called attention to this practice and suggested that the law which permits the assignment of employees from one unit to another for a period of not to exceed 120 days, subject to renewal for a like period, had for its purpose facilitating administration when an emergency arose that could not have been contemplated at the time the Budget estimates were submitted. It never was the intent of Congress that the law sanctioning these assignments should be abused to the extent of being availed of as legal authority for the permanent transfer of employees from one place to another.

In spite of the committee's representation in this regard, the practice of making these permanent details still continues in some departments. In many instances the detail has continued for several years. Details have been made to the White House and even to congressional committees. I want to go on record now—and I know I express the unanimous conviction of my subcommittee—as stating that this practice will not be allowed to continue. Substantially the only control that Congress has over administrative agencies is through the power of appropriation, and if I have anything to do with it I intend to see that employees provided for a given purpose are used for that purpose, and that purpose alone. Otherwise, why require a break-down for specific appropriations by Congress?

Mr. Chairman, before I proceed with the detailed items covered in the bill, I pause at this point to express my profound thanks and appreciation to the members of my Subcommittee on Appropriations, who have labored so sincerely in aiding the chairman of this subcommittee to present this bill today. On the Democratic side we have the gentleman from Illinois [Mr. McANDREWS], the gentleman from Michigan [Mr. RABAUT], the gentleman from Florida [Mr. CALDWELL], and the gentleman from North Carolina [Mr. KERR], and on the Republican side my very distinguished colleague, who came with me in the Sixty-ninth Congress, the gentleman from California [Mr. CARTER], and the gentleman from Nebraska [Mr. STEFAN]. This bill has been prepared and presented to you without the slightest taint of partisanship in any way. We have worked hard, and I am grateful to these colleagues for their very fine spirit of cooperation in helping me today to present this bill, unanimously.

Also, I pause to express my thanks to our friend Jack McFall, clerk of the committee. Jack is one of these boys who has been around Congress for many years, and as he grows in age, so does he grow in stature as a member of the staff of the Committee on Appropriations. [Applause.] We are grateful to him for his very fine cooperation and aid in the presentation of this bill.

DEPARTMENT OF STATE

With the world in the troubled state that it is it becomes increasingly important that we turn our thoughts to implementing our State Department with sufficient personnel to keep us accurately informed of developments abroad. After going through the requests of the State Department for appropriations, item by item, we have allowed increases over the current year's appropriation amounting to $1,326,000. The items entering into this increase are scattered throughout the bill and involve both the Department of State proper in Washington and the Foreign Service in the field. It is interesting to observe that the amount expended for light in the Foreign Service increased $50,000 this year over the previous year, the increased expense being attributed almost entirely to the night work being performed by our representatives abroad.

It is with particular satisfaction that I note that the President under his reorganization plan No. 2 proposed to consolidate all of our foreign services, namely, those of the State, Commerce, and Agriculture Departments, under one head. Three years ago I made a tour of Europe visiting some 30 of our missions over there and upon returning I filed a report with the committee in which I recommended the consolidation which the President now proposes to make. There is no question in my mind but that large economies will result from this merger, to say nothing of the increased efficiency that must inevitably follow.

The committee has allowed 10 additional Foreign Service officers with the understanding that if, under the terms of the consolidation just referred to, it is found that their services are not absolutely essential, the money for their salaries will be allowed to revert to the Treasury. Funds to the extent of approximately $100,000 have been approved to make promotions of certain clerks, both American and alien, in the Foreign Service. I think the House would be interested to know that the evidence before the committee indicates that some American clerks have gone as long as 17 years without a promotion of any kind. I am confident that Congress with knowledge of such facts would never countenance such a situation to continue.

Last year Congress authorized an appropriation of not to exceed $1,000,000 annually for the construction of buildings for our Foreign Service abroad. We are recommending the appropriation of $500,000 for this purpose, with an additional contractual authority of $200,000. The larger part of this sum will be expended in South and Latin American countries.

The situation which arose in China 2 years ago emphasized the need for an emergency fund for the State Department to be used in the protection of American citizens abroad. Such emergencies cannot, of course, be anticipated; but when they do arise, prompt and effective means must be taken if American lives are to be safeguarded. The committee recognizes the desirability of such an emergency fund and has, therefore, inserted in the bill language that will permit the use of not to exceed $500,000 of any of the funds appropriated by the State Department for the protection of the lives of American citizens in any foreign country when the President shall deem that an emergency exists.

I want to pay a tribute in passing to the character of the administration of this Department. When we consider that the net cost to the taxpayer of the services of our State Department in the matter of foreign relations is only about $11,000,000, allowance being made for fees accruing to the Government from their activities, one can but feel that we are truly "getting our money's worth" in the administration of the State Department.

DEPARTMENT OF JUSTICE

I shall now direct a few remarks to the appropriations for the Department of Justice. We are increasing the appropriation from $46,270,000 for the current year to $52,745,000 for 1940, an increase of nearly $6,500,000. I should just like the Members of the House to get a copy of the committee

report on the bill and look in the extreme right-hand column. It will be noted that in nearly every item the committee has made some reduction. We have used the pruning knife where we felt that we could do so without seriously affecting the operations of our legal machinery, and after much arduous toil we were able to reduce the Budget estimates by approximately $1,150,000.

Just why is this sizeable increase of $6,500,000 necessary? Because, ladies and gentlemen, we continue to pass laws creating additional Federal crimes, which in turn make necessary the appointment of additional law-enforcement officers. From then on the whole process is a vicious circle—more criminals are apprehended, more district attorneys are needed to prosecute, more marshals are needed, then additional judges must be appointed. After the additional judges, more witness fees are needed, more clerks of courts, more bailiffs, and then, last but by no means least, more penal institutions and more personnel to operate them. The evidence before our committee indicates, for instance, that every time an additional judge is appointed there is an additional cost running throughout the entire department of approximately $125,000 annually. I mention all of this solely to convey to you that we must not inveigh too much against the administrative units that are engaged in spending the taxpayers' money but rather, perhaps, we should stop and take stock of our legislative action and decide whether we should continue to place additional burdens on the administrative agencies which, in turn, compel them to ask for additional funds if they are to carry out their duty of enforcing the law—a duty which we have imposed upon them.

This year appropriations are contained in the bill for the appointment of 22 additional judges. As I have indicated, that is just the initial cost. Practically every item in the bill must be stepped up proportionately in order to take care of the work load that follows. So, in the Tax Division, Criminal Division, Administrative Division, Claims Division, the Bureau of Investigation, and other offices under the Attorney General, increases have been approved in varying amounts right down the line. I, for one, want to see our appropriations reduced rather than increased year by year as they have been since 1933, but I will not be a party to arbitrarily making reductions in appropriation items when I know that the effect of such action will be to stultify the orderly processes of law enforcement.

Federal Bureau of Investigation

I come now to the question of the appropriation for the Federal Bureau of Investigation. The Budget approved an estimate of $7,000,000 to operate this agency during the next year. This amounts to an increase of approximately $500,000 over the amount available for the general purposes of the Bureau during 1939. We are recommending to the House that the entire amount of the Budget estimate be allowed. I wish I felt at liberty to take the time of the House to go into detail in the matter of the oppressive burden of work that continues to confront this Bureau. I might mention as one element of important evidence that it is estimated that more than 1,000,000 hours of overtime will be performed by the employees of the Bureau during the current fiscal year. The agents of the Bureau are carrying an average case load at the present time of 18½ cases, whereas during the past year they carried 16 cases per man; evidence before the committee indicates that 10 cases is the maximum load that should be carried for efficient investigative operation.

There are at the present time 6,682 unassigned cases—cases which for want of adequate investigative personnel have been simply docketed as cases and nothing done about them. In these cases, of course, delay causes evidence to disappear; and if and when the cases can be taken up, the lot of the investigator is made that much more difficult.

In the Bureau at Washington there has likewise been a tremendous increase in activity and service required to be rendered. The fingerprint file has now grown to the amazing total of 10,300,000 sets of fingerprints, or nearly 1,400,000 over the number on file in 1938. Of this total number of prints, over 2,000,000 are of the noncriminal variety—so-called civil fingerprints. Recently the President and the Vice President have taken the lead in having their fingerprints taken, and that, in turn, has awakened an interest throughout the country in the matter of civil fingerprinting—all of it done on a voluntary basis.

Testimony given by Director Hoover established the fact that other divisions within the Department of Justice have been calling upon the Bureau for services of agents in order to conduct various types of investigations. In one instance over 100 agents were called from their regular tasks and assigned to make certain investigations which could not be construed to be of an emergency nature. The result of this development has been that deficiencies in appropriations have been created from time to time, much as all of us would like to avoid them.

As a means of avoiding these deficiencies in the future, the committee has indicated to Director Hoover that hereafter before any agents are assigned to any work other than that which arises in the normal routine, an order in writing from the Attorney General directing such assignment should be required.

In addition to the allowance of the $7,000,000, which I have just made reference to, the committee has set up a special paragraph of appropriation of $300,000. It is our purpose to limit the use of this fund to kidnaping, extortion, bank robbery, and espionage cases. Let me just cite an example of a situation that the Bureau has been running into. For the 5 years preceding 1938 there was an average of 35 espionage cases per year; in 1938 there were 634 such cases, or an increase of 599 over the previous year. This tremendous increase could not possibly be anticipated; and yet, once arising, means must be found to cope with it. We feel that with this additional $300,000 which we have allowed—its use subject to release only by the Attorney General—the Bureau will be able to conduct its activities with a reasonable degree of efficiency during the fiscal year 1940.

Under the terms of an Executive order of the President all employees of the Federal Bureau of Investigation, other than the special agents, were placed under civil service, effective on February 1 of this year. The committee is informed that at the present time the status of the special agents is in abeyance, so to speak, as the question as to whether they will or will not go under civil service is in the hands of a special committee created by the President to pass on this and similar matters.

For the past several years this Bureau has been a model of operating efficiency; even the Civil Service Commission has admitted that the personnel possesses a high standard of capability. I for one am a firm believer in the civil-service system, and only last year the committee placed one of the units of the Department of Justice under the operation of civil-service laws and regulations. I do believe, however, that we should not confound theory with condition. Here we have a unit, the employees of which possess remarkably high standards. As an organization the Federal Bureau of Investigation maintains an esprit de corps that is second to none in the Federal Government. Politics have never governed the selection of these employees. They have been employed only after a painstaking investigation of the family, life, background, and habits of each of them. Bearing these facts in mind, I am unable to see what the Government can possibly gain by applying a series of set rules and regulations which will compel, automatically, the employment of those that qualify from an academic standpoint without applying any determinants of character and selectivity. The subcommittee is unanimous in feeling that none of the employees of the Federal Bureau of Investigation should be under civil service. Accordingly it has placed a limitation in the bill denying the use of any of the funds for the payment of any civil-service employees.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield for information?

Mr. THOMAS S. McMILLAN. Yes.

Mr. ROBSION of Kentucky. I assume that an explanation was given before the gentleman's committee of what brought about this tremendous increase in espionage cases.

Mr. THOMAS S. McMILLAN. Yes; there was information given the committee, but it was of a confidential character, to a great extent, and the gentleman will not find very much about it in the printed hearings. As a matter of fact, as the gentleman knows, much of the more serious work done by the Bureau of Investigation is of a highly confidential character.

Mr. LEWIS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. THOMAS S. McMILLAN. Yes.

Mr. LEWIS of Colorado. To inquire of the gentleman whether the $7,000,000 is enough to carry on this excellent work of the Bureau of Investigation. I think we are all agreed that is one of the most efficient and most necessary and best administered bureaus in the Government.

Mr. THOMAS S. McMILLAN. I agree with the statement the gentleman just made as to the efficiency of the Bureau of Investigation. They have done a marvelous job, and are doing a marvelous job. I regret to say, however, that this is the amount estimated for by the Bureau of the Budget. I may say to the gentleman that the estimates submitted to the Budget from the Bureau were in excess of $8,000,000. However, the committee has endeavored in practically every instance to confine itself within the estimates of the Bureau of the Budget.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. THOMAS S. McMILLAN. Mr. Chairman, I yield myself 30 minutes additional.

Mr. LEWIS of Colorado. If there is any case when exceeding the Budget would seem to be justified, it is in this very excellent Bureau.

Mr. THOMAS S. McMILLAN. I may reply by saying that I have great sympathy with the gentleman's views.

Mr. LEWIS of Colorado. Mr. Chairman, will the gentleman yield further for an additional question?

Mr. THOMAS S. McMILLAN. Yes.

Mr. LEWIS of Colorado. Are the fingerprints taken of those of us who were in the Army in the World War available to the Bureau of Investigation?

Mr. THOMAS S. McMILLAN. In reply to the gentleman's inquiry, all of the fingerprinting of the Army, of every character since fingerprints have been taken by that service, have been transferred to the Bureau of Investigation.

Mr. LEWIS of Colorado. I thank the gentleman.

Antitrust Division

Mr. THOMAS S. McMILLAN. The committee has allowed an increase of approximately $500,000 for the Antitrust Division. Evidence was presented to us indicating that there are some notorious violations of the antitrust laws which should be cleaned up, and that the only way this can be accomplished is by an augmentation of personnel. I might suggest that the Members refer to page 164 of the hearings accompanying the bill. There you will find a series of cases by number with a statement opposite each number indicating what certain industries are doing in direct violation and contravention of the antitrust laws. The names of the industries involved in these charges are, of course, confidential. With the additional sum granted it will be possible for the Antitrust Division to set up regional offices throughout the United States and proceed with dispatch to institute necessary investigations and prosecutions.

Bureau of Prisons

I could talk to you for an hour about the problem of our penal institutions, but time forbids more than a passing reference. Our penal system has had an amazing growth in the past few years. Approximately $14,000,000 is being expended now out of emergency funds to complete a building program of additional reformatories and jails. We have over 18,000 prisoners in our various institutions this year. The growth in our prison population may be explained generally by three factors: First, laws creating new crimes and extending the scope of existing Federal crimes; second, increased judicial activity; third, longer sentences. As I stated in the outset of my remarks, we have been compelled to increase the appropriations for the Prison Bureau by over $3,000,000 for next year. Director Bennett has told the committee that if the present annual increase in the number of Federal prisoners continues, it will be necessary for us to build on an average of one institution per year to house the increased prison population.

The committee has consolidated the appropriations for the different institutions that were heretofore carried separately. This will afford greater administrative elasticity and will permit some savings to be made in operation.

We are endeavoring to reduce the working hours of prison guards. Several years ago they worked a straight 10-hour day and a 70-hour week. Gradually that has been reduced to a 52-hour week, and within another year it is hoped that we may be able to establish a straight 8-hour day for these custodial officers.

Law clerks for district judges

In 1936 Congress authorized the appointment of law clerks to Federal district judges. Since that time repeated efforts have been made to provide an appropriation for these employees, but without avail. In the Budget for 1940 funds were approved therein for the appointment of 40 of these law clerks.

I say to you that there is no need for deceiving ourselves about this matter. This is another "camel's nose under the tent" proposition. Just as soon as we allow this first increment of law clerks, then may we just as well open the floodgates and appropriate for a law clerk for each of the 189 district judges. The entire estimate for the appointment of law clerks has therefore been disallowed. At the same time the committee is not unmindful of the fact that in certain judicial districts where the work load is particularly heavy the standard of judicial decision would be improved if the services of law clerks were available. As a means of affording some relief in such districts, the committee has inserted language in the bill which will permit the employment of a combination stenographer and law clerk at a salary of not to exceed $3,600 per year. The Court of Customs and Patent Appeals here in Washington has five employees possessing dual qualifications as a stenographer and a licensed lawyer. We have left the operation of this matter to the individual judge. If he desires to continue as at present, with a stenographer-secretary at a salary of not to exceed $2,500 per annum, he may do so. If, on the other hand, he chooses to avail himself of the permissive language which we have inserted, he may hire a stenographer-law clerk at a salary not to exceed $3,600 per annum. In no event, however, shall more than one employee be allowed to any one district judge.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. THOMAS S. McMILLAN. I yield.

Mr. WALTER. Who will determine which judge is entitled to the $3,600 clerk-stenographer?

Mr. THOMAS S. McMILLAN. The judge himself.

Mr. WALTER. Does anybody pass on his recommendation?

Mr. THOMAS S. McMILLAN. No, sir.

Mr. WALTER. If a judge decides he needs a clerk-stenographer he can request it and have it granted to him?

Mr. THOMAS S. McMILLAN. The bill authorizing the appointment of law clerks provides that the senior circuit judge should make recommendation as to the need for law clerks. In my judgment his recommendation should likewise be required before the appointment of these stenographer-law clerks is made.

Mr. BROOKS. Mr. Chairman, will the gentleman yield there?

Mr. THOMAS S. McMILLAN. I yield.

Mr. BROOKS. That means, in effect, that any judge or every judge is entitled to that same clerk-stenographer; is that correct?

Mr. THOMAS S. McMILLAN. It is not a clerk-stenographer. It is a stenographer-law clerk.

Mr. BROOKS. Yes; law clerk-stenographer.

Mr. THOMAS S. McMILLAN. Yes.

Mr. BROOKS. So that it would cover any judge in the United States?

Mr. THOMAS S. McMILLAN. Yes; as long as the appropriation is available. We carry $50,000 in this bill for that purpose.

Mr. BROOKS. How many will that cover?

Mr. THOMAS S. McMILLAN. It takes care of the 40 districts where it has been estimated by the Budget that this character of service is desirable.

Mr. WALTER. Will the gentleman yield further?

Mr. THOMAS S. McMILLAN. I yield.

Mr. WALTER. Is it within the contemplation of the committee to provide that sort of employee in each case where the Committee on the Judiciary felt that clerks should be appointed?

Mr. THOMAS S. McMILLAN. I would think so, I may say to the gentleman, as the exigencies of the occasion demand from year to year.

DEPARTMENT OF COMMERCE

Next I come to the Department of Commerce. We are allowing an increase of approximately $18,900,000 over the 1939 appropriation for the Department of Commerce. We have reduced the Budget estimates, however, by approximately $400,000. As I have already explained, the entire increase that we have allowed is more than made up by the amount we have placed in the bill to begin the program of taking the sixteenth decennial census.

You will recall at the outset of my remarks, I stated the total expenses estimated for the decennial census is $45,200,000 on a 2-year program. This will take care of the first year's program under that estimate.

Bureau of foreign and domestic commerce

Under the appropriations for the Bureau of Foreign and Domestic Commerce, we have made some slight changes in the estimates. We have added, for example, $37,000 over the Budget for the district and cooperative offices. The Budget had proposed a reduction of $10,000 for next year under the 1939 appropriation. We hear on every hand, "What are we doing to help business? Here, gentlemen, is one of the places where for a dollar expended you can bring back that amount perhaps a hundred times over to business in the form of increased financial returns. The district and cooperative offices of the Bureau of Foreign and Domestic Commerce are located throughout the country and serve as a point of contact for business and industry. Information is supplied by these offices. I will mention to you the trade opportunities that were distributed to business organizations by these offices in 1938. I may say parenthetically that trade-opportunity reports are what their name implies, namely, statistical data indicating where, when, and how industrial concerns might look for a market for their products.

Mr. SANDAGER. Mr. Chairman, will the gentleman yield?

Mr. THOMAS S. McMILLAN. I yield.

Mr. SANDAGER. Is it not a fact that European countries are engaged in a very intensive effort to get foreign trade in South America?

Mr. THOMAS S. McMILLAN. That is true.

Mr. SANDAGER. And every dollar we spend along this line will be paid back several times over?

Mr. THOMAS S. McMILLAN. I agree with the gentleman entirely. I think here is one case where the Congress can aid business and industry by maintaining such a service as this.

Two hundred and seventeen thousand of these reports were distributed in 1938, an increase of 87 percent over the previous year. With the comparatively small increase allowed by the committee, one additional district office can be opened and some additional personnel provided to strengthen existing offices.

Census Bureau

Under the Bureau of the Census, in addition to making provision for the first year of the 2-year decennial census program, we have approved a Budget increase of $20,000 over this year's appropriation for compiling old-age census records. Because of the unprecedented number of our citizens applying for authoritative information regarding their age, for purposes of social security, the Bureau has been unable to keep abreast of the work and give expeditious reply to the inquiries. At the present time over 70,000 applications for age information are on file. People sometimes wait for 6 months before they are able to procure proof of their age to establish their right to social-security benefits. We are hopeful that with the increase that is allowed this arrearage of work may be considerably lessened.

Bureau of Marine Inspection and Navigation

Under the Bureau of Marine Inspection and Navigation, we have allowed a very small increase of approximately $11,000, in order that some additional technical personnel may be added to carry on the work incident to insuring safety of life at sea. Regular inspections of vessels in all of our waters are made with a view to protecting the traveling public and plans for vessel construction must be approved by the Bureau in order to insure the installation of reasonable safety features.

National Bureau of Standards

We have allowed increases amounting to $50,000 in the various appropriations for the Bureau of Standards in order that some additional studies may be instituted which are designed to be of economic benefit to the public, in general, and to business, in particular. A program of adopting standards for certain manufactured commodities entering into our South American trade will be undertaken in cooperation with the Bureau of Foreign and Domestic Commerce with the hope that by the establishment of uniform standards, importers in South America will be encouraged to purchase American-made goods.

We have saved $165,000 by eliminating an item for the purchase of land adjoining the present Bureau of Standards property. Here, again, was an item that could be considered as desirable but not necessary. With that thought in mind, we eliminated the appropriation from the bill.

Bureau of Lighthouses

The amounts allowed for the Bureau of Lighthouses show a reduction of approximately $100,000 under the 1939 appropriation. The Lighthouse Service was one of the first agencies established in the Federal Government. It has a long and distinguished history. I know the House will join with me in applauding a record which indicates that in spite of the fact that appropriations have been reduced since 1932 from $12,100,000 to $11,740,000, the Bureau at the same time has increased the number of aids to navigation which they are operating and managing from 21,500 to 29,000.

Coast and Geodetic Survey

The committee has approved increases totaling approximately $100,000 over the present year's appropriation for the Coast and Geodetic Survey. Included in this figure of $100,000 is an increase of $11,500 over the Budget estimates for a resurvey and sounding of the Boston Harbor. Several wrecks have occurred around the entrance to the harbor at Boston in recent years and the committee feels that this project should not be deferred any longer. It will be necessary to provide approximately this same amount next year in order to complete the work. This Bureau is operated as a commissioned service with the same privileges and perquisites as the Army, Navy, and Coast Guard.

The Coast and Geodetic Survey performs the most essential function of charting highways on the sea, in coastal waters, and in the air. The demand for both nautical and aeronautical charts has increased with rapid strides. For example, it was testified that in 1937 they produced 5,000,000 aeronautical charts; during this year it is expected that the number will increase to 12,000,000, an increase of 140 percent

in 2 years. This is one of our modest but most efficient services.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield at that point?

Mr. THOMAS S. McMILLAN. Certainly.

Mr. MURDOCK of Arizona. I heartily approve of this increase. I wish it had been more. It occurs to me that the ignorance of the people concerning our own country is astounding. I would have the Geodetic Survey, coupled with the Geological Survey, map on land and from the air the entire surface of the country, especially the Rocky Mountain area. We find in road building, in reclamation projects, and many other ways that we do not have accurate topographic information.

Mr. THOMAS S. McMILLAN. I may say to the gentleman, in reply, if he will look at our report, he will find reference where we recommend that emergency funds be made available for the very purpose which the gentleman has directed to our attention.

Mr. MURDOCK or Arizona. It is a wartime need also, as well as for peacetime use.

Mr. THOMAS S. McMILLAN. Yes. The committee is entirely in sympathy with the gentleman's views.

Bureau of Fisheries

We are proposing to increase the appropriation for the Bureau of Fisheries by only $10,000 in round numbers over the current year's appropriation. Last year the Bureau produced over 8,000,000,000 fish for stocking rivers and ponds. The provision is made for the construction of the last of the three hatcheries authorized by Congress. We are likewise making provision for the purchase of eight additional fish distribution trucks. Up to the last year or so the Bureau has been transporting fish by railway car. The expense of constructing and maintaining these cars was very considerable—$75,000 for the construction of the car alone. The distribution trucks can be purchased for approximately $2,000 each and are more effective in providing a speedy distribution of fish from the hatcheries.

We have added $10,000 to the Budget estimates to permit the employment of persons to prepare radio material for broadcast to fishermen from local stations. Many of our people engaged in fishing live in remote localities and their only medium of contact with the outside world is through the radio. It is the thought of the committee that periodic broadcasts can be made bringing them advice on market conditions, fish catch, and so forth, that will assist them from a financial standpoint.

Funds sufficient to purchase two speed boats for patrol service in Alaska have been approved and, likewise, $20,000 for the construction of a laboratory boat to be centered in southeastern Alaska and devoted to studies of the salmon and herring industry.

As is the case with the Bureau of Lighthouses, the Bureau of Fisheries has likewise reduced its appropriation by approximately $800,000 over the past 6 years, and yet in spite of this decrease, they have been able to increase their production of fish during the same period by approximately 25 percent. I consider this record one worthy of commendation.

Mr. BROOKS. Mr. Chairman, will the gentleman yield further?

Mr. THOMAS S. McMILLAN. I yield.

Mr. BROOKS. I am interested in that part of the bill, but if I may go back a little, covering the money appropriated for the marshal's office, I notice there has been an increase in that amount. Will that inure to the benefit of the individual deputy marshals or will that be used to increase the force?

Mr. THOMAS S. McMILLAN. No; these funds are for additional deputies for the 22 new district judges.

Mr. BROOKS. It has been my experience that the deputy marshals were very much underpaid. With the attempt of the Attorney General to better the service it seems to me a corresponding increase would be in order.

Mr. THOMAS S. McMILLAN. In all frankness, I may say to the gentleman from Louisiana that in the past 2 years we have provided funds directly appropriated for the purpose of increasing the salaries of the deputy marshals.

Mr. MURDOCK of Arizona. Will the gentleman yield further?

Mr. THOMAS S. McMILLAN. I yield.

Mr. MURDOCK of Arizona. I am also interested in adequate pay for deputy marshals. A little earlier I noticed the gentleman said something about an increase in the force for taking care of the census returns. One thing especially has been called to my attention, and that is the fact that old people who have reached the age of 60 or 65 years, natural-born American citizens, cannot prove that fact. We certainly ought to have more definite information in the hands of the Census Bureau and more facilities for making that available now in this period of beginning social security.

Mr. THOMAS S. McMILLAN. I may say to the gentleman, as I stated a moment ago, the committee allowed the Budget estimate, increasing this appropriation for the Bureau of the Census by some $20,000. It is in there for that very purpose. I think the information which the committee had was that there are some 70,000 such applications now on file in the Census Bureau awaiting the attention of the officials there. This additional appropriation is absolutely necessary to provide that service for those eligible for social-security advantages.

Mr. BLAND. Mr. Chairman, will the gentleman yield?

Mr. THOMAS S. McMILLAN. I yield.

Mr. BLAND. Has the gentleman's committee taken into consideration the fact that employees of lightships along the Atlantic and Gulf coasts are paid smaller wages than like employees on the Pacific coast? Has the committee done anything to equalize these payments?

Mr. THOMAS S. McMILLAN. The question was discussed in the hearings, and we have assurances from the Bureau that careful consideration will be given this question during the year.

Mr. BLAND. I think something more than just careful examination should be given this, because these men on the Atlantic and Gulf coasts work just as hard as those on the Pacific coast.

Mr. THOMAS S. McMILLAN. We are assured that the question will receive careful consideration. I agree with the gentleman's views.

Patent Office

I am always pleased for two reasons when I come to the Patent Office section of the bill; first, because it is the end; and, second, because it is the only agency carried in the bill outside of the Passport Division of the State Department which operates at a profit.

Every year but one since 1933 the final audit of receipts has reflected the fact that patent fees have more than offset the entire cost of administering the Patent Office. While I do not intend any invidious comparisons, I do think that it is proper to observe that for each of the 11 years preceding 1933 an operating deficit was incurred ranging anywhere from $85,000 to $827,000 per year. The work of the Patent Office continues to increase, but the status of the work is in not as healthy condition as was the case 3 or 4 years ago. Several of the examining divisions are falling behind in their consideration of patent applications, and if there is not some let-up in the number of new applications being received it is entirely possible that some additional funds will have to be allowed the Patent Office in order that it may render to our inventors the reasonable service to which they are unquestionably entitled.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. THOMAS S. McMILLAN. I yield.

Mr. MURDOCK of Arizona. I hate to interrupt so much, but I have had repeated complaints about the expense of securing patents. I wonder if we are giving proper encouragement to the inventive genius of America? I agree

with the gentleman's remark that we want to protect the investors, but do we not also want to protect inventive genius?

Mr. THOMAS S. McMILLAN. I have reference to inventors, not investors. I am sorry the gentleman misunderstood me.

Mr. MURDOCK of Arizona. Inventors are a class of people we do want to protect. It is so difficult to get a patent or proper reward for such efforts.

Mr. THOMAS S. McMILLAN. The gentleman is correct.

Although the appropriation for salaries has been increased by $160,000, it will not permit any additional personnel to be employed, inasmuch as this entire sum will be taken up by the costs of reallocation of patent examiners made by the Civil Service Commission.

After continued insistence by the committee, the cost of printing required by the Patent Office and done at the Government Printing Office has been reduced by approximately $100,000 per annum.

Mr. Chairman, I have already consumed much more time than I had intended. However, I have endeavored to give you briefly a general picture of the administration of these three great departments of our Government. I hope you will sustain your committee in the action we have taken. [Applause.]

[Here the gavel fell.]

Mr. THOMAS S. McMILLAN. Mr. Chairman, I yield to the gentleman from Missouri [Mr. COCHRAN] such time as he may desire.

Mr. COCHRAN. Mr. Chairman, I am taking a peculiar pleasure at this time in delivering these remarks relative to the Federal Bureau of Investigation and Bureau of Prisons' activities of the Department of Justice, whose appropriation bill for the next fiscal year is now before us. I have taken a personal interest in the work of these two agencies for a number of years. It is only reasonable that I should, because I happen to be coauthor of the Federal Kidnaping Act and author of the Extortion Act. Prior to the enactment of those laws little was heard of the Bureau of Investigation, as its activities were confined in the main to enforcing the Banking Act, Automobile Theft Act, the White Slave Act, and thefts in interstate commerce. Today the F. B. I., as it is known, under the able leadership of J. Edgar Hoover, is as well, if not better, known than any other Government agency. This is because the passage of the Federal Kidnaping Act served not only to throw the work of the F. B. I. upon a national and international screen, but it also elicited qualities of intelligence, resourcefulness, courage, and character on the part of the members of this organization, which has resulted in bringing a sense of security to the men, women, and children of the country that they did not possess at the time of the passing of the Kidnaping Act.

A few figures will serve to highlight the work of the F. B. I. in these kidnaping cases. Since the passage of this act these men have worked on 154 cases involving this heinous crime. The results have been startling. All but two of the cases have been completely solved, 298 individuals have been convicted, 11 death sentences have been imposed, as well as 42 sentences of life imprisonment, and a total of 3,560 years of prison sentences have also been the result of their efforts. I have no doubt but that it will only be a matter of time when the two remaining cases will be solved, thus enabling this Bureau to maintain a clean slate so far as violations of the Kidnaping Act are concerned. This is only one of the activities of the F. B. I. As I have indicated, however, it is the activity that has come closest to me and one which I have observed with the greatest interest.

I think in considering appropriation figures for this Bureau that Congress may well compare crime conditions as they existed approximately 7 years ago and as they exist today. At that time the country faced problems involving seemingly widespread criminality in all sections of the country. Desperate criminals appeared to have gained the upper hand, because of swift modes of transportation and because local police authorities were unable to follow criminals who could strike and disappear from the local scene. Something akin to demoralization affected the law enforcement organizations of the country at large. It was at that time that Mr. Hoover and the F. B. I. commenced to demonstrate their real value to the peace-loving, law-abiding citizens of the country.

I have spoken of kidnaping. I might well speak of other crimes such as extortion and bank robbery. Apparently some years ago the banking institutions in various sections of the country were at the mercy of these modern exponents of the art of hold-up. A few figures might here serve to illustrate the efficiency of this Bureau better than any encomium that I could express. During 1934 there were 417 bank robberies with a total loot of approximately $2,000,000. In 1938 there were 116 bank robberies and the loot totaled approximately one-half million dollars, representing a reduction of over 72 percent in such cases. As a result of the activities of the F. B. I., assisted by the cooperative efforts of State and local police agencies in bank robbery cases, insurance rates have been reduced in the past 2½ years by 30 percent in most of our States. There can be no better gage of the work of the F. B. I. in cases of this kind than the cold, factual insurance rates, which reflect no sentiment but the hard business judgment of those engaged in this line of activity.

I have referred purposely to these types of cases, the two indicating that this Bureau has made the country safe so far as the personal lives of its citizens are concerned, and the other reflecting that the products of the toil of the country's citizenry have also been rendered substantially more secure.

Just one more instance of the protective guidance and the functioning of this Bureau. As an instance I might cite the initiation by Mr. Hoover and the development and remarkable success of the National Police Academy of the F. B. I., which was started in July 1935. Its purpose has been to inculcate all of the law-enforcement wisdom and scientific lore developed by the Bureau into the minds of law-enforcement officials and organizations in all parts of the country. In other words, all that the Bureau knows, all that it has demonstrated in proven efficacy along law-enforcement lines, has been and is being placed by them at the disposal of law-enforcement officers in all sections of the country, including our largest cities and smallest hamlets. There have been to date 334 graduates, who have returned to their individual sections of the country to transmit to their fellow officers the latest policies and scientific procedure in law enforcement. This has made and this is making our country a safer if not a better place in which to live. This exemplifies that the Federal Bureau of Investigation is, as I have said, not an organization engaged in work which will redound to its own advantage, but one that is ardently desirous of effecting the fullest possible cooperation with law-enforcement officials and organizations in all parts of the country and in all parts of the world. Everything that these men know they have proven themselves only too glad to impart to their less fortunate members of the law-enforcement fraternity elsewhere.

It may be thought that the American people are paying for this protection. Even though that statement were true in all its implications, it would still appear to me to be a true and proper economy.

The safety of the men, women, and children of the country is beyond all computation of monetary costs. However, I would like here to remind my colleagues that this Bureau has proven itself a money-earning as well as money-saving institution. Last year it cost $6,200,000 to operate the Federal Bureau of Investigation. During the same period the total fines imposed, savings and recoveries of property, such as automobiles, ransom money in kidnaping cases, stolen jewelry, stolen bonds, and the like, totaled over forty-seven and one-half million dollars, the country thus receiving over $7.50 for each $1 appropriated for the use of this Bureau.

I believe it only fitting that at this time this tribute be paid to Mr. Hoover and his able and loyal associates.

BUREAU OF PRISONS

Mr. Chairman, I also take a keen interest in the work of the Bureau of Prisons. When the Public Works appropriation was being debated on the floor of this House last year—May 12, 1938, CONGRESSIONAL RECORD, page 6825—I called the

attention of the Congress to the rapidly increasing number of Federal prisoners and to the needs of the Federal prison system for additional prison facilities. In the course of my remarks I expressed the hope that the President would see fit to allocate to the Prison Bureau a sufficient appropriation to enable it to overcome the serious overcrowding which existed in its penitentiaries. I am glad to note from the hearings on this bill that the President approved the grant of about $14,000,000 to construct some additional penal and correctional institutions and to provide additional facilities at the existing institutions. That was, it seems to me, a very prudent and forward-looking thing for him to do. Not only did it help to accelerate employment, but it was an investment of Federal funds which would have had to be made in any event. It is a concrete example of the fact that funds spent for sound public improvements of this kind cannot be considered as merely spending for pump-priming purposes. It is the sort of public improvement that every economist would approve as a sound investment.

The Members of this House ought also to note that all of the work authorized by this grant, embracing some 40 different projects, was all under way within 60 days from the date the money was made available. Sites were selected, titles cleared, plans completed, and contracts let within a period of 2 months. This was a big job, considering the size of the projects and the need for allowing bidders sufficient time to figure each job. The Prison Bureau had the very efficient help of the public buildings branch of the Treasury Department. Admiral Peoples and his assistant, Mr. W. E. Reynolds, gave this matter their personal attention and worked shoulder to shoulder with Hon. James V. Bennett, Chief of the Bureau, and his staff to get this program under way. It was this sort of strenuous effort all through the Government service that has made the P. W. A. program such a great success.

The hearings show quite clearly, moreover, that the growth of the Federal prison population has not stopped. When I advocated this construction program a year ago I stated that there were then about 17,250 inmates in our Federal penitentiaries. Today there are 18,350 prisoners, which is, as you will notice, 1,100 in excess of the prison population at this same time last year. The new Federal anticrime statutes have increased measurably the load upon our Federal penal system, and until we can bring the national crime situation under control I can see little hope for diminution in the prison population.

I want to call the attention of the House to the eloquent and informative speech the President made about 4 weeks ago to the National Parole Conference, which was called by Attorney General Murphy at his suggestion. Our Chief Executive reviewed the entire activities of this administration in the field of crime control, parole, and probation. In the course of his remarks, which will be found in the Appendix of the RECORD (p. 1645) he outlined the extent to which the Federal Government had built different kinds of institutions for different kinds of prisoners, ranging from the now famous penitentiary for the most hardened offenders on Alcatraz Island to the unwalled reformatories and camps for the offenders who are less dangerous and who seem to offer real hope for becoming law-abiding citizens. He indicated his approval of the use of every known aid to rehabilitate Federal prisoners and very significantly declared that the primary purpose of the prison is to protect the public by releasing men at the end of their sentences better and not worse than when they were received.

The President also expressed approval of one phase of the Federal prison program to which I have given a great deal of personal attention, when he said that this administration had made it possible to provide useful work for those prisoners who need to learn how to earn an honest living and that this had been done without selling a dollar's worth of prison-made goods on the open market in competition with private industry or free labor. The industrial activities of the Federal prisons are under the control of the Federal Prison Industries, Inc., of which Hon. James V. Bennett is the commissioner, which was established about 4 years ago. This corporation has a board of directors consisting of one representative of industry, one representative of labor, one representative of agriculture, one representative of the consumers, and one representative of the Attorney General. This board of directors, according to its reports, establishes all of the general policies with respect to the kind and the amount of goods made in the Federal prisons. Incidentally, they will grant a hearing to any person who requests it.

I judge from their reports that the prison industries corporation has increased the number of prisoners employed in industrial shops from about 2,400 prisoners in 1935 to nearly 3,300 in 1938. During that period only a few complaints were made by free labor and private industry with respect to the manufacture of goods in Federal prisons. The board seems to have been successful in reaching satisfactory agreements in most cases. For instance, there used to be a great many complaints come to me from private shoe manufacturers in my district about the manufacture of shoes at the Leavenworth Penitentiary.

The prison industries corporation has now established a definite policy as to the amount of shoe orders they will accept and are not expanding their activities. The result has been that the number of complaints have been reduced to a minimum. I just obtained a statement from the Director of the Bureau of Prisons, showing that 1,736,181 pairs of shoes were cleared by that corporation for purchase in commercial markets. This is to be compared with the 376,000 pairs made in the Federal prison during the past year. Almost five times as many shoes purchased by the Federal Government were made by private concerns as were procured from the Leavenworth Penitentiary.

Production of shoes has been held to a prescribed rate, despite the fact that the number of Federal prisoners has been steadily increasing. This shows, it seems to me, that the corporation is doing just what the Congress stipulated it should do, when it said that the corporation must diversify the prison industrial activities and distribute them over as many different kinds of manufacturing as possible. Instead of concentrating in one line of work like shoe manufacturing as the prison population has grown, they have found other means of employing Federal prisoners.

From various reports I have received from constituents as well as from information contained in the annual reports of the Federal Prison Industries, Inc., it appears that this corporation has been one of the outstanding examples of well-managed agencies of the Government and one of the few against which the informed general public has made no criticisms. Incidentally, I wish to point out that no appropriation has been required for the operation of the industrial establishments in the Federal penal and correctional institutions since the corporation has been formed and that today it is in much better financial condition than it was at the time it was organized in January 1935.

I am glad that I had some part in the establishment of this corporation and hope that it may continue to find a solution to the extremely baffling problem of prison labor. I notice that this formerly independent organization has now been placed under the general supervision of the Attorney General, but I judge from a reading of the second reorganization order that it has been placed in the Department of Justice merely for administrative purposes and that it will follow substantially the same methods and policies as heretofore.

It is also noteworthy that one of the very effective things that has been done in recent years in the Federal prison system is the improvement of the medical service. It is also very pleasing to note from the hearings of the committee that the cooperation of the United States Public Health Service and the Bureau of Prisons has been actively and efficiently continued. This cooperative endeavor carries a great deal of significance in the all-important problem of the physical and mental rehabilitation of the offender. It is imperative to the future welfare of this country that this

problem be approached in a tactful manner, studied intelligently, and treated with professional skill. It is not enough that the mere physical illnesses of prisoners be casually treated from day to day. The problem of the cause and prevention of crime demands more for its solution than this. It demands an intelligent and scientific program for the correction of remediable diseases, disabilities, and conditions. It also demands skilled psychiatric study and treatment for the men and women sent to prison. Above all, it demands an ever-increasing search for any and all factors that may contribute to delinquency and the discovery of remedies to correct such factors.

The hospital for the insane and seriously ill Federal prisoners is located in my State near Springfield, Mo. This medical center for Federal prisoners is doing some extremely interesting work in the field of mental disease and is making through its researches a real contribution to our knowledge of the mental make-up of those who commit crimes. Its warden, Dr. Marion R. King, has a splendid reputation among the medical profession in Missouri.

I am also glad to see that the Appropriations Committee gave so much consideration to the personnel problems of the Bureau of Prisons. Many of the guards are working long hours and all of them are not receiving all of the annual leave granted them by law. I realize that the committee cannot rectify all of these conditions in a single year in view of the need for economy. I congratulate the chairman and his committee, however, for making a start in bettering the working conditions for the entire personnel of the Bureau of Prisons. From its very able Director down to the least responsible of the institutional positions it is now completely under civil service. Even the wardens and superintendents are career officers. It seems to me that this is a very wise policy, since it removes these hazardous and responsible positions from any political or partisan influence. There was but one case last year, for example, where a prison officer succumbed to bribery or influence. I can remember that not so long ago a prison scandal was not infrequent because the same morale that characterizes the present system was not present.

Moreover, the number of escapes from Federal penal institutions has been reduced to a negligible quantity. Last year less than 20 prisoners out of a total average daily population of over 18,000 escaped, and all of these were from the minimum security prison camps and farms. Not a single man escaped from within the walls of any of the penitentiaries. This is an extremely fine record if it is compared with State institutions. However, in the last analysis the prevention of escape and good prison management depend not upon tool-proof steel bars and mechanical devices but upon honest, intelligent, and courageous personnel of the type we now have in the Federal Prison Service.

I have known Mr. Bennett for many years. I congratulate him on the excellent record he has and is making and thank him especially for his cooperation for releasing to the trade nearly 2,000,000 pairs of shoes which has helped business in my city, St. Louis, as well as given work to many of my constituents.

Mr. CARTER. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. TINKHAM].

Mr. TINKHAM. Mr. Chairman, I desire to read a statement which I made to the press on Monday, and also to read a resolution which I entered in the records of the House.

Mr. Chairman, genuine neutrality, or the rule of impartial treatment of all belligerents, is the only policy that has kept and can keep a nation out of war when war comes. This policy kept a number of nations in Europe out of the World War of 1914–18, and it is the policy which is being declared by a number of nations in Europe who are determined not to be involved in the next war.

The United States became involved in the last war because she was not neutral either in purpose or in action. This fact is proved by a mass of incontrovertible evidence.

President Roosevelt and Secretary of State Hull have committed unneutral acts in Asia and have flagrantly violated the United States Neutrality Act in relation to the Far Eastern conflict. They are now committing acts of political intervention in Europe which are wholly unneutral, and, at the same time, for purposes of their own, have brought great fear of war to the United States.

Such acts of political intervention in Europe will subject the United States to a charge of bad faith in the event that war occurs in Europe and the United States does not enter the war. It is already being charged in neutral countries in Europe that the representations and interventions of President Roosevelt and Secretary of State Hull are encouraging and promoting war in Europe.

It is without reason and without intelligence for President Roosevelt and Secretary of State Hull to announce that their actions will remain "actions short of war." Abusive and threatening language, vilification, and aggressive and hostile acts, such as they have indulged in, are the very things that lead to war. A nation that follows such a course is not neutral and must inevitably become involved in war. There will be no escape from it. This is so notwithstanding the fact that today not more than 10 percent of the Members of the Congress would vote for war or favor legislation which they conscientiously believe would lead to war.

We do not need and we should not undertake to stand guard over Europe or the world. We have grave perils at home. We should be on our guard, first, to keep America American and prevent its becoming European or Asiatic; second, to prevent the establishment of a European or Asiatic dictatorship in the United States, which seems the object of the present administration; and, third, to annihilate the collectivism of communism and fascism in domestic and foreign affairs now being promoted by President Roosevelt and Secretary Hull. If American blood must be shed, it were better that it were shed on this continent to effect these purposes. [Applause.]

Joint resolution providing for the reassertion of a foreign policy of genuine neutrality for the United States

Whereas genuine neutrality, or the rule of impartial treatment of all belligerents, is the only policy that has kept and can keep a nation out of war when war comes; and

Whereas this policy kept a number of nations out of the last Great War and is the policy now being declared by a number of nations of Europe who are determined not to be involved in the next war; and

Whereas the United States was not neutral either in purpose or in action during the last Great War, which fact is proved by official documents, and was in consequence disastrously involved in the last war by a series of notes, declarations, and diplomatic interventions; and

Whereas the President of the United States and the Secretary of State have plainly and audaciously violated the United States neutrality law in reference to the present conflict in Asia and have committed unneutral acts in the Far East and acts of political intervention in Europe, which acts must inevitably lead the United States into war; and

Whereas the President and the Secretary of State, by their actions, are encouraging other countries to believe that the United States will support them in their policies and are thereby subjecting the United States to a charge of bad faith if the United States does not support their policies in the event of war; and

Whereas if war does occur in Europe the United States might well be charged, because of its representations and interventions, with having encouraged and promoted war: Therefore be it

Resolved, etc., That the Congress reassert its conviction that the only policy by which the United States can avoid war is the traditional American policy of genuine neutrality, and that refusal of the President and the Secretary of State to pursue such a policy is now leading the United States inevitably to war if and when war comes in Europe.

Mr. CARTER. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, I desire to express my sincere appreciation to the gentleman from South Carolina for the very splendid manner in which he presided over this subcommittee. He and I entered this House on the same day, and it is an unusual pleasure for me to be closely associated with him in this work on the Appropriations Committee. He is a hard worker, he is fair and just in all the deliberations of this committee. This House and this Nation owes a debt of gratitude to the gentleman from South Carolina, TOM MCMILLAN, for the very splendid services he is rendering. [Applause.] And to the other members of the subcommittee with whom I am associated I also express a word of gratitude and appre-

ciation. They are all sincere and hard working in their deliberations.

It is no easy task to form one of these appropriation bills. Various bureaus and departments come before us requesting increases in appropriations, making very splendid cases in many instances as to the desirability of the increases; but on the other hand, we have an unbalanced Budget, an empty Treasury, and the members of this committee are very hard pressed at times in knowing how to decide.

I desire to speak in behalf of what until recently was considered a virtue—a virtue which we have lost—thrift and economy.

From the dawn of history man has deemed thrift a virtue, for he discovered it to be the only path to progress. He early learned that economy is the mother of abundance. Long before man became civilized, and down through the centuries as he has discovered new lands, developed them, and made them his home, whenever man has been confronted by scarcity in the struggle for existence, he has found it both wise and necessary to save as much as possible for the future. He has always progressed by making the most economical use of what he had by making it go as far as possible in creating more and in providing for future security.

He has always sought to eliminate waste. He has learned to make the most economical use of his own labor and of the materials at his command. This and this alone has been the secret of more efficient production and the creation of plenty.

It was only by the exercise of thrift and economy that man was freed sufficiently from physical toil to have that leisure for thought which lifted him to ever higher intellectual and cultural levels—that raised him above the beasts of the fields to the realms of mental life.

What is the true significance of time and labor-saving devices, of inventions which permit greater production? Is it to enable man to be wasteful of his time and his resources, to be lazy? No. It is rather to free him from certain labors, so that he may go on to others, and thus be able to create ever more and more abundance. Only thus has man developed a culture and achieved an ever higher standard of living. Economy of time and labor and materials is the only known road to prosperity and progress. It is the highway by which civilization itself has advanced.

The same principles that he has learned to follow in his private life man has sought to apply to the affairs of government. Because he knows that he must bear the cost of government in taxes, he has sought to assure its efficient and economical administration.

One of the most significant steps in the development of representative government has been the limitation of the power of the rulers to tax and to spend. It has not been without bloodshed that men have achieved the right to determine the amount of their taxes and how they should be used. In England, the wresting of the control of the Nation's purse strings by the Parliament was one of the greatest triumphs in the limitation of the powers of the King.

The American colonists knew that the power to tax was the power to destroy. With the slogan, "No taxation without representation," they fought a revolution and achieved that representation for themselves as essential to a free people.

They knew that only under a government economically and efficiently administered would freedom be possible; that extravagance would lead to the enslavement of the people under the yoke of oppressive taxation. They realized that extravagance feeds upon extravagance and power upon power. And, recognizing this human weakness, they knew that the power over the spending of huge public sums was fully as dangerous in the hands of an elected official as in those of a despotic ruler.

In the campaign of 1932 the ideas of thrift and economy were eloquently echoed and championed by Candidate Roosevelt.

He knew then that the burden of the cost of government is borne by all of the people.

Taxes—

He declared—

are paid in the sweat of every man who labors, because they are a burden on production and are paid through production. If excessive, they are reflected in idle factories, tax-sold farms, and hence in hordes of the hungry tramping the streets and seeking jobs in vain. Our workers may never see a tax bill, but they pay in deductions from wages, in increased costs of what they buy, or in broad cessation of employment.

Candidate Roosevelt knew, too, that democracy cannot long endure save on a sound financial basis.

Too often in recent history—

He warned—

liberal governments have been wrecked on the rocks of loose fiscal policy. We must avoid this danger.

And yet today those who preach these truths are voices crying in the wilderness of extravagance, debt, and taxes. For 6 years we have mocked these virtues and scorned these eternal truths as outworn. For 6 years we have constantly clamored for Congress to spend ever more and more. Ironically, we have done so in the name of the people. Vast blanket appropriations with arbitrary power over their allocation have been the rule. The more the Government spends, the more liberal and humanitarian it is considered. Self-seeking political soothsayers have told us that we can spend our way to prosperity.

Today the fears expressed by Jefferson have been largely realized. Reports from nearly every State in the Union constantly bring fresh evidence that corruption, coercion, and intimidation have crept into the administration of relief; bureaucrats have fastened themselves like leeches upon the public pay roll, determined to perpetuate themselves in power; debt and high taxes reign—all in the name of the people. And the people are paying dearly for it.

We have forgotten the words of Jefferson that "If we can prevent the Government from wasting the labors of the people under the pretense of taking care of them, they must become happy." Instead, we demand more and more, piling deficit upon deficit, not only burdening ourselves but bequeathing to future generations a heritage of debt.

Somehow, word went around that Uncle Sam was Santa Claus. Every parent knows only too well that the expense of Christmas must be met out of the family pocketbook. It is high time that we stop believing in a Federal Santa Claus and realize that the governmental expenses must be paid from the national income.

As the gentleman from Texas [Mr. SUMNERS] declared in a recent speech to the district attorneys:

You States come up here and ask for more and more money. Where does it come from? It comes from the pockets of your own people. We are signing the names of your children and of children yet unborn to pay off that $40,000,000,000 debt. * * * You people out there look to Washington, but I look to the people. If the time ever comes when the American people are no longer able to operate their democratic system of government, that Government will have to find a Hitler or a Mussolini to do its business.

We get the money from you and even you don't get it all back. * * * We take your shirt and give you a little piece of the shirt tail. Then you go back home waving it and shouting, "Look what Uncle Sam gave me."

And so we go blithely on our way, facing the tenth consecutive year of astronomical deficit.

Does any man think that he can run his personal finances in this manner? Does any man think he can borrow his way into prosperity? How long does any man think he could continue to spend twice as much as he makes? Does any businessman operate on the principle that the more he spends the more he will increase the purchasing power of others to buy his goods? Does anyone believe that to do so adds so much as a single penny to the total national wealth?

Mr. Chairman, it is high time that we awaken from this delusion, this spending spree in which we have indulged. Not only have we placed upon ourselves the burden of staggering taxes, but we have run the public debt up to the limit allowed by law.

Surely this a warning signal, a red light telling us to stop. Surely it is time to stop, look, and listen. Are we going to

face the cold facts of reality or are we to continue this break-neck speed until we crash?

How are we to meet the situation? Does any responsible person advocate that we inaugurate inflation? Does any intellectually honest person believe that it can be solved by raising the debt limit? Does anyone propose that taxes be raised to meet our present rate of spending?

You and I know that there is only one answer. The longer we put off facing the fact, the more cruel will be the day of reckoning.

We must begin to live within our income. We must tighten our belts and give up every extravagance, every unnecessary expense. Like the prodigal son, we must confess the error of our ways and repent. By stern self-discipline we must recapture the virtue of frugality.

At this point a great hue and cry will be raised, "Will you let people starve?" This is evading the issue. No one advocates such a program.

The real question is, "How long do you propose to keep people on relief while you continue to throttle business? How long will you refuse to free the flow of idle capital into private industry, which alone can provide employment?"

The real question is, "How long will you continue to give to the people with one hand, while with the other you pick their pockets?"

If direct taxes were to be substituted for the myriad of hidden taxes, every individual in the land would know just exactly what the Government was costing him. A cry for economy would go up which would be irresistible. As it is few citizens realize that 22 cents of every dollar they spent last year was swallowed up by taxes, even though they never saw an income-tax blank.

Mr. Chairman, there are few today who still believe that we can pump prime our way to prosperity. Heaven knows we have tried it and have been sadly disillusioned by its failure. More and more the people are awakening to the fact that, as one constituent wrote his Senator, "You can no more spend yourself into prosperity than you can drink yourself sober."

We in Congress have talked much of the necessity for economy. But what have we done about it? We proclaim ourselves in favor of economy with one breath, and with the next urge vast appropriations for projects in which we are personally interested. We call for economy, but no one is willing to make the first move, save at the other fellow's expense.

We adopted the spending policy as an emergency measure to help us get out of the depression. The depression is still with us, and the spending habit is becoming fixed. Everyone recognizes the need for economy, but no one is willing to take the lead. In fact, many are beginning to adopt a defeatist attitude toward our desire to curtail spending.

The mayor of New York testified recently before a congressional committee that he believed relief would have to continue for the next 9 or 10 years. Does anyone believe that we could stand such a burden? The mayor himself evaded this question with a wisecrack.

Mr. Chairman, the peoples of the world tremble today in the fear that they will once again be thrown into a general conflict, one which would be far more disastrous and destructive than the last, not only in loss of life but morally, socially, financially, and economically.

In 1917 we had practically no public debt. That war cost us over $40,000,000,000, and brought on the worst depression the world has ever known. Gen. Hugh S. Johnson, who was in charge of the draft during that war, has stated that had the war lasted another year the Treasury was planning to spend twenty-four billions in the fiscal year 1919. Mr. B. M. Baruch, however, who was Chairman of the War Industries Board, estimated that the spending for that year would have been "nearer thirty-five billions."

The next world war will be even more costly and result in a far worse depression. Can any mind conceive of the ruin which would result if such a catastrophe should be added to our present public debt, which is now rapidly approaching forty-five billions?

But, worst of all, the true cost of our extravagance cannot be measured in terms of dollars and cents.

What must be the moral effect upon our citizens who are taught that to be unemployed is no great hardship because one can always live on the Government? Does this not lead to the degenerating psychology of dependency and shirking of responsibility? What example does the Government set its citizens when Federal funds are recklessly squandered? What incentive is there for the individual to live frugally and to save for the future if his savings are to be eaten up in taxes?

"Eat, drink, and be merry," is the lesson, "for tomorrow the Federal Government will care for you."

Mr. Chairman, "When I was a child I spake as a child, I understood as a child, I thought as a child; but when I became a man I put away childish things." I learned that I was held responsible for my acts; I learned to stand on my own feet and depend upon myself.

But today, it seems, these lessons are no longer taught. Today political parties preach the gospel of dependency upon the Government and base their campaigns on boasts of what they have given the citizen in the past and on promises of what they will give him in the future.

What is to become of the initiative, industry, and independence of a people who once prided themselves on these virtues? What can be the result of such a policy, save to corrode the national character?

Again, what must be the effect of Federal extravagance upon the citizen engaged in a business who sees the money taken from him in taxes used to finance Government projects in direct competition with his business? What could be more dangerous to the success of a system of private economy?

The stability of any economy must depend upon the financial stability of the government. Continued wasteful and extravagant living beyond income impairs confidence in the credit of a government as surely as it destroys faith in the credit of an individual.

Add to this the broad discretionary powers over our monetary system possessed by the President. Is not the fear justified that an administration which plunges the people into the mire of debt may resort to financial juggling to evade its obligations?

Because no man can say that our Federal credit will collapse or that ruinous monetary panaceas will be employed this year or next year or the year after, is this any excuse for us to pursue our reckless course until the breaking point is reached?

In these turbulent times, we can meet this challenge only by making democracy succeed. We can do so only by setting our house in order morally, spiritually, economically, and financially.

The entire blame for the present situation cannot be placed upon Congress. Every year new groups are formed for the purpose of exerting pressure upon Congress, of exploiting the Federal Treasury. People talk economy, but they want to get as much as possible of the gravy if it is being passed out.

As a distinguished Senator from Mississippi told a recent convention:

> There isn't a project desired at Squedunk or Yellow Rabbit or Vinegar Bend, whether it be a recreational lake or sanitary rendezvous, whether it be for the deepening of the Oakahay or regulation of the Tallapoosa, or the creation of rural route No. 18, that your local chamber of commerce does not meet and resolute and frighten with the fire of your influence the Congressman or Senator representing that bailiwick to obtain the approval and appropriation for the project.
>
> Frankness compels me to admit—

The Senator stated—

> that the difficult task of retrenchment in Government expenditures cannot be accomplished without the active interest, encouragement, and support of the citizens of the country. If economies are to be employed by this Government—if expenditures

are to be reduced, it will be because such a sentiment has been created back home and the demands made upon Congress for such a policy.

But Congress, because it is the representative of the people, must take the lead. How is it to begin? Where is it to cut? The answer is, a little everywhere.

We have become so accustomed to talking in the astronomical terms of billions—sums so vast that the mind cannot comprehend their significance—that we have lost all sense of proportion. Hundreds of thousands and millions are now granted so glibly and freely that they soon mount into more billions. We cannot, of course, begin to save billions all at once. But we can start cutting the hundreds of thousands and millions until our expenses begin to balance more nearly with our income.

One of Candidate Roosevelt's most eloquent campaign pleas in 1932 was:

Let us have the courage to stop borrowing to meet continuing deficits. Stop the deficits!

Does any Member of Congress doubt that this move is essential to economic recovery? Does any Member of Congress doubt that such a step is necessary to preserve our national credit? Does any Member of Congress doubt that failure to make this move will bring ruin and disaster to all of our people, rich and poor, employed and unemployed, young and old alike?

Agreed in this, when are we going to begin to do what we all know must be done? Are we lacking in the intellectual honesty and the moral fiber to face the situation squarely? Have we the courage and the vision to adopt such a program and put it into action, even if it means sacrificing the post office in Squedunk or the bridge over the Tallapoosa in our own districts?

Do not misunderstand me. All appropriations are not to be stopped. Those on relief must be cared for, but we must be sure that money intended for them is received by them. Matters of national defense must be provided for. I am a firm believer in national defense and the keeping up of our Navy. I do not believe, however, that our Navy must be sustained on Argentine beef; in fact, I believe we have just as good beef here in the United States to feed our fighting men as can be found anywhere in the world. [Applause.] I may say in passing that I am in favor of protecting our cattlemen. I come from the West where we have a large cattle industry. While I am solicitous about protecting the cattlemen of the West I am just as solicitous about protecting every other industry that suffers from foreign competition.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. HOFFMAN. What about our beet-sugar industry in Michigan that is being put out of business?

Mr. CARTER. I am in favor of protecting against foreign competition and foreign cheap labor every industry in this country. [Applause.]

Mr. Chairman, we must have this intellectual honesty and moral fiber, we must have this courage and wisdom if we are ever again to have prosperity in this country. But it is not material welfare alone that is at stake, or that we must seek.

Our spiritual life is at stake. We must seek first a recovery of the hardy virtues of the pioneers—courage, independence, industry, and thrift. These virtues, by which they made this country great, became known the world over as characteristic of the American people. They are a priceless part of our tradition and heritage.

Our economic life is at stake. We must seek first the recovery of our free system of private enterprise, by putting our financial house in order, by releasing business from the burden of oppressive taxation and the competition of the Government, that it may once more go forward, as the only way of true progress.

Constitutional government itself is at stake. We must seek first a recovery of the American ideal of a government which helps its citizens to help themselves, which creates a social, economic, and spiritual atmosphere in which they may go forward together through voluntary cooperation, instead of being doomed to dependency upon Federal bounty. This is our greatest, indeed, our only hope that a free nation will endure.

Upon our wisdom in seeking and our success in achieving these things depends the future of the Nation. Our wisdom and our success will determine whether or not America will once more advance as she has always done in the past. They will determine whether or not we will pass on to future generations of Americans yet unborn a happy, prosperous nation, and the sacred heritage of the American tradition. [Applause.]

Mr. THOMAS S. McMILLAN. Mr. Chairman, I yield 25 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, many weeks of hearings, followed by long hours of preparing the appropriation bill for the three Departments, namely, State, Justice, and Commerce, puts a faithful, though tired, committee in the position to present this measure to the House today. I would be negligent in my duty failing to say a word in praise of the membership of the committee, consisting of our distinguished chairman, the gentleman from South Carolina [Mr. McMILLAN], and my Democratic colleagues, the gentleman from Illinois [Mr. McANDREWS], the gentleman from Florida [Mr. CALDWELL], and the gentleman from North Carolina [Mr. KERR], also our two Republican associates, the gentleman from California [Mr. CARTER], and the gentleman from Nebraska [Mr. STEFAN]. Truly this group of seven went to work with a will, with a view toward justice to the Departments, and with determination to guard and protect the Public Treasury.

There was no politics in the committee, and the devotion to duty of our able clerk, Mr. Jack McFall, has been attested to time and time again by the individual members of our committee.

The amount recommended in the bill for 1940 is $121,399,120. This sum is an increase of $26,691,315 over 1939, but is a decrease under the Budget estimate of $2,970,083. The break-down for the various departments is conveniently arranged in the report.

Two items constitute a substantial part of the increase, namely $20,000,000 for the decennial census, and $3,000,000 for needed facilities for the Bureau of Prisons.

The committee is pleased to report a recognized improvement in the use of the communication service in the Departments, resulting from notice in past hearings before the committee that this service must be supervised and the cost lowered.

The bill considers and provides for many subdivisions of government in the three Departments, but I am anxious to confine my consideration to the Bureau of Prisons and the inmates of penal and correctional institutions of the Federal Government. It is indeed shocking to learn the part that youth plays annually in the age group of persons arrested.

Age:	*Arrests*
16	10,984
17	17,276
18	23,900
19	23,877
20	20,844
21	24,295
22	24,287
23	23,968
24	22,359

This subject of youth is deserving of much further consideration especially when considered from the angle of the educational system and its cost in this Nation. There are two major expenses in America, one the educational system, and the second the Department of Justice. In a certain sense the failure of one casts a burden upon the other. I am reminded of the phrase, "As ye sow, so shall ye reap." No wonder the New York Times, in a prominent first-page article on April 30, said:

"Disloyalty purge" of teachers asked. New York teachers were called upon to cleanse their ranks of all disloyal members and to disband and drive out of the public school system any group or organization not standing for 100-percent Americanism.

President Roosevelt in April, at the Conference on Children, emphasized religion and pointedly said:

> We are concerned about the children who are outside the reach of religious influence and are denied help in obtaining faith in an ordered universe and in the fatherhood of God.

And Monsignor Keegan said:

> The responsibility of democracy is to fortify the young against paganism.

I have also been impressed, Mr. Chairman and members of the Committee, with the testimony of the Director of the Bureau of Prisons, which shows a very considerable increase in the number of Federal prisoners over the last several years. If you will refer to the testimony, you will see that the number has grown continually since 1925, with the exception of a brief period immediately following the repeal of the Prohibition Act. Today there are 18,350 men and women in the Federal penal and correctional institutions. This is about 1,100 in excess of the number in prison the same time last year and more than 2,000 in excess of the average prison population 2 years ago. Our prison population is growing rapidly enough to fill one new prison every year.

The number of men and women sent to State institutions has also shown a continually upward trend in the past decade. There were 107,532 men and women in State prisons and reformatories on December 31, 1930, and on that same date in 1937 there were 134,633 prisoners. Think of it, in a 7-year period there was an increase of about one-third in our State prison population. The same thing has occurred, as I have said, in our Federal prison system.

This is an alarming situation, it seems to me, although I recognize that the increase of Federal prisoners is due to a considerable extent to the widening scope of Federal criminal jurisdiction and to the energetic anticrime program inaugurated by this administration. But the steady increase in the number of all prisoners is a matter of grave concern. Our prison population in ratio to the general population is very much in excess of that of England, France, Italy, and even Germany if the political prisoners are not counted. In all of England and Wales, for instance, there are less than 10,000 prisoners—about the same number as we have in the State of California alone. France had in 1932 but 50 prisoners per 100,000 of general population, whereas we had about 175, or 3½ times as many. It is time, it seems to me, to have a stock taking and find out whether our people really are more lawless, whether we have too many laws, whether our courts are giving too long sentences, or just what is wrong.

The phase of the problem which interests me most is the question of crime among our youth. You will notice in the testimony of the Director of the Bureau of Prisons that he does not find that there has been a disproportionate increase in the number of juvenile offenders. He seems to think that in view of the temptations of our modern social and economic order the youth of today has displayed a most commendable moral fiber. He points out that there are between four and five million young persons between the ages of 16 and 25 out of school and out of work and yet there has been no great increase in the number of crimes most typical of juvenile offenders. He does not deny, however, that the problem of juvenile delinquency is a serious one which demands a reappraisal of our family and community attitudes and resources.

It is time, it seems to me, that we were doing something about the crime situation besides building more prisons and continuing along in the same old ways. We have got to bring the matter closer home and to bring it about that the churches, the schools, and the other social agencies do something to prevent crime. We cannot do the job from Washington. Crime must be combated locally. Furthermore, it cannot be successfully combatted if we content ourselves with punishing people after they have committed an offense. We must find ways and means in our own communities to help people before they have come in conflict with the law and weed out those conditions and those forces which bring about delinquency.

If you will look at the hearings you will see that there are now nearly 30,000 persons under the supervision of the Federal probation officers. You will also see in the testimony that when this statement was made, after hours of discouraging testimony about the growth in the population of the Federal prison system, I remarked that this was the one encouraging note in the Government's correctional program. Instead of sending everybody who gets into Federal court to prison, we are now trying to keep them in their own community and salvage the good there may be in them through constructive and enlightened probation service. Furthermore, the United States probation officers not only work with the individuals under their supervision but throughout the Nation they are working with local social agencies and welfare forces. In this way our probation service is not only a method of correction but a positive force in the prevention of crime.

Our committee has been most anxious to improve the Federal probation system and we have granted as many of the requests for additional personnel as possible in view of the serious economic condition of the country. We know that the probation officers are a great help to the court in furnishing them with information about defendants whose cases must be acted upon by the judge. I am glad to say that an increasing number of Federal judges are asking for presentence reports before they pronounce sentence. If more of them would do this and could find the time to give more consideration to each individual defendant, there would be less disparity in the actions of the various courts. The widely different practices and policies of the Federal courts in the sentencing of Federal offenders has thrown into sharp relief the magnitude of this problem. For example, the percentage of convicted offenders who were placed on probation during the past year varied from none at all in some districts to a maximum of nearly 80 percent in other districts. The same crime in one jurisdiction will mean probation or a light sentence, and almost exactly the same offense in a neighboring jurisdiction may mean a period of from 5 to 10 years in the penitentiary. No wonder that the Director of the Bureau of Prisons testified as to the acuteness of the disciplinary problem created in his institutions by the fact that prisoners feel they are not being treated equally.

We have also made during the past year, it seems to me, one very real improvement in the manner of handling those who commit Federal offenses when we enacted a Federal Juvenile Delinquency Act in the closing days of the last session. This act provides a procedure for the disposition of the cases of youthful offenders by informal methods analogous to State juvenile courts. The act makes it possible to keep the juvenile out of unsanitary, improperly supervised jails, expedites action on the case, and eliminates the possibility of stigmatizing the juvenile by trying him in open court.

During the present fiscal year over 400 juveniles were disposed of under this new procedure. It was possible for the courts to make arrangements for retaining approximately half of those found guilty on probation or in foster homes in their local communities rather than transporting them to some distant institution. It seems to me that this is a very forward-looking procedure and ought to go far in saving many young offenders from becoming confirmed criminals. It has received the approbation of every Federal judge except one. Only one Federal judge declines to take advantage of its terms.

The act has, however, thrown an increasing burden upon the probation officers, and I hope that as time goes on we will be able to provide sufficient staff to make it possible to give this same constructive attention to the case of every juvenile who gets into Federal court.

Mr. Chairman, Members of the Committee, the problem of crime is one which challenges our social structure. It cannot be brushed aside and forgotten. We must find some way to stop the upward trend of State and Federal prison population.

Mr. Chairman, in the extension of my remarks I intend to deal with youth in crime and to set forth an outline for correction, for the salvation of youth that should be saved, too late when it has found its way to the penitentiary.

OUTLINE—YOUTH IN CRIME

I. Importance of youth problem in crime.
  A. Statistics clearly indicate scope of the problem.
    1. During calendar year 1938 youths under 21 years of age responsible for:
      a. 18.8 percent of all known arrests for all types of offenses.
      b. 12 percent of all arrests for criminal homicides.
      c. 28.5 percent of all arrests for robberies.
      d. 43.5 percent of all arrests for burglaries.
      e. 31.7 percent of all arrests for larcenies.
      f. 52.3 percent of all arrests for auto thefts.
  B. From the above figures it is evident that the predominance of youth in crime is not a hypothetical but an actual situation.
II. Need for education of youth to recognize the stark realities of crime.
  A. Youth must be taught and convinced of the futility of crime.
  B. Parents must be brought to realize their responsibilities in rearing children.
    1. Old-fashioned parental discipline notably lacking.
    2. Immature minds cannot be granted utter freedom without disastrous results.
    3. Tendency for parents to take the side of the child when he is in the wrong.
    4. All major criminals started their careers by committing petty offenses.
  C. Need for intelligent handling of juvenile delinquents by the courts and law-enforcement officers.
    1. Reformatories should serve to set the delinquent on the right path again, and not teach him new criminal methods through association with incorrigibles.
    2. Probation system must be intelligently supervised and the personnel must be of a high caliber if results are to be obtained.
  D. The success of youth organizations as a juvenile-crime deterrent.
    1. Boys' clubs sponsored by police departments as the Metropolitan Police Department in Washington, D. C., have been remarkably successful in reducing juvenile crime.
    2. Boy Scout troops organized for the underprivileged youth under sponsorship of police, parent-teacher, and religious groups eminently successful.
    3. Big Brother movements in western cities have met with great success.
    4. Police athletic leagues, or "PAL" leagues, as they are called have proven very successful in several large eastern cities.
III. Proper religious influences can assist greatly in combating juvenile crime.
  A. Crimes not committed for antisocial reasons but are due to total lack of moral responsibility.
    1. Proper religious training develops moral character.
  B. Formation of boys' and girls' clubs under intelligent supervision, with wholesome athletic and educational programs.
    1. The old-fashioned picnics, pie suppers, and similar activities are all too rare occurrences today in the larger towns and cities, although still very successful in rural communities.
  C. Father and son activities not adequately stressed.
IV. Field of juvenile delinquency and prevention of crime by youths a fertile one, and endeavors in this direction will pay big dividends in the future of the Nation.
  A. As a result of our derelictions in past there has arisen in the country a criminal army which today numbers 4,750,000.
  B. A substantial reduction in juvenile delinquency will materially alter the crime problem of tomorrow.
  C. Need for every parent to interest himself and herself in modern youth.
    1. The various adult activities today taking too much of the parents' time away from the child has had decided influence on youth in crime.
  D. Juvenile-crime prevention is something every citizen should zealously support and actively participate in to make America an even better place to live in.

Mr. STEFAN. Mr. Chairman, I yield 20 minutes to the gentleman from Kentucky [Mr. ROBSION].

THE GOOD NEIGHBOR

Mr. ROBSION of Kentucky. Mr. Chairman and colleagues, I ask your indulgence today to make some pertinent observations concerning our good-neighbor policy. President Roosevelt and his administration in speaking of the good-neighbor policy refer more especially to our foreign policy with the Latin American nations of the West Indies, Central and South America.

The term "neighbor" is an institution that belongs to the rural sections of our country, and we have always had good neighbors, poor neighbors, and bad neighbors. A good neighbor was considered the person living near to us who, in time of need, was ready and willing to help. We could borrow a cup of sugar, some meal, flour, or soda, and sometimes a coal of fire, a plow, mule, or wagon. To be known as a good neighbor was a coveted honor. A person was not considered a good neighbor unless he was willing to reciprocate when circumstances required.

The good-neighbor expression as applied to our Latin American foreign policy was not conceived by this administration. As I recall, the late Honorable Elihu Root, when Secretary of State, frequently used the same expression.

Now, in Kentucky it is a fine thing to be neighborly and to help one's neighbors, but it is equally incumbent upon the other party to be neighborly. No act could bring the neighbor in ill repute and so quickly attach to him the opprobrium of bad neighbor as to borrow and not return or to take from his neighbor that which did not belong to him. I inquire, Have our neighboring countries to the south been and are they now good neighbors?

BILLIONS LOANED—NOTHING RETURNED

We loaned large sums to the allied countries during the World War, and we now complain bitterly because they have defaulted and, with the exception of Finland, have failed to pay either the principal or interest. Now, what about our Latin American neighbors?

These Latin American countries issued nearly $2,000,000,000 worth of bonds. They sold them to American citizens. A million or more American citizens now own these bonds. The following is a list of the countries and the amount of bonds sold to our citizens, and the amount in default:

Country	Total amount of dollar bonds sold	Total dollar bonds in default
Brazil	$357,071,745	$357,071,745
Mexico	273,696,054	273,696,054
Chile	216,069,500	216,069,500
Columbia	146,699,305	143,649,900
Peru	85,656,500	85,656,500
Bolivia	61,005,639	61,005,639
Uruguay	58,192,100	58,192,100
Cuba	82,503,100	40,000,000
Panama	19,502,943	14,270,443
Ecuador	12,262,700	12,262,700
El Salvador	10,901,825	10,901,825
Costa Rica	10,489,351	10,489,351
Guatemala	5,535,084	3,854,084

You will observe these 13 countries have defaulted on both principal and interest for more than $1,200,000,000. Some of these defaults have only been a few years and others for 30 years.

Mr. TAYLOR of Tennessee. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from Tennessee.

Mr. TAYLOR of Tennessee. Does the gentleman know that, due to the fact a great many of the banks, especially in the South, purchased these South American bonds, it contributed materially to their failure sometime ago?

Mr. ROBSION of Kentucky. Yes; that is the information I have.

Mr. TAYLOR of Tennessee. I know personally of some banks that failed on account of the purchase of these South American bonds.

ASKING FOR MORE

Mr. ROBSION of Kentucky. Recently there has started a parade of these Latin American countries to the United

States Treasury. One of the leaders in the parade is Brazil. Brazil sold to our citizens her Government bonds amounting to $357,071,745. She has defaulted on interest, as well as the sinking fund. She has quit paying either principal or interest. Brazil a few weeks ago sent her Foreign Minister, Mr. Aranha, to secure more loans and credits. It is not definitely known what arrangements were made by Mr. Aranha with our Government. He secured, according to statements made by leading Democratic Senators on the floor of the Senate and the press and other sources of information, a promise of loans and credits ranging between $40,000,000 and $120,000,000. Some Democratic Senators denounced the proposals of our Government to extend to Brazil further credit. It is most interesting to read the press reports of the statement issued by Foreign Minister Aranha when he returned to Brazil. He said:

We accomplished what was up to us to do, i. e., brought back assurance of credit. Brazil gave nothing in exchange because we had nothing to give. It is true that I stated the Government contemplated resuming payment in July on the bonds. My purpose in making this statement was to tranquilize the [United States] holders of our bonds—more than a million persons. I have always, however, subordinated this moral obligation to pay to the material capacity to do so. I have already stated that in our agreements we are not obliged to purchase in the United States and it is obvious that we can only do so when the terms are favorable to us.

Mr. Aranha boasts of the fact that he got what he came after—credit—and that Brazil gave nothing in exchange. He admits that he gave out the statement in the United States while he was here that his Government, Brazil, contemplated resuming payment in July on these defaulted Brazilian bonds. He says his purpose in making these statements was to "tranquilize" or, in other words, pacify the more than a million American citizens who are holding the defaulted $357,071,745 of bonds and interest of the Brazilian Government. Mr. Aranha also states:

I have always, however, subordinated this moral obligation to pay to the material capacity to do so.

An individual or nation owing an honest debt, if he or it comes to the conclusion to disregard the moral obligation, it is very easy indeed to think up the excuse of incapacity to pay.

From what source is Brazil to secure this money? A new agency was set up by the New Deal administration—Commodity Credit Corporation. Congress gave this Commodity Credit Corporation the power to loan $500,000,000. The Commodity Credit Corporation gets the money from the Reconstruction Finance Corporation, and the Reconstruction Finance Corporation gets the money from the United States Treasury, and of course the money gets into the Treasury when taken from the pockets of the taxpayers of this country.

The chief purpose of the Commodity Credit Corporation has been and is to encourage trade between the United States and the Latin American countries, but what did Mr. Aranha say when he got back home?

We are not obliged to purchase in the United States and it is obvious that we can only do so when the terms are favorable to us.

The unusual favors granted to these Latin American countries have been based largely on the idea it will open up new markets for our people and increase our trade in those countries. Let us see what has been accomplished in Brazil.

From January 1, 1936, to March 31, 1939, we exported to Brazil $196,250,000 worth of products, but during the same period of time Brazil shipped into our country (and most of it in competition with American farmers and industries) $346,000,000 worth of products. Our Nation has loaned to Brazil nearly $2 for each dollar of trade we have had from Brazil since January 1, 1936. Brazil merely says that if we will loan her some more of the taxpayers' money she will buy some American products, provided the terms are more favorable to her, and while she considers the repayment of this money a moral obligation, yet the moral obligation is subordinated to the material capacity of Brazil to pay. Using American money to buy American goods, she can and does use her own money to buy in Germany, Japan, and other countries at cheaper prices.

Brazil and other South American countries are buying, and will buy, an increased amount of machinery and equipment to make shoes, textiles, and other manufactured products. Brazil is rapidly becoming our great competitor in the production of cotton—in fact, she ships some of her long-staple cotton into the United States. We are financing our competitors as we did in sending our machinery and equipment to Japan, Russia, and other countries, and then sent our ablest men into those countries to show the Russians, Japanese, and others how to use and finally how to duplicate American machinery and equipment; and now, with their cheap labor and low standards of living, they become vital competitors of industry, agriculture, and labor of this country.

We should remind Brazil that a good neighbor always pays back, and a good neighbor does not like to loan sugar, coffee, flour, and meal when the borrower forgets to return that which he borrowed.

OUR NEIGHBOR MEXICO

The Mexican Government issued $273,696,054 of bonds and sold these bonds to American citizens. Mexico has been in partial default on the interest on these bonds since 1913 and in total default since 1919. In other words, Mexico has not paid anything on the principal and interest of this debt since 1919. Thousands of American citizens are holding these defaulted bonds of Mexico.

We have done more than this for Mexico. From January 1, 1936, to March 31, 1939, we exported to Mexico $267,000,000 worth of American products, and Mexico has shipped into this country $175,000,000 of cattle, hides, and other products. For every dollar of balance of trade in our favor, we loaned to Mexico $3 on which she has defaulted, both as to the principal and the interest.

Under the Silver and Gold Purchase Acts of 1934 this Nation has been not only a good neighbor but a Santa Claus to Mexico. We have bought all of her silver at nearly double its market value and her gold at $35 an ounce when it is worth less than $21 an ounce. We have paid to Mexico millions and millions of dollars in silver and gold subsidies and in this way have provided employment for tens of thousands of Mexicans and have preserved the economic life of that country.

While we were performing these unusually neighborly acts of generosity and being a real Santa Claus, the Mexican Government forcibly took over millions of acres of oil lands, both developed and undeveloped property, machinery and equipment. The crude oil produced on these properties owned by American citizens in 1937 was 8,739,000 barrels. These properties taken by Mexico from American citizens have an approximate value of $200,000,000.

We loaned Mexico hundreds of millions of our dollars, we paid her tens of millions in subsidies, and now this good neighbor (?) takes by force the property of American citizens. She has not returned one cent of the loans, she has not returned these lands unlawfully and forcibly taken; neither has she paid one cent of compensation. To add insult to injury, Mexico has been taking the oil belonging to American citizens and has been exchanging this oil with Germany and Japan for machinery and other products. Mexico takes our property and turns it over to those nations that have been threatening the peace and security of our country and the world.

Mr. COX. And we stood by and saw that done with nothing more than a mild protest from the Department of State, which the notoriously "Red" Smith, of the Labor Board, negatived in his appearance in the bull pen at a meeting of Mexicans some months ago.

Mr. ROBSION of Kentucky. In Kentucky we would consider an individual doing such acts a very, very bad neighbor.

ECUADOR

Ecuador issued $12,262,700 of bonds and sold them to citizens of America. She has been in total default of these bonds and interest ever since 1915. Ecuador, following the example of our good neighbor Mexico, has taken over by force oil properties belonging to American citizens, and she has exchanged a lot of this oil to Germany for machinery and equipment to enlarge the development of these stolen American properties. Our trade policy with Ecuador has brought very wonderful (?) results. From January 1, 1936, to April 1, 1939, this country has exported to Ecuador a little over $12,000,000 of products, but at the same time Ecuador has shipped into this country approximately $11,000,000 worth of products. It would now require every dollar of exports and imports between the United States and Ecuador since January 1, 1936, to match the debt and interest that Ecuador owes the people of the United States on her defaulted bonds.

NICARAGUA

A few days ago our administration put on a big show to receive President Somoza, the dictator of Nicaragua. We called out the Army, Navy, and our air force. President Somoza said that his country desired a loan of $20,000,000 and stated that he was anxious to build up trade between this country and Nicaragua.

From January 1, 1936, to March 13, 1939, we exported from this country to Nicaragua approximately $9,500,000 of products and Nicaragua shipped into this country about the same amount.

President Somoza indicated that he would like for the United States to build a great interoceanic canal across his country, connecting the Atlantic and the Pacific. Of course, this would cost hundreds of millions of dollars and would be a great thing—for Nicaragua.

Of course, Nicaragua, if we loaned her money, no doubt, like some other of our good neighbors to the south, will take her time in paying the money back.

Our trade with South America has fallen off 40 or 50 percent, and the balance of trade on the whole is against the United States. This administration has entered into reciprocal-trade agreements with Brazil, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, and Guatemala, removing the trade barriers between them and this country, and this gives all other Latin American countries equal treatment, so that they can ship their oil, fruits, meats, hides, tallow, cotton, cottonseed oil, and hundreds of other articles into our country in competition with American producers.

I wish to emphasize that we have not only been a good neighbor to the Latin American countries but we have been a real "sugar daddy" to them. President Somoza addressed the House of Representatives and devoted much of his speech to the beauties and glories of a democratic form of government. He is just as much a dictator as Hitler or Mussolini, and 15 of the 20 Latin American countries are dictatorships and are ruled over by men that are as much dictators as Hitler or Stalin. There are only two or three of the Latin American countries whose governments in fact approach to any very great degree our republican form of government or what we understand as democracy.

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from Tennessee.

Mr. TAYLOR of Tennessee. Referring to this little vest-pocket dictator from Nicaragua, he not only drove his own uncle out of office and seized his place but exiled him from the country.

Mr. ROBSION of Kentucky. That is the story.

Now, take our good neighbor Cuba, which got a loan here of $80,000,000 and has defaulted on $40,000,000 of it. What about her trade? From January 31, 1936, to March 31, 1939, Cuba shipped into your country and mine $403,314,000 worth of products. We shipped to Cuba only $255,000,000 worth of products. They are shipping in from Cuba nearly $2 worth of products to $1 worth that we ship into Cuba. She has the best of the bargain in trade.

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield the gentleman from Kentucky 5 additional minutes.

THE ARGENTINE

Mr. ROBSION of Kentucky. Mr. Chairman, since January 1, 1936, to March 31, 1939, we have exported to Argentina less than $250,000,000 worth of American products. During the same period of time we imported from Argentina nearly $270,000,000 worth of Argentine products, and nearly all of it in direct competition with American farmers and producers—corn, wheat, hides, meats, fruits, and so forth. Last year there was brought into this country from foreign countries about 30,000,000 beef hides, and about 78,000,000 pounds of canned beef, and most of these came in from Argentina.

PRESIDENT SAYS ARGENTINE CANNED BEEF "INFINITELY BETTER"

Unless this administration reverses its policy and discontinues its discrimination against American beef and other products, the imports from Argentina into this country as well as from other countries will increase. Congress passed an act—"Buy American." It required our public officials to buy materials, supplies, and products from American producers. The United States Navy desired to buy canned beef. Argentina as well as the United States submitted bids to furnish this beef. The President is given the power to set aside the Buy American Act when, in his judgment, he feels justified in doing so. The President turned down the proposal of American producers to furnish this canned beef to the Navy. He set aside the Buy American Act and awarded the contract to the Argentine Meat Producers Cooperative, a cooperative packing concern of the Argentine in South America. The President, on being asked why he had set aside this law and turned down the American bids and accepted the Argentine bid, assigned three reasons, according to press reports:

(1) The Argentine product was infinitely superior in quality to the American product.

(2) The enlisted men of the Navy were entitled to the best quality.

(3) The Argentine producers were the lowest bidders for the Navy contract.

This announcement caused great rejoicing in Argentina, but it blew the lid off in this country. The cattle and stock raising associations and farm groups throughout the country denounced the action of the President, but as the matter now stands the Navy boys will eat South American canned beef instead of our canned beef.

Is the South American canned beef better than ours? Under the orders of our Government South American cattle and South American beef carcasses cannot be shipped into this country because of the hoof-and-mouth disease prevalent in Argentina among their cattle. Our Government was so concerned that it would not permit the Argentine Government to bring beef carcasses and cook the beef in the Argentine building at the New York World's Fair. If the hoof-and-mouth disease is such a menace to the Argentine cattle and Argentine beef that none of it is permitted to be brought into this country unless it is canned, I am at a loss to understand why the President should select it over American canned beef when there is no claim that our cattle are affected with the hoof-and-mouth disease.

It seems to me that if the live cattle and frozen carcasses of beef cannot be shipped into this country from the Argentine because of the hoof-and-mouth disease, might not our citizens as well as our Navy boys have some suspicion about the canned beef from the Argentine. The whole thing does not make sense to me. The American people will generally

believe that cattle fed on bluegrass, alfalfa, clover, timothy, soybeans, corn, prairie grass, and other fine grasses in this country with the pure water found everywhere here, the fine climate and sunshine, will produce as good beef in Kentucky, North Carolina, Tennessee, Texas, Ohio, Illinois, Colorado, Wyoming, Michigan, Minnesota, South Dakota, and other States, as could be produced in the Argentine of South America on their wild grasses with the prevalence of the hoof-and-mouth disease.

We want our boys in the Army and Navy to have as good food as possible. Our boys in the Navy grew up to be robust, vigorous men eating American beef. I wonder if President Roosevelt, the Commander in Chief of the Navy, eats American canned beef or beef from the Argentine. We, too, want him to have as good beef as can be found, and when he makes his trip in a few days through the great cattle-raising States that I have spoken of, I wonder if he, as the Commander in Chief of the Navy, will have a supply of the Argentine canned beef or will he be served with American beef? Those who are responsible for the care of the President, the Commander in Chief of the Navy, should see to it that he has that beef "that is infinitely superior in quality to the American product."

Let us hope that the President will not say that the wheat of the Argentine, the Long Staple cotton of Brazil, the rice of China and Japan, the fruits of other nations, the shoes, clothing, and other supplies necessary for our Navy and Army are "infinitely superior in quality to the American product."

I am informed that the Army boys now eat and have through the years eaten American canned beef. They have done as much fighting in the last 40 years as the Navy and have made a very wonderful record. There is no navy or army superior to our own. Both branches of the service have made glorious records eating American beef, and can we believe their record will be any less brilliant if they eat the products of the American farm intead of the Argentine?

BLACK EYE FOR UNITED STATES—BOOST FOR ARGENTINA

What a black eye the President gave to the cattle industry and the producers of American canned beef. How many citizens will refuse now to buy the American products? How can our producers of these products sell them in foreign countries when our President says it is unfit for our own American Navy boys? And what a tremendous boost this is to the Argentine canned beef notwithstanding the hoof-and-mouth disease. For many years it will mean millions of dollars' worth of business annually for the Argentine. It will take many, many years to live down this unfavorable publicity that the President's statement has given. We ought to give preference to American producers of canned beef, or our Government should rescind the order excluding from this country Argentine cattle and Argentine beef carcasses.

With the reciprocal-trade agreements with the South American countries and our financing of these countries, it is little wonder that we are accumulating in this country tremendous surpluses of cotton, wheat, corn, meats, and other products and must let our own productive lands lie idle and force the workers of our productive lands on relief rolls, cut down the price of American products, and reduce the income of American farmers.

ARGENTINE CANNED BEEF CHEAPER

It must be conceded that any product produced in Latin America, China, Japan, India and many other countries can be sold cheaper than when produced on American farms or in our factories, mills, or shops. Our wages are higher, our workweek shorter, our standards of living higher.

In many of the Latin American countries common laborers are hired for as little as 10 cents a day, and their processing plants are not subject to the Walsh-Healey Act, Wage and Hour Act, child-labor laws, and other such measures that must be taken into consideration by American producers of canned beef and other products. If it is a matter of buying cheaper, why not buy rice from China and Japan, and chinaware and crockery from Japan, the textiles, shoes, and clothing, and a hundred other important articles used in the Navy and other branches of our Government produced in countries with long hours, sweatshop wages and conditions, for the Navy, Army, and other agencies of the Government? The United States cannot have high wages, short workweek, and other desirable conditions for labor and compete with Latin American countries—China, Japan, India, and many other nations—that could furnish our supplies. The American cattle producers and farmers must pay good wages and the things they buy they must pay high prices made necessary because of good wages, short hours, and proper working conditions.

The President points out that we would get a few cents duty on each pound of canned beef from the Argentine. One-fourth of the average income of the American people goes for taxes. If a pound of canned beef is sold for 23 cents, the producer of that beef would pay at least 6 cents in district, city, county, State, and Federal taxes. And if we get our beef from foreign countries, it will not be produced here and these taxes cannot be paid, and more important than this, we will have no use for our lands and no jobs for our people. If the United States, the greatest agricultural country in the world, cannot produce canned beef, steak, roast, pork, suitable for the fighting men of the Army and Navy of this country, we ought to go out of business.

An amendment was written into the Navy appropriation bill in the House for the fiscal year beginning July 1, 1939, that will make it impossible for the President or any other official to ignore the "Buy American" Act of Congress and buy supplies from foreign producers instead of American producers. It is most gratifying, indeed, that the Senate committee has approved that amendment.

Mr. KITCHENS. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. KITCHENS. Will the gentleman spend about 2 hours telling us about the canned beef used during the Spanish-American War, which was furnished the American soldiers on which to fight in that war?

Mr. ROBSION of Kentucky. Yes; that was 40 years ago, or before the Pure Food Act, and they ought to have been hanged for doing it. Does that suit the gentleman? Does my friend plead what happened 40 years ago in justification of the President's act?

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman.

Mr. VAN ZANDT. During the World War we veterans never heard of corned beef; we ate "monkey meat."

Mr. ROBSION of Kentucky. You cannot use words too strong for me to denounce anybody who provides for the fighters of this country any meat or other food that will cause illness or is not the proper food. There is no claim the American beef was diseased or unfit for use. [Applause.]

Mr. HOFFMAN. Mr. Chairman, I rise to make a unanimous-consent request.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. To revise and extend my remarks; and I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Michigan makes the point of order that there is no quorum present. The Chair will count. [After counting.] Thirty-two Members present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 76]

Allen, Ill.	Barton	Bradley, Mich.	Cannon, Fla.
Allen, La.	Bates, Ky.	Brown, Ohio	Case, S. Dak.
Allen, Pa.	Beam	Bryson	Casey, Mass.
Andrews	Boehne	Buckley, N. Y.	Celler
Arends	Boland	Burgin	Chapman
Barden	Bolles	Byrne, N. Y.	Clark
Barnes	Boren	Byron	Clevenger

Cole, N. Y.	Gross	Magnuson	Ryan
Collins	Hall	Mahon	Satterfield
Colmer	Hancock	Maloney	Schafer, Wis.
Crawford	Hare	Mansfield	Schuetz
Creal	Harness	Marshall	Secrest
Culkin	Hart	Martin, Colo.	Seger
Curley	Harter, N. Y.	Martin, Ill.	Shafer, Mich.
Delaney	Harter, Ohio	Mason	Simpson
Dempsey	Hartley	Merritt	Smith, Conn.
DeRouen	Havenner	Michener	Smith, Ill.
Dickstein	Healey	Monkiewicz	Smith, Wash.
Dies	Hendricks	Monroney	Spence
Disney	Hennings	Mouton	Starnes, Ala.
Douglas	Horton	Myers	Stearns, N. H.
Durham	Jeffries	Nichols	Sullivan
Eaton, N. J.	Jenkins, Ohio	Norrell	Sumners, Tex.
Elliott	Jenks, N. H.	O'Day	Sweeney
Englebright	Jensen	O'Leary	Tarver
Evans	Johnson, Luther A.	Osmers	Taylor, Colo.
Faddis	Kee	O'Toole	Thomas, N. J.
Fay	Kelly	Pace	Thorkelson
Fernandez	Kennedy, Martin	Patton	Tolan
Fish	Keogh	Peterson, Fla.	Voorhis, Calif.
Fitzpatrick	Kinzer	Pfeifer	Wallgren
Flannagan	Kirwan	Pierce, Oreg.	Whelchel
Folger	Kramer	Randolph	White, Idaho
Ford, Leland M.	Kunkel	Reece, Tenn.	White, Ohio
Ford, Thomas F.	Lanham	Reed, N. Y.	Whittington
Fries	Lesinski	Rich	Williams, Mo.
Gavagan	Lord	Richards	Winter
Gehrmann	McArdle	Robinson, Utah	Wolcott
Gerlach	McDowell	Rockefeller	Wood
Gifford	McReynolds	Rogers, Okla.	
Grant, Ind.	Maciejewski	Romjue	

The Committee rose; and the Speaker having resumed the chair, Mr. COOLEY, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having under consideration the bill H. R. 6392, and finding itself without a quorum, he caused the roll to be called, when 268 Members responded to their names, disclosing that a quorum is present, and he handed in the names of the absentees for printing in the Journal.

The SPEAKER. Under the rule, the Committee will resume its sitting.

Mr. CARTER. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr. HOFFMAN].

ARE WE TO HAVE A GOVERNMENT BY LAW UNDER THE CONSTITUTION, OR SUBMIT, THROUGH FEAR OR THREAT OF VIOLENCE, TO A GOVERNMENT BY FORCE IMPOSED BY JOHN L. LEWIS?

Mr. HOFFMAN. Mr. Chairman, that is a question which may be answered within the next few days in the State of Kentucky. There John L. Lewis has decreed that no man shall work in the soft-coal mines unless he becomes a member of the United Mine Workers of America.

Governor Chandler, apparently believing it to be his duty to uphold our constitutional form of government, has called out the National Guard to protect men who have refused to join the United Mine Workers and who desire to work in the mines of Kentucky.

Lewis has declared that if the mine operators are wise, they will keep their mines closed. His United Mine Workers are prepared to prevent, by force, the opening of those mines; to deny to the citizens of Kentucky the right to work, to earn a livelihood for themselves and their families.

Here we have, on the one side, the armed National Guard, whose duty it is to see to it that those citizens who want to exercise their constitutional rights are permitted so to do.

Here we have opposed to these forces of law and order thousands of miners or sympathizers, obedient to the will of Lewis, prepared to back up Lewis' decree that the mines shall not open; that none shall work in them until they submit to Lewis' will.

It is well, then, that we consider the background, the history, of this man Lewis.

It was on the 19th day of June 1922, almost 17 years ago, that John L. Lewis, in answer to a telegram from the president of the local United Mine Workers Union at Herrin, Ill., inquiring as to the status of men belonging to the Steam Shovel Men's Union, who were digging coal in strip mines, sent an answer containing this paragraph:

Representatives of our organization are justified in treating this crowd as an outlaw organization and in viewing its members in the the same light as they do any other common strikebreaker.

The following day men at Herrin, after arming themselves with rifles, shotguns, pitchforks, butcher knives, and clubs, forced the unarmed surrender of 47 men who had been digging coal. Of these men who so surrendered, one, McDowell, mine superintendent, was a cripple. He did not walk as fast as the mob wished. He was beaten until he was unconscious; revived, marched again, and then was shot to death.

Farther down the road some of these unarmed men were lined up against a wire fence, ordered to climb the fence and run. Thirteen were shot to death as they climbed the fence. Another died shortly thereafter. Four more died of wounds on reaching the shelter of the woods. Eight who escaped for the moment were caught. Two were hanged to trees and shot. Six were tied together on one rope and dragged behind a motorcar, and, on arrival at Herrin, taken to a cemetery and shot. The throats of three were cut.

The press of the day published the statement that, on the evening of that day, John L. Lewis' telegram to the president of the local union was still posted where the union miners could see it; that in a barber shop there was another notice, which read.

Twenty-five scabs are dead, nine are in the hospital, and the mine is closed. The striking miners' prayer was answered.

In June of 1922 the telegram of Lewis that—

Representatives of our organizations are justified in treating this crowd as an outlaw organization and in viewing its members in the same light as they do any other common strikebreaker—

was answered by the shooting, by the hanging, by the throat cutting of the workers by the strikers.

Today what is it that John L. Lewis expects the striking miners in Kentucky to do? Does he expect that, in answer to his statement that the mines shall not open, that no one shall dig coal until he joins his United Mine Workers; that those striking miners at Harlan, Ky., shall shoot, hang, or cut the throats of the men—citizens of Kentucky—who desire to exercise their constitutional right to work in the mines of that county?

Does he expect, does he intend, that the striking members of his organization are to shoot down the National Guard of the State of Kentucky, who have been called out under the law of the land to protect the citizens of the State and of these United States?

Does he expect that the President of the United States, who has been placed in the position of supporting him and his organization, will approve of his conduct? Can he and his followers make the people of this country believe that our President will forget his duty—will remain silent if Lewis brings bloodshed, wholesale killings, into the county of Harlan, in the State of Kentucky?

Because Lewis and the C. I. O. and the Communists in it were backed up by Governor Murphy and the National Guard of that State in their unlawful conduct, their violence, and their beatings in the sit-down strikes carried on in Michigan, does Lewis now believe that he can go one step further and by his conduct bring about mass killings and go uncondemned by public opinion, unpunished by the law of the land?

Why talk about dictators abroad when here in this land of ours a man like Lewis, a private citizen, can issue decrees depriving citizens not only of their civil liberties but of the right to work for the necessities of life?

Lewis has forgotten the history of our forefathers. It may be well to call his attention to a few historic facts, so that, reading, he may realize once and for all that while our people are patient and long suffering, in the end no one can deprive them of their liberty.

It was on the 15th day of June, in the year 1215, at Runnymede, King John, for the salvation of his soul and the souls of his ancestors and heirs, by the Magna Carta did grant and proclaim, for himself and his heirs, among other things, that the freemen of his kingdom should thereafter have certain liberties, and that to none would he deny or delay right or justice.

Early in the history of this country, patriot James Otis it was who announced the truth that "taxation without representation is tyranny," a principle to which heretofore all true Americans have given allegiance.

On the 4th day of July 1776 our forefathers, in their wisdom, declared, among other things, that it was self-evident—

That all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness; that to secure these rights governments are instituted among men, deriving their just powers from the consent of the governed.

To establish the principles so declared our forefathers for 8 long years, at the cost of untold suffering and privation, fought the Revolutionary War.

To make secure those rights the then States of the Union did adopt a constitution which, among other things, provides that—

The Congress shall make no law * * * abridging the freedom of speech or of the press; that no person shall be deprived of life, liberty, or property without due process of law.

To maintain some of the rights so defined and the freedom of the seas our forefathers fought and won the War of 1812.

This Government of ours, to establish the principle that every man should be free, for 4 long years carried on the Civil War.

This Government, to aid in bringing to other peoples the freedom and the liberty which we prize so highly, fought the Spanish-American War, and at immeasurable cost in treasure and suffering took part in the World War.

John L. Lewis, repudiating the doctrine announced by James Otis that "taxation without representation is tyranny," now seeks to establish the doctrine that he, Lewis, may impose and collect, without the worker's consent, fees and dues from every man in America who desires to work.

Such doctrine, so announced by the said John L. Lewis, if established and maintained, would deprive American citizens of the inalienable right to life, liberty, and the pursuit of happiness, to freedom of speech and of the press, and of life, liberty, and property without due process of law, and of the right to work and thus of the right to maintain himself and his family.

The New York Times, in its issue of Sunday, May 14, 1939, carried the statement that John L. Lewis, commenting on the action of the operators of certain mines who refused to sign an agreement under which no man could dig coal in the mines operated by them until he had joined the United Mine Workers of America, said:

I want to issue a word of warning to the associations of the six districts that refuse to sign the new agreement and to say to them that, until they make up their minds to accept this agreement, sound public policy requires that they keep those mines closed.

That newspaper carried the further statement attributed to Lewis that—

Soldiers in Harlan County will not operate the mines or produce coal there or elsewhere. The time has gone by in the United States of America when the coal operators of the country can be shot back into the mine.

The Washington News of May 16, 1939, carried the statement that Mr. Lewis said:

Soldiers and guns will not mine coal in the United States. The time has past when you can shoot men back into the mines.

Governor Chandler, of Kentucky, according to the press, has called out State troops and has made the announcement that—

No man can tell our people to work or not to work and no one can come into this State and cause trouble.

John L. Lewis, according to the press, has demanded a Federal investigation of the use of National Guard men in the Harlan County mine feud.

John L. Lewis has boldly proclaimed that here in this land, which we thought to be free, man may and will be deprived of the God-given and man-acknowledged right to, by the toil of his hands and in the sweat of his brow, work for the necessities of life, and thus has declared himself to be seeking the role of a tyrant, seeking to possess and exercise the powers claimed and, prior to the Magna Carta, exercised by King John of England.

It is evident that if Governor Chandler insists that the citizens of Kentucky be free to exercise the rights guaranteed them by the Federal Constitution, and if John L. Lewis persists in his determination that no man shall work in the mines of Kentucky until he has joined the United Mine Workers, there will be riots and bloodshed.

The future of our people and our Nation depends upon the preservation of the freedom and the liberties guaranteed to us by the Federal Constitution.

The issue as to whether the rights guaranteed to us by the Constitution of our Nation and heretofore preserved to us by the courage and the patriotism of our forefathers shall be exercised by our citizens and passed on undiminished to our children, or whether we shall now surrender those rights and submit to the dictation of John L. Lewis or some organization, is squarely presented.

The question now before this country is this: Are we to be governed by law; to exercise the rights guaranteed to us under our State and Federal Constitutions and defined in the Federal and State statutes, or are we to submit to the demands of John L. Lewis?

Stated in a different way, the question is this: Who is the head of this Nation? Is it Franklin Delano Roosevelt or is it John L. Lewis?

The Constitution guarantees to every man the right to work. The President is charged with the enforcement of the law, which protects that right. John L. Lewis says that no man shall work until he has complied with the conditions laid down by him.

Is the President, acting within and under the Constitution and the laws of the land, supreme; or is John L. Lewis the man who from this day on will tell us what we may or may not do?

To aid in answering this question, a resolution has been introduced by me, calling for an investigation by Congress of Lewis, the organizations which he controls, and their activities. Your attention is directed to it. That resolution is as follows:

Whereas John L. Lewis, president of the United Mine Workers and head of the C. I. O., has announced in substance that no man shall be permitted to dig coal in the soft-coal mines until he has joined the United Mine Workers of America, and it is apparent that he intends to enforce that demand by force if necessary; and

Whereas the Governor of Kentucky, in which State some of these mines are located, has declared that "No man can tell our people to work or not to work and no one can come into this State and cause trouble," and, for the purpose of making good that announcement, has called out State troops; and

Whereas John L. Lewis has demanded a Federal investigation of the use of the national guardsmen in the Harlan County mine feud; and

Whereas it is apparent that violence and bloodshed will occur if the Governor of Kentucky stands by his declaration to see to it that the citizens of Kentucky are permitted to exercise the rights guaranteed them by the Federal Constitution; and

Whereas the issue as to whether the rights guaranteed to us by the Constitution of our Nation and heretofore preserved to us by the courage and the patriotism of our forefathers shall be exercised by our citizens and passed on undiminished to our children, or whether we shall now surrender those rights and submit to the dictation of John L. Lewis or some organization is squarely presented: Now, therefore, be it

Resolved, That the Speaker of this House be, and he hereby is, required to appoint a committee consisting of five members of the House, who shall inquire into, determine, and report to the House:

(1) On what pretense John L. Lewis and the United Mine Workers of America assume to declare that no man shall work in the coal mines until he has joined the United Mine Workers of America; and by what means and in what manner he or it intends to enforce that declaration.

(2) What sums have been collected and in what manner such sums have been expended by John L. Lewis and the United Mine Workers of America or any individual or organization affiliated with or acting in conjunction with them, or either of them, for the purpose of influencing or compelling workers to join or submit to the

demands of the said John L. Lewis, the United Mine Workers of America, or any organization connected with or acting in conjunction with them.

(3) Whether the said John L. Lewis or those acting in conjunction with him intend to prevent, by mass picketing or by the use of force, citizens of Kentucky or of any other place, who desire to work, from going about their daily tasks.

(4) Whether John L. Lewis has received any assurance from any Government official that, if members of the United Mine Workers of America attempt, by force, to prevent American citizens from going about their daily tasks in the mining of coal and if such attempts are opposed by State troops, the armed forces of the United States will be used to assist the said Lewis or strikers who may be engaged in such attempt in the furtherance of their plans.

That said committee or any subcommittee thereof is authorized to sit and act during the present Congress at such times and places within the United States whether or not the House is sitting, has recessed or adjourned; to hold such hearings; to require the attendance of such witnesses and the production of such books, papers, and documents by subpena or otherwise and to take such testimony, as it deems necessary. Subpena shall be issued under the signature of the Speaker of the House of Representatives or the chairman of said committee, and shall be served by any person designated by them or either of them. The chairman of the committee or any member thereof may administer oaths to witnesses. Every person who having been summoned as a witness by authority of said committee or any subcommittee thereof wilfully makes default, or who, having appeared, refuses to answer any questions pertinent to the investigation heretofore authorized, shall be held to the penalties provided by section 102, chapter 7, of the Revised Statutes of the United States, second edition, 1878.

That, upon the completion of such investigation, said committee report within a reasonable time to this House the result of its investigation, with a recommendation as to how and in what manner the rights guaranteed to the citizens of this country by the Federal Constitution may be upheld and maintained.

Resolved further, That in the event the committee transmits its report to the Speaker at a time when the House is not in session, as it is hereby given authority to do, a record of such transmittal shall be entered in the proceedings of the Journal and CONGRESSIONAL RECORD of the House on the opening day of the next session of Congress, and shall be numbered and printed as a report of such Congress.

Mr. CARTER. Mr. Chairman, I yield 20 minutes to the gentleman from Minnesota [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I have two matters which I wish to discuss with the Members this afternoon, matters which I consider to be very important, which have a very definite bearing on the lives, the liberty, and the happiness of the people of this Nation. The first matter I want to discuss is a matter of some local importance, as well as national, having to do, as it does, with the welfare and activities of the State prisons of many of the States of the Union. In the bill which we were to consider on Monday last, H. R. 5435, tucked away in the last page of the bill, there is a section, section 20, entitled "Prohibition Against Interstate Transportation of Convict-Made Goods." Many of you have, as I have, in your State a prison wherein a factory or industry of one kind or another is carried on. In our State prison in Minnesota we have millions of dollars invested in a factory which has been operating upward of a quarter of a century, in which is manufactured all kinds of farm machinery and equipment and binder twine. If this section 20 of H. R. 5435 is allowed to stay in, and the bill is brought back before the House and passed, it will virtually put our factory out of business, and I know it will have a similar effect on the factories in the prisons in many other States. For that reason I call this matter to your attention. I do not want to discuss it at length this afternoon, but I shall be prepared to do that if the proponents of this bill—H. R. 5435—attempt to bring it into the House again without taking out this section. One might think on the face of the matter that there is some justification for prohibiting prison factories and for prohibiting prison-made goods from being transported in interstate commerce. As a matter of fact, only about one-twentieth of 1 percent of all goods manufactured in the entire Nation are manufactured with convict labor or in prison factories.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from Michigan.

Mr. DONDERO. Is the gentleman familiar with the fact that there are three States in this Nation that are making prison binder twine, and that today the United States is the only country in the world that does not have a tariff on imported binder twine from other countries, and that the amount made in the prisons of this country has decreased about 50 percent in the past 10 years?

Mr. ALEXANDER. I am familiar with the statement made by the gentleman from Michigan and I thank him for the observation. I started to say that on the face of it, it might seem that this is something which would interfere to a large degree with organized labor, or with farm machinery factory labor throughout this country and I mention the fact that only one-twentieth of 1 percent of the total industrial production in the country is produced in prison factories, but one must consider the fact that whether in prison or not the men will have to live and their families must live, and they would be entitled to work if out of prison; so why should we say that because they have been arrested, convicted, and incarcerated in prison, they should be taken out of the usual activities of life? Are they not still entitled to live and to work?

Mr. PITTENGER. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield.

Mr. PITTENGER. What organization or groups of people are behind this proposed bill or amendment about which the gentleman is speaking?

Mr. ALEXANDER. I have before me House Document 702, and I refer the Members of the House to this interesting document. It contains hearings before the Federal Trade Commission and is entitled "The Report of the Agricultural Implement and Machinery Industry; Concentration and Competitive Methods of the Farm Machinery Trust." This book contains some 1,200 pages and leads me to believe that behind this section 20 is the everlasting, continual movement on the part of that Farm Machinery Trust of the East to eliminate this little competition, so that they can control prices on farm machinery and equipment completely. There are some interesting items exactly pointing to this conclusion in this booklet. When you consider the fact that prices on farm machinery and equipment at this time average 158 percent higher than they were before the World War and that farm crop prices are about 5 percent below pre-war levels you can get some idea of what it means to the farmers of this country who contend with a combine, trust, or monopoly of that sort without any competition or restraints such as we are able to apply in the Northwest States and which I hope some of the other States are able to apply because of this factory which we have been operating in the State prison at Stillwater. In fact, prices right now on many farm implements are over 200 percent higher than in 1913–14. The cost of harrows, rakes, hay loaders, and cultivators are all over 200 percent higher than in 1914.

Mr. PITTENGER. Mr. Chairman, will the gentleman yield further?

Mr. ALEXANDER. I yield.

Mr. PITTENGER. This amendment, in effect, would prohibit the industry in the Stillwater Prison almost entirely, would it not?

Mr. ALEXANDER. It would. Not only that, but to the farmers throughout the country who have purchased implements manufactured in these prison factories, it would prohibit their buying parts or supplies or providing themselves with repairs for those implements which they already have on their farms, in case they need to repair them.

I want to read a short statement regarding some of the labor aspects of this prison factory situation, which is on a card that was given to me sometime ago:

PRISON COMPETITION INTERFERES WITH FREE LABOR LESS THAN ONE-TWENTIETH OF 1 PERCENT

Criminologists agree prisoners should work and not be exposed to the deteriorating influence of idleness.

Employment in prisons replaces antiquated methods and instruments of torture with humanitarian methods devoted to detention

and education, equipping men for useful self-supporting lives when released.

In Stillwater 1,400 inmates have taken 1,400 men from the ranks of free labor, creating 1,400 vacancies for others. In addition, has created 300 new jobs for free labor in the institution operation and management.

Employment of prisoners in Minnesota makes our prison self-supporting.

Saved the people of Minnesota millions in taxes.

Saved the purchasers of products millions of dollars.

Prisoners paid $150,000 yearly in wages, mostly sent to their families. This takes burden off others.

Mr. DUNN. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield.

Mr. DUNN. How many thousand dollars did the gentleman say the prisoners had received in that institution?

Mr. ALEXANDER. In our State we have paid them $150,000 a year in wages.

Mr. DUNN. What would that average?

Mr. ALEXANDER. Per prisoner?

Mr. DUNN. Yes.

Mr. ALEXANDER. We had 1,419 in Stillwater Prison when I visited there in December.

Mr. DUNN. A great deal of this money goes to maintain their families, as the gentleman says. Of course, I am a member of the Committee on Labor and probably had something to do with the bill. Can the gentleman tell the House what these men would receive on the average per week?

Mr. ALEXANDER. I have not had an opportunity to figure that out. I have the figures here in the annual report for Stillwater Prison, and, as I recall, it averages about 67 cents a day cash, plus their keep.

Mr. DUNN. Does not the gentleman think that if in some way we could increase the salaries of these unfortunate prisoners there would not be so much objection to this part of the law?

Mr. ALEXANDER. As I recall, our average cost for the support of prisoners, including the money they get, averages between $3 and $4 a day in Minnesota. I think that compares favorably with the average annual wage of the people that this particular industrial activity involves.

Mr. DUNN. Does not the gentleman believe the reason why various labor organizations are in favor of this part of the bill is because of the cheap labor in these prisons?

Mr. ALEXANDER. I think that is a lot of poppycock. I think labor is being used as a cat's-paw by the Farm Machinery Trust. I think what we want to do is to keep our prison costs down as much as we can. When you raise costs you increase taxes. These increased taxes thus loading onto the individual citizen outside the prison a great deal more tax burden for the operation of our State institutions, which eventually comes out of the pocket of the laboring man.

Mr. DUNN. I do not know, of course, just exactly the situation.

Mr. COX. Mr. Chairman, will the gentleman yield to me?

Mr. ALEXANDER. I yield.

Mr. COX. I understand the gentleman is speaking to the resolution recently reported by the Committee on Labor proposing certain so-called amendments to the existing wage-hour law?

Mr. ALEXANDER. Yes.

Mr. COX. That is the bill which I understand the Committee on Labor has sought to withdraw from the House in order to give further consideration to the question, it not having been made clear, however, that there was any intention on the part of the committee to report anything whatever.

Is the gentleman informed that this committee, the Committee on Labor, since meeting with defeat in its effort to withdraw the bill to which he addresses himself, has reported another bill; and if so, is the gentleman able to inform the House as to the intent of the committee in the manner of securing consideration, whether they will ask for a suspension of the rules and thereby defeat the right of amendment, or whether they will ask for a rule providing full consideration, full debate, and full freedom on the part of the membership of this House to amend?

Mr. ALEXANDER. I am trying to check on that matter, because of my interest in this section 20 and other sections of the bill. As near as I am able to understand the matter, as it stands at present, is in the hands of the Rules Committee and will stay there until they bring in a rule; otherwise nothing else can be done without unanimous consent.

Mr. COX. I understand. It is my information that as things now stand there are two bills now in the House offered by the Committee on Labor—the bill to which the gentleman addresses himself and another bill which, I understand, was introduced today. The committee abandoned its expressed intention of asking for a suspension in order to test the judgment of the House on the bill to which he is speaking.

Let me ask the gentleman if he is prepared, or if he knows of any Member of the House who is prepared, to make application to the Committee on Rules for a rule providing for consideration of the bill which he now has before him?

Mr. ALEXANDER. No; and I think no one will do that. There are some features of that amendment which was proposed here Monday which are meritorious—for instance, the one in connection with rural telephone companies.

Mr. COX. But was the gentleman prepared to have approved the procedure adopted by the committee, that is threatened to be adopted by the committee, asking for a suspension of the rules?

Mr. ALEXANDER. I certainly was not.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield.

Mr. RAMSPECK. Just to keep the RECORD straight, may I say to my colleague from Georgia that, according to my way of reading the RECORD, the chairman of the Committee on Labor in asking for the return of the bill amending the Fair Labor Standards Act stated that it was her purpose to take it back to the committee for revision and for report back to the House.

Insofar as the new bill is concerned, the only information I have about it is that the chairman of the committee, the gentlewoman from New Jersey [Mrs. NORTON] informed the committee this morning that she would introduce during the day a new bill containing all of the amendments in the present pending bill, with the exception of the agricultural amendments, and that the bill would be brought to the attention of the Committee on Labor next week for its consideration.

Mr. COX. Mr. Chairman, will the gentleman yield for the purpose of my asking my colleague a question?

Mr. ALEXANDER. I would like to proceed myself, but I yield briefly.

Mr. COX. I wonder if the gentleman is in a position to speak for the committee and therefore able to inform the House as to whether there will be another effort to secure suspension of the rules to pass the bill to which he has just referred in the event his committee reports it favorably?

Mr. RAMSPECK. Insofar as I am concerned—I can speak for myself only, but I give it as my mature judgment the only way we can pass these meritorious amendments and have them become law is under a suspension of the rules. In that, of course, I know my colleague, for whom I have the highest regard, disagrees; but I do not agree with his judgment. I think the only way we can get these meritorious amendments passed, amendments in which so many Members are interested, is to do it under a suspension of the rules and not attempt to throw this law wide open to emasculating amendments which certainly would be offered.

Mr. COX. Is the gentleman unwilling to trust this House with the right to impress its views upon the proposal by offering amendments which are expressive of their best judgment?

Mr. RAMSPECK. I am not unwilling to trust this House about anything, but I believe in being practical; and I want to see passed some modified amendments, but not in the way my colleague would indicate.

Mr. COX. Under suspension of the rules no amendment could be offered by any Member of the House.

Mr. RAMSPECK. That is true.

Mr. ALEXANDER. Mr. Chairman, I said at the outset there were two matters I wanted to discuss at this time. I am going to leave this matter of prisons now for your digestion, but I know it is a thing that most of you are vitally interested in because of the fact that you all have State prisons. This brings me to the second thought I want to present this afternoon.

Throughout my short life I have interested myself in a number of our great national problems, among them the problem of crime. In the bill now under consideration, H. R. 6392, we appropriate under the Department of Justice for the Federal Bureau of Investigation which is doing a very fine, a very wonderful, and meritorious work throughout the entire land. You will note if you examine the bill and the committee's report that each of the items covered calls for an increased appropriation over last year.

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield 5 additional minutes to the gentleman from Minnesota.

Mr. ALEXANDER. We are forced to make these increased appropriations mainly because of the indifference and inattention not only on the part of the general public to this problem of crime, but because of the indifference of those in positions of leadership in this Nation, including we, ourselves, the ones who are asked to make this appropriation for the Department of Justice. We hear not a single word about this great problem of crime, about any cure for it, or anything which will serve to lessen its demands upon the Treasury. For this reason I am constrained to bring before you a few serious thoughts regarding this subject this afternoon. It is our problem. It is the problem of every good citizen of this land. It is not only a problem of citizenship, it is also our religious duty if we call ourselves a Christian Nation as is clearly and unmistakably pointed out by Christ himself in the thirty-ninth and fortieth verses of the twenty-fifth chapter of Matthew.

So let us make a start in studying this problem. In the first place I ask you if you know how many of the men and women arrested during the past year, the past 2 years, or any particular period of time, had been previously arrested and convicted and served time in prison?

Do any of you know that figure? I have it in the form of a report from the Federal Bureau of Investigation, volume 8, No. 4, in which I find the following paragraph:

> There was a total of 229,583 persons arrested during 1937 concerning whom there was information on file dealing with prior criminal activities, and the record showed that 149,091 had been convicted previously of one or more crimes. This number is 64.9 percent of the 229,583 records containing data concerning prior criminal activities.

Now, listen to this:

> In more than one-half of the cases the previous convictions were based on major violations as indicated by the following figures.

There is a total of 78,610 convicted of such crimes as criminal homicide, robbery, assault, burglary, larceny, arson, forgery and counterfeiting, rape, narcotic drug laws, carrying weapons, and driving while intoxicated.

Mr. Chairman, is that not an indictment of our method of handling criminals when we find nearly 65 percent of those arrested have been previously arrested, convicted, and have served time and then were let out onto the public again? In other words, this leaves us about 35 percent of those arrested who may be termed beginners or first offenders.

Thus this problem divides itself into two sections, as I see it; first, to aid that group of 35 percent in avoiding crime and to solve this eternal problem of crime by some constructive method as far as the 65-percent group is concerned, who because of their having served time we know are unfortunate and need our special help and care lest they fall again. As it is now, we turn them out into the country in competition with 11,000,000, or whatever the figure is, unemployed.

We spank them, in other words, and we say to them: "Now you behave. You have had your punishment. You go straight from now on," expecting them, in the face of the competition which exists today, to go out, get a job and make an honest living. It seems to me that is the height of absurdity. And the net results are indicated by the above figures.

LET US HAVE CRIME CURING

What are we doing about this situation. We know the problem. Now let us go to work. First of all it seems to me that we need to coin a new phrase to fit this problem. I would say we need a new activity in this country to be known as crime curing. Every year our crime grows larger and more expensive. Every year we need to build larger prisons, larger jails, and larger courts, police departments, and other crime catching and punishing machinery.

Is it not apparent that we are thinking too much about crime catching and crime punishing instead of something about crime curing? It is evident from the growth of crime that our present methods are not curing crime.

To put the matter in another way, are not we leaving this problem entirely too much to our police, our courts, and our prison officials, who are in general doing a very fine job of catching and punishing criminals, which is their job, but nothing much about curing crime, judging from its continuous and unabated growth. Is not the problem ours rather than theirs and is not that the big reason why we have the situation which exists today because of our neglect and indifference in the matter?

LET US THINK THIS THING THROUGH TOGETHER

The major objective of American democracy is the protection of life, liberty, and the pursuit of happiness for its peoples. Any force which threatens the inalienable and absolute rights guaranteed to the American citizenry constitutes an enemy in our midst. For several years I have been concerned with the menace of lawlessness which threatens every home in this Nation. Crime we have had since the dawn of time—at least since the larceny of the forbidden fruit in the Garden of Eden. It would be utopian to expect that crime can be completely eradicated from our social order. However, we can aim at the irreducible minimum.

Few topics have received so much forensic attention as crime. And as a result, the crime problem all too often has been the object of considerable discussion by good-hearted but theoretical individuals whose practical knowledge of crime and its problems has been almost nil. Naturally smoke screens of theory have camouflaged many of the most vital factors in crime causation and treatment. And as we pass from the theoretical to the practical aspects of the crime problem, I can point to the seriousness of the problem best in the words of Director J. Edgar Hoover, of the Federal Bureau of Investigation, who is the foremost authority in the Nation on crime. In discussing the menace of lawlessness, Director Hoover said:

> The army of criminals numbers at the present time over 4,600,000 persons. This number of individuals banded together for any definite purpose might well be considered to constitute a very serious challenge. Four million six hundred thousand individuals constitute an army greater than any that overran Europe and Asia in ancient times. Well-organized and armed, it casts an ominous shadow over the peace of the world and threatens our own individual security and safety, and the bearing it has on the perpetuation of democracy itself.

Are these figures fully understood? Would these facts be more realistic if I pointed out that last year in this country a serious crime was committed every 22 seconds; that 3,927 serious crimes were committed every day; that nearly 1,500,000 serious crimes, such as murder, manslaughter, rape, robbery, burglary, and aggravated assault, were committed during the year; that 33 murders were committed every day; that one burglary was committed every 1¾ minutes; that one robbery was committed every 9 minutes; and that one larceny was committed every 38 seconds?

It is, of course, difficult to estimate correctly the annual cost of crime, yet it is generally agreed that crime costs the Nation a minimum of approximately $15,000,000,000 annually. And even in these days of mass production and big business, it must be recognized that a $15,000,000,000 enterprise is something to be reckoned with, particularly since this constitutes a levy of about $120 for every man and woman in the Nation each year. In fact, the cost of crime is 400 percent more than the national cost of education, which is $3,000,000,000. With so much consideration being given to tax burdens, it might be well to observe in passing that the cost of crime is 25 percent greater than our total annual tax bill of approximately $12,000,000,000. There is no way whereby we can estimate the cost of crime to the Nation in terms of human values. Over 1,000,000 persons annually pass through the county jails of America. The prison population in any State constitutes a community in itself.

My own State of Minnesota has recognized the crime problem in recent years, particularly after it became necessary to call upon the Federal Government to clean up marauding gangs of desperadoes who saw in the Twin Cities of St. Paul and Minneapolis green pastures and lucrative fields beckoning to their predatory instincts. And the State of Minnesota acknowledges with gratitude the splendid work of J. Edgar Hoover and his G-men in exterminating the Barker-Karpis gang, John Dillinger, "Baby Face" Nelson, and scores of other unwanted guests.

Today Minnesota does not have the best record in the country, but neither does it have the highest crime rates. As a matter of fact, according to the Federal Bureau of Investigation's tabulation of crime statistics, only 3 other States have lower murder rates, only 14 have lower robbery rates, only 7 have lower assault rates, only 9 have fewer burglaries per 100,000 inhabitants, only 19 have lower larceny rates; although 31 other States have lower rates of auto theft.

In comparing crime rates in Minnesota with crime rates per 100,000 inhabitants throughout the United States, it is noted that with the exception of larceny and auto theft, Minnesota has lower rates than the general average:

Offense	Offenses per 100,000 inhabitants	
	In Minnesota	In the United States
Murder, nonnegligent manslaughter	1.1	6.0
Robbery	42.8	76.6
Aggravated assault	9.5	50.6
Burglary	251.2	294.4
Larceny	754.7	726.5
Auto theft	210.3	188.1

There are three phases to the crime problem which are particularly appealing to me and which should be emphasized in every State and community in the Nation. First of all, it is obvious that good law enforcement is an absolute necessity, and we are developing that angle progressively. As Director Hoover has so aptly said, "Sure detection, swift apprehension, and the certainty of punishment are the time-proven deterrents to crime." At least this has been proven by the Federal Bureau of Investigation in dealing with kidnapers and bank robbers. Out of the 148 kidnaping cases reported to the Federal Bureau of Investigation, 146 have been completely solved, and bank robbery has declined over 75 percent since Congress enacted the Federal Bank Robbery Act in 1934.

I feel qualified to speak of kidnaping, since my State has been the scene of much activity. Only a little over a year ago John Henry Seadlund was brought to the northern woods of Minnesota after the G-men had chased him from coast to coast and over halfway back across the continent. This time Seadlund was in custody for the kidnaping of Charles S. Ross, of Chicago. He had used Minnesota as a hide-out, but only once. He will kidnap and kill no more. Justice has taken its course.

The first line of public defense is our American police, whose development in recent years has been unparalleled. But our peacetime army of law enforcement needs our assistance just as does the Army, the Navy, and the Marine Corps. And at this point I want to commend American law enforcement for its vision in taking more and more an active part in crime prevention.

Here is the second phase of the crime problem, which really deserves not only the best thinking in the Nation but the most concerted action of every father and mother in the Nation. The facts are stark and revealing. The crime problem is a youth problem. Of the 554,376 case histories studied by the Federal Bureau of Investigation, as reflected in its publication entitled "Uniform Crime Reports" (vol. 9, No. 4, p. 159), 104,425 of the individuals arrested were less than 21 years of age, 94,909 were between 21 and 24; or 199,334 of the individuals arrested in 1938 were less than 25 years of age. Add to this the 94,815 individuals arrested between the ages of 25 and 29 and you have 294,149 persons under 30 years of age. In other words, 53 percent of the persons arrested in 1938 were under 30 years of age, 35.9 percent were under 25 years of age, while 18.8 percent had not reached the age of voting. Yet strangely these figures are encouraging, because from 1932 to the middle of 1935 more persons 19 years of age were arrested than in any other age group. Slowly the age has been rising, until in 1938 the largest number of persons arrested were 21 years of age.

The most appalling fact shown in these figures, however, is that while only 18.8 percent of the persons arrested were under 21, yet this group accounted for 12 percent of the murderers arrested, 28 percent of the robbers, 43 percent of the burglars, 31 percent of the larceners, and 52 percent of the car thieves arrested.

According to the most recent figures of the Bureau of the Census, a total of 63,552 persons were sentenced by the courts to serve penitentiary terms during 1937. Of this number 12,188 were under 21 years of age and 12,221 were between 21 and 24, while 11,515 were between 25 and 29. In other words over 56 percent of the persons committed to prison were under 30 years of age.

And in passing, let me ask this question, Could it be that the Civilian Conservation Corps, by taking boys from poor environments in hundreds of thousands of cases, has been responsible for raising the largest group of persons arrested from 19 to 21 years of age? I do not think it at all unreasonable to conclude that it has been a major factor. Not only that but there is also the health angle as indicated by the following editorial taken from one of our daily papers:

HEALTH CONSERVATION IN C. C. C.

A telling commentary on what the C. C. C. has done in the field of health "conservation" is to be found in figures showing that the death rate for pulmonary tuberculosis among C. C. C. boys is only 0.06 per 1,000 boys.

That is all the more impressive when you consider that the death rate from that disease is six times higher for the general male population in the 15 to 29 age group.

Work in conserving resources, rehabilitating forests and parks, is usually cited as the C. C. C.'s primary accomplishment. Maybe it is—it's certainly important enough—but the health and muscle gained by C. C. C. members, many of whom come from urban slum areas, are a tremendously beneficial byproduct.

Ask any experienced law-enforcement officer why youth commits crime and he will tell you that it is not solely be-

cause of poverty or out of sheer antisocial tendencies. He will tell you that youth commits crime because of several reasons, such as defective home conditions, bad companions, abnormal physical conditions, deficient early development, unsatisfied interests, and extreme educational defects. As Director Hoover has observed, "youth commits crime because some adult has committed a greater crime. Youth commits crime because of deep-laid social faults that must be corrected." One feature of this problem is referred to in the following news item taken from the Minneapolis Journal, as follows:

INSTRUCTION IN SEX URGED FOR SCHOOLS

NEW YORK, April 21.—Advocating sex instruction in public schools, Ellsworth B. Buck, New York City educator, laid to parents today the responsibility for increase in social disease, and the number of illegitimate babies born to high-school-age girls, he said, was shown in a national survey.

Buck said a committee would be appointed to study possibility of including sex instruction in high-school courses here.

"An appalling picture of ignorance" was his description of the survey showing that about 40 children in every 1,000 in the Nation are born out of wedlock, almost half of them to girls between the ages of 15 and 19 years.

The present conditions, Buck said, have arisen "precisely because parents refuse or are unequipped" to undertake proper sex instruction of children.

I have already referred to John Henry Seadlund, the kidnaper and murderer of Mr. Charles S. Ross, and the killer of his own associate, James Atwood Gray. According to the press reports, Seadlund openly admitted he committed crime because of the excitement it gave him. And that is not unusual. Sixteen-year-old George Tindell, of Holden, Mo., after seeing a hair-raising movie with his friend, went on a 3-day orgy during which he stole four cars, committed four robberies, and kidnaped three persons. Had George spent a little more of his time playing football or some other sport, his desires for new thrills and excitement no doubt would have been satisfied and he would not have been sent to prison for 15 years.

Crime prevention more and more demands our attention. In my youth there were chores to do—wood to be chopped, livestock and poultry to be cared for, and odd jobs to be done. Somehow it seems that youth has more leisure time today and unless his leisure time is spent in a creative manner amidst clean, wholesome surroundings, something is bound to happen once his sense of moral responsibility weakens. The answer lies in increased recreational facilities, as well as in appropriate discharge of parental responsibilities. Remember, as I have pointed out, crime costs this Nation nearly $120 a person per year. Yet the per capita cost for recreational services in 94 cities ranges from 2 cents to $2.83 per year. We pay billions to the forces of lawlessness, yet scarcely spend millions for recreation and other activities which will give youth an outlet for his overabundant energy. What fools we mortals be. Why, in one great metropolitan city—from volume 3 Survey of Recreation in Chicago, by Northwestern University—vice, it is said, and terrible as it is, annually nets more than is paid out for all kinds of recreation—commercial and private. The average youth in school has between 4 and 5 months of leisure time each year, and because of economic conditions, the school boy or girl does not find odd jobs as he did 10 or 20 years ago. The answer, in my humble opinion, is an extension of youth activities and movements such as the Boy Scouts, boys clubs, Y. M. C. A., Y. W. C. A., Y. M. H. A., and 4-H clubs. In one city an old police station was taken over by a boys club and in 6 months juvenile delinquency appreciably diminished. Here in Washington, D. C., juvenile delinquency has declined as much as 75 percent in some precincts since the organization of the Metropolitan Police Boys' Clubs.

These are but isolated instances which can be duplicated in thousands of communities. If they have worked merely as an incidental activity, how much more effective would they be if given concerted attention. The facilities we have, in every community. All that is needed is the leadership, and a little energy. Every community should have a coordinating council. Every community should have youth movements. And it is the function of the State and the National Governments to lend a hand by furnishing the leadership and if necessary the funds to start these movements and keep them going. I mean things now being sponsored by the American Legion, such as junior baseball, citizenship training, boys' towns, school medals, school patrols, and so forth. Time does not permit me to mention activities of other patriotic organizations of which there are many, especially in the V. F. W.

At this point in my discussion I wish to insert an interesting and relevant article entitled "Crime Prevention," which is written by an inmate of our State Reformatory for Women at Shakopee, Minn., and which has been sent to me by Supt. Estelle Jamieson, who is in charge of that institution. Not knowing that the article was to be used in this way, it is interesting, and especially so, coming from the inside by one who knows the problem from sad experience. Read it: Crime Prevention, by Harriet F.

CRIME PREVENTION

(By Harriet F.)

The problem of crime prevention is not the concern of penologists alone but should be of vital concern to all intelligent people. Crime affects all directly or indirectly. The study of the dread diseases that have brought suffering to humanity has paid large dividends to the world—layman and scientist alike profiting. So, too, can the study of crime by penologists benefit the world. However, the knowledge gained by such study must be given to the public. Society in general needs education along these lines, and it is the duty of the penologist to bring this knowledge before the public and make them realize that it is their problem.

Groups of penologists hold meetings attended by other penologists; they exchange theories; they discuss the problem. They write books containing much valuable information, but these books are for other penologists. They do not reach the general public, who are the ones who pay the taxes, among whom the lawbreakers were born and raised, and to whom the transgressors will eventually return after incarceration, and who are the ones that should make a place for them if they are to be expected to become law-abiding citizens.

The public must be taken into the confidence of penologists if we are to begin at the right end of the penal question—crime prevention—rather than at the wrong end—rehabilitation. Moral rehabilitation is a splendid thing and worthy of the study and support of everyone, and a very necessary element in the cases that have gone beyond the preventable point; but if the crime be prevented it is far better. The public must be educated in all phases of the crime question. If they can be made to realize what a large part they can play in the prevention of crime, it will follow that the right-minded ones will do their share toward the furthering of this aim.

There is no better place in which Minnesotans can begin this worthy undertaking than in the Twin Cities. These two cities, being the largest in the State, are a mecca for the rural young folk who, thinking opportunity for success lies at one's finger tips in this larger community, come filled with boundless faith, courage, and beautiful, vital youth, but usually very little money. The money melts away surprisingly fast and they are left in their youthful ignorance to the mercy of whatever elements first hold out a guiding hand. It is the duty of every decent citizen to do his share toward providing for this contingency by doing what is in his power to see that this guiding hand is the right kind. Suitable lodgings and assistance should be made available to these bewildered and friendless young people without a lot of red tape. "We do not care who your parents are; we want to help you!" should be the attitude of such a place. Food, shelter, and sympathetic understanding should be the first to be offered, followed by whatever type of assistance is needed in each individual case. You say that it is not sensible to hand out charity promiscuously; that persons not deserving would take advantage? To that we can only say "We should rather be fooled a thousand times than to feel that once we turned away some deserving soul until it was too late." Don't you, too, think it would be a sad thing to know that because help was denied a girl in a crucial moment, her burden became too heavy for her to bear alone, and she by some illegitimate means tried to help herself; or, having lost all hope, sought utter oblivion and wandered ever after through a dark valley, never finding peace or rest.

We who are incarcerated hear often the phrase, "Our debt to society," but is it true that we, because we have transgressed the laws of society, are the only ones who owe a debt to society? No! By no means. You, each and every one, owe your debt to society because you are a member of society. It is all of us, good and bad, who make up society, and we all have a duty and a debt which we shall owe until we are no longer mortal clay.

We know only too well what pitfalls beset the path of youth, headstrong and eager to climb the ladder of success in a few brilliant strides. Youth is ever like that, and would we want it to be much different? No; of course, we wouldn't. It is because of the

eager, vital fire of youth that more of our great and wonderful things come into existence. What we must do is help and encourage so that none of this fine energy will be expended in worthless pursuits. What greater satisfaction can we get, what greater charity can we give than that found in helping some young woman to find her place in the world, and knowing that because of that, someone has found the world a little better place in which to live?

The third phase of the crime problem which particularly appeals to me and which is truly appalling is the almost overwhelming problem of recidivism. Turning again to the Federal Bureau of Investigation for statistics, we find that last year, of the 554,376 individuals who were arrested and fingerprinted, 252,057 of them had previous records of criminal activity. It is impossible to pick up any metropolitan newspaper without reading of some crime being committed by an ex-convict or some paroled convict. Last summer in my own State a brutal triple murder occurred near Osseo by August Yaeger, who boasted of no less than eight convictions and prison sentences, only to be paroled and pardoned time and again. I am happy to add that these acts of ill-advised clemency did not occur in my State.

I think Mr. Hoover was correct when he observed:

Reformation, theoretically, is always possible as there are some who can be rehabilitated; but reformation, practically, of confirmed, degenerate, habitual criminals is so rare that in applying the parole principle it becomes a crime and nothing else to indulge indiscriminately in the hope that this type of criminal can be reformed, and to make society pay the penalty for what is so often proved to be an error in judgment, based upon a sentimental, ill-considered viewpoint of individual criminals rather than a consideration of the entire problem.

This type of criminal, of course, can be treated in only one way; he must be incarcerated for life or until such time as he is rehabilitated. After all, prisons exist in order that society might be protected.

Certainly most convicts must come out of prison sooner or later. Parole properly administered as we try to do it in Minnesota can be of immeasurable value, and its facilities should be extended to all criminals who have learned the error of their ways and have an honest desire to redeem themselves and take their places in the communities where they settle. But they must be given a helping hand—those that are worthy of reclamation are worthy of assistance. It costs the State $416.41 a year to keep a prisoner in the Minnesota State prison, and at the present time we spend in Minnesota only $44.12 to supervise a criminal a year. Other States doubtless have similar figures.

Work is a necessity for those who would lead an exemplary life. Unless they can find work after release and be given an opportunity to make an honest living they must become public charges or revert to crime. I submit it is not at all unreasonable to consider subsidizing a convict upon his release from prison during his period of rehabilitation, at the same time placing a high penalty upon the violation of the terms of his release. The violation of parole is indeed a breach of confidence and as such it should be as great a crime as stealing. While I know of no State which has had the foresight to approach the problem of recidivism by first giving every assistance to the released convict, nevertheless I am convinced of the validity of such a program. The public interest involved would more than warrant the experiment, and I hope we can help the idea to take shape in the near future.

No honest citizen, I am certain, favors the widespread menace of crime, yet unfortunately in most instances we have done much talking and have taken little action. The time has now arrived when there must be not only 100-percent concentration of interest in the crime problem, but 100-percent action as well.

Crime can be brought under control through effective law enforcement, an extension of crime-prevention programs, and the realistic tackling of the problem of recidivism. May we dedicate every fiber of energy to the meeting and conquering of the menace of lawlessness.

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON of California. Mr. Chairman, if there is one branch of the Federal Government which must be above suspicion at all times, it is the Federal judiciary. The last hope of a free people in a free country is the court of law which deals out justice to rich and poor alike, regardless of race, color, or creed. The cornerstone of our faith in a true democracy must always be an unfaltering reliance in the integrity of those men who wear the robes of justice and sit upon the Federal bench.

In these days of unrest throughout the world, of economic distress at home, of changing social conditions both here and abroad, we must keep true to our course. If we are to preserve our democracy we must make doubly sure that those who are entrusted with the honor of holding public office are persons of the highest integrity. As Attorney General Murphy said in a recent speech:

Whatever else men will tolerate from democratic government to preserve liberty, they will not tolerate injustice, and that means they will not tolerate something wrong with the courts.

And yet, Mr. Chairman, there is something wrong with the courts, something radically wrong. We see the following headlines in a recent newspaper article:

Seven More United States Judges Face Ouster—Murphy Bares Wide Scope of Criminal Quiz as President Accepts Thomas Resignation.

Reading further we find this:

Two Federal judges sitting within the confines of New York City and five members of the Federal bench in other judicial circuits now face investigations similar to those which led to the indictment of Circuit Court Judge Martin T. Manton and the resignation of Thomas.

What is wrong? Why are these men, whose characters should be above reproach, facing an investigation by the Department of Justice and possible indictments for malfeasance in office?

I think I know one of the answers and a possible cure for the trouble. Section 132 of the Criminal Code of March 4, 1909, provides that:

SEC. 238. (Criminal Code, sec. 132.) Accepting bribe; judicial office. Whoever, being a judge of the United States, shall in anywise accept or receive any sum of money, or other bribe, present, or reward, or any promise, contract, obligation, gift, or security for the payment of money, or for the delivery or conveyance of anything of value, with the intent to be influenced thereby in any opinion, judgment, or decree in any suit, controversy, matter, or cause depending before him, or because of any such opinion, ruling, decision, judgment, or decree, shall be fined not more than $20,000 or imprisoned not more than 15 years, or both; and shall be forever disqualified to hold any office of honor, trust, or profit under the United States (R. S. No. 5499; Mar. 4, 1909, c. 321, No. 132, 35 Stat. 1112).

Mr. Chairman, I do not believe that the present penalties are severe enough. A Federal judge, whose office and integrity should be above reproach and suspicion, when found guilty of violating his trust, should face a punishment that is both severe and certain. The public will not and should not have to tolerate graft and corruption on the Federal bench.

Perhaps the assurance of speedy justice and the infliction of severe penalties will act as a strong deterrent on the desire to misuse the high office and position of influence to which our Federal judges are appointed.

About 2 months ago I introduced a bill to amend the present Criminal Code, which I have just cited. My bill provides that any judge found guilty of having violated the law as heretofore stated shall be fined not less than $50,000 nor more than $100,000 or imprisoned for a period of from 15 years to life, or both.

If we are going to clean up the Federal courts, let us keep them clean. I believe that enactment into law of the amendment I have proposed, which increases the present maximum fine from $20,000 to $100,000 and the prison sentence from a maximum of 15 years to life, will have a salutary effect

upon the future conduct of those to whom we entrust the duties of a Federal judge.

Mr. THOMAS. S. McMILLAN. Mr. Chairman, I yield 10 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Chairman, I have been delighted during the debate this afternoon to hear a number of gentlemen quote from a very high authority. I do not want the membership to think that these two gentlemen to whom I refer are the only ones who can quote from that same authority.

The gentleman from California quoted these words:

When I was a child I spake as a child, but when I became a man I put away childish things.

The gentleman on my side of the aisle gave another quotation, also a good one, from the same source—

As ye sow so shall ye reap.

I want to quote one or two.

Ye shall know the truth and the truth shall make you free.

The immediate quotation I would like to give with reference to this bill, if I only had the full time to discuss adequately this bill and some comments I have heard today, is as follows:

Where there is no vision the people perish.

I listened with great interest to my friend from the far West, the minority leader having charge of time on this bill, when he spoke of the state of the Union. He paid tribute to the pioneers. I also know something about the pioneers, not only in the East and in the Middle West, but in the far West. I verily believe it took superpioneers to conquer that region in the far Southwest where the gentleman and I live.

I am reminded of these words concerning the pioneers and I would like to pass on this tribute:

When the soldier leads an assault in battle he does it in the blare of trumpets and the roll of drums. The charge lasts but a moment. He knows, whether he lives or dies, that eternal fame is his reward. Not so with the pioneer. When this soldier of peace assaults the wilderness, no bugle sounds a charge. Savage beasts and still more savage men wait to ambush him. He blazes the trails, fells the trees, turns the streams, and plants his own rude stakes. Self-satisfied society accepts his toil without compensation and smiles at his crudities. His self-possessed soul keeps its finger on his lips and no lamentations are heard.

When joyous civilization comes tripping with unsoiled sandals over the trails he has blazed, when seats of learning and temples of worship dot the land, his youth is gone, hope is chastened into silence, and he sinks into a dreamless bivouac under the stars. The world merely sponges his name from the lists and shudders in horror at his rough and rugged ways. But he is content. The shadows of the wilderness have been chased away. Savage beasts and savage men have fled. Fields ripen to golden grain and perfumes of flowers and songs of children gladden all the land. He smiles upon the coming generation and is content.

This is the type of men who made this country and we national lawmakers owe them and their courageous women more than mere lip service and praise. I wish to say to my friend from California that to the extent that he glorifies the virtues of our pioneer forebears I certainly agree with him, but I do not agree in wishing to return to those days. We can no more turn back the clock of time, we can no more go back to the covered-wagon days of our ancestors than France in 1820 could go back to 1788. We cannot turn back the clock of time, nor would we. But I do agree that we ought to provide a suitable reward for the men and the women who have blazed these trails and made America what it is.

As I look around me now and see in this gallery on my left those fine young people, I wonder whether we are going to stand for a little America or whether we are determined to stand for a big America? I am not a defeatist. I am not chilled by the gloom and despair which seems to prevail over on the left side of the aisle. I agree with my friend from California when he says we ought to stand for such appropriations as are needed and are good, but I am not thinking merely of my own appropriations. When I voted early today on two amendments, one relating to the far South and another one to the Columbia River, I was not thinking alone of Arizona, but of a greater America. In the bill before us today I find that an appropriation which I believe ought to be there is not there. We should build; the country, the future, these young people will hold us responsible if we sit down here in despair and let our country be ravished by insects, let our soil be swept into the sea, and let the great engineering talent and ability we have go to waste while we wring our hands in despair over social and financial maladjustments and try to turn back to resume a program which our fathers knew.

Just this morning this letter came to me:

Mr. MURDOCK, may I humbly remind you that there would be no overproduction of cotton or other commodities to trade to foreign countries if our own people had money to buy the things they need. In fact, the only thing we see an overproduction in here is the flies we have this year from lettuce rotting in the fields.

Mr. MURDOCK, if you could be here now and see the people barely existing and desperate for work I think your heart would bleed. They must have money to buy the things that are here for them. It is their rightful inheritance. Why not national dividends to all citizens in interest-free, tax-free United States notes? The vague idea of money and its functions that the people entertained in the past is now a thing of the past. A balance between money and production (services and commodities) is exchange.

America is in the balance. Not a matter of silver and gold but food and shelter and all useful things. The call now is for statesmanship—

And so on, and so on.

I agree with the sentiment in that letter, and I wanted to read it into the RECORD.

Mr. Chairman, I, too, want to balance the Budget, but that is not my first consideration. Let us put first things first. Let us be less anxious to balance the Budget and more anxious to balance our economy. Let us see to it that we build America, that we build dams and power plants, and that we do the things which lordly man is supposed to do as the master of creation. More pioneering remains to be done in this country than has already been done. Let us build this country which our pioneer ancestors conquered in its raw state and chased away the shadows of wild beasts and savage men. We have all the necessary talent and we have the economic ability to do it. Have we the courage? I tell you, it is a defeatist attitude when we are gripped with fear that we are getting our books out of balance and too much written in red ink.

Mr. DUNN. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I am sorry time will not permit me to yield at this point.

Among many other things, this bill concerns commerce. While I shall not be able to look far into this bill, I do wish to say, echoing what the gentleman from California said, that I want it understood that we out West can produce better beef than they can produce in the Argentine. [Applause.] But I am not content merely to dwell on that one phase of international commerce. Why is it that our country is willing to take beef from the Argentine? I am assured that some of the great American packing houses have gone into the Argentine, and they are using cheap labor to can beef there and send it here. That should be stopped, but I want to go further than merely stopping that practice, for it is only a part of the evil. Certainly, I want our Nation to trade with all nations. I believe commerce is the golden chain that links nations together and that international trade is conducive to peace, but I am determinedly opposed to permitting American capital to go into foreign lands, produce goods with cheap foreign labor, and depend on the American market for their sales.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I am pleased to yield to the gentleman from California.

Mr. CARTER. Let me say that I visited the Argentine exhibit in the San Francisco Exposition on Monday of this week and saw there the Argentine canned beef of Swift and Armour on exhibition.

Mr. MURDOCK of Arizona. It is a fact which we have long suspected and some of us have known. It is alarming how much American capital has been invested abroad to produce goods for our markets. We have to go further than canned beef and stop other importations of goods from abroad.

Mr. KITCHENS. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I yield to the gentleman from Arkansas.

Mr. KITCHENS. The reason our industrialists are moving to foreign countries, establishing automobile plants in England and other countries and packing plants in South America, for instance, is that we are running them out of this country. Our tariff walls have caused them to jump over these walls and leave our country and leave our labor here as it is. In this manner they have in part brought about this depression. Is not that a fact?

Mr. MURDOCK of Arizona. I respect the judgment of my friend from Arkansas, and there may be some correctness in his diagnosis. Whatever the cause may be and whatever the remedy, I do know this—that we are letting too much American capital be invested abroad in industrial concerns producing goods for the American market to the detriment and loss of our own labor. [Applause.]

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY. Mr. Chairman, I wish to call your attention and the attention of the Members of this House to the fact that there is one group of our people who are deserving of consideration at this time.

In these days of the so-called agricultural surpluses, and in these days where funds and means are being provided for what are termed "the underprivileged," it seems only reasonable and fair that we give consideration to a relatively large group of young people who are under institutional care.

According to the last information available from the United States Department of Commerce, I find that we have 2,240 foster homes, with an enrollment of 242,929 children. Here are nearly a quarter of a million unfortunates who are surely where they are through "no fault of their own." They are not in a position to bring any pressure on Congress. These young people are found in many denominational as well as public institutions. Even if they are found in denominational institutions, I contend they are a group of people who should have, and deserve, public interest and support. I have had an opportunity of knowing many citizens of our country whose childhood was spent in these institutions, and I know many splendid citizens who have had this training.

In investigating this matter I find from the Surplus Commodities Corporation that they have furnished some food to comparable groups, and it appears that no further legislation would be necessary in order to provide these institutions with the products of the Surplus Commodities Corporation. I personally feel that these institutions should be given first consideration by the Surplus Commodities Corporation from the funds that are already available under the present laws. I feel sure that if the Members of Congress evidence the same opinion the Surplus Commodities Corporation would be willing to follow our recommendations and will see that these young people are properly provided for.

I would like to ask the Members of the House if they do not think this would be a splendid opportunity of legislating for one group of people who are in no position to bring any political pressure to bear on us.

If this suggestion meets the approval of the Members of this House, I hope at a later date to introduce a resolution asking the Speaker to appoint a committee to take this suggestion up with the Administrator of the Surplus Commodities Corporation and work out a plan that would be fair and just to all of the institutions. [Applause.]

Mr. THOMAS S. McMILLAN. Mr. Chairman, I yield such time as he may desire to use to the gentleman from Washington [Mr. COFFEE].

THE GOLDEN JUBILEE OF THE STATE OF WASHINGTON—A CENTURY OF PROGRESS

Mr. COFFEE of Washington. Mr. Chairman, this year the State of Washington is celebrating the golden jubilee of its admission into the Union as a State. In 1833 white civilization was started in the Pacific Northwest, at that time known as the Oregon Territory, at Fort Nisqually, a few miles south of what later became the city of Tacoma, and within a very short distance of what are now Fort Lewis and McChord Field—these two latter undertakings are great Federal enterprises, representing one of the great Army cantonments and the new Army airfield of the Pacific Northwest—a half-century later a group of sturdy pioneers gathered together to draft a constitution for a new State. After working assiduously night and day they composed their differences and jointly gave birth to a covenant which pronounced that Washington forever would be the sympathetic abiding place of spiritual freedom, tolerance, and sound government. Benjamin Harrison, President of the United States, soon thereafter proclaimed this Providence-favored land of snow-capped mountains, sky-blue, pure water lakes, land-locked waters, verdant hills, fertile valleys, timbered hillsides, a sovereign State.

FIFTY-YEAR SPAN OF BIRTH TO FRUITION

In 1889 a distant backwoods territory of straggling and struggling settlements became Washington, the State, encompassing and embracing the hopes and dreams of her crusading, pioneer founders. Myriads of old and young, identified with this rustic country, gathered to rejoice, holding celebrations wherever assemblies could be gotten together in this spacious but sparsely settled land.

Today, 50 years later, and but a little more than 100 years after the first whites arrived, a proud State of nearly 2,000,000 Americans proclaims its vigorous leadership in fisheries, agriculture, commerce, and culture, and pauses to celebrate a real century of progress and its golden jubilee year of statehood.

WASHINGTON, A GREAT AND FAVORED STATE

Today the Evergreen State of Washington stands supreme in the Nation in the production of lumber and foremost in the production of wheat, dairy and poultry commodities, quality fruits and berries, bulbs and flowers, mineral products, vegetables and divers and widely variegated commodities of the fields and hills, made possible through the unity of man's effort and ingenuity and the blessings of Providence.

Today Washington State stands preeminent in citizenship and enlightenment, being first in public education, high-school pupils per capita, literacy, and literature reading. Superior highways ribbon the State—highways that transcend mountains, overcome lakes, and, on massive structures of engineering genius, straddle inland waters, thus drawing ever constantly together the many enterprising communities which dot its 70,000 square miles of area.

NATURE ASSISTED MAN TO ACHIEVE RESULTS

Such a record of progress, however, within two brief spans of 50 years, can hardly be ascribed exclusively to human minds and hands. Nature provided a gorgeous, awe-inspiring setting for this remarkable progress. The climate was unparalleled, devoid of extreme temperatures. Earthquakes, tornadoes, hailstorms, blizzards were and remain unknown in our State's history.

TACOMA, THE CITY OF DESTINY

Naturally, every community in Washington State will pause during this year of 1939 to celebrate and invite others also to celebrate this golden jubilee year, in company with local inhabitants. Hence, we are endeavoring in every way not only to ask our personal friends but also to induce as many others as we can reach, to visit the State of Washington this year. Above all, my home city of Tacoma, the "city of destiny," would delight to welcome you Members of the House during the week of July 16. During that week Tacoma has been officially recognized as the 1939 host for the entire State of Washington. Among outstanding events already scheduled will be a golf tournament, water carnival,

a monster all-State civic dinner, boxing matches, State-wide parades, mardi gras, an Indian village, the homecoming of prominent sons and daughters, an air circus. A spectacular 3-day pageant will be put on in the historic Tacoma Stadium. This is the first lighted open-air field west of the Mississippi River and is illuminated by the electricity furnished by that municipal enterprise which provides the cheapest electric power in the United States. It is interesting to note that the stadium was the first high-school stadium in the United States, that it seats 30,000 people, that it is erected in a natural amphitheater, and that its occupants, while comfortably seated, may have their souls exalted by the contemplation of the majesty of nature in the form of incomparable Puget Sound and that magnificent natural eminence which the Indians call Tacoma, the "Mountain of Frozen Snow Water," and which is designated on maps as Mount Rainier.

Tacoma is a superb place in which to take your vacation and to use as a headquarters for vacation outings. Not only is this favored city surrounded by Nature's abundance but also by man-made structures, as revealed by sheets of 20 hand-colored photographic stamps. I am presenting to each Member of Congress a sheet of these stamps on behalf of the Young Men's Business Club of Tacoma, of which organization I am proud to be a member. These stamps may be used on the backs of envelopes and should serve as friendly invitations to you to visit the State of Washington, and especially my home city of Tacoma, from July 16 to July 23, this coming summer.

TACOMA COLORED STICKER STAMPS

Each of the scenes depicted upon the sheet of 20 colored stamps is within 5 to 60 minutes' ride by automobile from Tacoma. The only exception is Bremerton, site of the Puget Sound Navy Yard. But when the Tacoma Narrows Bridge, made possible by this Congress and the P. W. A., is completed in a year or so from now, the navy yard will likewise be less than 60 minutes' distance.

If you will examine the stamps when you receive them, you will see pictures of Stadium High School, a reconstruction of an original railroad tourist hotel, a building of French chateau architecture and recognized as one of the outstanding and most beautifully built and located high schools in America. Lincoln High School is also depicted upon a stamp. Fronting this high school is a striking statue of our sixteenth President, after whom the school was named. A picture of a sample highway bordering Puget Sound is presented and a study of this picture will indicate why it is that we of the State of Washington regard our State highways as second to none in the Nation.

FORT NISQUALLY AND RAINIER NATIONAL PARK

Note the picture of old Fort Nisqually, the reconstruction of which, in the confines of Point Defiance Park, Tacoma, was effectuated by the activities of that enterprising group of optimistic young men comprising the Young Men's Business Club of Tacoma. Fort Nisqually was the pioneer fort on Puget Sound, originally constructed by a factor of the Hudson Bay Co. Note the great tree shown on one of the stamps, which loggers are engaged in cutting down. This is a likeness of a typical forest giant and symbolic of the great lumber industry of the Pacific Northwest. A picture is shown of skiing in Rainier National Park. Here can be found a skiing paradise which is the cynosure of skiing enthusiasts from all over the United States.

THE PUYALLUP FAIR AND POINT DEFIANCE PARK

In the enterprising city of Puyallup, in my district, 12 miles from Tacoma, there annually takes place the Western Washington Fair, one of the 10 outstanding fairs of the Nation. For 1 week in early fall—this year commencing September 18—are exhibited here the superb products of the rich soil of our numerous farms. A visit to this fair would be a never-to-be-forgotten event. Next we see a picture of fishing at Point Defiance Park, with our great, perpetually snow-capped mountain in the background. Point Defiance Park is recognized as one of the three most beautiful parks in the United States. It is operated by a municipal corporation set up under State law known as the Metropolitan Park District of Tacoma, consisting of five nonpartisan elected officials who function without salary. Point Defiance Park embraces an area of 640 acres of natural woodland and beautiful gardens, surrounded on three sides by the sparkling waters of that great inland sea known as Puget Sound. Fishing for salmon off Point Defiance Park is a sport which has attracted lovers of the out of doors from every section of America. Not to have enjoyed this pastime is to have missed one of the treats of a lifetime. Salmon is a gamey, sporty fish, beautiful to behold and ineffably delicious to devour.

TACOMA'S MUNICIPALLY OWNED POWER SYSTEM

Note the picture of the dam at Lake Cushman, with the Olympic Mountains in the background. Here is one of the sources of hydroelectric energy which provides the cheapest electrical power sold in America. This is the site of one of the hydroelectric plants of Tacoma's municipally owned electrical system and is the pride of every citizen. The outlet of this comparatively small lake was dammed and a much larger lake was thereby formed.

M'CHORD FIELD AND FORT LEWIS

Our colleague the gentleman from Mississippi [Mr. RANKIN] has often dilated at length upon the superior advantages of Tacoma's municipally owned light plant.

Hangars at McChord Field, the new Northwest Army airport, are depicted. This is an enterprise in which we Members of Congress who made it possible may take justifiable pride. We authorized it and appropriated the money for it during the past 2 years. One of the stamps represents a picture of the artistic entrance to Fort Lewis, an Army cantonment of 70,000 acres of land donated to the United States Government by the patriotic citizens of Pierce County. The land cost $2,000,000, and on it the Government has erected architecturally attractive structures costing millions of dollars, in which are housed soldiers of the United States. On this area during the World War was trained the famous Ninety-first Division.

Reference has already been made to the Bremerton Navy Yard, a scene of which, with the Olympic Mountains in the background, is on one of the stamps.

A picture of one section of Tacoma's business district with the great mountain in the background is presented. Note the proximity of the mountain and the wooded foothills to this enterprising, bustling community.

TACOMA NARROWS BRIDGE

Next will be seen a photographic likeness of the great Tacoma Narrows Bridge, as it will look when completed. This bridge surmounts the narrowest section of lower Puget Sound and connects the vast hinterland of the Olympic Peninsula with the rest of the State. It cuts off 70 miles of transportation for those who wish to go from one section of the State to the other. Its completion will connect Bremerton and Fort Lewis and will serve as an effective arm facilitating national defense.

A scene of that superb mountain so loved by John Muir, the great naturalist, is shown on another stamp. This is a view as taken from Alta Vista Ridge and indicates how vegetation, flowers, and trees blossom in abundance in immediate juxtaposition to the snow fields.

OTHER GRAPHIC SCENES ARE APPEALING

Note the great stack from which smoke is pouring. This is the tallest cement smelter stack in the world and rises 575 feet in the air. In this smelter are employed hundreds of workmen living in a model community, workmen who belong to organized labor.

Scenes revealing that our area is a sportsman's paradise are shown. Here boating, swimming, horseback riding, golf, tennis, baseball, football—all outdoor sports find their full flower. One picture portrays a section of Tacoma Harbor, one of the five best harbors in the world and one of two

superb deep-water harbors of the United States. In this harbor could be anchored safely and in amply deep water the entire navies of Great Britain, France, and the United States, with room to spare. A picture of a sailboat scudding before a breeze in marvelous Puget Sound is worthy of study.

DAFFODIL FESTIVAL

In the Puyallup Valley, in the Sumner-Puyallup area, there takes place every spring the blanketing of vast fields by blooming, gorgeous, golden daffodils. It is a wonderful sight to behold. A daffodil festival celebrates the occasion every year. For miles one can see daffodils growing in every direction in the springtime, always with Mount Rainier-Tacoma somewhere on the horizon.

So, my colleagues, I hope that the stamps I present to you will give you a glimpse of the countless attractions of which the Tacoma area in the State of Washington can boast.

In conclusion, I cannot emphasize too vehemently that our section is one of the blessed sections of all the world, never too hot in summer, never too cold in winter. Green woods, abundant shrubbery, lovely homes—homes the majority of which have been bought and paid for by workers in factories and stores. Come out there this summer and drink deep of the winey atmosphere. See for yourselves that I am not exaggerating. Sleep comfortably every night the entire summer. This is the State which invites you to celebrate with it its golden jubilee July 16 to 23, 1939. This is the only American State named after an American patriot or President. It is in the far Pacific Northwest. It holds America's last frontier. In it will be found America's newest national park. Within its borders will be found scenery indescribably grand and arresting. In it will be found people who extend the warm handclasp of ready friendship. In it will be found the progressive spirit which is typical of the great West.

So come out there and be our guest. We guarantee you the time of your lives. [Applause.]

Mr. THOMAS S. McMILLAN. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. KERR].

Mr. KERR. Mr. Chairman, I am taking these few minutes to talk to you about an item in this bill which provides for the Sixteenth Census of the United States.

When our Constitution was made there was a clause put in it which provided that within 3 years after the meeting of the First Congress of the United States there should be a census taken of the people of the United States. The reason for this was because the Constitution also provided that after the first allotment for membership in the House of Representatives such allotments should be made on the basis of the population of the several States of the Union.

In this bill, Mr. Chairman, there is an appropriation of $45,100,000 for the purpose of taking the Sixteenth Decennial Census. Of this appropriation, $21,900,000 is to be used the first year and the balance is to be used the second year if it is necessary.

Of this amount for the first year's appropriation, $1,462,142 is for the permanent service in the Bureau here in Washington and $2,204,576 is for temporary service incident to this work during the first year, making a total of $3,666,718. This item represents the cost of the work within the Bureau proper for the first year.

Fifteen million one hundred and sixty-three thousand and thirty-one dollars is the estimated cost of 560 supervisors who are to be selected throughout the country and 140,000 enumerators who are to be employed throughout the United States. The balance of this item of $21,900,000, to wit, $3,070,251, is for printing supplies and other material incident to this work and distribution.

The increased cost of the 1940 census as compared with the census of 1930 is estimated to be an increase of $5,818,844 and is accounted for not only by the increase of the population which we have estimated to be from 8 to 10 percent, but principally because of the operating cost in our expanding Government functions of which this Bureau has charge. The Bureau now serves and collects and distributes statistics for 21 independent activities or functions, and I ask unanimous consent, Mr. Chairman, that I may include this list as well as two items in specification sheets, at this point in my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The matter referred to follows:

By projects or functions

1. Population	$10,665,951
2. Agriculture	5,464,425
3. Florists and nurseries	52,979
4. Irrigation	46,180
5. Drainage	27,649
6. Distribution	2,756,930
7. Mines	72,549
8. Outlying possessions	333,406
9. Wealth, debt, and taxation	
10. Electrical industries	26,536
11. Manufactures	961,623
12. Current inquiries	117,852
13. Red cedar shingles	13,964
14. Institutional population	61,525
15. Marriage and divorce	50,245
16. Vital statistics (annual)	606,511
17. Vital statistics (other projects)	
18. Cotton and oils	396,205
19. Financial statistics of States and cities	222,326
20. Statistical abstract	23,144
21. Publicity	100,000
Total	22,000,000

THE INCREASE IN THE NUMBER OF UNITS TO BE ENUMERATED

The natural growth of population is still a major factor causing the increased cost of each succeeding decennial census. This population growth causes increases in the number of units which must be canvassed in the agricultural, business, and industrial phases of the decennial census. During the past decade there has also been a sharp increase in the number of farms and small business establishments resulting from economic conditions during the depression—conditions which forced many persons who normally would have been employees for wages to become self-sufficient operators of small farms or of small shops and stores.

Both the natural increase of population and the depression have resulted in an abnormal increase in the number of persons seeking employment and in the number of unemployed. Whereas the population as a whole has increased approximately 8 percent, the number of workers for whom unemployment and occupation data must be secured has increased by approximately 12 percent.

THE INCREASE IN OPERATING COSTS

Allowance must also be made, in comparing the estimated cost of the Sixteenth Decennial Census with the cost of the Fifteenth Decennial Census, for the higher operating costs which now exist and which may increase still more before the completion of the next census. There are few, if any, items of costs in the Budget for the Sixteenth Decennial Census which have not increased since 1930. Printing, office supplies, furniture, rented tabulating equipment, wages of office employees, and many other items can be cited in support of this statement.

Mr. KERR. It will be interesting to you gentlemen to know something of the development of the Census Bureau of the United States. The present permanent establishment of the Bureau of the Census was consummated in 1902 and its duties have been progressively extended each year since.

Prior to 1790, only several European countries had ever taken account of their inhabitants. The United States was the first to establish the periodical census and this was required, as I stated at the beginning of my remarks, by the Constitution, which provided that within 3 years after the first Congress, representation should be apportioned to each State.

The census of 1790 was taken by the district marshals in those States whose districts were contiguous with State lines. These marshals compiled the census and then turned the matter over to the clerks of the court and the clerks transmitted the data to the President. This method of taking the census was continued from 1790 to 1850.

In 1800 and at the second taking of our census in the United States, Mr. Jefferson and Dr. Dwight asked that that census not only include the number of inhabitants, but that it group the natives of this country and the aliens and the

citizens and the children of aliens. At this time the supervision of the census was given to the Secretary of State.

In 1810, the census was taken under the direction of the Secretary of the Treasury and its duties enlarged, and at that time they required the enumerators to make a note of the manufacturing establishments in the United States, and to make a further return as to how many naturalized foreigners there were in America.

As you will notice, during all this time the matter of taking a census was a very simple one and it is only in recent years that it has grown to present proportions which are very large and most interesting.

In taking the census in 1830 and 1840, its functions were still further enlarged to cover economic data in this country.

In 1840 there was some criticism throughout the country of the inadequacy of the census and a Census Board was established to make plans to take the census and to get a more nearly accurate return. This Board was composed of the Secretary of State, the Attorney General, and the Postmaster General, and the Board had prepared forms and questions and submitted them in order to record the information more accurately.

In 1850 this Department was placed under the supervision of the Secretary of the Interior. Up to that time the Department had been shifted from place to place. It had nothing much to do except to take the census every 10 years. First, it went to the Secretary of State, then to the Secretary of the Treasury, and afterward the Department of the Interior. The duties of the census takers were expanded both in 1860 and 1870 and also in 1880. The supervisors and enumerators were selected for the work throughout the country in 1880. In 1890 the work of the census activity was further enlarged and the reports of its work and data concerning many important facts and findings were published and distributed throughout the country. The present Bureau of the Census was permanently established in 1902, and under the act of 1929 every census taken since then has been governed by the rules and regulations of that act. It is interesting to note that there have been outstanding fine officials who have been in charge of the census activities of this country. First, there was Mr. Coxe, who was in charge of its activities. After him came Mr. Kennedy, then Mr. DeBowe, Mr. Walker, Mr. Harris, Mr. Rogers, and others, up to the present most efficient Director, Mr. Austin. Mr. Rogers at one time was a resident of my State and for a number of years was the corporation commissioner of the State of North Carolina. Mr. Austin is one of the most faithful and most active and most conscientious officials of this Government. He is always kind and courteous, and it is a real pleasure to do business with him. In my opinion he is one of our outstanding fine public officials of this Government, and we have a right to be proud of the great unselfish service that he has done this great country of ours. [Applause.]

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. THOMAS S. McMILLAN. Mr. Chairman, I now yield to the gentleman from Indiana [Mr. SCHULTE].

Mr. SCHULTE. Mr. Chairman, the milk investigation which was authorized by this House is now in its third week. It is perfectly apparent that there is a great deal more to this situation than the mere alleged "bootlegging" of cream into Washington from the State of Indiana. As a member of the subcommittee conducting this investigation, it is my intention to see to it that all of the facts are brought to light, and that the real reasons for the conditions existing on the Washington market are uncovered and held up to public scrutiny.

You all remember the sensational stories which appeared in the newspapers on March 5 telling about the seizure of a truckload of cream from Lafayette, Ind. You also remember the intimations carried in these newspaper reports that the cream was not fit for human consumption, and that a great crime had been committed. It now appears that this cream was of the highest quality, and not only compared favorably with the Washington cream, but some people think that the tests of it show that it is superior to that which is locally produced. It was over this truckload of cream that seven people were arrested and seven patrol wagons were employed by the corporation counsel of the District of Columbia, and all of those persons, irrespective of their participation in this alleged "bootlegging," were held for investigation, were retained incommunicado for periods ranging from 8 hours to 22 hours.

The testimony thus far taken before the subcommittee shows that two Washington policemen spent about a week going to Michigan and to Indiana to follow the truck which brought the cream into the District of Columbia, and that all their expenses, including lodging, food, and transportation, were paid by the Maryland and Virginia Milk Producers' Association, a cooperative organization of farmers in nearby Maryland and Virginia, supplying almost all of the milk and cream to the Washington market.

Gentlemen should not get away from the fact that this was only a misdemeanor, and that they took two policemen from the force of the District of Columbia and sent them along to spy on this truck through the State of Pennsylvania into the States of Michigan, Illinois, and Indiana.

Mr. HULL. Mr. Chairman, will the gentleman yield?

Mr. SCHULTE. Yes.

Mr. HULL. Does not the testimony also disclose that the expenses of these policemen were paid by the Milk Producers' Association?

Mr. SCHULTE. It does. It shows that the Milk Producers' Association paid all of the expenses of these two policemen on a misdemeanor charge, attempting to prove a misdemeanor. The testimony thus far taken shows that two Washington policemen spent about a week on this mission. The testimony which the subcommittee has thus far heard shows how all this came about, but the real reasons and purposes behind it are not quite clear up to this time. It is perfectly apparent, however, that a giant monopoly exists in this market and that a very determined effort is being made to put a Chinese wall around the city of Washington and to keep out of the city all dairy products which are not produced by the thirteen-hundred-odd farmers who make up the Maryland and Virginia Milk Producers' Association. This organization is working hand and glove with the National Dairy Products Corporation, which has several subsidiaries in and around Washington, notably Chestnut Farms-Chevy Chase Dairy, the largest distributor of milk and cream in Washington, and Southern Dairies, the largest manufacturer of ice cream in Washington. The Chestnut Farms-Chevy Chase Dairy handles and processes all of the surplus milk which is produced by the Maryland and Virginia Milk Producers' Association at a very handsome profit to itself, and between the two organizations, seems to have the tightest kind of a grip on milk and cream in the District of Columbia. The subcommittee is attempting to get at the bottom of this situation, and I hope that it will recommend real remedial legislation to destroy this "wall" about the city, and to give to the people of Washington clean, wholesome, and pure milk at a decent and fair price.

One of the things which has amazed me most is the spectacle of the Commissioners of the District of Columbia, always complaining to Congress about not having enough policemen to protect the city against armed robbers and desperadoes, permitting two of its detectives, all expenses paid by a private organization, to traipse around the country following a truckload of the finest cream that can be produced, and at the same time detailing other of its detectives and officers to spy on two dairies in Washington in an effort to discredit these dairies and to urge the people of the District of Columbia to believe that any milk or cream which comes from outside Maryland and Virginia is not fit for the people of Washington to drink. I am wondering how the Members of this Congress, all born and raised outside of Washington, ever survived and kept healthy when they were forced to drink milk and cream which was not produced within the Chinese wall of this city.

Since this investigation has started, I have seen a large number of so-called "farmers" who produce milk for the Washington market. They all look to me like prosperous businessmen. They come to the committee meetings dressed in the height of fashion, well groomed, with no evidence of hay or straw about them, and with an utter and complete lack of calluses on their hands. I do not know at what time of the morning they start work, nor at what time they stop, but they do not look like the poor farmers in my State of Indiana who get up before dawn and work with their hands until way after dark. I have no quarrel with farmers of any place. They never get enough for their products, particularly for the milk they produce, and the real farmers in Maryland and Virginia who produce milk for the Washington market are no exception to the rule, but I am greatly puzzled over this whole situation. Farmers in my State produce good, pure, clean milk. They all work hard, and all the members of their family, male and female, are at it from early until late.

The people of Indiana and adjoining States, notably the great city of Chicago, drink this milk and thrive on it. These farmers receive $1.56 per hundredweight for the milk they produce, while the farmers who supply Washington—and those I have seen seem to have plenty of time on their hands, and have every indication and appearance of being gentlemen of the soil rather than toilers—receive $3.16 per hundredweight for all milk which I know cannot be any better than my farmers in Indiana produce 365 days in the year; and yet, Mr. Chairman, this Maryland and Virginia Milk Producers' Association, and this giant monopoly known as the National Dairy Products Corporation, tried to brand the cream which my farmers produce as unfit for human consumption; tried to keep it off this market, and deny to them their constitutional right of selling their products in any part of the United States without restriction and without tariffs being imposed. If this lately developing trade-barrier system continues to grow, we will find ourselves divided for purposes of commerce into 48 separate countries, blacklisting and taxing out of existence the products of neighboring States. Mr. Chairman, the people of Indiana grow tobacco, and it is good tobacco, but yet we do not say to the farmers of Maryland and Virginia to "keep your tobacco at home; it is not fit for us to use." We buy lots of tobacco from Maryland and Virginia, and we think it is a good product, and we welcome it into our State; but we just do not like the idea of having our milk and cream branded as unfit merely because certain people want to maintain their grip of extortion on the throats of the people of this city.

Our State of Indiana is a great agricultural State; our people are industrious and thrifty; they are not afraid to work, and they do work. Our products are famous wherever used, and our milk and cream are no exception to that rule. Why, then, should the District of Columbia, a Federal territory, composed of people originally from every State in the Union, be denied the right to drink milk and cream—pure, clean, healthy milk and cream—produced in the State of Indiana?

I do not know why, if the bringing in of cream from outside of the city of Washington is a crime, and such a heinous crime as the Commissioners of the District of Columbia and this Maryland and Virginia Milk Producers' Association seem to think it is, that the penalty for the commission of such a crime is not more than the limit of $10 for the first offense. I cannot understand why an offense which is not even a misdemeanor under the statute, but is merely a petty offense, should receive the personal attention of the Commissioners of the District of Columbia, the corporation counsel in person, and a large number of his staff and a large corps of police officers and milk inspectors. Boiled down to its final analysis, the situation simply is this, taken at its worst: A local dairy imports a truckload of 200 cans of 40-percent cream from the State of Indiana. The cream is the best that can be produced. The cream is pure, maintained at a proper temperature, and strictly in accordance with all the laws of the District of Columbia. If it is an offense to bring it into the District of Columbia, it is a technical offense and one which does not deserve all of this attention and all of the publicity given to the incident. I have never known the Police Department of Washington and the Commissioners to be so diligent in the enforcement of law. I have never known the corporation counsel to personally conduct a raid and order seven patrol wagons to take seven persons to seven different police precincts and hold them incommunicado for as long as 24 hours without giving them an opportunity to consult a lawyer or to put up bail. When Southern Dairies, an affiliate of the National Dairy Products Corporation, was discovered bringing unlicensed cream into the city of Washington, nothing was said or done about it until a member of the committee, Congressman SHAFER of Michigan, inquired about it before the investigating committee. Then there was action, and then warrants were issued, but, so far as I am now informed, these warrants have never been served.

Statements were not made concerning the impurity of this cream which came into this subsidiary plant of the National Dairy Products Corporation, and which came into the city of Washington upon order of the Maryland and Virginia Milk Producers' Association. I understand that this cream came either from Maryland or Pennsylvania, and despite the fact that it constituted just as much "bootlegging" as the cream which came from Indiana, it was used by the Southern Dairies and not seized by the police department as was the Indiana cream. I say to you gentlemen of this House that there is something very peculiar about this whole situation, and if you have constituents back home who produce good, pure, clean milk and cream, and because it is not produced in this narrow milkshed in nearby Maryland or Virginia, are shut off the market in Washington, then it might be a good idea, too, for you to try and find out what is going on here and what it is all about.

Mr. Chairman, something must be done to break up this tremendous monopoly on this market. This Maryland and Virginia Milk Producers' Association must be stopped, and somehow we must find out how it secured such a tight grip and hold on the Washington market. One of the National Dairy Products Corporation's subsidiaries in Washington—Chestnut Farms-Chevy Chase Dairy—actually earned a net profit of $400,000 from the sale of milk and cream to the consumers of Washington during the depression year of 1938. This I say could not have been accomplished without its having the tight grip which this organization has, not only on producers who supply this market with milk and cream but which seems to control most everyone else, including the District of Columbia government. I favor the modification of the milk law of the city of Washington so as to permit the importation of pure, clean milk and cream from any part of the United States under proper safeguards and health protection. I do not want the people of Washington to drink milk which is not good any more than I want the people of Indiana to have that kind of milk, but it is not necessary to build a Chinese wall around this city for the economic benefit of a comparatively few people and deprive 600,000 residents and taxpayers of this city, which is under the control of the Federal Government, of the right to have clean, pure milk at a decent and fair price.

This is not a matter which concerns only the farmers of Indiana and the middle West, but very seriously affects the real dirt farmers of both Maryland, Virginia, and West Virginia, and all of the other States of the Union who can and do produce good, clean, wholesome milk, but being unable to spend large sums of money in buying the expensive equipment required by the health regulations of the city of Washington, cannot enjoy this fluid-milk market. If the gentlemen of this House will inquire they will find that all those who have farming areas within their districts have constituents who would like very much to ship milk to Washington, but just cannot get their hands on the necessary money

to buy all the "frills" required by the health regulations. If all these unnecessary "frills" and "do-dads" are eliminated, and this Congress passes legislation which requires the doing of only those things which are necessary in the protection of public health, it will not be necessary in order to get a quart of milk, to bring the cow into the parlor, tip your hat to her, furnish her with a room and bath, and then in very polite tones suggest that you would like to have a quart of milk. The cow in this area is fast becoming as sacred as the cows of India, and it is all resulting in the people of Washington paying the highest price for milk, being able to drink but very little of it, and as a result, continuing here a very bad health situation.

The people of Washington are constantly being told by the agents of the two monopolies which control this market, Chestnut Farms Dairy and the Maryland and Virginia Milk Producers' Association, that they are most fortunate in being able to get such a fine grade of milk, and that nothing must be done to disturb the situation. In this connection it is very interesting to note that the people of Chicago today are buying milk for 12 cents a quart delivered at the doorstep, and 10 cents a quart if you go to the store for it; that in Gary, Ind., you can buy all the good, clean milk you want for 10 cents a quart delivered at your door, and the same applies to Indianapolis, Evansville, and Elkhart; that in New York City milk sells at the doorstep for 11½ cents and can be purchased in stores at 9½ and 10½ cents; in Pittsburgh, Pa., milk is 11 cents a quart; in Michigan, particularly in Detroit, milk can be bought at the doorstep for 8 and 9 cents a quart, and in stores from 6 to 8 cents a quart; in St. Louis, Mo., you can buy good, clean milk for 11 cents a quart delivered to your doorstep. In Milwaukee, Wis., it is 10 cents a quart, and in Wheeling, W. Va., it is 11 cents. Are you gentlemen of this House coming from these States willing to admit that you and your children are drinking milk which is unfit for human consumption, or do you not contend as I do, that all of us are buying good, clean, pure milk, and the best the market affords? Why then should we build this halo around the cow in the city of Washington and sit supinely by and allow these two giant monopolies to get away with charging the voteless people of Washington 14 cents a quart for the same milk which is purchased in Detroit, Mich., for as low as 6 cents a quart? A comparison of vital statistics and health records of the large cities of the United States with the District of Columbia is not flattering to the Capital of the Nation, and I have no doubt but that the high price of milk here, and the inability of the poor people to buy it, is a contributing factor to our poor health situation.

I am not going to allow these monopolistic organizations, vigorously aided and abetted by the Commissioners of the District of Columbia, and the Corporation Counsel, Mr. Seal, to pull the wool over my eyes, and to throw mud and dirt at certain independent distributors in the city for the purpose of setting up a smoke screen to hide their real purpose, namely, to keep the consuming public of Washington in their tight grip and to protect a comparatively small number of farmers, to the detriment of 600,000 residents of this Capital City, and these hard-working dirt farmers in every other part of the United States who can and would supply Washington with a decent product at a fair price.

I am amazed, as I sit as a member of the investigating committee, to hear testimony about the Maryland and Virginia Milk Producers' Association bragging over their success in having the Commissioners of the District of Columbia pass regulations to keep competing products off this market. It is beyond my comprehension to know why an organization of farmers storm the doors of the health officer of the District of Columbia, demanding that he make health regulations for them to obey more stringent and rigid all the time. It just is not human nature for any individual to ask that he be required to spend more money and more time in the production of a product which he has for sale. The real reason for it all is that if the health officer will keep on making these regulations, keep on making them more strict and rigid, very shortly the bottle of milk in Washington will become as sacred as the cow, and the Police Department will then probably be called upon to convoy the dairy wagons about town, as they deliver milk to the doorsteps of the few who are able to buy it.

We have it in our power to get this whole milk situation in Washington down to a sensible basis, to put the cow in the barn where she belongs, and to eliminate all these "frills" and "do-dads" which constitute nothing more nor less than economic barriers, but which are hailed as modern and progressive health regulations for the protection of the poor people of the city of Washington. We have time to do it in this session of Congress, and I regard it as our solemn duty not to delay, but to enact legislation which will be a model for the rest of the United States, and a warning to all the States that the Federal Government, legislating for its Capital, does not intend to permit trade barriers to grow and throttle competition among the 48 States of the Union.

That means that the farmers within the radius of 50 miles of the District of Columbia are barred from the District of Columbia market. They find it impossible to get into the District of Columbia with their product, because they are not one of the favored few. I am speaking now about the farmers in Maryland, Virginia, Pennsylvania, and West Virginia. They are barred by this great monopoly.

Mr. HULL. I ask the gentleman whether or not he is going to have funds enough to go further into this matter and disclose the connection between the National Dairy Co., for instance, and some of these local institutions.

Mr. SCHULTE. I think we have sufficient funds. We are meeting with quite a few obstacles that block the investigation. Powerful influence is tending to bar this product from the markets of Washington and in that way put up the price to the consumer and drive it down to the farmer. I hold no brief for the farmer, it is true, but I want him to get everything that he is entitled to for the product that he wants to dispose of. It has been proven before our committee that the surplus milk sold to the consumer today costs the consumer 14 cents a quart while the farmer gets only 11½ cents a gallon.

Mr. HULL. I would like to ask further whether it would be possible for you to go into the matter of the salaries paid by some of these dairy companies not only to their presidents but to let the people of Washington know where some of the overhead expense falls in the distribution of its milk supply?

Mr. SCHULTE. I am quite certain we are going into the matter very thoroughly. I believe the gentleman is aware of the fact that in the city of Chicago, if I am not mistaken, some of the officers of the national dairies are indicted. Is not that correct?

Mr. HULL. Some 92. I think a subsidiary of the National Dairy Co. is among them; the health officers and various others connected with that alleged conspiracy.

Mr. SCHULTE. But it is about the same kind of conspiracy, I believe, that exists around the District of Columbia.

Mr. HULL. I think if you will investigate further, you will find that the Federal Trade Commission has reported that this conspiracy, this violation of the antitrust law, is in practically every large center of this country.

Mr. SCHULTE. I thank the gentleman for his contribution. [Applause.]

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield to the gentleman from Nebraska [Mr. STEFAN] such time as he may desire to use.

Mr. STEFAN. Mr. Chairman, I feel it is a great honor to be given the privilege to close the debate on what I consider the most important appropriation bill that has come into the House during this session. The Members have been very patient and have taken a great interest in this bill, which

Since this investigation has started, I have seen a large number of so-called "farmers" who produce milk for the Washington market. They all look to me like prosperous businessmen. They come to the committee meetings dressed in the height of fashion, well groomed, with no evidence of hay or straw about them, and with an utter and complete lack of calluses on their hands. I do not know at what time of the morning they start work, nor at what time they stop, but they do not look like the poor farmers in my State of Indiana who get up before dawn and work with their hands until way after dark. I have no quarrel with farmers of any place. They never get enough for their products, particularly for the milk they produce, and the real farmers in Maryland and Virginia who produce milk for the Washington market are no exception to the rule, but I am greatly puzzled over this whole situation. Farmers in my State produce good, pure, clean milk. They all work hard, and all the members of their family, male and female, are at it from early until late.

The people of Indiana and adjoining States, notably the great city of Chicago, drink this milk and thrive on it. These farmers receive $1.56 per hundredweight for the milk they produce, while the farmers who supply Washington—and those I have seen seem to have plenty of time on their hands, and have every indication and appearance of being gentlemen of the soil rather than toilers—receive $3.16 per hundredweight for all milk which I know cannot be any better than my farmers in Indiana produce 365 days in the year; and yet, Mr. Chairman, this Maryland and Virginia Milk Producers' Association, and this giant monopoly known as the National Dairy Products Corporation, tried to brand the cream which my farmers produce as unfit for human consumption; tried to keep it off this market, and deny to them their constitutional right of selling their products in any part of the United States without restriction and without tariffs being imposed. If this lately developing trade-barrier system continues to grow, we will find ourselves divided for purposes of commerce into 48 separate countries, blacklisting and taxing out of existence the products of neighboring States. Mr. Chairman, the people of Indiana grow tobacco, and it is good tobacco, but yet we do not say to the farmers of Maryland and Virginia to "keep your tobacco at home; it is not fit for us to use." We buy lots of tobacco from Maryland and Virginia, and we think it is a good product, and we welcome it into our State; but we just do not like the idea of having our milk and cream branded as unfit merely because certain people want to maintain their grip of extortion on the throats of the people of this city.

Our State of Indiana is a great agricultural State; our people are industrious and thrifty; they are not afraid to work, and they do work. Our products are famous wherever used, and our milk and cream are no exception to that rule. Why, then, should the District of Columbia, a Federal territory, composed of people originally from every State in the Union, be denied the right to drink milk and cream—pure, clean, healthy milk and cream—produced in the State of Indiana?

I do not know why, if the bringing in of cream from outside of the city of Washington is a crime, and such a heinous crime as the Commissioners of the District of Columbia and this Maryland and Virginia Milk Producers' Association seem to think it is, that the penalty for the commission of such a crime is not more than the limit of $10 for the first offense. I cannot understand why an offense which is not even a misdemeanor under the statute, but is merely a petty offense, should receive the personal attention of the Commissioners of the District of Columbia, the corporation counsel in person, and a large number of his staff and a large corps of police officers and milk inspectors. Boiled down to its final analysis, the situation simply is this, taken at its worst: A local dairy imports a truckload of 200 cans of 40-percent cream from the State of Indiana. The cream is the best that can be produced. The cream is pure, maintained at a proper temperature, and strictly in accordance with all the laws of the District of Columbia. If it is an offense to bring it into the District of Columbia, it is a technical offense and one which does not deserve all of this attention and all of the publicity given to the incident. I have never known the Police Department of Washington and the Commissioners to be so diligent in the enforcement of law. I have never known the corporation counsel to personally conduct a raid and order seven patrol wagons to take seven persons to seven different police precincts and hold them incommunicado for as long as 24 hours without giving them an opportunity to consult a lawyer or to put up bail. When Southern Dairies, an affiliate of the National Dairy Products Corporation, was discovered bringing unlicensed cream into the city of Washington, nothing was said or done about it until a member of the committee, Congressman SHAFER of Michigan, inquired about it before the investigating committee. Then there was action, and then warrants were issued, but, so far as I am now informed, these warrants have never been served.

Statements were not made concerning the impurity of this cream which came into this subsidiary plant of the National Dairy Products Corporation, and which came into the city of Washington upon order of the Maryland and Virginia Milk Producers' Association. I understand that this cream came either from Maryland or Pennsylvania, and despite the fact that it constituted just as much "bootlegging" as the cream which came from Indiana, it was used by the Southern Dairies and not seized by the police department as was the Indiana cream. I say to you gentlemen of this House that there is something very peculiar about this whole situation, and if you have constituents back home who produce good, pure, clean milk and cream, and because it is not produced in this narrow milkshed in nearby Maryland or Virginia, are shut off the market in Washington, then it might be a good idea, too, for you to try and find out what is going on here and what it is all about.

Mr. Chairman, something must be done to break up this tremendous monopoly on this market. This Maryland and Virginia Milk Producers' Association must be stopped, and somehow we must find out how it secured such a tight grip and hold on the Washington market. One of the National Dairy Products Corporation's subsidiaries in Washington—Chestnut Farms-Chevy Chase Dairy—actually earned a net profit of $400,000 from the sale of milk and cream to the consumers of Washington during the depression year of 1938. This I say could not have been accomplished without its having the tight grip which this organization has, not only on producers who supply this market with milk and cream but which seems to control most everyone else, including the District of Columbia government. I favor the modification of the milk law of the city of Washington so as to permit the importation of pure, clean milk and cream from any part of the United States under proper safeguards and health protection. I do not want the people of Washington to drink milk which is not good any more than I want the people of Indiana to have that kind of milk, but it is not necessary to build a Chinese wall around this city for the economic benefit of a comparatively few people and deprive 600,000 residents and taxpayers of this city, which is under the control of the Federal Government, of the right to have clean, pure milk at a decent and fair price.

This is not a matter which concerns only the farmers of Indiana and the middle West, but very seriously affects the real dirt farmers of both Maryland, Virginia, and West Virginia, and all of the other States of the Union who can and do produce good, clean, wholesome milk, but being unable to spend large sums of money in buying the expensive equipment required by the health regulations of the city of Washington, cannot enjoy this fluid-milk market. If the gentlemen of this House will inquire they will find that all those who have farming areas within their districts have constituents who would like very much to ship milk to Washington, but just cannot get their hands on the necessary money

to buy all the "frills" required by the health regulations. If all these unnecessary "frills" and "do-dads" are eliminated, and this Congress passes legislation which requires the doing of only those things which are necessary in the protection of public health, it will not be necessary in order to get a quart of milk, to bring the cow into the parlor, tip your hat to her, furnish her with a room and bath, and then in very polite tones suggest that you would like to have a quart of milk. The cow in this area is fast becoming as sacred as the cows of India, and it is all resulting in the people of Washington paying the highest price for milk, being able to drink but very little of it, and as a result, continuing here a very bad health situation.

The people of Washington are constantly being told by the agents of the two monopolies which control this market, Chestnut Farms Dairy and the Maryland and Virginia Milk Producers' Association, that they are most fortunate in being able to get such a fine grade of milk, and that nothing must be done to disturb the situation. In this connection it is very interesting to note that the people of Chicago today are buying milk for 12 cents a quart delivered at the doorstep, and 10 cents a quart if you go to the store for it; that in Gary, Ind., you can buy all the good, clean milk you want for 10 cents a quart delivered at your door, and the same applies to Indianapolis, Evansville, and Elkhart; that in New York City milk sells at the doorstep for 11½ cents and can be purchased in stores at 9½ and 10½ cents; in Pittsburgh, Pa., milk is 11 cents a quart; in Michigan, particularly in Detroit, milk can be bought at the doorstep for 8 and 9 cents a quart, and in stores from 6 to 8 cents a quart; in St. Louis, Mo., you can buy good, clean milk for 11 cents a quart delivered to your doorstep. In Milwaukee, Wis., it is 10 cents a quart, and in Wheeling, W. Va., it is 11 cents. Are you gentlemen of this House coming from these States willing to admit that you and your children are drinking milk which is unfit for human consumption, or do you not contend as I do, that all of us are buying good, clean, pure milk, and the best the market affords? Why then should we build this halo around the cow in the city of Washington and sit supinely by and allow these two giant monopolies to get away with charging the voteless people of Washington 14 cents a quart for the same milk which is purchased in Detroit, Mich., for as low as 6 cents a quart? A comparison of vital statistics and health records of the large cities of the United States with the District of Columbia is not flattering to the Capital of the Nation, and I have no doubt but that the high price of milk here, and the inability of the poor people to buy it, is a contributing factor to our poor health situation.

I am not going to allow these monopolistic organizations, vigorously aided and abetted by the Commissioners of the District of Columbia, and the Corporation Counsel, Mr. Seal, to pull the wool over my eyes, and to throw mud and dirt at certain independent distributors in the city for the purpose of setting up a smoke screen to hide their real purpose, namely, to keep the consuming public of Washington in their tight grip and to protect a comparatively small number of farmers, to the detriment of 600,000 residents of this Capital City, and these hard-working dirt farmers in every other part of the United States who can and would supply Washington with a decent product at a fair price.

I am amazed, as I sit as a member of the investigating committee, to hear testimony about the Maryland and Virginia Milk Producers' Association bragging over their success in having the Commissioners of the District of Columbia pass regulations to keep competing products off this market. It is beyond my comprehension to know why an organization of farmers storm the doors of the health officer of the District of Columbia, demanding that he make health regulations for them to obey more stringent and rigid all the time. It just is not human nature for any individual to ask that he be required to spend more money and more time in the production of a product which he has for sale. The real reason for it all is that if the health officer will keep on making these regulations, keep on making them more strict and rigid, very shortly the bottle of milk in Washington will become as sacred as the cow, and the Police Department will then probably be called upon to convoy the dairy wagons about town, as they deliver milk to the doorsteps of the few who are able to buy it.

We have it in our power to get this whole milk situation in Washington down to a sensible basis, to put the cow in the barn where she belongs, and to eliminate all these "frills" and "do-dads" which constitute nothing more nor less than economic barriers, but which are hailed as modern and progressive health regulations for the protection of the poor people of the city of Washington. We have time to do it in this session of Congress, and I regard it as our solemn duty not to delay, but to enact legislation which will be a model for the rest of the United States, and a warning to all the States that the Federal Government, legislating for its Capital, does not intend to permit trade barriers to grow and throttle competition among the 48 States of the Union.

That means that the farmers within the radius of 50 miles of the District of Columbia are barred from the District of Columbia market. They find it impossible to get into the District of Columbia with their product, because they are not one of the favored few. I am speaking now about the farmers in Maryland, Virginia, Pennsylvania, and West Virginia. They are barred by this great monopoly.

Mr. HULL. I ask the gentleman whether or not he is going to have funds enough to go further into this matter and disclose the connection between the National Dairy Co., for instance, and some of these local institutions.

Mr. SCHULTE. I think we have sufficient funds. We are meeting with quite a few obstacles that block the investigation. Powerful influence is tending to bar this product from the markets of Washington and in that way put up the price to the consumer and drive it down to the farmer. I hold no brief for the farmer, it is true, but I want him to get everything that he is entitled to for the product that he wants to dispose of. It has been proven before our committee that the surplus milk sold to the consumer today costs the consumer 14 cents a quart while the farmer gets only 11½ cents a gallon.

Mr. HULL. I would like to ask further whether it would be possible for you to go into the matter of the salaries paid by some of these dairy companies not only to their presidents but to let the people of Washington know where some of the overhead expense falls in the distribution of its milk supply?

Mr. SCHULTE. I am quite certain we are going into the matter very thoroughly. I believe the gentleman is aware of the fact that in the city of Chicago, if I am not mistaken, some of the officers of the national dairies are indicted. Is not that correct?

Mr. HULL. Some 92. I think a subsidiary of the National Dairy Co. is among them; the health officers and various others connected with that alleged conspiracy.

Mr. SCHULTE. But it is about the same kind of conspiracy, I believe, that exists around the District of Columbia.

Mr. HULL. I think if you will investigate further, you will find that the Federal Trade Commission has reported that this conspiracy, this violation of the antitrust law, is in practically every large center of this country.

Mr. SCHULTE. I thank the gentleman for his contribution. [Applause.]

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield to the gentleman from Nebraska [Mr. STEFAN] such time as he may desire to use.

Mr. STEFAN. Mr. Chairman, I feel it is a great honor to be given the privilege to close the debate on what I consider the most important appropriation bill that has come into the House during this session. The Members have been very patient and have taken a great interest in this bill, which

calls for $121,000,000. I suggest to the membership of the House that they read the nearly 1,400 pages of hearings on this bill, which has to do with our relations with all foreign countries in the world; hearings which have to do with the Commerce Department, which should be helping domestic trade and some trade with our foreign customers. The hearings have also to do with our entire gigantic Department of Justice.

In closing this debate I cannot refrain, Mr. Chairman, from adding commendation of my distinguished chairman, the Honorable THOMAS MCMILLAN of South Carolina; our committee clerk, Mr. Jack McFall; my colleagues, Mr. MCANDREWS, of Illinois; Mr. RABAUT, of Michigan; Mr. KERR, of North Carolina; and Mr. CALDWELL, of Florida; and Mr. CARTER, the ranking minority Member, from California. These gentlemen worked for over 6 weeks—many times at night—in order to bring you this finished piece of important legislation and upon which we will vote tomorrow. [Applause.]

Mr. Chairman, when we trimmed $3,000,000 from the Budget estimate, we did that in the face of demands from every department for increased personnnel, promotions, increased activities, and in the face of detailed justifications for these increases. Our report to you, which is printed and in your hands, will indicate where this committee feels further savings should be made. In spite of the cuts we made, the bill comes to you with over $26,000,000 increase over the appropriations a year ago. But most of that increase will be found in the twenty-odd millions for the taking of the new census and over which amount we have little or no control. The same thing is true in other increases which are forced through new legislation, and in the case of the Justice Department appropriations, it will be found in the appointment of many new judges. The hearings will disclose to you how taxpayers' money is forced out of the Treasury every time some of this new legislation is passed and every time Congress authorizes the appointment of a new judge. Therefore, many items which the committee would have cut are frozen and the cutting is impossible. The membership of this committee feels that every appropriation bill should be cut to meet the present critical condition of our Treasury.

Your committee began work on this bill fully realizing the condition of the Federal Treasury. It took into account the fact that this Government owes more than forty billions of dollars, and the report presented to you here will indicate the efforts of your committee to make known to department officials the sincere demand on the part of the committee for economy.

Mr. Chairman, in spite of the harmony which prevails in our committee, I feel there are a few items in this bill which could have been cut and which I feel I must oppose. One of them is the item for $140,000, which is to be used by our foreign missions for entertainment purposes. This item was raised from $125,000. So I reserve the right and serve notice on the House now that I opposed it in both subcommittee and full committee and shall offer an amendment in the House tomorrow to reduce it to its former figure. I would like to eliminate it entirely. To spend money on lavish entertainments in these days of want is unnecessary in my own opinion.

In reply to numerous inquiries from Members regarding the proposal to send farm bulletins and other publications to South and Central America, I wish to state that your committee disallowed this item. I understand that an attempt may be made to put this back into the bill. I hope that you will go along with this committee and keep it out. I feel that we should preserve the American market for the American farmer and stop subsidizing the foreign farmer. To send farm bulletins to Latin-American farmers is not only a waste of American taxpayers' money, but it is a crime against my own Nebraska farmers who are having a hard time to survive. I will not stand for putting foreign farmers into competition with them. Every member of my subcommittee feels as I do on this subject, and every Member representing a farm district should be on guard against anything that would defeat our efforts to preserve the American market for the American farmer.

There are a number of other items which I may discuss when we reach them after we start reading the bill tomorrow.

The Clerk read down to and including line 7 on page 1.

Mr. THOMAS S. MCMILLAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOLEY, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 6392, had come to no resolution thereon.

EXTENSION OF REMARKS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to extend in the RECORD a letter received by the chairman of the Committee on Labor from the American Farm Bureau Federation, the National Grange, National Cooperative Milk Producers Federation, National Cooperative Council, Agricultural Producers Labor Committee, and my reply to them.

The SPEAKER. Is there objection?

There was no objection.

Mr. KITCHENS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a report by the planning commission and other commissions of the State of Arkansas.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

By unanimous consent Mr. HARRINGTON was granted permission to extend his own remarks in the RECORD.

Mr. ALEXANDER. Mr. Speaker, in connection with the remarks I made this afternoon, I ask unanimous consent to insert two news items and an article written by an inmate of the Shakopee Reformatory at Shakopee, Minn.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MAPES. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. TREADWAY] may be permitted to address the House on Monday next, after the disposition of legislative business for 30 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. Under the special order of the House heretofore made the gentleman from Michigan [Mr. HOFFMAN] is entitled to be recognized at this time for 30 minutes. The Chair does not see the gentleman from Michigan.

EXTENSION OF REMARKS

Mr. FRIES. Mr. Speaker I ask unanimous consent to revise and extend by own remarks in the RECORD and to include therein an article which appeared in the Bricklayers, Masons, and Plasterers' Magazine, in the April issue.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to include in the remarks I made this afternoon certain data from the hearings.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. THOMAS S. MCMILLAN. Mr. Speaker, I ask unanimous consent that all Members who spoke on the appropriation bill today may be permitted to revise and extend their own remarks.

The SPEAKER. Without objection it is so ordered.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. POLK, for 5 days, on account of important business.

To Mr. HARE, for today, on account of illness.

To Mr. MCARDLE, for the balance of the week, on account of illness.

To Mr. RAMSPECK, for tomorrow, on account of important business.

ADJOURNMENT

Mr. THOMAS S. McMILLAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p. m.) the House adjourned until tomorrow, Friday, May 19, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MILITARY AFFAIRS

There will be a meeting of Subcommittee No. 11 of the Committee on Military Affairs of the House in room 1310, New House Office Building, at 10 a. m. on Friday, May 19, 1939, for the consideration of S. 1796, to amend the Tennessee Valley Authority Act of 1933.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of Subcommittee No. 10 of the Committee on the Post Office and Post Roads, Tuesday, May 23, 1939, at 10 a. m., for the consideration of H. R. 3136, for the relief of postal employees, and H. R. 4050, to provide for the transportation and distribution of mails on motor vehicle routes.

The Committee on the Post Office and Post Roads will continue to hold public hearings on Wednesday, May 24, 1939, at 10 a. m., for the consideration of H. R. 3835, a bill to authorize the Post Office Department to cooperate with the several States in the collection of State taxes.

COMMITTEE ON PATENTS

A subcommittee of the Committee on Patents will hold hearings in the committee room, 1015 House Office Building, on Tuesday, May 23, 1939, at 10:30 a. m., on H. R. 3605, a bill to provide a permanent force to classify patents, etc., in the Patent Office. Hon. JOHN M. COFFEE (Washington) is chairman of the subcommittee.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 3 of the Committee on the Judiciary on May 24, 1939, at 10 a. m., on the bill (H. R. 2318) to divorce the businesses of production, refining, and transporting of petroleum products from that of marketing petroleum products. Room 346, House Office Building.

On May 31, 1939, beginning at 10 a. m., there will be a public hearing before the Committee on the Judiciary on the bill H. R. 6369, to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplemental thereto; to create a Railroad Reorganization Court, and for other purposes.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Friday, May 19, 1939, on H. R. 4051, hiring of seamen on Government vessels.

On Thursday, May 25, 1939, on H. R. 4592 and H. R. 4593, relating to the whale fishery.

On Wednesday, May 31, 1939, at 10 a. m., on H. R. 4985, relating to Fishery Educational Service in Bureau of Fisheries (CALDWELL); H. R. 5025, purchase and distribution of fish products (BLAND); and H. R. 5681, purchase and distribution of fish products (CALDWELL).

On Tuesday, June 6, 1939, on H. R. 6039, motorboat bill of 1939 (BLAND); and H. R. 6273, outboard racing motorboats (BOYKIN).

On Thursday, June 8, 1939, on H. R. 5837, aliens owners and officers of vessels (KRAMER); and H. R. 6042, requiring numbers on undocumented vessels (KRAMER).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

769. A letter from the Secretary of War, transmitting the draft of a proposed bill to place accountability for disbursement of public moneys or disposal of public property upon superior officers directing such disbursement or disposal; to the Committee on Expenditures in the Executive Departments.

770. A letter from the Secretary of War, transmitting the draft of a proposed bill to facilitate certain construction work for the Army, and for other purposes; to the Committee on Military Affairs.

771. A letter from the Acting Director of the Civilian Conservation Corps, transmitting the draft copy of two amendments to sections 10 and 14 of the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes"; to the Committee on Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DELANEY: Committee on Rules. House Resolution 184. Resolution providing for the consideration of H. R. 6044, a bill to regulate the number of warrant and commissioned warrant officers in the Marine Corps; without amendment (Rept. No. 654). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 185. Resolution providing for the consideration of H. R. 6065, a bill to authorize major overhauls for certain naval vessels, and for other purposes; without amendment (Rept. No. 655). Referred to the House Calendar.

Mr. CLARK: Committee on Rules. House Resolution 180. Resolution providing for the consideration of S. 1369, an act to authorize necessary facilities for the Coast Guard in the interest of national defense and the performance of its maritime police functions; without amendment (Rept. No. 656). Referred to the House Calendar.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 162. Resolution to provide for an investigation of the fisheries of Alaska; with amendment (Rept. No. 657). Referred to the House Calendar.

Mr. THOMAS S. McMILLAN: Committee on Appropriations. H. R. 6392. A bill making appropriations for the Departments of State and Justice, and for the judiciary, and for the Department of Commerce, for the fiscal year ending June 30, 1940, and for other purposes; without amendment (Rept. No. 658). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 3576. A bill to make effective the provisions of the Officers' Competency Certificates Convention, 1936; with amendment (Rept. 659). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 4983. A bill to amend sections 712 and 902 of the Merchant Marine Act, 1936, as amended, relative to the requisitioning of vessels; with amendment (Rept. No. 660). Referred to the Committee of the Whole House on the state of the Union.

Mr. ALLEN of Louisiana: Committee on Immigration and Naturalization. H. R. 5402. A bill to admit to the United

States, and to extend naturalization privileges to, alien veterans of the World War; without amendment (Rept. No. 661). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 4434. A bill to provide for the abatement of personal taxes from insolvent building associations in the District of Columbia; without amendment (Rept. No. 662). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 5137. A bill to prohibit the purchase of beer on credit by retailers in the District of Columbia; without amendment (Rept. No. 663). Referred to the House Calendar.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 5680. A bill to amend section 1 of the act entitled "An act to authorize the Philadelphia, Baltimore & Washington Railroad Co. to extend its present track connection with the United States navy yard so as to provide adequate railroad facilities in connection with the development of Buzzards Point as an industrial area in the District of Columbia, and for other purposes," approved June 18, 1932 (Public, No. 187, 72d Cong.); without amendment (Rept. No. 664). Referred to the Committee of the Whole House on the state of the Union.

Mr. HESS: Committee on Naval Affairs. H. R. 5142. A bill to authorize the acquisition of two motor vessels for the Navy; without amendment (Rept. No. 665). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 6393. A bill to provide for the education of all types of physically handicapped children, to make an appropriation of money therefor, and to regulate its expenditure; to the Committee on Education.

H. R. 6394. A bill to extend the benefits of the Social Security Act to include individuals who are physically disabled; to the Committee on Ways and Means.

By Mr. CANNON of Florida:

H. R. 6395. A bill to extend the provisions of the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes," approved June 30, 1936, to certain contracts carried out with the aid of Federal funds; to the Committee on the Judiciary.

By Mr. CLAYPOOL:

H. R. 6396. A bill authorizing the Secretary of the Interior to acquire as a site of national historical significance the premises known as the birthplace of Gen. William T. Sherman, and for other purposes; to the Committee on the Public Lands.

By Mr. DIMOND:

H. R. 6397. A bill to amend section 6 of the act approved June 6, 1900 (31 Stat. 323), entitled "An act making further provision for a civil government for Alaska, and for other purposes"; to the Committee on the Territories.

By Mr. GWYNNE:

H. R. 6398. A bill to amend section 1101 of the act approved August 14, 1935 (49 Stat. 620), entitled "Social Security Act"; to the Committee on Ways and Means.

By Mr. HOUSTON:

H. R. 6399. A bill authorizing an appropriation for the construction and equipment at Wichita, Kans., of research facilities for aeronautical research; to the Committee on Military Affairs.

By Mr. SOMERS of New York:

H. R. 6400. A bill to amend the civil-service law to permit certain employees of the legislative and judicial branches of the Government to be transferred to positions under the competitive classified civil service; to the Committee on the Civil Service.

By Mr. OSMERS:

H. R. 6401. A bill to divest prize-fight films of their character as subjects of interstate or foreign commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 6402. A bill to establish a national transportation policy and to create a national transportation authority; to the Committee on Interstate and Foreign Commerce.

By Mr. SOUTH:

H. R. 6403. A bill to authorize the establishment of a fish-cultural station in the State of Texas; to the Committee on Merchant Marine and Fisheries.

By Mr. THOMAS F. FORD:

H. R. 6404. A bill creating a Mines Finance Commission, defining its duties, establishing its salaries, defining and establishing its authority, defining the qualifications of its commissioners, providing for its operation and providing funds to carry on its purposes, and to encourage production of commercial and strategic minerals; to the Committee on Banking and Currency.

By Mr. RANDOLPH:

H. R. 6405. A bill authorizing the sale of certain real estate in the District of Columbia, no longer required for public purposes; to the Committee on the District of Columbia.

By Mrs. NORTON:

H. R. 6406. A bill to amend the Fair Labor Standards Act of 1938; to the Committee on Labor.

By Mr. COCHRAN:

H. R. 6407. A bill to reimburse certain officers and employees of the Inland Waterways Corporation for amounts by which the salaries or wages of such officers and employees were reduced during the period from July 1, 1932, to March 31, 1935, pursuant to the economy legislation; to the Committee on Expenditures in the Executive Departments.

By Mr. MOTT:

H. R. 6408. A bill to extend the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg.; to the Committee on Rivers and Harbors.

By Mr. HOFFMAN:

H. Res. 196. Resolution seeking to determine the form of government under which we are living; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to consider their Joint Resolutions Nos. 2 and 6, with reference to the Agricultural Experiment Station of the Territory of Hawaii, and revenue bonds; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States to consider their Legislative Resolution No. 33, with reference to present freight rates; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to consider their resolution with reference to the Jewish National Home in Palestine; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. McLEOD:

H. R. 6409. A bill to record the lawful admission to the United States for permanent residence of Motiejus Buzas and

Bernice Buzas, his wife; to the Committee on Immigration and Naturalization.

By Mr. CARTER:

H. R. 6410. A bill for the relief of Charles W. Brownell; to the Committee on Military Affairs.

H. R. 6411. A bill for the relief of Ernest G. Railsback; to the Committee on Military Affairs.

By Mr. COFFEE of Washington:

H. R. 6412. A bill to correct the military record of Donald Grimes; to the Committee on Military Affairs.

By Mr. GOSSETT:

H. R. 6413. A bill granting a pension to D. H. Waide; to the Committee on Invalid Pensions.

By Mr. GRANT of Indiana:

H. R. 6414. A bill for the relief of the White Van Line, Inc., South Bend, Ind.; to the Committee on Claims.

By Mr. GRISWOLD:

H. R. 6415. A bill granting a pension to William E. Coughlin, Jr.; to the Committee on Invalid Pensions.

By Mr. McLEOD:

H. R. 6416. A bill for the relief of Joaquim Santos Valente; to the Committee on Immigration and Naturalization.

By Mr. MAPES:

H. R. 6417. A bill granting an increase of pension to Martha A. Jackman; to the Committee on Invalid Pensions.

By Mr. PIERCE of New York:

H. R. 6418. A bill for the relief of Ellsworth Grant Waters; to the Committee on Claims.

By Mr. ROBSION of Kentucky:

H. R. 6419. A bill granting a pension to Henry Combs; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3144. By Mr. ASHBROOK: Petition of 18 veterans, protesting against the United States becoming involved in another war; to the Committee on Foreign Affairs.

3145. By Mr. BARRY: Petition of Joseph D. Tunison Council, No. 180, Junior Order United American Mechanics, of Richmond Hill, N. Y., memorializing the Congress of the United States to do all in their power to keep the United States out of any foreign war; to the Committee on Foreign Affairs.

3146. By Mr. CARTER: Petition of the Sugar Refinery Employees' Union, Local No. 20037, Crockett, Calif., protesting against the enactment of the Ellender bill (S. 69), and condemning the sugar quotas fixed in this bill; to the Committee on Agriculture.

3147. Also, petition of the Alameda Tax Economy Committee of Alameda, Calif., urging the enactment of legislation to curtail the enormous and excessive expenditures of the Works Progress Administration; to the Committee on Appropriations.

3148. By Mr. DWORSHAK: Petition of W. W. Goodman, of Pocatello; Mrs. F. N. Luse, of Boise; Frank Smith and R. W. Burroughs, of Jerome; Mary A. Clarke, of Glenns Ferry; and Adolf Claassen, of American Falls, all of the State of Idaho, containing 184 names, favoring enactment of the General Welfare Act (H. R. 5620, amended H. R. 11); to the Committee on Ways and Means.

3149. By Mr. ENGLEBRIGHT: Senate Joint Resolution No. 25, relative to the development of the harbor at Crescent City, Calif.; to the Committee on Rivers and Harbors.

3150. By Mr. FULMER: Concurrent resolution, submitted by the clerk of the senate, house of representatives, Columbia, S. C., memorializing the Congress of the United States to provide Federal aid for the Catawba Indians in York County; to the Committee on Indian Affairs.

3151. By Mr. HARNESS: Petition of 60 residents and voters of the Fifth Congressional District of Indiana, urging the Seventy-sixth Congress to pass the improved General Welfare Act (H. R. 5620, amended H. R. 11) for the relief of our needy citizens over 60 years of age, and to provide prosperity for America and security for all at 60, to the Committee on Ways and Means.

3152. By Mr. HARTER of New York: Petition of a group of citizens employed in the telegraph industry in the city of Buffalo in opposition to Senate bill 1520 and in favor of Senate Resolution 95; to the Committee on Interstate and Foreign Commerce.

3153. By Mr. JOHNSON of Illinois: Petition of Lulu H. Curry and 59 others, asking enactment of General Welfare Act (H. R. 5620, amended H. R. 11); to the Committee on Ways and Means.

3154. Also, petition of Fred Johnson and 180 others, asking for enactment of General Welfare Act (H. R. 5620, amended H. R. 11); to the committee on Ways and Means.

3155. Also, petition of John Switzer and 29 others, asking for enactment of General Welfare Act (H. R. 5620, amended H. R. 11); to the Committee on Ways and Means.

3156. Also, petition of Fred F. Hewitt and 29 others, asking for enactment of General Welfare Act (H. R. 5620, amended H. R. 11); to the Committee on Ways and Means.

3157. Also, petition of O. E. Allmendinger and 29 others, asking for enactment of the General Welfare Act (H. R. 5620, amended H. R. 11); to the Committee on Ways and Means.

3158. Also, petition of Nina Fickenscher and 29 others, asking enactment of General Welfare Act (H. R. 5620, amended H. R. 11); to the Committee on Ways and Means.

3159. Also, petition of Mrs. Fred Henderson and 29 others, asking enactment of General Welfare Act (H. R. 5620, amended H. R. 11); to the Committee on Ways and Means.

3160. By Mr. MARTIN J. KENNEDY: Petition of Federated Garden Clubs of New York State, Inc., New York City, concerning section 2 of the reorganization plan which would transfer from the Biological Survey many conservation measures, such as the Pittman-Robertson Act and the migratory-bird provisions, to the Department of the Interior; to the Select Committee on Government Organization.

3161. By Mr. LEAVY: Petition of Oroville Business Club of Oroville, Wash., pointing out the need for restoration of purchasing power among the people to revive trade and bring about reemployment, and deploring the inadequacy of the Social Security Act to accomplish these objectives, because it omits and discriminates against certain classes of citizens, and urging the enactment of House bill 2, the Townsend national recovery plan to fulfill these purposes; to the Committee on Ways and Means.

3162. By Mr. McANDREWS: Petition of sundry residents of the Ninth Congressional District of Illinois, urging enactment of the General Welfare Act (H. R. 5620, amended H. R. 11); to the Committee on Ways and Means.

3163. By Mr. McCORMACK: Memorial of the General Court of Massachusetts, memorializing the Congress relative to the Jewish National Home in Palestine; to the Committee on Foreign Affairs.

3164. By Mr. MACIEJEWSKI: Petition of sundry residents of the Sixth Congressional District of Illinois, urging enactment of the General Welfare Act (H. R. 5620, amended H. R. 11); to the Committee on Ways and Means.

3165. By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, urging the Government of the United States to use its influence for the purpose of safeguarding the integrity of the Balfour declaration; to the Committee on Foreign Affairs.

3166. By Mr. MERRITT: Resolution of Queens County Bankers Association, New York, reaffirming its conviction that

to maintain the essential checks and balances and for the public welfare the office of the Comptroller of the Currency should be retained as the agency responsible for the supervision of national banks alone; to the Committee on Ways and Means.

3167. By Mr. PFEIFER: Petition of the Federated Garden Clubs of New York State, Inc., New York City, protesting against the passage of section 2 of the reorganization plan, transferring from the Biological Survey, the Pittman-Robertson Act, and the migratory bird provisions to the Department of the Interior; to the Select Committee on Government Organization.

3168. By Mr. REED of Illinois: Petition of Sophia Schweer, Crete, Ill., and 180 others, asking for enactment of the General Welfare Act (H. R. 5620, amended H. R. 11); to the Committee on Ways and Means.

3169. By Mr. SCHIFFLER: Petition of Dorothy L. Schlotter and other citizens of Fairmont, W. Va., urging that efforts be made to keep America from becoming involved in any foreign entanglements; to the Committee on Foreign Affairs.

3170. By Mr. THOMASON: Petition of the El Paso-Hudspeth County Farm Bureau, endorsing action of cotton growers of the South, Southwest, and West seeking relief to the taxpayer under the certificate procedure; to the Committee on Agriculture.

3171. By Mr. THILL: Telegram of the Milwaukee Livestock Exchange, by its president, Harry W. Cook, urging support of House bill 961; to the Committee on Agriculture.



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